RSPO P&C GROUP CERTIFICATION AUDIT REPORT

(HARUS ABADI SDN. BHD.)

Audit Application Number:	PC25-002681
Audit Type:	Recertification
Date of Audit:	02 DECEMBER 2024 – 06 DECEMBER 2024
Audit Report Number:	1
Revision Number:	0
Audit Report Date	24 March 2025

Table of Contents

1. Certification Body Background 4
   1.1 Description of Certification Body 4
2. Organisation Details and Certification Scope 5
   2.1. Organisational Overview 5
   2.2. RSPO Membership Information 5
   2.3. Certificate Information 6
3. Description of the Management Unit 7
   3.1. Area Statement of the Management Unit 8
   3.2. Age Profile of the Management Unit 9
   3.3. Replanting programme of the Management Unit (5 Years) 10
   3.4. Projected Certified Volume for Next License 11
   3.5. Information of Previous & Current License 12
4. Audit Programme 13
   4.1. Audit Methodology 13
   4.2. Audit Team Member 13
   4.3. Audit Plan 14
   4.4. Changes of the Initial Audit Plan (if applicable) 16
   4.5. Sampling Details 17
   4.6. Sampling History of Current Certification Cycle 18
   4.7. Audit Team Leader and Audit Team Information 19
5. Audit Findings & Results 23
6. Summary of Audit Findings 114
7. Nonconformity(ies) Issue in this Audit 115
8. Opportunity for Improvement (OFI) Issue in This Audit 121
9. Nonconformities Raised in the Previous Audit 122
10. Stakeholder Consultation Process 124

    Summary of stakeholder's comments and the CB's responses and findings are presented in the table below: 124

    Summary of workers interviewed, and the CB's responses and findings are presented in the table below: 129

Consultation with Previous Land User 130

11. Audit Conclusion & Recommendations 131

12. Acknowledgment of Internal Responsibility and Formal Sign-off Assessment Findings 132

Appendix 1: Location Map Unit of Certification and Group Member 134

Appendix 2: Greenhouse Gas (GHG) Reporting Summary 136

1. Certification Body Background

1.1 Description of Certification Body

Certification Body Information	
Name of Certification Body	SIRIM QAS International Sdn. Bhd.
Address of Certification Body (Accredited Office)	SIRIM Complex, 1, Persiaran Dato' Menteri, Section 2 40700 Shah Alam, Selangor Darul Ehsan, Malaysia.
Background of the Certification Body	SIRIM QAS International Sdn. Bhd. is the leading certification, inspection and testing body in Malaysia. SIRIM QAS International provides a comprehensive range of certification, inspection and testing services which are carried out in accordance with internationally and nationally recognised standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS) and the International Automotive Task Force (IATF). SIRIM QAS International is a partner of IQNet, a network currently comprising of leading certification bodies in Europe, North and South America, East Asia and Australia. SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & ISO 45001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International was approved by the RSPO as a RSPO certification body on 21 March 2008 and re-accredited by ASI on 27 September 2024 (accredited 2014).
Phone Number (Accredited Office)	603-5544 6448
Websites	https://www.sirim-qas.com.my/
Contact Person Name	Kamini Sooriamoorthy
Email	kamini@sirim.my
Accreditation Information	
ASI Code	ASI-ACC-065
Technical Scope	RSPO P&C; RSPO SCC
Geographical Scope	Worldwide for SCCS (excluding China), Malaysia and Indonesia for P&C
Accredited Since	27 September 2014

2. Organisation Details and Certification Scope

2.1.Organisational Overview

Management Unit Information ***Note: Management Unit refers to unit of certification***	
Name of Management Unit/s	Harus Abadi Sdn. Bhd.
Address of the Management Unit/s	MDLD 0763, Block C, Ming Huat Light Industry, Mile 1, Dam Road, 91100 Lahad Datu, Sabah.
Country	Malaysia
Websites	Not applicable
Description of the Management Unit	Harus Abadi Sdn. Bhd. (HASB) is a private company established in 1994, located in the district of Kinabatangan, Sabah. The plantation began planting oil palm trees in 2002 and is situated approximately 87 km from Lahad Datu town and 66 km from Kampung Paris. It is accessible via government roads, estate roads, and a ferry. The estate is fully developed, with 100% of its area dedicated to oil palm cultivation. Spark Glory Sdn. Bhd. is another private company, established on 4 August 1994, as documented in its certificate of incorporation. Located in the Kinabatangan district, it is also 87 km from Lahad Datu town and 66 km from Kampung Paris, with access via government roads, estate roads, and a ferry. The estate borders Hap Seng Plantations Berhad (Kapis Estate) and the Tabin Wildlife Forest Reserve. Fully developed with 100% oil palm plantings since 2002. All harvested crops are sent to Bukit Mas POM and if diverted Jeroco 2 POM, both owned by Hap Seng Plantations. The group does not own a palm oil mill or manage additional operational units.
Management Representative Name	Tey You Lai
Management Representative Designation	Group Manager
Management Representative Email	harusabadi129081@yahoo.com.my

2.2.RSPO Membership Information

RSPO Membership Information	
RSPO Membership No.	1-0280-19-000-00
Name of RSPO Member	Harus Abadi Sdn. Bhd.

Member Since	16 March 2020

2.3.Certificate Information

Certificate Information	
Certificate No.	RSPO-PC 00132
prisma Document Reference Number	*(N/A until June 2025)*
RSPO PalmTrace ID No.	RSPO_PO1000009983
prisma Trading ID	~~prisma auto-generated~~ (TA25-016959)
Scope of Certification	Production of Sustainable Fresh Fruit Bunches
Supply Chain Model	☒ Identity Preserved (IP) ☐ Mass Balance (MB)
Applicable Standards / Normative Reference	☐ Principles and Criteria for the Production of Sustainable Palm Oil 2018 ☐ RSPO Certification Systems for Principles & Criteria and RSPO Independent Smallholder Standard 2020 ☒ RSPO Management System Requirements for Group Certification of FFB Production 2022 ☐ RSPO Rules on Market Communication and Claims 2022
National Interpretation (NI)	Not Applicable
Initial Date of Certification:	16 March 2020 (Date of first RSPO certification)
Effective Date of Certificate:	16 March 2020
Expiry Date of Certificate:	15 March 2025
Name of Peer Reviewer	Harso Yuli Antena

3. Description of the Management Unit

Information of Group Manager			
Name of Group Manager	**Address of Group Manager**	**GPS Coordinates**	
		Latitude	**Longitude**
Harus Abadi Sdn. Bhd.	MDLD 9075, Bungalow Lot 1, I-Peak Business Centre, 91100 Lahad Datu, Sabah.	5º 26’ 24’’ N	118º 32’ 24” E
Remarks: N/a			

Information of Group Members					
No	**Name of Group Members**	**Address of Supply Bases**	**Type of Supply Bases**	**GPS Coordinates**	
				Latitude	**Longitude**
1	Spark Glory Sdn. Bhd.	CL 095333467/476/458, 421/430/412/449, Sg Segama, 91117 Kinabatangan District, Lahad Datu, Sabah.	Independent Smallholder	5º 18’ 52’’ N	118º 34’ 34” E

3.1. Area Statement of the Management Unit

Area Statement of Management Unit									
Name of the Group Members	**Certified Area (Ha)**	**Planted Area (Ha)**			**Unplanted Area (Ha)**				
		Oil palm planted on non peatland	**Oil Palm Planted on Peat**	**Other Crop(s)**	**HCV**	**HCS**	**HCV-HCS**	**Conservation**	**Facilities / Others***
Harus Abadi Sdn. Bhd.	324.70	323.50	0.00	0.00	0.0015	0.00	0.00	0.00	1.20
First Raintree Sdn. Bhd. (Harus Abadi Division)	242.19	241.17	0.00	0.00	0.00	0.00	0.00	0.00	1.02
Spark Glory Sdn. Bhd.	126.83	121.46	0.00	0.00	1.19	0.00	0.00	0.00	4.18
TOTAL	**693.72**	**686.13**	**0.00**	**0.00**	**1.1915**	**0.00**	**0.00**	**0.00**	**6.40**
Remarks: N/a									

3.2. Age Profile of the Management Unit

Name of the Group Members	Land size (Ha) by age of the Oil Palm				Production Area (Ha)	Total Planted Area (Ha)
	0 - 3 Phase 1	4-6 Phase 2	7-18 Phase 3	≥19 Phase 4		
Harus Abadi Sdn. Bhd.	0.00	0.00	0.00	323.50	323.50	323.50
First Raintree Sdn. Bhd. (Harus Abadi Division)	0.00	0.00	0.00	241.17	241.17	241.17
Spark Glory Sdn. Bhd.	0.00	0.00	0.00	121.46	121.46	121.46
TOTAL (ha)	**0.00**	**0.00**	**0.00**	**686.13**	**686.13**	**686.13**
Remarks: N/a						

Notes: This age profile range is used based on the common phase of oil palm age as referred in https://www.researchgate.net/publication/327527812.

3.3. Replanting program of the Management Unit (5 Years)

Name of the Group Members	Land area (ha) by year					Total Area (Ha)
	2024	2025	2026	2027	2028	
Harus Abadi Sdn. Bhd.	0.00	0.00	0.00	324.00	0.00	0.00
First Raintree Sdn. Bhd. (Harus Abadi Division)	0.00	0.00	0.00	0.00	0.00	0.00
Spark Glory Sdn. Bhd.	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL (ha)	**0.00**	**0.00**	**0.00**	**324.00**	**0.00**	**0.00**

Notes: 1st year of the replanting program will be the current year of the audit

3.4. Projected Certified Volume for Next License

Information of New License		
Next License Period	Start Date	16 March 2025
	End Date	15 March 2026
Projected FFB Volume (MT)	10,500.00	

3.5. Information of Previous & Current License

Information of License	Previous Year License		Current Year License	
License Period	Start Date	16 March 2023	Start Date	16 March 2024
	End Date	15 March 2024	End Date	15 March 2025
Actual Production Period Reported	From	16 March 2023	From	16 March 2024
	To	15 March 2024	To	06 December 2024
Projected FFB Certified Volume (MT)		8,612.00		9,400.00
Actual FFB Produced Volume (MT)		8,953.00		9,396.65
Actual FFB Volume as RSPO Certified (MT)		8,953.00		9,396.65
Actual FFB Volume Sold as Conventional (MT)		0.00		0.00
Actual FFB Volume Sold as Other Scheme Certified (MT)		0.00		0.00
Actual CSPO Credits Volume Sold		0.00		0.00

4. Audit Programme

4.1. Audit Methodology

The audit encompassed the group certification process for all group members. For reference on RSPO Group Certification application requirements, please consult SQAS/MSC/DOC/32-05, which outlines the methodology for determining the minimum number of group members. This includes an example of sample sizes for certification assessments to be audited.
Sampling was conducted in alignment with the requirements specified in the RSPO Certification Systems Document, November 2020. The group members included in this audit were Harus Abadi Sdn. Bhd., First Raintree Sdn. Bhd., and Spark Glory Sdn. Bhd.
The audit process involved on-site evaluations at the premises of the group members to verify compliance with certification requirements. In addition, interviews were conducted with management, employees, and other relevant stakeholders to gain a comprehensive understanding of the implementation of the requirements.

4.2. Audit Team Member

Name	Role	CAB Auditor Number
Dzulfiqar Azmi	Lead Auditor	ASI1GIVNPH
Mohd Zulfakar Kamaruzaman	Auditor	ASI17IDGG4
Nor Ezani Ahmad	Auditor	ASI1YW2A6T

4.3. Audit Plan

Date	Time	CAB Auditor Number	Location	Activity
02 December 2024	09.00 am - 05.00 pm	ASI1GIVNPH (DA) ASI17IDGG4 (MZK) ASI1YW2A6T (NEA)	Harus Abadi Sdn. Bhd. First Raintree Sdn. Bhd. (Harus Abadi Division)	Opening Meeting for Harus Abadi Sdn. Bhd. Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader. Briefing on the organization background and implementation of RSPO at CU (including actions taken to address previous audit findings) by company Management Representative. Overview of current activities of the group members by audit team & logistics discussion to the sites to be visited. ASI1GIVNPH (DA) ▪ Review of members' profiles & key management documents (exiting and new members). Extension of scope & new members – liability disclosure, group members agreement and declaration. ▪ Internal Control System (ICS) and group manager requirements ▪ Trading and claims ▪ Site inspection at scheduled wastes store, chemical stores, landfill, genset, etc. ▪ Interview with general workers, facilities operators. ASI1YW2A6T (NEA) ▪ Site inspection at harvesting operations at block 7, manual weeding at block 5. ▪ Site inspection at workers quarters. ▪ Interview with harvesters and general workers from Local, Indonesian nationalities. ▪ Interview with workers representative, gender committee. ASI17IDGG4 (MZK) ▪ Site inspection at the HCV 3 (Mud Volcano), and the boundary area.

				▪ Interview with external stakeholders' consultations i.e. representative from smallholder Mr Paulus Gondilou, Mr Sarifudin bin Djapar and JKKK of villagers (Kg Litang) Mr Sapari. ▪ Interview with supplier and contractors.
03 December 2024	09.00 am - 05.00 pm	ASI1GIVNPH (DA) ASI17IDGG4 (MZK) ASI1YW2A6T (NEA)	Spark Glory Sdn. Bhd.	Overview of current activities of the group members by audit team & logistics discussion to the sites to be visited. ASI1GIVNPH (DA) ▪ Site inspection at scheduled wastes store, chemical stores, landfill, genset, etc. ▪ Interview with general workers, facilities operators. ASI1YW2A6T (NEA) ▪ Site inspection at harvesting operations at block 3. ▪ Site inspection at workers quarters. ▪ Interview with harvesters and general workers from Local, Indonesian nationalities. ▪ Interview with workers representative, gender committee. ASI17IDGG4 (MZK) ▪ Site inspection at the HCV 4 (Buffer Zone) Sg. Tagas Tagas, and the boundary area.
04 December 2024	09.00 am - 05.00 pm	ASI1GIVNPH (DA) ASI17IDGG4 (MZK) ASI1YW2A6T (NEA)	Harus Abadi Sdn. Bhd. First Raintree Sdn. Bhd. (Harus Abadi Division) Spark Glory Sdn. Bhd.	ASI1GIVNPH (DA) ▪ Documents review related to safety aspect such as safety meetings, accident records, CHRA, medical surveillance, NRA, audiometric report, etc. ASI1YW2A6T (NEA) ▪ Documents review related to environments aspect such as EIA, scheduled wastes records, waste mgt. plan, GHG, etc. ▪ Documents review related to social aspect such as social impact assessment & management plan, workers files and pay condition, complaint and grievances files, housing inspection records, etc.

				ASI17IDGG4 (MZK) ▪ Documents review related to social external and HCV aspect i.e. land titles, social impacts assessment and management plan, stakeholders minutes meetings, local sustainable development, support smallholder inclusion, complaints and grievances, external stakeholder's issues & welfare, HCV assessment and management plan. ▪ Documents review related to good agriculture practices such as estate performance monitoring report, fertilizers recommendations, harvesting interval records, soil maps, terrains maps, business plan, replating program, etc.
05 December 2024	09.00 am - 05.00 pm	ASI1GIVNPH (DA) ASI17IDGG4 (MZK) ASI1YW2A6T (NEA)	Harus Abadi Sdn. Bhd. First Raintree Sdn. Bhd. (Harus Abadi Division) Spark Glory Sdn. Bhd.	Continue the assessment and verification of outstanding issues to ensure full compliance. The auditor will clearly communicate to the auditee the required documents, records, and any corrective actions needed.
06 December 2024	09.00 am - 05.00 pm	ASI1GIVNPH (DA) ASI17IDGG4 (MZK) ASI1YW2A6T (NEA)	Harus Abadi Sdn. Bhd. First Raintree Sdn. Bhd. (Harus Abadi Division) Spark Glory Sdn. Bhd.	Closing Meeting. Discussion and acceptance on assessment findings with Management Representative and visited site Plantation / Scheme Manager.

Notes: Include the number of hours spent at the sample sites for each day of the audit, including the time for the opening and closing meeting

4.4. Changes of the Initial Audit Plan (if applicable)

No changes on initial audit plan e.g. change of lead auditor, change location.

4.5. Sampling Details

Description of Management Unit	Number of Estate/Members	Risk Factor	Result x = (0.8√y) x (z)	Total Sampled
Group Manager	2	1	NA	Group manager shall be audited.
Group Members				
Own Estate		Low Risk		
Managed Estate	1	Low Risk	1	1
Scheme smallholders		Choose an item		

Notes: Auditing is based on a sampling process of the available information

4.6. Sampling History of Current Certification Cycle

Name of Group Member	Year 1	Year 2	Year 3	Year 4	Year 5
	2020	2021	2022	2023	2024
Harus Abadi Sdn. Bhd.	☒	☒	☒	☒	☒
First Raintree Sdn. Bhd. (Harus Abadi Division)	☒	☒	☒	☒	☒
Spark Glory Sdn. Bhd.	☒	☒	☒	☒	☒

4.7. Audit Team Leader and Audit Team Information

Audit Team Leader: Dzulfiqar Azmi (DA)		
Requirements	**Description**	
At least five (5) years of field experience in the palm oil sector, health and safety, or environmental management. These include experience in HCV and HCS assessment, social auditing, or involvement in human rights activities;	Had more than 5 years in the palm oil sector, health and safety, environmental management and social human right management.	
A supervised (by a qualified lead auditor) period of training in practical audits against the RSPO P&C and/or RSPO ISH standard, with a minimum of 15 days audit experience in at least three (3) audits;	Had attended training RSPO P&C and RSPO ISH standard and completed evaluation and qualified as lead auditor RSPO since 2020.	
Successfully completed a refresher course for RSPO endorsed P&C lead auditor course every three (3) years after the initial qualification as lead auditor	Successfully completed refresher course for RSPO endorsed P&C lead auditor course every three (3) years after the initial qualification as lead auditor in 2023.	
Audit Team Members: **Mohd Zulfakar Kamaruzaman (MZK)** **Nor Ezani Ahmad (NEA)**		
Requirements	**CAB Auditor Number**	**Description**
Possess a bachelor's degree or tertiary education in related disciplines, such as agriculture, environmental science or social sciences, etc;	ASI1GIVNPH (DA)	Holds a B.SC. (Hons) in Plantation Technology and Management from Mara Technological University (UiTM).
	ASI1YW2A6T (NEA)	Possessed B. Sc. (Hons) in Conservation Biology and Master's in Science (Advancement of Biodiversity) from University Malaysia Sabah.
	ASI17IDGG (MZK)	Hold B. Sc. Forestry from University Putra Malaysia
At least three (3) years of field experience in the palm oil sector, health and safety, or environmental management. These include experience in HCV and HCS assessment, social auditing or involvement in human rights activities	ASI1GIVNPH (DA)	He had more than 7 years of working experience in the oil palm operation and experience in social auditing since 2017.
	ASI1YW2A6T (NEA)	She had 3 years of working experience in the oil palm plantation sector specialized in sustainability and auditing experience in HCVF and social issues in the oil palm operation since 2017.
	ASI17IDGG (MZK)	He had more than 5 years of working experience in the oil palm operation and experience in HCV and HCS assessment auditing since 2015.
	ASI1GIVNPH (DA)	Completed RSPO endorsed P&C lead auditor course in 2018 by Chemark Training.

Successfully completed an RSPO endorsed P&C lead auditor course	ASI1YW2A6T (NEA)	Completed RSPO endorsed P&C lead auditor course in 2020 by Chemark Training.
	ASI17IDGG (MZK)	Completed RSPO endorsed P&C lead auditor course in 2015 by Wild Asia.
Successfully completed the 5-day lead auditor course for ISO 9001 or ISO 14001 or ISO 45001.	ASI1GIVNPH (DA)	Successfully attended Integrated Management System lead assessor course in 2017.
	ASI1YW2A6T (NEA)	Successfully attended 5-day lead auditor course for ISO 9001, and ISO 45001 in 2020.
	ASI17IDGG (MZK)	Successfully attended 5-day lead auditor course for ISO 9001, ISO 14001 and ISO 45001 in 2015.
Demonstrable understanding of the latest version of RSPO Certification Systems	ASI1GIVNPH (DA)	Capable of demonstrating knowledge and application of the latest version of the RSPO Certification Systems.
	ASI1YW2A6T (NEA)	Capable of demonstrating knowledge and application of the latest version of the RSPO Certification Systems.
	ASI17IDGG (MZK)	Capable of demonstrating knowledge and application of the latest version of the RSPO Certification Systems.
For auditors verifying compliance with NPP procedures, auditors shall additionally be trained in the assessment of compliance with FPIC, HCV and HCS requirements in the context of RSPO NPP procedure	ASI1GIVNPH (DA)	This has not been audited and is deemed not applicable.
	ASI1YW2A6T (NEA)	This has not been audited and is deemed not applicable.
	ASI17IDGG (MZK)	This has not been audited and is deemed not applicable.
A supervised (by a qualified auditor/lead auditor) period of training in practical audit against the RSPO P&C, with a minimum of 10 days of audit experience in at least two (2) audits.	ASI1YW2A6T (NEA)	Had completed and pass evaluation of RSPO auditor since 2020.
	ASI17IDGG (MZK)	Had completed and pass evaluation of RSPO lead auditor since 2015.
Knowledgeable and experience of the local/regional laws	ASI1GIVNPH (DA)	He possesses extensive knowledge and experience in understanding, interpreting, and applying local and regional laws.
	ASI1YW2A6T (NEA)	She possesses extensive knowledge and experience in understanding, interpreting, and applying local and regional laws.
	ASI17IDGG (MZK)	He possesses extensive knowledge and experience in understanding, interpreting, and applying local and regional laws.
Knowledgeable in Best Agricultural Practices, and Integrated Pest Management, pesticide and fertiliser use;	ASI1GIVNPH (DA)	He has over 5 years of working experience in oil palm operations.
	ASI1YW2A6T (NEA)	She had 3 years of working experience in the oil palm plantation sector specialized in sustainability and auditing experience in HCVF and social issues in the oil palm operation since 2017.
	ASI17IDGG (MZK)	He has over 5 years of working experience in oil palm operations.
Experience in health and safety auditing on the farm/plantation and in the palm oil mill, for example	ASI1GIVNPH (DA)	He has over 5 years of extensive experience in oil palm operations and auditing health and safety practices.

against the ISO 45001 Occupational Health and Safety Management standard;	ASI1YW2A6T (NEA)	She has over 5 years of extensive experience in oil palm operations and auditing health and safety practices.
	ASI17IDGG (MZK)	He has over 5 years of extensive experience in oil palm operations and auditing health and safety practices.
Experience in handling workers' welfare or social auditing experience, such as experience with the SA8000 or other international sustainability scheme that has the social auditing requirements. The auditor auditing the social requirements shall have successfully attended the internationally recognised social auditing standard training, such as the SA8000, Social Systems (SMETA) Auditor Training or social training recognised by RSPO;	ASI1GIVNPH (DA)	He attended SA 8000 training in 2018 and SMETA training in 2021. He has over 5 years of experience in oil palm operations and social auditing, demonstrating a strong understanding of ethical practices and compliance with social standards.
	ASI1YW2A6T (NEA)	She attended SA 8000 training in 2020. She has over 5 years of experience in oil palm operations and social auditing, demonstrating a strong understanding of ethical practices and compliance with social standards.
	ASI17IDGG (MZK)	He attended SA 8000 training in 2018 and SMETA training in 2021. He has over 5 years of experience in oil palm operations and social auditing, demonstrating a strong understanding of ethical practices and compliance with social standards.
Experience in handling of land rights, gender and indigenous peoples' issues;	ASI1GIVNPH (DA)	He attended SA 8000 training in 2018 and SMETA training in 2021. He has over 5 years of experience in oil palm operations and social auditing, handling of land rights, gender and indigenous peoples' issues.
	ASI1YW2A6T (NEA)	She attended SA 8000 training in 2020. She has over 5 years of experience in oil palm operations and social auditing, demonstrating a strong understanding of ethical practices and compliance with social standards.
	ASI17IDGG (MZK)	He attended SA 8000 training in 2018 and SMETA training in 2021. He has over 5 years of experience in oil palm operations and social auditing, handling of land rights, gender and indigenous peoples' issues.
Experience in environmental and ecological auditing or assessments, such as experience with High Conservation Value (HCV)/High Carbon Stock (HCS) assessments, organic agriculture or the ISO 14001 Environmental Management Systems standard;	ASI1GIVNPH (DA)	He has experience auditing the ISO 14001 Environmental Management Systems standard since 2019.
	ASI1YW2A6T (NEA)	This criterion and indicator have not been audited.
	ASI17IDGG (MZK)	He holds a B.Sc. in Forestry from Universiti Putra Malaysia and has extensive experience in auditing High Conservation Value (HCV) and High Carbon Stock (HCS) assessments, as well as organic agriculture practices.
Fluent in one of the main national languages	ASI1GIVNPH (DA)	He is fluent in both Bahasa Malaysia and English.
	ASI1YW2A6T (NEA)	She is fluent in both Bahasa Malaysia and English.
	ASI17IDGG (MZK)	He is fluent in both Bahasa Malaysia and English.
Knowledgeable in supply chain requirements of the palm oil mill.	ASI1GIVNPH (DA)	This criterion and indicator have not been audited.

The auditor performing this task shall have successfully completed the RSPO endorsed SCC lead auditor training course. Note: this does not apply for ISH or Group Certification.	ASI1YW2A6T (NEA)	This criterion and indicator have not been audited.
	ASI17IDGG (MZK)	He completed the RSPO Supply Chain Auditor training course in 2016 and has been auditing supply chains since then.

5. Audit Findings & Results

Requirements		Audit Findings	Audit Findings (Public Summary)	Results
Element 1 (E1): Group entity and group management requirements				
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)		Harus Abadi Sdn Bhd, a Malaysian company registered under the Company Act, was formed through the merger of Harus Abadi Sdn Bhd and Spark Glory Sdn Bhd and is a registered RSPO member (1-0280-19-000-00) as a medium out-grower, managed independently with Mr. Tey You Lai as Group Manager, supported by an ICS committee including key personnel with defined roles.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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 members. • 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		Prospective members of Harus Abadi Sdn Bhd must undergo a risk assessment and fulfill contract obligations, including terms on group and producer responsibilities, sanctions, and membership agreements, as outlined in the Harus Abadi Membership Contract dated 15/12/23, with baseline interviews and farm audits required before acceptance, while records are maintained for five years per SSOP.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	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 five years.			
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.		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.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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 the Group Certification System requirements 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		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.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	representative; and • there shall be a description of the general structure detailing the positions and responsibilities of all personnel involved.			
E1.2.2	The Group Manager shall be able to demonstrate sufficient resources and capacity for managing the group's performance towards compliance with the RSPO P&C. *Guidance:* *The Group Manager should have the capacity to control, monitor and evaluate all members* *as to their compliance with the RSPO P&C, including communicating with them and visiting* *them at the required frequencies.* *Specifically, the Group Manager should be able to demonstrate the ability to:* • manage the Group Procedures and Documentation known as the ICS. • define Group membership requirements. • ensure compliance with the Group Certification System and RSPO P&C, including any corrective actions raised by the certification body are adequately addressed within the agreed timeframe. • ensure compliance with all other		The Group Manager, Mr. Tey You Lai, has sufficient resources and capacity to manage Group Certification, supported by appointed field staff conducting site visits, audits, and risk assessments, with structured project and management plans, while an ICS committee oversees operations with defined roles.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	relevant RSPO requirements outlined in Section 1.4, bearing in mind that applicability may depend on an individual grower's plantation size or nature. • demonstrate sufficient resources – i.e. human, financial, physical and other relevant resources – to enable effective and impartial technical and administrative management of the Group.			
E1.2.3	The Group Manager and/or their personnel shall be able to demonstrate competence and knowledge of the latest versions of the: • RSPO P&C and/or applicable National Interpretation • Certification System for the P&C and Independent Smallholder Standard • Group Certification System for FFB production • RSPO IT Platform (PalmTrace) for trading the group's certified products for both physical and credit sales • Internal group procedures and policies		The audit team verified through interviews and site evidence that the Group Manager and field staff demonstrate competence in RSPO standards, internal procedures, and policies, with training records confirming their competency.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
E1.2.4	E1.2.4 The Group Manager shall provide potential and existing Group members with the following: • an explanation of the RSPO		The Group Manager briefed Spark Glory Sdn Bhd on RSPO certification requirements, group membership criteria, and compliance obligations, with key information displayed at estate offices, while compliance is maintained through updated SOPs, agricultural	☒ Conform ☐ Major Nonconformity

	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 with conditions or corrective actions issued by the certification body.
	  • any costs associated with group membership.
	  • other obligations of group membership.
			manuals, and MPOB guidelines, covering safety, operations, and social aspects, with relevant training attended by key personnel.	☐ Opportunity for Improvement
				☐ Not Applicable (justification required)

Requirements	Audit Findings	Audit Findings (Public Summary)	Results
Element 2 (E2): Internal Control System – Policies and Management			
E.2.1 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).		The Group ICS was containing procedures for decision making and responsibilities within the group (including the authority of the Group Manager).	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
E2.1.2	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. • preparing and maintaining the rules of the Group including the criteria for membership and procedures for expulsion and/or sanctions for members that do not comply with the group certification requirements. • organising at least one group meeting annually.		The Group Manager oversees operations efficiently with a defined geographical scope, supported by an ICS committee with clear roles, while the Group enforces membership rules, conducts annual management reviews, and implements a self-assessment procedure for initial gap audits.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	• defining the procedure for the initial gap audit which can be a self assessment.			
E2.1.3	The Group Internal Control System shall include an initial gap audit procedure (i.e., baseline assessment and needs for compliance) as a prerequisite for applicants wishing to join the Group. The initial gap audits with existing and any potential new members shall be carried out to assess the following (at least): • Land title or right to use the land can be demonstrated. • No existing land conflict(s). • No plantings have replaced primary forests or affected one or more High Conservation Value (HCV) and High Carbon Stock Area (HCSA) (RSPO P&C 2018, Criteria 7.12) *(Note: In the case of Scheme Smallholders, the company (owning/managing the mill) holds the liability for compensation for any new plantings undertaken since November 2005).* • Existing plantings on peatlands		The Group Internal Control System (ICS) includes an initial gap audit procedure, comprising a baseline assessment and compliance requirements, as a prerequisite for applicants seeking to join the Group. These initial gap audits, conducted for both existing and potential new members, are carried out to evaluate their compliance status and identify areas for improvement, ensuring alignment with the Group's standards and regulatory requirements.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	and/or steep terrains. • If there is/are existing planting(s) on peatland, the management regime and status. • No new planting(s) on peat land and/or status of existing planting(s) on peatland. • Status and sources of workers.			
E2.1.4	The Group ICS shall contain procedures for maintaining records for all Group members. Records shall be kept up to date at all times for all Group members.		The Group ICS has established comprehensive procedures for maintaining records for all Group members. During the assessment, the records reviewed were found to be well-organized and consistently updated, ensuring accurate and reliable documentation. This practice supports transparency, traceability, and compliance with relevant standards and regulatory requirements.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
E2.1.5	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 (including geo-location). Area of oil palm in hectares. • Land titles/right of use of the land.		The Group Manager has implemented a structured system to maintain the following central records and reports in accordance with the applicable requirements. This system ensures proper documentation, traceability, and compliance with relevant standards, facilitating efficient record-keeping and periodic reviews.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	• 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 when 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.			
E2.1.6	Relevant group records shall be archived for a minimum of 5 years using an appropriate secure system, and should be kept up to date at all times for Group members.		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.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

Requirements		Audit Findings	Audit Findings (Public Summary)	Results
Element 3 (E3): Internal Control System – Operation				
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 establish, implement and maintain (a) procedure(s) for internal audit. As a minimum the following information shall be included (but not limited to): • The methodology, competence of internal auditors, audit criteria, frequency of internal audits, and addressing non-conformity. • Schedule annual internal audits of all Group members in order to confirm continued conformance with all the Group Certification requirements. • Maintenance of all internal audit records.		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 (HASB) and 16-17/10/2023 (SGSB). 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.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
E3.1.2	The Group Manager shall conduct annual internal audits for all group members as planned.		The group manager has conducted the annual internal audits for all group members as planned dated 17-18/10/2023 (HASB) and 16-17/10/2023 (SGSB).	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

E3.1.3	The Group Manager and the internal auditors shall jointly declare no conflict of interest for the internal audit process.		Based on the records and declaration form, the Group Manager and internal auditors have jointly affirmed that there is no conflict of interest in the internal audit process. This declaration ensures the integrity, impartiality, and transparency of the audit, in line with compliance standards.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
E3.1.4	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.		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-conformities from the CB. For example, related to new planting, yield and used of fire.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
E3.2 The Group Internal Control System shall include a system in place to enable the trading of RSPO certified Fresh Fruit Bunches (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.		The Group Manager has documented and implemented a system for tracking and tracing Fresh Fruit Bunches (FFB) produced by group members and intended for sale as RSPO-certified FFB. This system ensures transparency, accountability, and compliance with RSPO requirements. For the period from 01 December 2023 to 30 November 2024, the total actual FFB produced by group members is recorded at 9,396.65 mt.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
E3.2.2	The Group shall produce 100% CFFB and trade under the RSPO Supply Chain System. There shall be a collective Group procedure for the sale of all certified FFB and to ensure		HASB has implemented an SOP to ensure FFB traceability, supported by a Material Flow Chart, with records such as harvest logs, weighbridge tickets, and mill grading reports reviewed during the audit, while FFB sales are monitored quarterly for compliance and transparency.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement

	that noncertified FFB are not mixed with the certified FFB. Procedural Notes: The Group should not mix the certified FFB with the non-certified one. If CFFB is combined with a non-certified FFB prior to the sale and delivery to a palm oil mill, then the whole FFB cannot be considered as certified. Mill needs to know the volume of certified FFB that are dispatched to the mill. This is done through weighing of the FFB which is normally measured at the mill site. If the certified and non-certified FFB are mixed at the collection point, it will not be feasible for the mill to determine the volume of certified and non-certified FFB. The group can sell CSPO Credits, where the physical FFB will be traded as conventional (noncertified).			☐ Not Applicable (justification required)
E3.2.3	All sales of FFB originating from the plantations of Group members shall be documented and recorded. • The relevant group members' group identification number • Invoices and receipts		HASB ensures FFB traceability through an established SOP and a Material Flow Chart, with documented tracking from farm to mill, verified through sales receipts, harvest records, weighbridge tickets, and mill grading reports, following MPOB pricing calculations.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	(purchase and sale) • Information on transport (i.e., registration number/number plate) • Information on FFB price • Classification of the FFB sold (i.e., RSPO certified or not), FFB volume and destination • Information on geo-location of FFB origins • Proof of ownership status or the right/claim to the land by the grower/smallholder • Where applicable, valid planting/operating/trading license, or if it is part of a cooperative which allows the buying and selling of FFB.			
E3.2.4	The Group Manager shall maintain copies of all documentation and records mentioned in E3.2.3 related to Group CFFB transactions for a minimum period of 5 years.		HASB securely maintains all Group FFB transaction records for at least five years in both softcopy and hardcopy formats at its Lahad Datu HQ, ensuring compliance with contractual and documentation requirements.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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. If the FFB Trader is RSPO Supply Chain		There is no trader included in this certification.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement

	certified, a copy of the certificate shall be provided to the Group Manager.			☐ Not Applicable (justification required)
E3.2.6	The Group Manager shall ensure that any trading done through a trader shall have clear procedures to ensure that calculations are accurate and that all FFB sold by the trader is traceable back to the Group members. There shall be a contract between the FFB trader and the Group Manager and the FFB trader shall maintain complete purchase and sales records.		There is no trader included in this certification.	☒ Conform ☐ Major Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

Criterion / Indicator		Audit Findings	Audit Findings (Public Summary)	Results
Principle 1: Behave Ethically and Transparently				
Criterion 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)	Management documents that are specified in the RSPO P&C are made publicly available and shall include (but are not necessarily limited to): • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments		HASB provides public access to key policies on environmental protection, equal opportunities, safety and health, sexual harassment, human rights, and corruption prevention, along with documents related to OSH, social impact, grievance mechanisms, and continuous improvement plans, while stakeholder consultations on 18/11/2024 and 22/12/2021 addressed RSPO principles, social impacts, and mitigation plans, with gender distribution records maintained at the estate office.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; Human Rights Policy (Criterion 6.13).			
1.1.2	Information is provided in appropriate languages and made accessible to relevant stakeholders.		Information is available in both English and Bahasa Malaysia and can be accessed by stakeholders upon request, following the Communication Procedure, with records maintained through External Communication Forms and authority visit logs, while Mr. Tey You Lai is designated to coordinate stakeholder activities as per Indicator 1, supported by his appointment as Assistant General Manager on 02/01/2019.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

1.1.3 (C)	Records of requests for information and responses shall be maintained.		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
1.1.4 (C)	Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by a nominated management official.		HASB maintains documented consultation and communication procedures, including the Stakeholders Consultation Procedure, ensuring compliance through internal meeting records, briefings, memos, and notice board displays, while external communications are recorded in the External Communication File, with complaints, such as a genset issue on 05/08/23, resolved within five days.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
1.1.5	There is a current list of contact and details of stakeholders and their nominated representatives.		HASB maintains an updated stakeholder list as of 06/10/2023, including internal representatives such as worker leaders, women leaders, and ethnic leaders, as well as external stakeholders like neighboring smallholders, local communities, government authorities, suppliers, service providers, and NGOs, with nominated representatives' contact details recorded.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

Criterion 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.			☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
1.2.2	A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.		Internal audits conducted on 17-18/10/2023 (HASB) and 16-17/10/2023 (SGSB) by the HSPB Sustainability Team serve as a compliance monitoring system for policy implementation and ethical business practices, while contract agreements reinforce commitment to ethical conduct, including the eradication of exploitation, modern slavery, and human trafficking.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

Principle 2: Operate legally and respect rights - Implement legal requirements as the basic principles of operation in any jurisdiction.
Criterion 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.		The unit of certification complies with applicable legal requirements. The following has been reviewed and confirmed to be valid. <u>Harus Abadi Sdn Bhd</u> • MPOB license no: 502903402000 • MPOB license no: 503759202000 (First Raintree Division) • Trading license for Harus Abadi & First Raintree • The diesel storage permits • Permit for salary deduction • JTK Sabah license for hire foreign workers • Land title: country lease and company registration <u>Spark Glory</u> • MPOB license no: 504739302000 • Diesel Permit Storage • Trading license • Permit for salary deduction • JTK Sabah license for hire foreign workers However, the unit of certification has not complied with the applicable legal requirements. Occupational Safety and Health (Amendment) Act 2022 Section 7A: Appointment of licensed person, etc. Section 29A: Occupational safety and health coordinator Section 31C: Application for registration 1) Appointment of a Person in Charge for MyKKP PATK Tahap 1 The company is required to appoint a dedicated individual to oversee the MyKKP PATK Tahap 1 system. This ensures proper compliance with regulatory requirements, facilitates timely updates, and enhances accountability in occupational safety management. 2) Appointment of an OSH Coordinator The company must appoint an Occupational Safety and Health (OSH) Coordinator to strengthen the implementation of safety and health measures in the workplace. The coordinator will be	☐ Conform ☒ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			responsible for monitoring compliance, organizing safety programs, and serving as a liaison with regulatory authorities. This appointment is critical for fostering a culture of safety and ensuring adherence to the Occupational Safety and Health Act. 3) Conducting Workplace Assessment (Penilaian Tempat Kerja) Under OSHWA in the MyKKP System The company is obligated to carry out a comprehensive workplace assessment under the Occupational Safety and Health Workplace Assessment (OSHWA) framework via the MyKKP system. This evaluation identifies potential hazards, assesses risks, and recommends preventive measures to create a safer work environment. Regular assessments also demonstrate the company's commitment to proactive safety management and compliance with statutory requirements. ***As a result, Major NCR DA 01 2024 was raised.***	
2.1.2	A documented system for ensuring legal compliance is in place. This system has a means to track changes to the law and also includes listing and evidence of legal due diligence of all contracted third parties, recruitment agencies, service providers and labour contractors.		The CU has established a Legal Register to ensure compliance with all relevant regulations, actively monitors legal updates through industry associations, seminars, and government sources, and assigns the Group Manager to oversee updates, with the latest review conducted on 23 September 2024, incorporating amendments to the Employees' Social Security Act and Employment Insurance System Act.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
2.1.3	Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.		The site review confirmed that physical markers and perimeter boundaries were well maintained at both Harus Abadi Estate and Spark Glory Sdn Bhd. Pegs were erected along boundaries, particularly those adjacent to private estates, ensuring clear demarcation. For Harus Abadi Estate, boundaries were visibly marked, especially along neighboring estates, including: • Lebijaya Sdn. Bhd.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

			• Litang Utara Estate (Hap Seng Plantations) • IOI UNICO Plantations • Neighboring smallholders (Mr. Paulus & Mr. Sarifudin) • IOI Plantation UNICO Desa For Spark Glory Sdn Bhd, physical markers and pegs were installed along the estate's perimeter, particularly near: • Hap Seng Plantations Berhad • Tabin Wildlife Forest Reserve Additionally, three boundary stones were identified, well-maintained, and confirmed during the site visit with wooden pegs installed for easy identification: 1. Boundary stone no. 660/193 – Adjacent to Litang Estate (Hap Seng Holdings Berhad) 2. Boundary stone no. 722/803 – Adjacent to Tabin Wildlife Reserve 3. Boundary stone no. 299/194 – Adjacent to Tabin Wildlife Reserve	☐ Not Applicable (justification required)

Criterion 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.		The list of contracted parties is kept by HASB in the stakeholder register. This list includes the names of contractors, designated contact persons, addresses, telephone/fax numbers, emails, and the type of work contracted. The list is updated annually to reflect any changes to the contracted parties.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

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.		The company does not hire contractors to provide services, as it employs its own workers who handle all estate field work and FFB transportation to the mill. No recruitment agencies have been used for hiring foreign workers. Therefore, this indicator is not applicable to the company at present.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		The company does not hire contractors to provide services, as it employs its own workers who handle all estate field work and FFB transportation to the mill. No recruitment agencies have been used for hiring foreign workers. Therefore, this indicator is not applicable to the company at present.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

Criterion 2.3:

All FFB supplies from outside the unit of certification are from legal sources.

2.3.1 (C)	2.3.1 (C) For all directly sourced FFB, the mill requires: ● Information on geo-location of FFB origins ● Proof of the ownership status or the right/claim to the land by the grower/ smallholder ● Where applicable, valid planting/ operating/ trading license, or is part of a cooperative which allows the buying and selling of FFB		This small-grower certification unit has no palm oil mill. Thus, this indicator is not applicable.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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. PROCEDURAL NOTE: For Implementation Procedure for 2.3.2 refer to Annex 4.		This small-grower certification unit has no palm oil mill. Thus, this indicator is not applicable.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

Principle 3: Optimise productivity, efficiency, positive impacts and resilience
Criterion 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) shall be documented and includes, where applicable, a jointly developed business case for Scheme Smallholders.		HASB has established a long-term economic and financial viability plan, documented through a business plan covering 2024 to 2026, which includes crop forecasts, capital and operational expenditures, profit and loss projections, and estimated production costs for Harus Abadi, First Rain Tree, and Spark Glory estates.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
3.1.2	An annual replanting programme projected for a minimum of five years, is available.		HASB has outlined a replanting program, with Harus Abadi estate planning replanting in 2026 and 2027 for palms planted in 1994, while no replanting is scheduled for the next five years for First Rain Tree and Spark Glory estates, though Spark Glory's management has verbally indicated phased replanting plans to balance future planting cycles.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

3.1.3	The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken and has agenda with the following minimum items: Results of internal audits Customer feedback Process performance and product conformity Status of preventive and corrective actions Follow-up actions from management reviews Changes that could affect the management system Recommendations for improvement		HASB conducted a Management Review Meeting (MRM) on 15/12/2023, following an internal audit, attended by estate management and chaired by the HASB Director, covering key areas such as SOP adequacy, sustainability policies, legal compliance, environmental quality, and corrective actions for RSPO implementation, while Spark Glory held its MRM on 22/10/2024, focusing on RSPO effectiveness, with internal audits planned annually and MSPO audits conducted with necessary corrective actions taken.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 3.2: The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.				

3.2.1 (C)	The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification. Action plans include continual improvement for the following: i. Optimising the yield of the supply base. ii. Reduction in use of pesticides (Criterion 7.2) iii. Environmental impacts (Criteria 3.4, 7.6 and 7.7) iv. Waste reduction (Criterion 7.3) v. Pollution and greenhouse gas (GHG) emissions (Criterion 7.10) vi. Impacts on communities, workers and smallholders (Principle 6) vii. Integrated management of HCV-HCS, peatland and other conservation areas (Criteria 7.7 and 7.12)		The action plan for continuous improvement was implemented, based on consideration of the main social impacts and opportunities of the unit of certification. The operating unit are currently focusing on housing repair and housing upgrade as per compliance with National Laws. This plan is to ensure the buildings can be kept in a good state and safe to be occupied and used from time to time.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		The monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template before the audit started. The auditor already verified and checked the data and figure given match with their database system.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

Criterion 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.		HASB and Spark Glory have adopted comprehensive documented manuals and standard operating procedures (SOPs) covering agricultural practices, safety measures, and social aspects, including the Agricultural Manual, MPOB guidelines, Safe and Standard Operating Procedures (SSOP), and various SOPs related to worker recruitment, grievance mechanisms, and stakeholder consultations, ensuring compliance and best practices in estate operations.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
3.3.2	A mechanism to check consistent implementation of procedures is in place.		HASB ensures consistent implementation of procedures through internal audits conducted by the Hap Seng Plantations Sustainability Team, with MSPO and RSPO audits held in October 2023, identifying and addressing three major NCRs through corrective actions, while a past minor NCR related to the emergency shower at Harus Abadi Estate has been successfully closed.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
3.3.3	Records of monitoring and any actions taken are maintained and available.		HASB ensures effective SOP implementation through regular monitoring by supervisory personnel and top management, with records maintained from internal audits, workplace inspections, periodic reporting, and RSPO assessments, while procedures are reinforced through briefings, morning musters, and displayed SOPs, alongside compliance monitoring of foreign workers and supplier adherence to the CU Code of Conduct.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

				☐ Not Applicable (justification required)
Criterion 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.		There are no new plantings or operations within the CU. However, the estate has conducted its own Environmental Aspect & Impact (EAI) and Social Impact Assessment (SIA), which were prepared internally by the Sustainability Department of Hap Seng Plantations. Details of the EIA and SIA are provided in Indicator 3.4.2 below. Therefore, this indicator is not applicable.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		HASB conducted separate Social Impact Assessment (SIA) and Environmental Impact Assessment (EIA) reports, last reviewed in January 2019, with the next review scheduled for November 2025, covering key operational impacts and stakeholder consultations; however, a minor non-conformance (NEA 01 2024) was raised due to gaps in stakeholder involvement, discrepancies in worker data, lack of casual worker monitoring, and absence of rainwater sampling analysis.	☐ Conform ☐ Major Nonconformity ☒ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
3.4.3 (C)	The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.		HASB implements mitigation measures for significant environmental impacts based on the EIA, with assigned responsibilities and annual reviews, while social management action plans are also updated annually with external stakeholder input; however, a minor non-conformance was noted due to the absence of feedback from internal stakeholders during the SIA review.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

				☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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.		HASB has established documented employment procedures for recruitment, selection, and termination for both local and foreign workers, ensuring a fair and transparent process based on age, medical fitness, and skills without discrimination, with procedures explained during induction and morning musters; interviews confirmed worker understanding and no recruitment fees were charged.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
3.5.2	Employment procedures are implemented and records are maintained.		HASB has effectively implemented its employment procedures, with properly maintained records verified through audits of personal files, employment contracts, and work permits, while job vacancies are communicated verbally through mandore recommendations, and most workers are hired through a walk-in process without recruitment agencies.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
3.6.1 (C)	All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and		HASB has established an Occupational Safety and Health Policy, signed by the Managing Director on 01/09/2018, promoting a safe work environment for employees and business partners, with the	☒ Conform ☐ Major Nonconformity

	implemented.		policy communicated through briefings and prominently displayed; HIRARC Registers for 16 work activities in Harus Abadi and 17 in Spark Glory were developed using DOSH guidelines, regularly reviewed in OSH Committee meetings, and last updated on 07/04/2024 (Harus Abadi) and 05/12/2024 (Spark Glory), alongside mitigation measures such as PTW, certified equipment, competent personnel, and health clearance for confined space entry.	☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
3.6.2 (C)	The effectiveness of the H&S plan to address health and safety risks to people is monitored		The Occupational Health and Safety (OHS) 2024 management plan for group members has been established, covering hazard identification, legal compliance, OSH awareness training, emergency procedures, PPE use, and regular OSH Committee meetings. Internal audits and monthly workplace inspections ensure effective implementation. Harus Abadi: • CHRA conducted by competent third party on 28/10/2024, with report completion on 23/11/2024. • Pesticide operators and recommended workers from CHRA were examined by OHD doctor on 23/12/2023, with report completion on 20/01/2024. Three workers were assessed and deemed fit to handle chemicals. • Noise Risk Assessment (NRA) conducted by appointed third party on 30/09/2021. Identified high-risk work units include Heavy Machinery Drivers, Genset Operators, and Farm Tractor Drivers. • Major NCR DA 02 2024 raised due to missing audiometric test records for Farm Tractor Drivers and Genset Operators as per NRA recommendations. Spark Glory: • CHRA conducted by appointed third party on 29/10/2024, with report completion on 02/11/2024. • Pesticide operators and recommended workers from CHRA were examined by OHD doctor on 06/07/2024, with report completion on 29/08/2024. Two workers were assessed and deemed fit to handle chemicals.	☐ Conform ☒ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			• Noise hazard assessment confirmed no activities exceeding permissible noise limits. A noise hazard identification checklist supports this finding. • A monitoring system is in place, including regular machinery maintenance, routine inspections, and employee briefings on noise exposure control.	
Criterion 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. Training for workers must cover, at minimum, the following: - the health and environmental risks of pesticide exposure; - recognition of acute and long-term exposure symptoms including the most vulnerable groups (e.g. young workers, pregnant women); - International and national instruments or regulations that protect workers' health; - Productivity and best management practice;		The 2024 formal training program was established on 04/01/2024, implemented annually based on training needs analysis to address skill gaps, particularly in RSPO P&C, with regular assessments and refresher courses, using practical, visual-based methods for better worker engagement, while no training was provided to smallholders as none are associated with this Certification Unit.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	- relevant SOPs.			
3.7.2	Records of training are maintained, where appropriate on an individual basis.		The records of training were maintained, where appropriate on an individual basis. *Harus Abadi* ▪ Chemical handling training on 13/01/2024, Spraying training 22/06/2024 ▪ 1st aid training on 09/03/2024 ▪ IPM training on 04/05/2024 ▪ PPE handling and replacement training on 08/06/2024 ▪ Fire drill training on 02/03/2024 ▪ Spraying training on 22/06/2024 ▪ Sexual harassment prevention training on 03/08/2024 ▪ Manuring training on 11/05/2024 ▪ Harvesting training on 27/04/2024 ▪ SW training on 06/07/2024 ▪ SOP and Policy Training 10/1/24 *Spark Glory* ▪ Company Policy training (13Policies) 21/3/24 ▪ Consultation communication training 21/3/24 ▪ Fire Drill Training 21/3/24 ▪ Gender Training (Male) 21/3/24 ▪ IPM Training 21/3/24 ▪ New procedure & Techniques Procedure training 21/3/24 ▪ ERP Training 21/3/24 ▪ Traceability & Supply Chain Training ▪ RSPO and MSPO Training 21/3/24 ▪ Harvesting, Manuring, Driver, Spraying Triple rinse, First Aid, Schedule waste and Chemical Handling Training – 21/2/24	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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		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.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

	task(s) performed.			☐ Opportunity for Improvement ☒ Not Applicable (justification required)
Criterion 3.8: Supply Chain Requirements for Mills				
3.8.1	Identity Preserved Module A mill is deemed to be IP is the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO P&C, or against a Group Certification Scheme Certification for the CPO mills is necessary to verify the volumes and sourced of certified FFB entering the mill, the implementation of any processing control as and volume sales of RSPO certified products. If a mill processes certified and uncertified FFB without physically separating them, the inly MB Module is applicable.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
3.8.2	Mass balance Module A mill is deemed to be MB is the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

				☒ Not Applicable (justification required)
3.8.3	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
3.8.4	The mill shall also meet all registration and reporting. Requirements for the appropriate supply chain through the RSPO IT platform		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
3.8.5	Documented Procedures The mill shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following: a) Complete and up to date procedures		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

	covering the implementation of all elements of the supply chain model requirements b) Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records) c) Identification of the role of the person having the overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the mill's procedures for the implementation of this standard. d) The mill shall have documented procedures for receiving and processing certified and non-certified FFB's including ensuring no contamination in the IP mill.			☒ Not Applicable (justification required)
3.8.6	Internal Audit (i) The mill shall have a written procedure to conduct an annual internal audit to determine whether the mill; a) Conforms to the requirements in the RSPO SC requirements for mills and the RSPO Rules on Market Communication and Claims b) Effectively implements and maintains the standard		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

	requirements within its organization. (ii) Any con-conformities found as part of the internal audit shall be issued and required corrective action. The outcomes of the internal audits and all actions taken to correct non-conformities shall be subject to management review at least annually. The mills shall maintain the internal audit records and reports.			
3.8.7	Purchasing and Goods In (i) The mill shall verify and document. The tonnage and sources of certified and the tonnage of non-certified FFB's received. (ii) The mill shall inform the CB immediately if there is a projected overproduction of certified volume (iii) The ill shall have a mechanism in place for handling of non-conforming FFB and/or documents.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
3.8.8	Sales and Goods Out The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single-documents or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documentation and		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

	specification documentation): a) The name and address of buyer; b) The name and address of the seller c) The leading or shipment/delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (IP or MB or the approved abbreviations); g) The quantity of the products delivered; h) Any related transport documentation i) A unique identification number			
3.8.9	Outsourcing Activities (i) The mill shall not outsource its milling activities. In cases where the mill outsourced activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO SC Certification. (ii) The mill shall ensure the following: a) The mill has legal ownership of all input material to be included in outsourced processes b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

	agreement with the contractor. The onus is on the mill to ensure that CB has access to the outsourcing contractor or operation if an audit is deemed necessary. c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to the respective operations, systems, and all information, when this is announced in advance.			
3.8.10	The mill shall record the names and contact t details of all contractors used for the physical handling of RSPO certified oil palm products.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
3.8.11	The mill shall inform its CB in advance prior to conduct of its next audit of the		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform

	names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.			☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
3.8.12	Record Keeping (i) The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements. (ii) Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock. (iii) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. (iv) For Mass Balance Module, the mill: a) Shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

	CPO and PK on a real-time basis and / or three-monthly basis. b) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)			
3.8.13	Extraction rate The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

				☒ Not Applicable (justification required)
3.8.15	Processing For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
3.8.16	Registration of Transactions (i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date. (ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

3.8.17	Claims The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

Criterion / Indicator		Audit Findings	Audit Findings (Public Summary)	Results
Principle 4: Respect Community and Human Rights and Deliver Benefits				
Criterion 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 (HRD), is documented and communicated to all levels of the workforce, operations, supply chain and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.		The Sustainable Agriculture Policy, includes a commitment to respecting human rights and prohibiting retaliation against Human Rights Defenders, has been communicated to employees through morning briefings, displayed in estate offices and housing areas in Bahasa Malaysia and English, and reinforced through policy briefings on 10/01/24 (HASB) and 21/03/24 (SGSB), with workers and neighboring smallholders demonstrating awareness of their rights.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

4.1.2	The unit of certification does not instigate violence or use any form of harassment, including the use of mercenaries and paramilitaries in their operations.		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 4.2: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.				
4.2.1 (C)	The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistleblowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD.		The CU has established grievance handling procedures, including the 'Procedure for Reporting Complaints and Grievances' and the 'Whistleblower Protection Mechanism,' to ensure an open and effective dispute resolution system that protects complainants' anonymity and follows RSPO's human rights defender (HRD) policy, with complaints addressed in a timely manner, such as the recent repair of a broken roof reported on 22/04/2024 and completed by 25/04/2024.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
4.2.2	Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.		Interviews with sampled external stakeholders confirmed that the grievance system is understood by all affected parties, including illiterate individuals, with the procedure explained through a Stakeholder Meeting on 08/11/2024 and a joint session with HSPB groups on 22/12/2021.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

				☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		The conflict resolution mechanism allows access to independent legal and technical advice, supports complainants in selecting representatives or observers, and includes the option of a third-party mediator, with these provisions communicated to stakeholders through the Stakeholder Meeting on 08/11/2024 and a joint session with HSPB groups on 22/12/2021.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 4.3: The unit of certification contributes to local sustainable development as agreed by local communities.				

4.3.1 (C)	Contributions to community development that are based on the results of consultation with local communities are demonstrated.		There is a local community, namely Kg. Litang, within the smallholders' area. As of the audit, there are no records of any formal requests for contributions from the community. However, engagement with the local community was conducted through the external stakeholder consultation held on 18/11/2024. It was verified that there are no disputes or grievances raised by Kg. Litang related to land access or use. The stakeholder consultation served as a platform to ensure transparency, gather feedback, and strengthen relationships with the local community. Evidence of communication and meeting attendance supports compliance with this indicator.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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 the actual legal or customary use of the land are available.		The CU's land ownership is legally documented and undisputed, with verified tenure history for Harus Abadi Division (acquired from Sabah Land Development in 1989) and First Rain Tree Division (purchased in 2000), while Spark Glory Estate was initially owned by smallholders before being acquired in 2008, with all estates complying with land title terms for oil palm cultivation under Kinabatangan District jurisdiction.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

4.4.2	Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include. a) 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.		The audit verified that HASB has legitimately owned the land since 1989, with no disputes related to previous owners, and interviews with stakeholders, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, confirmed no evidence of land disputes at HASB.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
4.4.3 (C)	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).		The group members have developed maps at an appropriate scale that describe the extent of recognised legal, customary, and user rights. These maps were produced through a participatory mapping process involving affected parties, including neighbouring communities and relevant authorities where applicable. The mapping process was facilitated and supported by Hap Seng Plantations.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
4.4.4	All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.		All relevant information including social impact assessments, proposed benefit-sharing mechanisms, and legal arrangements was made available in appropriate formats and languages, including English, to ensure accessibility and understanding among all affected stakeholders.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

				☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		Based on the stakeholder consultation conducted on 18/11/2024, it was confirmed that local communities were represented through institutions or representatives of their own choosing, with the option to be assisted by legal counsel if desired. Furthermore, interviews with representatives from Kg. Litang confirmed that the land in question does not belong to the local communities and is not subject to customary or user rights claims.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
4.4.6	There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.		This requirement in this indicator does not apply to HASB.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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		The Social Impact Assessment (SIA) and land title verification confirm that no new plantings were established on local people's land, with HASB legitimately owning the land since 1989 and stakeholder interviews indicating no evidence of land disputes.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		The audit verified that HASB has legitimately owned the land since 1989, with all acquisition documents maintained at HASB HQ in Lahad Datu and verified at the estate, and interviews with stakeholders, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, confirmed no land disputes with the local community or neighboring estates.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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		The audit confirmed that HASB has legitimately owned the land since 1989, with all acquisition documents maintained at HASB HQ in Lahad Datu and verified at the estate, while stakeholder interviews, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, indicated no land disputes with the local community or neighboring estates.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	agreements should be non-coercive and entered into voluntarily and carried out prior to new operations. b) 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. c) Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land.			
4.5.4	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.		The audit verified that HASB has legitimately owned the land since 1989, with all acquisition documents maintained at HASB HQ in Lahad Datu and verified at the estate, while stakeholder interviews, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, confirmed no land disputes with the local community or neighboring estates.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

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.		The audit verified that HASB has legitimately owned the land since 1989, with all acquisition documents maintained at HASB HQ in Lahad Datu and verified at the estate, while stakeholder interviews, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, confirmed no land disputes with the local community or neighboring estates.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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..		The audit verified that HASB has legitimately owned the land since 1989, with all acquisition documents maintained at HASB HQ in Lahad Datu and verified at the estate, while stakeholder interviews, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, confirmed no land disputes with the local community or neighboring estates.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
4.5.7	New lands will not be acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations in the national interest without consent (eminent domain), except in cases of smallholders benefitting from agrarian reform or anti-drug programmes.		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

4.5.8 (C)	New lands are not acquired in areas inhabited by communities in voluntary isolation.		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 4.6: Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.				
4.6.1 (C)	A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place.		The SOP – Land Dispute Management outlines the process for identifying legal, customary, or user rights and managing compensation, with HQ Office HASB overseeing fair compensation calculations and distribution, ensuring involvement from estate management, the Land Office, NGOs, and affected parties in negotiations.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

				☐ Not Applicable (justification required)
4.6.3	Evidence is available that equal opportunities are provided to both men and women to hold land titles for small holdings.		Not applicable since HASB is consider as Group Small grower.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		There was no process and outcomes of any negotiated agreements, compensation and payments to any affected parties.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 4.7: Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements				
4.7.1 (C)	A mutually agreed procedure for identifying people entitled to compensation is in place.		The SOP – Land Dispute Management outlines the process for identifying legal, customary, or user rights and managing compensation, with the Land Management Department at HASB HQ overseeing fair compensation calculations and distribution, ensuring involvement from estate management, the Land Office,	☒ Conform ☐ Major Nonconformity

			NGOs, and affected parties in negotiations.	☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		The audit confirmed that there were no compensation issues with villagers, the local community, or neighboring estates, and interviews with stakeholders, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, indicated no evidence of land disputes at HASB.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
4.7.3	Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.		The audit verified that HASB has legitimately owned the land since 1989, with all acquisition documents maintained at HASB HQ in Lahad Datu and verified at the estate, while stakeholder interviews, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, confirmed no land disputes with the local community or neighboring estates.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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.		The audit verified that HASB has legitimately owned the land since 1989, with all acquisition documents maintained at HASB HQ in Lahad Datu and verified at the estate, while stakeholder interviews, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, confirmed no land disputes with the local community or neighboring estates.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		There are no land conflicts within the unit of certification, and stakeholder interviews, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, confirmed no evidence of land disputes at HASB.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
4.8.3	Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant requirements (Indicators 4.4.2, 4.4.3 and 4.4.4).		There was no evidence of land acquisition through dispossession or forced abandonment of customary and user rights prior to current operations, and stakeholder interviews, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, confirmed no land disputes at HASB.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

4.8.4	For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable).		There were no land conflicts or disputes, as confirmed through stakeholder interviews, including Hap Seng Plantations Berhad, Spark Glory Sdn Bhd, smallholders, and village representatives, with no evidence of land disputes at HASB.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

Principle 5: Support Smallholder Inclusion				
Criterion 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.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
5.1.2 (C)	Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

				☒ Not Applicable (justification required)
5.1.3 (C)	Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
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.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
5.1.5	Contracts are fair, legal and transparent and have an agreed timeframe.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

5.1.6 (C)	Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
5.1.7	Weighing equipment is verified by an independent third party on a regular basis (this can be government).		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
5.1.8	The unit of certification supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

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.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
Criterion 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.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
5.2.2	The unit of certification develops and implements livelihood improvement programmes, including at least capacity building to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Standard for Independent Smallholder) PROCEDURAL NOTE: The RSPO is currently developing a separate standard for Independent Smallholders.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

5.2.3	Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production..		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
5.2.4 (C)	Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
5.2.5	The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.		Not applicable. This CU consists solely of a group of estates and does not include a palm oil mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

Principle 6: Respect Workers Rights and Conditions
Criterion 6.1: Any form of discrimination is prohibited.

6.1.1 (C)	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.		The company has an Equal Opportunity Policy, dated 1st March 2020, ensuring fair employment practices without discrimination, which is publicly displayed and communicated through briefings and induction sessions; employee interviews and database verification confirm compliance with the policy.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
6.1.2 (C)	Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against. Evidence includes migrant workers' non-payment of recruitment fees		The company's Social Policy reinforces its commitment to equal treatment for all employees, with no evidence of discrimination identified. A review of employment contracts, salary slips, and field observations confirmed fair provision of housing, benefits, and amenities. Both local and foreign workers receive equal living standards and accommodations. Interviews with 8 workers at HASB and 2 workers at SGSB confirmed that no discriminatory recruitment fees were imposed. Workers stated they only paid for passport, visa, medical expenses, food, transportation, and flight tickets, which they understood as necessary for travel to Malaysia. The estate had clearly communicated the nature of their work in the oil palm plantation before their arrival.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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		Records of hiring were reviewed during the audit. It was noted that the hiring was based on the 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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

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		Currently, there were 2 female workers at HASB, no female workers employed by SGSB. Interview with the female worker (Lorena) stated none of them are pregnant for the time being. Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		The number of female workers hired by HASB was not significant enough to form a gender committee. At the time of audit, there are only 2 female workers. Nevertheless, the estate managed to establish a gender committee to provide awareness and briefed on the sexual harassment reporting procedure should there be any cases. Sighted meeting minutes dated 21.06.2024 prepared by Kasmawati Tahang (Setiaushaha Gangguan Seksual dan Keganasan).	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
6.1.6	There is evidence of equal pay for the same work scope		Based on payslip verification and interviews with 7 workers at HASB and 2 workers at SGSB, it was confirmed that the wage structure and pay scale are implemented fairly, with evidence of equal pay for equal work regardless of gender or nationality. Workers interviewed were aware of their wage entitlements and reported no discrimination in terms of remuneration for similar job scopes. Additionally, documentation reviewed showed consistent payment practices aligned with company policy and in compliance with national minimum wage regulations. No discrepancies were identified during the verification process.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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 and explained to them in language they understand.		The CU maintains pay documentation through monthly payslips and employment contracts, ensuring compliance with the Minimum Wages Order 2022 and the Sabah Labour Ordinance, with details explained to workers in a language they understand during induction.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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, including work done by family members		Employment contracts, written in a language familiar to workers, outline terms such as working hours, leave entitlements, overtime, and payment conditions, with details explained during induction; payslips provide a breakdown of wages and deductions, and verification confirmed compliance with the Minimum Wages Order 2022 and the Sabah Labour Ordinance.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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		The CU complies with the Sabah Labour Ordinance regarding working hours, leave entitlements, overtime, and other labour requirements, as outlined in the workers' employment contracts. Working hours follow legal standards, with overtime mutually agreed upon and fairly implemented. Verification of checkrolls, payslips, and employment contracts confirmed compliance, including proper payment for leave and rest days, ensuring previous non-conformances were satisfactorily addressed.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
6.2.4 (C)	The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and		The CU provides adequate housing, water, medical services, and welfare facilities, with well-maintained furnished homes accommodating no more than six occupants per unit. Weekly	☒ Conform ☐ Major Nonconformity

<table>
<tr>
<td></td>
<td>welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure</td>
<td></td>
<td>housing inspections ensure proper upkeep, and workers have access to free medical services at the Hap Seng Estate clinic, with treatment costs directly managed by the CU.</td>
<td>☐ Minor Nonconformity
☐ Opportunity for Improvement
☐ Not Applicable (justification required)</td>
</tr>
<tr>
<td>6.2.5</td>
<td>The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.</td>
<td></td>
<td>While there is no grocery shop within the CU, management facilitates workers' access to food and essentials by collecting orders and purchasing items from external supermarkets. Workers can also buy groceries from nearby estates, including Hap Seng Litang, Bukit Mas, and IOI Unico Desa, with some traveling to Lahad Datu for additional necessities. Prices are reasonable, and the available items are sufficient.</td>
<td>☒ Conform
☐ Major Nonconformity
☐ Minor Nonconformity
☐ Opportunity for Improvement
☐ Not Applicable (justification required)</td>
</tr>
<tr>
<td>6.2.6</td>
<td>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: The RSPO Labour Task Force will prepare guidance on the DLW implementation, including details on how to calculate a DLW, expected for 2019. The RSPO Secretariat will endeavour to carry out DLW country benchmarks for palm oil producing countries in which RSPO members</td>
<td></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>Total Value of Prevailing Wage</th><th>Local Worker (RM)</th><th>Foreign Worker (RM)</th></tr>
<tr><td>HASB</td><td>1,957.01</td><td>1,617.00</td></tr>
<tr><td>SGSB</td><td>1,914.24</td><td>3,147.42</td></tr>
</table>
</td>
<td>☒ Conform
☐ Major Nonconformity
☐ Minor Nonconformity
☐ Opportunity for Improvement
☐ Not Applicable (justification required)</td>
</tr>
</table>

	operate and for which no Global Living Wage Coalition (GLWC) benchmarks exist			
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		At the current employment, core tasks such as harvesting, manuring, and spraying are carried out by permanent and full-time workers. No temporary or contractor workers are employed at the CU.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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 is available and is explained to all workers in languages that they understand, and is demonstrably implemented		The CU has adopted a documented policy on Freedom of Association and the Right to Collective Bargaining. This policy is available in both Bahasa Malaysia and English. The policy recognizes and respects employees' right to join a trade union of their choice and engage in collective bargaining, in accordance with relevant national laws. The policy was explained to all workers during the morning muster and is effectively implemented through the Workers Representative Committee (JCC). The JCC facilitates open communication for employees, with meetings held once a year. Interviews with workers confirm that they are aware of their worker representatives.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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 and made available upon request		Although the CU did not have official trade unions, workers selected their own representatives to be part of the Workers Representative Committee (JCC). The JCC consists of both worker and management representatives. The minutes from the JCC meetings were recorded, reviewed, and verified as follows: HASB The most recent meeting with the workers' representative took	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

			place on 11.09.2024 with the workers' leader. SGSB The latest meeting with the workers' representative was held on 13.11.2024 with the workers' leader.	☐ Not Applicable (justification required)
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		Interviews with the workers' representatives in the CU confirmed that management did not interfere in the formation of the association. All representatives were elected freely by the workers through a verified election process, as discussed during the interview. Evidence of the election, along with appointment letters, was reviewed. The workers' representatives include individuals from diverse gender, nationality, and ethnic backgrounds.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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		The formal policy for the protection of children, including the prohibition of child labor and remediation, was established and is publicly displayed on the notice board. The policy explicitly states that individuals under 18 years of age must not be employed in hazardous areas. This policy is posted on notice boards in both the housing and estate offices. The audit team has reviewed employment cards, copies of passports, and a list of foreign workers. There is no record of any individuals under the age of eighteen, employed at the CU.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
6.4.2 (C)	There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure		Evidence confirms that the minimum age requirements are being met at the CU. No evidence was found suggesting that the CU has employed anyone under the age of 18. This was verified by reviewing the Workers Master Lists, personal files, employment contracts, and payslips of all workers, where details such as IC numbers and birthdates are provided. There was no indication that the CU employed any individuals under the age of 18.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

				☐ Not Applicable (justification required)
6.4.3 (C)	Young persons may be employed only for non-hazardous work, with protective restrictions in place for that work.		Based on the documents reviewed, interviews conducted, and observations made, no evidence was found indicating that the CU has employed anyone under the age of 18.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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		The certification unit effectively communicates its commitment to a no-child-labor policy, emphasizes the negative impacts of child labor, and advocates for child protection to supervisors, key staff, smallholders, FFB suppliers, and communities where workers live. This communication takes place through stakeholder consultations, including Joint Consultative Committee (Estate Level) meetings held on 11.09.2024 (HASB), 13.11.2024 (SGSB), and a joint session with HSPB groups on 22.12.2021.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 6.5: Policies and procedures in place to protect workers' rights.				
6.5.1 (C)	A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce		The policy to prevent sexual harassment and all other forms of harassment and violence was implemented under the Sustainable Agriculture Policy statement. The policy is prominently displayed on the notice boards at the CU offices and housing areas. To date, no evidence or incidents contradicting this policy were observed during interviews with female workers at HASB. Although there are only 2 female workers, the estate has established a gender committee with its purpose to raise awareness, identify and address concerns, and explore opportunities and improvements for women, including dependents.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

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		The CU has established a Sustainable Agriculture Policy statement which includes provisions for safeguarding the reproductive rights of all workers. The Labour Standard acknowledges employees' rights to reproduction and reproductive health, ensuring their right to make decisions regarding reproduction. Interviews with female workers provide evidence that this standard is being implemented, with female employees receiving 60 days of paid maternity leave and pregnant workers assigned lighter duties. Interviews with female employees further confirmed their awareness of this policy and its effective implementation.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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		Currently, there are only 2 female workers. There is no new mother at the CU. Thus, this indicator not applicable.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
6.5.4	Grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce.		The company has a Grievance Procedure available in both English and Malay. It includes grievance process flow charts for both internal and external stakeholders. The procedure specifies that grievances from internal stakeholders should be resolved within 7 working days, while complaints from external stakeholders should be acknowledged within 7 working days and resolved within 30 days. The procedure provides various communication channels for stakeholders to contact management, including phone, email, letter, or a complaint form. It also ensures the anonymity of complainants, Human Rights Defenders, community spokespeople, and whistleblowers upon request, safeguarding them from reprisals or intimidation, in line with the RSPO policy on respect for HRD. Complaints received from internal stakeholders are	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			documented in the Grievance Logbook for Internal Stakeholders. Review of the Grievance Logbook, all complaints were related to damaged housing facilities requiring repairs and workers confirmed that all issues were addressed promptly.	

Criterion 6.6: Work is voluntary and specific labor policy and procedures are implemented.				
6.6.1 (C)	All work is voluntary and following are prohibited: • Retention of identity documents or passports • Payment of recruitment fees • Contract substitution • Involuntary overtime • Lack of freedom of workers to resign • Penalty for termination of employment • Debt bondage • Withholding of wages		Workers at the CU voluntarily joined through a walk-in process, with foreign workers recruited via word of mouth in Malaysia. The company ensures compliance with labor regulations, including valid work permits, no recruitment fees, and no passport withholding. Workers confirmed fair working conditions, including no involuntary overtime, and cover their own service fees. Proper licensing and regulatory services are in place to support ethical employment practices.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
6.6.2 (C)	Where temporary or migrant workers are employed, a specific labour policy and procedures are established and implemented		The CU has established a Foreign Workers Policy Statement under its Sustainable Agriculture Policy, ensuring ethical treatment of foreign workers. The policy guarantees fair recruitment, no contract substitution, decent living conditions, and compliance with Malaysia's minimum wage laws. Workers receive orientation on language, safety, and cultural norms, reflecting the company's commitment to fair and inclusive employment practices.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

Criterion 6.7: Appropriate health and safety measures are in place.				
6.7.1 (C)	The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded		The Group Manager was appointed as the responsible person for safety and health issues and chairman of the OSH Committee, with the authority to access the latest national regulations and collective agreements, and subsequently assigned the OSH Coordinator to oversee the implementation of OSH practices across group members, with all committee members formally appointed via official letters; OSH Committee meetings are held quarterly, as evidenced by meeting minutes from Harus Abadi (20/09/2024, 17/04/2024, 23/01/2024) and Spark Glory (05/09/2024, 04/06/2024, 04/03/2024), where key agenda items included reviewing previous minutes, addressing health and safety concerns, accident reports, workplace inspections, and safety programs.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
6.7.2	Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in the appropriate language of the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.		Comprehensive procedures for accidents and emergencies have been established, including the formation of an Emergency Response Plan (ERP) Team and detailed ERP flowcharts for incidents such as earthquakes, fires, chemical spills, floods, animal attacks, COVID-19, and workplace accidents, which are displayed for employee awareness; during site inspections, ERP availability was confirmed at key locations like chemical stores, offices, and worker housing, and interviews revealed that all workers understand emergency procedures, supported by annual first aid training conducted by the OSH Coordinator, verified training records, and well-maintained first aid boxes regularly checked and refilled by the OSH Coordinator for field mandores involved in harvesting, manuring, and spraying; contact details for the Emergency Response Team (ERT), police, fire brigade, and government clinics are communicated to employees and displayed on notice boards, while accident statistics are maintained using Lost Time Accident (LTA) metrics and reviewed quarterly during OSH Committee meetings.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

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.		During field inspections of harvesting operations, workers were consistently observed wearing appropriate PPE, including harvesting shoes, rubber boots, nitrile/cotton gloves, and safety helmets or straw hats, in compliance with risk assessments to address potential hazards, with all PPE costs fully covered by management and its condition and lifespan found to be satisfactory; interviews revealed workers' awareness and appreciation of the management's provision of PPE, their understanding of its importance, proper usage, storage, and disposal, and the availability of sanitation facilities near the chemical store area for pesticide applicators to change out of PPE, wash, and switch to personal clothing, supported by provided clothing lockers for changing between work and street clothing at the end of shifts.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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 national law or by the unit of certification where national law does not offer protection		Medical care and accident insurance is provided to all employees, both Local and Foreign workers under Employees' Social Security Act 1969 (Act 4). Sighted the last three months' payment (September 2024, October 2024 and November 2024) made to SOCSO on Form 8A for foreign and local workers at the group members was available for reviewed. Based on the records available to date, no compensation has been attributed or disbursed to workers.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
6.7.5	Occupational injuries are recorded using Lost Time Accident (LTA) metrics		Occupational injuries are recorded using Lost Time Accident (LTA) metrics via monthly accident key performance indicator (KPI) to OSH Coordinator. *Harus Abadi* Form JKKP 8 for 2023 was submitted to DOSH timely on 10/01/2024 via MyKKP System. Accident statistics were being maintained in a satisfactory manner and periodically reviewed. Total hours work for 2023 is 39200.00 hours and total lost day work is 0 days. *Spark Glory*	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			Form JKKP 8 for 2023 was submitted to DOSH timely on 03/01/2024 via MyKKP System. Accident statistics were being maintained in a satisfactory manner and periodically reviewed. Total hours work for 2023 is 9376.00 hours and total lost day work is 0 days.	

Principle 7: Protect, Conserve and Enhance Ecosystems and the Environment				
Criterion 7.1: IPM plans are implemented and monitored to ensure effective pest control.				
7.1.1 (C)	IPM plans are implemented and monitored to ensure effective pest control.		Harus Abadi and Spark Glory both implemented Integrated Pest Management (IPM) programs, guided by industry standards such as the MPOB's "Code of Good Agricultural Practice" and internal SOPs, to manage pests like rats, bagworms, nettle caterpillars, rhinoceros beetles, and other threats, with Harus Abadi focusing on beneficial plants like *Turnera subulata* and Spark Glory utilizing *Cassia cobanensis*, *Antigonan leptopus*, and *Turnera subulata*, alongside initiatives like barn owl boxes and maintaining soft weeds, while both estates minimized pesticide use through strategic planting and monitoring, with Harus Abadi disseminating IPM practices via training and roll calls and Spark Glory adhering to its revised Agriculture Manual SGAM – No. 2, ensuring sustainable pest control and reduced environmental impact.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		Species referenced in the Global Invasive Species Database and CABI.org. was not used in managed areas of the Spark Glory and Harus Abadi.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

				☐ Not Applicable (justification required)
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 ap prior approval of government authorities. [For NI to define process]		Harus Abadi Sdn Bhd (HASB) and Spark Glory Sdn Bhd both adhere to a strict Zero Burning Policy, with HASB enforcing no open burning across its estates and avoiding fire for pest control, while Spark Glory formalized its Zero Burning Policy in its Sustainable Agriculture Policy, which mandates zero burning for all operations, and neither estate has experienced pest outbreaks requiring the use of fire, with HASB planning to begin replanting in 2026.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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 prioritised.		HASB continues to use agrochemicals in compliance with technical guidelines such as the MPOB's "Code of Good Agricultural Practice" and SOP on Agricultural Practices which include written justifications for field operations, a chemical register listing selective products for targeted pests, weeds, or diseases, and strict procedures for PPE use during chemical handling, ensuring adherence to established SOPs for pesticide application.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		HASB and SGSB both maintain detailed records of pesticide usage, including active ingredients, LD50 values, application areas, quantities, and frequency, with pesticides used only when justified and documented in bin cards, program sheets, chemical registers, and cost books or progress reports; for 2023, HASB reported a total active ingredient (A.I.) usage of 1.06 liters per hectare, exclusively using glyphosate for weed control, while Spark Glory reported the same A.I. usage of 1.06 liters per hectare for 2024, also relying solely on glyphosate for weed management, with all records available for verification.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

7.2.3 (C)	Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.		Both estates have implemented a long-term chemical reduction plan where they are currently monitoring the usage of chemicals monthly to ensure reduction of chemical use in the long run. Paraquat was eliminated. In its place, alternatives such as Glyphosate and Glufosinate Ammonium were used instead. The estates also have implemented an IPM Plan to further reduce the use of pesticides. Sighted during the site visit the establishment of beneficial plants along the estate roads.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.2.4	There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.		Based on chemical register and site visit, no prophylactic use of pesticides used in both estates.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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 unexceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to: a) Judgment of the threat and verify why this is a major threat b) Why there is no other alternative which		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	can be used c) Which process was applied to verify why there is no other less hazardous alternative d) What is the process to limit the negative impacts of the application 7.2.5 e) Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.			
7.2.6 (C)	Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.		Both estates adhere to Group SOPs for activities such as premixing herbicides, transporting chemicals, handling FFB, fertilizers, waste, and workers, and using PPE, with all workers involved in pesticide application provided appropriate PPE, replaced when damaged, and verified through issue and replacement records, while field observations confirmed PPE usage; both estates and mills have SOPs for chemical/pesticide handling, with trained employees (storekeepers, sprayers, fertilizer, and rat bait workers) understanding chemical hazards and safe usage, supported by SDS training and availability of SDS at chemical and fertilizer storage areas; regular chemical handling training is conducted, including recent sessions such as Spraying Triple Rinse, Scheduled Waste, and Chemical Handling Training on 21/2/24 (Spark Glory), Chemical Handling Training on 13/01/2024 (HASB), and Spraying Training on 22/06/2024 (HASB).	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.2.7 (C)	Storage of all pesticides is in accordance with recognised best practices.		Pesticides used at the estates are officially registered under the Pesticides Act 1974 (Act 149) and comply with OSH USECHH Regulations (2000), with storage practices adhering to the Occupational Safety and Health Act 1994 (Act 514) and Pesticides Act 1974, ensuring proper labelling, SDS in Bahasa Malaysia, and worker training on chemical hazards and usage; chemical stores feature secure, locked access, natural ventilation, safety posters, PPE and hazard pictograms, segregated pesticide classes, concrete floors, bund walls, sump ponds, and trained storekeepers, while premixing areas include eye wash and bathing facilities, with wastewater from container	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			and PPE washing stored for reuse to prevent ground contamination, and triple rinsing of empty pesticide containers implemented as per SOPs for Scheduled Waste Management and Triple Rinsing.	
7.2.8	All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.		Empty pesticide containers at both estates were triple-rinsed, hole-punched, and stored in scheduled waste (SW) stores before being disposed of through DOE-approved contractors, with Harus Abadi disposing of 0.300 metric and Spark Glory disposing of 0.116 metric as per the latest inventory records verified during site visits on 26/11/2024.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.2.10 (C)	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.		Annual medical surveillance for pesticide operators is well-documented, and appropriate actions are taken to address any identified work-related health conditions. *Harus Abadi:* ▪ All pesticides operators and recommendation workers from CHRA were sent to Klinik Mabello (Paris) Sdn. Bhd. and examined by OHD doctor and report completion on 20/01/2024. A total of 3 workers were assessed, and all were deemed fit to handle chemicals. *Spark Glory:*	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			▪ All pesticides operators and recommendation workers from CHRA were sent to Klinik Mabello (Jeroco) Sdn. Bhd. and examined by OHD doctor and report completion on 29/08/2024. A total of 2 workers were assessed, and all were deemed fit to handle chemicals.	
7.2.11 (C)	No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 7.3: Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner				
7.3.1	A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.		A waste management and disposal plan to prevent or minimize pollution has been documented. The plan was reviewed on 14.11.2024 for Harus Abadi Sdn. Bhd. Procedures and guidelines are in place to direct waste disposal activities and reduce pollution during routine operations.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.3.2	Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.		In both estates, domestic waste from the housing areas is effectively managed. All domestic waste is disposed of at the Lahad Datu waste area (Spark Glory Estate) and at Block 03 (Harus Abadi Estate). During the site visit at Harus Abadi, domestic waste, including plastic bottles and food packaging, was observed being disposed of at the designated landfill at Block 03. As a result, the minor non-conformance from the previous year	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

			has been satisfactorily resolved.	☐ Not Applicable (justification required)
7.3.3	The unit of certification does not use open fire for waste disposal.		Site visit made at housing area at Harus Abadi and Spark Glory found no evidence of open fire being used for domestic waste disposal. Therefore, previous year minor non-conformance has been satisfactorily closed.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 7.4: Practice maintain soil fertility at, or where possible 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.		Spark Glory and Harus Abadi both adhere to good agricultural practices outlined in their respective SOPs to manage soil fertility, optimize yield, and minimize environmental impacts, with Spark Glory following its Agriculture Manual for fertilizer application, including field manuring programs for mature oil palm, and conducting soil sampling analysis through Hap Seng Plantations (River Estates) Sdn Bhd, as evidenced by a visit on 16/10/24; meanwhile, HASB maintains soil fertility through annual fertilizer applications guided by GAP MS1784:2016, utilizing a detailed fertilizer application flowchart, periodic tissue and soil sampling, and agronomist visits for nutrient analysis, with soil sampling conducted annually to monitor pH, carbon, nitrogen, and other nutrients, supported by a verified soil sampling visit by third party on 6/3/24.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.4.2	Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.		Harus Abadi conducts periodic tissue and soil sampling to monitor nutrient status, with the latest leaf sampling performed on 6/3/24 by the third party, guiding fertilizer recommendations and assessing soil health through annual analysis of pH, carbon, nitrogen, and other nutrients, while soil sampling for the 2025	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

			fertilizer program was verified during the same visit; meanwhile, Spark Glory performs annual foliar and soil sampling on a 5-year cycle, with the latest foliar sampling on 6/3/24 and soil sampling in May 2023 conducted by Hap Seng Plantation (River Estates) Sdn Bhd, analyzing nutrients and soil properties to inform fertilizer recommendations for maintaining and improving soil fertility.	☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		Both Harus Abadi and Spark Glory implement nutrient recycling strategies, with Harus Abadi stacking pruned fronds and allowing grass cuttings to decompose in fields, and Spark Glory similarly stacking pruned fronds and manually weeded grass for decomposition, though neither estate utilizes Empty Fruit Bunches (EFB) or Palm Oil Mill Effluent (POME); optimal inorganic fertilizer use at Spark Glory is guided by recommendations from Hap Seng Estates Holdings Berhad (Estate Division), as outlined under Indicator 7.4.4.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.4.4	Records of fertiliser inputs are maintained.		Harus Abadi conducts periodic tissue and soil sampling to monitor nutrient status, with the latest leaf sampling on 6/3/24 by the third party guiding fertilizer recommendations and assessing soil health through annual analysis of pH, carbon, nitrogen, and other nutrients, while soil sampling for the 2024 fertilizer program was verified during the same visit, resulting in the application of 350 MT of NK fertilizer; meanwhile, Spark Glory monitors and records fertilizer inputs as recommended by their agronomist.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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.		Harus Abadi's soil maps, provided by Hap Seng Plantation agronomists, identified no marginal or fragile soils in both estate divisions, with the soil series classified as Kretam Series; similarly, Spark Glory's soil map, and extracted from "The Soils of Sabah," confirmed the absence of fragile soils, with soil series identified as Kinabatangan and Kretam, and slope maps dated 18/11/2018	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

			indicating only a small area with a 20° slope.	☐ Not Applicable (justification required)
7.5.2	There is no extensive replanting of oil palm on steep terrain.		Harus Abadi has no replanting planned until 2026, as per its replanting program, and soil maps, slope maps, and site visits confirm no steep terrain exceeding 25° in both estate divisions; similarly, Spark Glory's slope maps and prepared by the Agronomy Department of Hap Seng Plantations, indicate only a small area with a 20° slope and no steep terrain greater than 25°.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.5.3	There is no new planting of oil palm on steep terrain.		Harus Abadi has no replanting planned until 2026, as per its replanting program, and soil maps, slope maps, and site visits confirm no steep terrain exceeding 25° in both estate divisions; similarly, Spark Glory's slope maps, prepared by the Agronomy Department of Hap Seng Plantations, indicate only a small area with a 20° slope and no steep terrain greater than 25°.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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.		Harus Abadi confirmed no new planting or development areas, eliminating the need for soil suitability maps or surveys to assess long-term suitability for oil palm cultivation, while Spark Glory Sdn Bhd, as outlined under Indicator 7.5.1, prepared soil and slope maps to demonstrate land suitability and incorporate considerations for marginal, fragile soils, and steep terrain into its plans and operations.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

				☐ Not Applicable (justification required)
7.6.2	Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices.		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.6.3	Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure		The soil map, topography maps, was available for CU used as a guidance for planning the roads, infrastructure and drainage construction.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 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.		Based on the soil map and site visit, no peat soil was identified in either estate.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

				☐ Not Applicable (justification required)
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 Peatland Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below).		Based on the soil map and site visit, no peat soil was identified in either estate.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.7.2 (C)	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 Peatland Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below).		Based on the soil map and site visit, no peat soil was identified in either estate.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.7.3 (C)	Subsidence of peat is monitored, documented and minimised.		Based on the soil map and site visit, no peat soil was identified in either estate.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

7.7.4 (C)	A documented water and ground cover management programme is in place.		Based on the soil map and site visit, no peat soil was identified in either estate.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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 time frame for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation. PROCEDURAL NOTE: Full details of the RSPO Drainability Assessment Guidelines and related concepts and detailed actions are in the manual currently being fine-tuned/tested by PLWG. A final version should be approved by PLWG in January 2019 and will include additional guidance		Based on the soil map and site visit, no peat soil was identified in either estate.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	on the steps to be followed after the decision not to replant as well as implications for other stakeholders, smallholders, local communities and the unit of certification. It is recommended that a further twelve-month methodology trial period is proposed for all related management units (i.e. those with plantations on peat) to utilise the methodology and provide feedback to the PLWG to enable further refinement of procedure as appropriate before January 2020. Units of certification have the option to defer replanting till after the availability of the revised guidelines. Additional guidance on alternative crops and rehabilitation of natural vegetation will be provided by PLWG. PROCEDURAL NOTE: PLWG and the Smallholder Interim Group (SHIG) will collaboratively develop guidance for Independent Smallholders [cross links to SHIG and GHG issues]			
7.7.6 ©	All existing plantings on peat are managed according to the *'RSPO Manual on Best Management Practices (BMTs) for existing oil palm cultivation on peat', version 2 (2018)* and associated audit guidance.		Based on the soil map and site visit, no peat soil was identified in either estate.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

7.7.7 (C)	All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as “peatland conservation areas”; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the ‘RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat’, version2 (2018) and associated audit guidance.		Based on the soil map and site visit, no peat soil was identified in either estate.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
Criterion 7.8: Practices maintain the quality and availability of surface and groundwater.				
7.8.1 (C)	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: 7.8.1a. The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities. 7.8.1 b. Workers have adequate access to clean water		The Water Management Plan was updated on 25.11.2024 for Spark Glory Estate and 20.11.2024 for Harus Abadi Estate, addressing key components such as soil moisture conservation, buffer zones, domestic water use, drought contingency plans, sewage systems, lubricant and fertilizer storage, and rainfall records; domestic water is primarily sourced from rainwater for washing, showering, and cooking, with bottled drinking water provided to workers and treated water supplied from Bukit Mas Palm Oil Mill, though no rainwater sampling or filtration systems are yet in place, and no natural waterways or rivers pass through the estate.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.8.2	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		At Harus Abadi, no rivers pass through the Main Division or First Raintree Division, while at Spark Glory, water quality analysis for Tagas River (upstream and downstream) was conducted by an accredited laboratory from Hap Seng Plantation on 06.06.2024, showing results within national quality standards.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

	rehabilitation of riparian reserves' (April 2017).			☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		Not applicable as there is no mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required) ● required)
7.8.4	Mill water use per tonne of FFB is monitored and recorded.		Not applicable as there is no mill.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)
Criterion 7.9: **Efficiency of fossil fuel use and the use of renewal energy is optimized.**				
7.9.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and reported.		A documented plan to enhance fossil fuel efficiency and optimize renewable energy is in place, with regular monitoring of energy consumption from both renewable and non-renewable sources to drive improvements; this includes routine servicing of generator sets to reduce greenhouse gas emissions and daily vehicle inspections by drivers, with monthly data compilation at both estates. At Harus Abadi Estate, diesel usage decreased with the	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

			ratio of diesel to crop production improving from 9.77 to 7.23, while Spark Glory Estate reduced diesel consumption improving its ratio from 4.44 to 4.18.	☐ Not Applicable (justification required)
Criterion 7.10: Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions				
7.10.1 (C)	GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported.		The action plan to reduce greenhouse gases for 2024 was implemented and verified. The CU was monitored through the Palm GHG calculator and publicly reported via RSPO System.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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 (following the RSPO GHG Assessment Procedure for New Development).		Auditors have verified through checking the www.globalforestwatch.com, Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at CU. Hence, the RSPO GHG Assessment Procedure for New Development was not applicable.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.10.3 (C)	Other significant pollutants are identified and plans to reduce or minimize them implemented and monitored.		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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

				☐ Not Applicable (justification required)
Criterion 7.11: Fire is not used for preparing land and is prevented in the managed area.				
7.11.1 (C)	Land for new planting or replanting is not prepared by burning.		The group members have strictly followed the Zero Burning Policy, effective since 01/09/2019, with no evidence of fire used for land preparation during the audit, as replanting activities were conducted using mechanical and environmentally friendly methods, showcasing their commitment to sustainable practices, regulatory compliance, and mitigating environmental impacts like air pollution and soil degradation, supported by regular monitoring and record-keeping.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.11.2	The unit of certification establishes fire prevention and control measures for the areas directly managed by the unit of certification.		Fire prevention and control measures are established in group members. The Zero Burning Policy has been established and monitoring Hotspot using the RSPO Hotspot Hub or NOAA satellites. The system monitors any possible occurrence of fire within or near the concession areas. There are fire prevention teams established. Among the mechanisms to prevent fire are training on firefighting for the ERT, preparing fire-fighting facilities such as tractor mounted with water bowser and submersible water pump.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.11.3	The unit of certification engages with adjacent stakeholders on fire prevention and control measures.		The group members had discussed and engaged with adjacent stakeholders on fire prevention and control measures during stakeholders meeting on 18/11/2024.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

PROCEDURAL NOTE for 7.12 The 2018 RSPO P&C include new requirements to ensure the effective contribution of RSPO to halting deforestation. This will be achieved by incorporating the High Carbon Stock Approach (HCSA) Toolkit in the revised standard. The RSPO ToC also commits RSPO to balancing sustainable livelihoods and poverty reduction with the need to conserve, protect and enhance ecosystems. High Forest Cover Countries (HFCCs) urgently require economic opportunities that enable communities to choose their own development path, while providing socio-economic benefits and safeguards. Adapted procedures will be developed to support the sustainable development of palm oil by indigenous peoples and local communities with legal or customary rights. These will apply in specific HFCCs, and within those, in High Forest Cover Landscapes (HFCLs). The development of these procedures will be guided by a No Deforestation Joint Steering Group (NDJSG) of RSPO and HCSA members. In HFCCs, RSPO will work through national and local participatory processes with governments, communities and other stakeholders to develop these procedures. A timeframe for these activities is stipulated in the Terms of Reference for the NDJSG and publicly available. **Criteria 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.		No new land clearing since Nov 2015 available at HASB, thus this Indicator was not Applicable.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.12.2 (C)	HCVs, HCS forests and other conservation areas are identified as follows: a) 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		*Harus Abadi* The report of "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 assessment was carried out on 10-12/1/2019. 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.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	plantations remains valid.		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 25/11/24 and the next review in November 2025 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. *Spark Glory* The report of "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 assessment was carried out on 10-12/1/2019. The report was completed on 25/1/19 and reviewed on 17 November 2022. 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. The Assessor also identified that the 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 25/11/24 and next review on November 2025	
7.12.2 b)	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.		No new land clearing since Nov 2015 available at HASB, thus this Indicator was not applicable.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

	This will include stakeholder consultation and take into account wider landscape-level considerations.			☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.12.3 (C)	In High Forest Cover Landscapes (HFCLs) within HFCCs, a specific procedure will apply for legacy cases and development by indigenous peoples and local communities with legal or customary rights, taking into consideration regional and national multi-stakeholder processes. Until this procedure is developed and endorsed, 7.12.2 applies. PROCEDURAL NOTE for 7.12.3: There should be demonstrable benefits to the local community; clear recognition of legal and customary lands based on participatory land use planning; development should be proportional to the needs of the local community; with a balance between conservation and development. This procedure will also cover planting on previous or abandoned agricultural land / plantations. All other P&C requirements apply, including FPIC and HCV requirements.		No new land clearing since Nov 2015 available at HASB, thus this Indicator was not Applicable.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

7.12.4 (C)	Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).		Harus Abadi conducted a High Conservation Value (HCV) assessment through the "Potential High Conservation Value Area Assessment Report," completed on 25/11/19 and revised on 25/11/24, identifying a 0.0015 Ha Mud Volcano as HCV 3 and recommending measures such as prohibiting worker entry, indiscriminate spraying, and illegal hunting, along with annual worker training on Rare, Threatened, and Endangered (RTE) species, with an updated Annual HCV Management Plan for 2025; meanwhile, Spark Glory established an HCV action plan for Sg Tagas, dated 25/11/2024, focusing on maintaining riparian reserves by prohibiting tree cutting, manuring, and spraying, while enhancing measures near Tabin Wildlife Reserve through worker briefings, signboards, and periodic monitoring to prevent illegal activities.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		There were no local communities living nearby with Harus Abadi. So, this indicator was not applicable with this CU.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

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.		HASB and Spark Glory have developed HCV Management Plans to protect HCV 3 areas, with commitments to prevent illegal hunting, fishing, and resource collection through prohibition signage, patrolling, staff training, and disciplinary measures.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		HASB and SGSB are committed to preventing illegal hunting, fishing, and resource collection through signage, patrolling, and regular HCV area monitoring, with records maintained in dedicated checklists.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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.		Not applicable since there is no new land clearing.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

6. Summary of Audit Findings

Summary of nonconformities and opportunities for improvement				
Principle/Requirement	**Major**	**Minor**	**Opportunities for Improvement**	**Total No Findings**
System Requirements for Group Management				
Element 1: Group Entity and Group Management requirements				
Element 2: Internal Control System – Policies and management				
Element 3: Internal Control System – Operations				
RSPO Principle & Criteria (P&C)				
Principle 1: Behave Ethically and Transparently				
Principle 2: Operate legally and respect rights - Implement legal requirements as the basic principles of operation in any jurisdiction.	**1**	**0**	**0**	**1**
Principle 3: Optimise productivity, efficiency, positive impacts and resilience *(Includes IP and/or MB Module)*	**1**	**1**	**0**	**2**
Principle 4: Respect Community and Human Rights and Deliver Benefits				
Principle 5: Support Smallholder Inclusion				
Principle 6: Respect Workers Rights and Conditions				
Principle 7: Protect, Conserve and Enhance Ecosystems and the Environment				
Systems Document				
Total	**2**	**1**	**0**	**3**

7. Nonconformity(ies) Issue in this Audit

Indicator Number	2.1.1
Nonconformity Number	DA 01 2024
Nonconformity Category	☒ Major Nonconformity ☐ Minor Nonconformity
Recurring Nonconformity	☐ Yes ☒ No
Date of Nonconformity Issued	06 December 2024
Nonconformity Issued To *(when more than one site/member)*: Harus Abadi Sdn. Bhd.	
Deadline:	☒ 3 months from date of closing meeting ☐12 months from date of closing meeting
Mode of Nonconformity Closure	☐ Onsite ☒ Off-site
Standard Reference	The unit of certification complies with applicable legal requirements.
Nonconformity Statement: The unit of certification has not complied with the applicable legal requirements. Occupational Safety and Health (Amendment) Act 2022 Section 7A: Appointment of licensed person, etc. Section 29A: Occupational safety and health coordinator Section 31C: Application for registration	
Evidence: 1) Appointment of a Person in Charge for MyKKP PATK Tahap 1 The company is required to appoint a dedicated individual to oversee the MyKKP PATK Tahap 1 system. This ensures proper compliance with regulatory requirements, facilitates timely updates, and enhances accountability in occupational safety management. 2) Appointment of an OSH Coordinator The company must appoint an Occupational Safety and Health (OSH) Coordinator to strengthen the implementation of safety and health measures in the workplace. The coordinator will be responsible for monitoring compliance, organizing safety programs, and serving as a liaison with regulatory authorities. This appointment is critical for fostering a culture of safety and ensuring adherence to the Occupational Safety and Health Act. 3) Conducting Workplace Assessment (Penilaian Tempat Kerja) Under OSHWA in the MyKKP System The company is obligated to carry out a comprehensive workplace assessment under the Occupational Safety and Health Workplace Assessment (OSHWA) framework via the MyKKP system. This evaluation identifies potential hazards, assesses risks, and recommends preventive measures to create a safer work environment. Regular assessments also demonstrate the company's commitment to proactive safety management and compliance with statutory requirements.	
Root Cause Analysis	1) No Person in Charge for MyKKP PATK Tahap 1 appointed by HASB management to oversee the MyKKP PATK Tahap 1 system due to HASB management with inadequate understanding with the

	applicable legal requirements (Occupational Safety and Health (Amendment) Act 2022). 2) No OSH Coordinator appointed by HASB management to strengthen the implementation of safety and health measures in the workplace due to HASB management with inadequate understanding with the applicable legal requirements (Occupational Safety and Health (Amendment) Act 2022). 3) Workplace Assessment (Penilaian Tempat Kerja) Under OSHWA in the MyKKP System not carried out by HASB management due to HASB management with inadequate understanding with the applicable legal requirements and the MyKKP System.
Correction(s)	1) HASB management has immediately appointed Mr. Tey You Lai as a temporary Person in Charge for MyKKP PATK Tahap 1 to comply with the applicable legal requirements of Occupational Safety and Health (Amendment) Act 2022 and to oversee the MyKKP PATK Tahap 1 system. (Refer Attachment 1) 2) HASB management has immediately appointed Mr. Tey You Lai as a temporary OSH Coordinator to comply with the applicable legal requirements of Occupational Safety and Health (Amendment) Act 2022 and to coordinate and strengthen the implementation of safety and health measures at HASB. (Refer Attachment 1) 3) Workplace Assessment (Penilaian Tempat Kerja) Under OSHWA in the MyKKP System will be carried out by Mr. Tey You Lai as a temporary Person in Charge for MyKKP PATK Tahap 1 to comply with the applicable legal requirements and the MyKKP System. (Refer Attachment 2)
Corrective Action Implemented *(including any evidence submitted)*	1) HASB management will periodically check with JTK or neighbouring plantation on the legal requirement especially Occupational Safety and Health (Amendment) Act 2022 and as per HASB's legal register requirement list. 2) HASB management will periodically check with JTK or neighbouring plantation on the legal requirement especially Occupational Safety and Health (Amendment) Act 2022 and as per HASB's legal register requirement list. 3) HASB management will continuously monitor and periodically check with JKKP or neighbouring plantation on the MyKKP system. Furthermore, Workplace Assessment (Penilaian Tempat Kerja) will be conducted in yearly basis to comply with Occupational Safety and Health Workplace Assessment (OSHWA) and also included in HASB OSH Plan.
Date of Response	13 February 2025
Audit Team Review *(including any evidence reviewed)*	Root cause accepted. The auditor has reviewed the attached evidence, which includes the following: ▪ The appointment of Mr. Tey You Lai as the Person in

	Charge (PIC) for MyKKP PATK Tahap 1, approved on 29/01/2025, as per application #SB/OYKOSHC/25/01318 submitted via the system. ▪ A letter of appointment designating Mr. Tey You Lai as the OSH Coordinator, dated 02/01/2025. ▪ Workplace inspection under OSHWA in the MyKKP System, conducted by Mr. Tey You Lai in his capacity as the temporary Person in Charge for MyKKP PATK Tahap 1, to ensure compliance with applicable legal requirements and the MyKKP System.
Audit Team Representative *(Name and Role)*	Dzulfiqar Azmi as Lead Auditor
Status of Nonconformity	☒ Closed ☐ Open
Date of Closure:	5 March 2025

Indicator Number	3.6.2
Nonconformity Number	DA 02 2024
Nonconformity Category	☒ Major Nonconformity ☐ Minor Nonconformity
Recurring Nonconformity	☐ Yes ☒ No
Date of Nonconformity Issued	06 December 2024
Nonconformity Issued To *(when more than one site/member)*: Harus Abadi Sdn. Bhd.	
Deadline:	☒ 3 months from date of closing meeting ☐12 months from date of closing meeting
Mode of Nonconformity Closure	☐ Onsite ☒ Off-site
Standard Reference	The effectiveness of the H&S plan to address health and safety risks to people are monitored.
Nonconformity Statement: The effectiveness of the Health and Safety (H&S) plan in addressing personnel health and safety risks was not adequately monitored.	
Evidence: No evidence was found to confirm that audiometric testing had been conducted as recommended by the Noise Risk Assessment (NRA) for Farm Tractor Drivers and Genset Operators at Harus Abadi Sdn. Bhd. This indicates a gap in compliance with health surveillance requirements and a failure to mitigate noise-induced health risks among employees exposed to high noise levels.	

Root Cause Analysis	1) Lack of Monitoring & Follow-Up: The company did not establish a proper monitoring mechanism to ensure the implementation of audiometric testing as recommended by the Noise Risk Assessment (NRA). 2) Absence of a Tracking System: There was no structured tracking system or schedule to ensure timely health surveillance for employees exposed to high noise levels.
Correction(s)	1) Conduct Audiometric Testing: Immediately arrange audiometric tests for all identified Farm Tractor Drivers and Genset Operators to comply with the NRA recommendations. 2) Document Evidence: Maintain records of test results and employees' health surveillance history.
Corrective Action Implemented *(including any evidence submitted)*	1) Update the Health & Safety (H&S) plan to include a clear procedure and timeline for conducting audiometric testing. 2) Develop a structured monitoring system to track health surveillance activities, including audiometric testing, in alignment with the NRA. 3) Assign a responsible person safety officer to oversee implementation. 4) Conduct periodic internal audits to verify compliance with the NRA recommendations.
Date of Response	13 February 2025
Audit Team Review *(including any evidence reviewed)*	Root cause accepted. The auditor has reviewed the attached Audiometry Screening Exam Summary Report. The audiogram was conducted on 10/01/2025 for two workers (Farm Tractor Driver and Genset Operator) at Klinik Mabello (Paris) Sdn. Bhd. The test was performed by a trained audiometric technician under the supervision of Occupational Health Doctor (OHD), Dr. Mohamad Fikri Bin Zanal Abidin (HQ/16/DOC/00/557). Testing was carried out in an ATC silent booth using an audiometer with a valid calibration certificate. The facility is registered as an Audiometric Testing Centre (ATC). Based on the results, two workers were identified as having hearing impairment. It was recommended that they use hearing protection equipment (earplugs or earmuffs) during work to prevent further deterioration. Additionally, they are required to undergo annual audiometric testing for continuous monitoring.
Audit Team Representative *(Name and Role)*	Dzulfiqar Azmi as Lead Auditor
Status of Nonconformity	☒ Closed ☐ Open
Date of Closure:	5 March 2025

Indicator Number	3.4.2
Nonconformity Number	NEA 01 2024
Nonconformity Category	☐ Major Nonconformity ☒ Minor Nonconformity
Recurring Nonconformity	☐ Yes ☒ No
Date of Nonconformity Issued	06 December 2024
Nonconformity Issued To *(when more than one site/member)*: Harus Abadi Sdn. Bhd.	
Deadline:	☐ 3 months from date of closing meeting ☒12 months from date of closing meeting
Mode of Nonconformity Closure	☒ Onsite ☐ Off-site
Standard Reference	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.
Nonconformity Statement: The development of SIA does not include all relevant stakeholders as well as its adverse impact.	
Evidence: The Social Impact Assessment (SIA) was reviewed on 22nd November 2024 for Harus Abadi and 25th November 2024 for Spark Glory. However, the following issues were found: 1) There are discrepancies of information provided to the auditor on the number of workers employed by Harus Abadi Sdn. Bhd. and the one stated in the SIA report. 2) The revision of SIA does not involve internal stakeholders (workers). Therefore, the workers' needs, concerns and grievances while living and working in the premise was not assessed. 3) The revision of SIA does not identify and monitor casual workers working in the premises. 4) The revision of SIA does not include the necessity to conduct rainwater sampling analysis since rainwater was consumed (cook rice and dishes) by the workers.	
Root Cause Analysis	1) There are discrepancies of information provided due to HASB management not double checking on the number of workers employed. 2) This is due to HASB management has overlooked to involve internal stakeholders (workers) in the revision Social Impact Assessment (SIA) report. 3) This is due to HASB management has overlooked to identify and monitor casual workers and include casual workers offered to work at HASB in revision of Social Impact Assessment (SIA) report. 4) This is due to HASB management has overlooked to include the necessity to conduct rainwater sampling analysis in revision of Social Impact Assessment (SIA) report.
Correction(s)	1) HASB management has immediately amend the Social Impact Assessment (SIA) report with the actual number of workers employed at HASB.

	2) HASB management has immediately amend the Social Impact Assessment (SIA) report to include the internal stakeholders (workers). Workers' needs, concerns and grievances also has been assessed through interviews by HASB management. 3) HASB management has immediately amend the Social Impact Assessment (SIA) report. Casual workers also have been identified and monitored through muster call every morning. 4) HASB management has conducted rainwater sampling on analysis on 21/01/2025 with laboratory and amended the Social Impact Assessment (SIA) report to include the rainwater sampling analysis.
Corrective Action Implemented *(including any evidence submitted)*	To prevent this issue, happen in the future, HASB management will continues to monitor on the development of Social Impact Assessment (SIA) report revision. Furthermore, the development of Social Impact Assessment (SIA) report by HASB management also will be assisted and monitored by Sustainability Team from Hap Seng Plantations Holdings Berhad.
Date of Response	13 February 2025
Audit Team Review *(including any evidence reviewed)*	Root cause accepted. The corrective action plan has been reviewed and found adequate to address Minor Nonconformity. Evidence of the CAP will be verified during the next assessment.
Audit Team Representative *(Name and Role)*	Dzulfiqar Azmi as Lead Auditor
Status of Nonconformity	☐ Closed ☒ Open
Date of Closure:	-

8. Opportunity for Improvement (OFI) Issue in this Audit

Indicator/requirement Number	
Opportunity for Improvement Number	
Date of Opportunity for Improvement Issued	
Opportunity for Improvement Issued To *(when more than one site/member)*:	
Standard Reference	
Opportunity for Improvement Statement:	

Add tables as necessary

9. Nonconformities raised in the previous audit

Indicator/ requirement No	Nonconformity Number	Evidence Observed / Nonconformity Raised	Auditee Response Correction / Corrective Action	Verification of Correction/ Corrective Action	Conclusion /Status
6.2.3	DA 01 2024	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.	Correction: Management has implemented new format of payroll system. Refer attachment evidence. Corrective action: HASB management will continuously monitor on the payroll system.	Verified on the pay slip, payment for annual leave and work on rest days being made accordingly. The number of working days, absences, or sick leave is traceable in the payroll system.	**Closed**
7.3.2	RAR 01 2024	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.	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.	In both estates, domestic waste from the housing areas is effectively managed. All domestic waste is disposed of at the Lahad Datu waste area (Spark Glory Estate) and at Block 03 (Harus Abadi Estate). During the site visit at Harus Abadi, domestic waste, including plastic bottles and food packaging, was observed being disposed of at the designated landfill at Block 03.	**Closed**

7.3.3	RAR 02 2024	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	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 not used 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 handlings. Management has decided, To conduct weekly housing checklist.	Site visit made at housing area at Harus Abadi and Spark Glory found no evidence of open fire being used for domestic waste disposal.	**Closed**
3.3.2	RAR 03 2024	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	Correction: Management has relocated the location of emergency shower to a more ideal place. Corrective action: HASB management will continuously monitor on the accessibility towards the emergency shower.	During the site visit to the premix area at Harus Abadi Estate, it was observed that the emergency shower location is adjusted nearby the premix areas. And the pressure of water also acceptable to clean the eyes This could potentially pose a hazard to premix operators.	**Closed**

10. Stakeholder Consultation Process

CB should ensure that all relevant stakeholders are consulted. The relevant stakeholders include but are not limited to statutory bodies, indigenous peoples, local communities (including women representatives, and displaced communities), workers and workers' organisations (including migrant workers), smallholders, and local and national NGOs.

Date of public announcement made: 18 October 2024

Summary of stakeholder's comments and the CB's responses and findings are presented in the table below:

10.1 For Audit Report

No	Consulted Stakeholders *Name of Stakeholders*	Date of Consultation/ Comment Received	Method of Consultation/ Comment received	Feedback/Comments/Issue Raised Received from Stakeholders	CB's Responses

10.2 For Public Summary Report

No	Consulted Stakeholders *Name of Stakeholders*	Date of Consultation/ Comment Received	Method of Consultation/ Comment received	Feedback/Comments/Issue Raised Received from Stakeholders	CB's Responses
1	Employees / Workers Organizations (local / foreign / Orang Asli workers / male & female)	02-06/12/2024	Site interviewed	Based on interviews conducted with 7 workers at HASB and 2 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,	The management has effectively implemented human rights principles in compliance with international laws and industry best practices. During this audit, no issues related to social aspects, including labor rights, workplace discrimination, or ethical treatment of workers, were identified. The company has established proper mechanisms to ensure fair wages, safe working conditions, non-discriminatory policies, and grievance resolution processes. Additionally, workers have access to proper accommodation, medical facilities, and channels to voice their concerns without fear of retaliation. This demonstrates the management's commitment to upholding social responsibility and ethical labor practices.

				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	Worker representative	02-06/12/2024	Site interviewed	They informed that they were elected by the workers freely. There was no issue reported by the workers during the time of audit. If there is any issue, they will discuss with management and action will be taken to resolve the issue. There is no discrimination happened in the estate as the management treated everyone the same. Overtime was offered voluntarily basis.	No issues on management and continuously communicate with foreign workers during JCC meeting on annual basis. Any issue raised will be registered and follow up using SIA action plan.
3	Gender committee representative	02-06/12/2024	Site interviewed	They stated that management treats female workers equally to male workers, including in job opportunities and promotions, based on performance and capability. They also confirmed that no cases of discrimination, sexual harassment, or domestic violence have been reported. Additionally, they are aware of the reporting channels should any such cases occur in the estate.	Reviewed records of meeting minutes for Gender Committee verified the discussion been recorded. Onsite interview confirmed no discrimination and sexual harassment lodged by female workers and minutes.

4	Villagers / Local communities (including women representatives, displaced communities)	02-06/12/2024	Site interviewed	It has been confirmed that there are no land disputes between HASB CU and its neighboring estates, including Hap Seng Plantation (Kapis Estate), Mr. Paulus Guidillon, Sharifudin, and Tabin Wildlife Forest Reserve. No social issues have been reported among estate workers. Occasionally, estate workers are invited to attend meetings organized by HASB, with the most recent one held virtually a few months ago. All stakeholders have been invited to RSPO/MSPO briefings and stakeholder meetings. Interviews with Mr. Sapari from JKKK Kampung Litang, Mr. Paulus and Mr. Sharifudin (a neighbouring smallholder), confirmed that there are no user rights issues between HASB and the villagers. Additionally, estate operations have not negatively impacted the villagers' livelihoods.	A review of the meeting minutes from the external stakeholders' consultation, confirms that external stakeholders attended the meeting, and no negative feedback or grievances were raised.
5	Suppliers	02-06/12/2024	Site interviewed	The supplier of crusher run is Hap Seng Plantation, located nearby. Due to its small scale, HASB typically purchases chemicals, PPE, and estate tools directly from suppliers in Lahad Datu town. Fair business dealings are maintained with Hap Seng and local traders in Lahad Datu. Payments are made within one month of invoicing. Representatives from suppliers, Mr. Ng Fang Wen from Agromate (M) Sdn. Bhd. and Rising Star Properties Sdn. Bhd., have confirmed that transactions are conducted fairly and payments are made promptly as per invoices.	Reviewed due diligence document is available together with COBC form signed by both parties. No issues of late payment based on the records verified.

6	Government agencies / Statutory bodies	02-06/12/2024	Phone interviewed	No stakeholders were present on-site, as the invitation letter sent out did not receive any responses. A phone interview with Mr. Hj. Hussin Sukiman, District Forest Officer of Lahad Datu, confirmed that there are no issues regarding boundary matters and the enforcement of RTE (Rare, Threatened, and Endangered species) regulations at HASB and SGSB.	Noted on the information and no further issue.

Summary of workers interviewed, and the CB's responses and findings are presented in the table below:

Total Workers in the Unit of Certification			23	
Sampled Worker Consulted/ Interviewed in This Audit			**9**	
No	**Type of Workers Consulted/ Interviewed**	**Interview Method**	**Feedback/Comments/Issue Raised/ Received from Workers**	**CB's Responses**
1	Male	Group interview at sites	Based on interviews conducted with both male and female workers across various job scopes, it was confirmed that daily-rated workers receive a minimum salary of RM1,500 per month. For piece-rated workers, as long as they achieve their targets, they also receive a minimum of RM1,500 per month. Salaries are paid before the 7th of each month. Workers follow a six-day workweek with Sunday as the designated rest day. They work eight hours per day with a minimum 30-minute break. Any overtime work is mutually agreed upon between workers and management, with no element of coercion. Foreign workers are not subjected to any recruitment fees. They retain possession of their own passports, which are only submitted to the office when renewal is required. Both local and foreign workers have the freedom to appoint their own representatives without any interference or influence from the employer. A review of payslips confirmed that workers are paid in accordance with the Minimum Wages Order 2022 and the Sabah Labour Ordinance. Samples of worker records were also examined and verified for compliance.	The management has effectively implemented human rights principles in compliance with international laws and industry best practices. During this audit, no issues related to social aspects, including labour rights, workplace discrimination, or ethical treatment of workers, were identified. The company has established proper mechanisms to ensure fair wages, safe working conditions, non-discriminatory policies, and grievance resolution processes. Additionally, workers have access to proper accommodation, medical facilities, and channels to voice their concerns without fear of retaliation. This demonstrates the management's commitment to upholding social responsibility and ethical labour practices.
2	Female	Group interview at sites		
3	Malaysian	Group interview at sites		
3	Indonesian	Group interview at sites		
6	Philippines	Group interview at sites		

Consultation with Previous Land User

Total Identified Previous Land User in the Unit of Certification				
Sampled Previous Land User in this audit				
Name of Previous Land User	**Contact Details (address/telephone/email)**	**Total Area (Ha)**	**Date of Consultation**	**Result of Discussion with Previous Land User**
Add rows as necessary			*DD Mmm YYYY*	

11. Audit Conclusion & Recommendations

Audit findings	
☐	No nonconformity recorded.
☒	Minor nonconformity recorded. A corrective action plan has been accepted. Verification of the nonconformity(ies) to be carried out in the next audit.
☒	Major nonconformity recorded. Evidence of implementation of the corrective actions have been accepted by the audit team. The nonconformity(ies) have been satisfactorily closed out.
Recommendation	
☐	Certification (Initial Certification)
☐	Continue certification (Annual Surveillance Audit)
☒	Renewal for certification (Recertification)
☐	Not recommended for certification. Reason: (*Please provide the reason/ justification)*

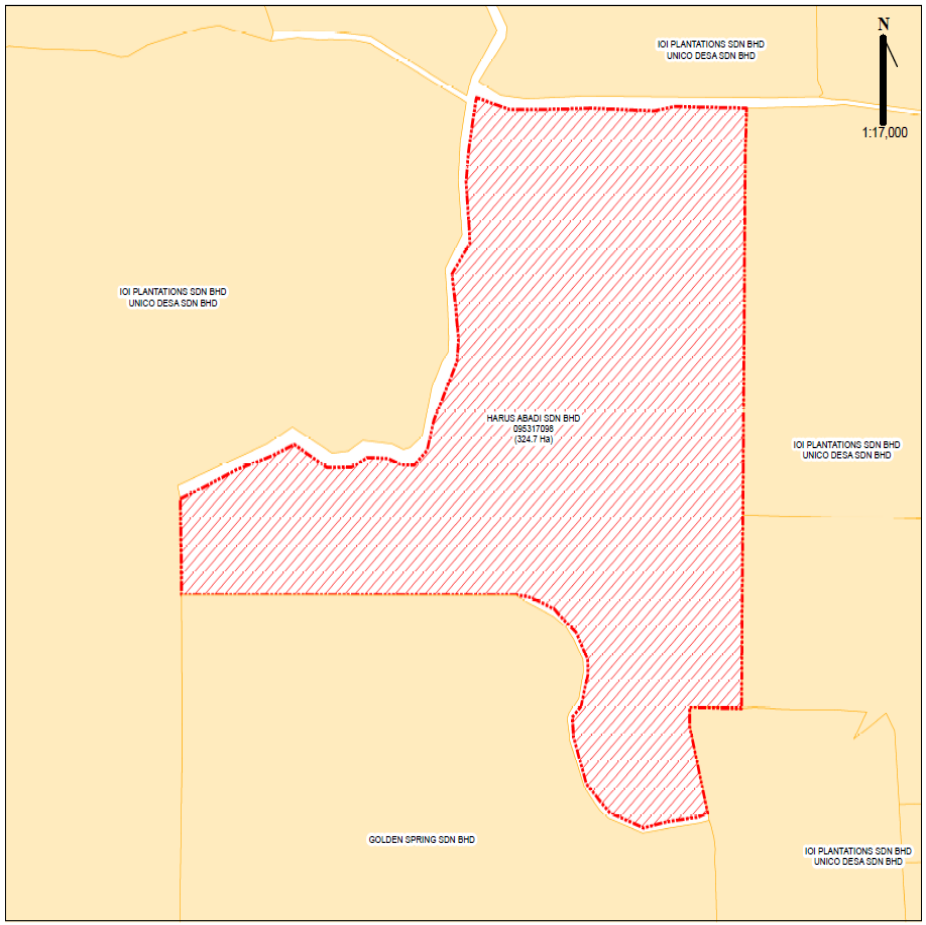
12. Acknowledgment of Internal Responsibility and Formal Sign-off Assessment Findings

Signing by the Management Unit		
I the undersigned, being the most senior management representative of the operation seeking or holding certification, agree with the contents and audit findings presented in this document. Furthermore, I confirm the following: · Acceptance of responsibility in execution of the instructions given. · That this company was made aware that the recommendation of the Audit Team is tentative; pending review and decision by the Certification Decision Maker assigned by the CB. · That during the closing meeting all agenda items were covered by the Audit Team Leader.		
Acknowledge by:		 Signature
Name	TEY YOU LAI	
Position	GROUP MANAGER	
Date	19/04/2025	

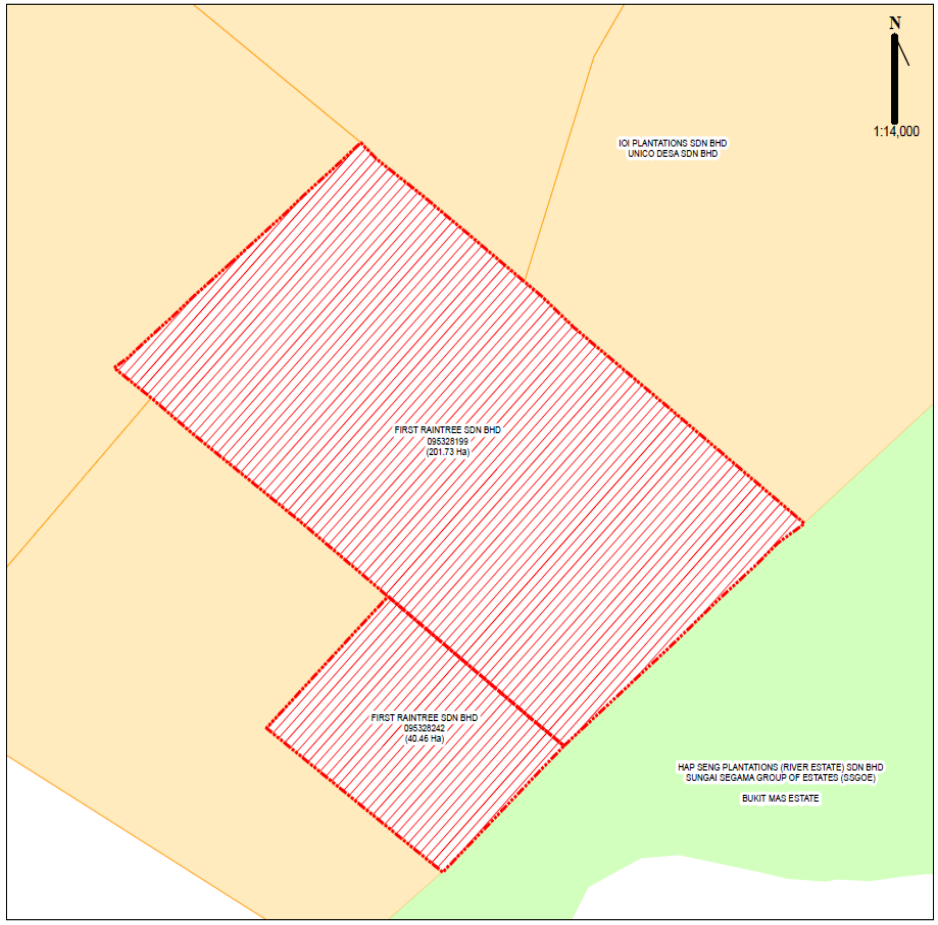
Signing by the Audit Team Leader		
I, the undersigned, being the Audit Team Leader, confirm that this report accurately reflects the findings and proceedings of the closing meeting. Furthermore, I affirm that the summary of the findings presented in this report is a true and accurate representation of the actual findings of the Audit Team.		
Acknowledge by:		 Signature
Name	DZULFIQAR AZMI	
Position	LEAD AUDITOR	
Date	24 / 03 / 2025	

Signing by the Certification Decision Maker		
I, the undersigned, being the Certification Decision Maker, confirm that the information and conclusions contained in this report have been prepared in good faith and that the certification decision has been made based upon this information.		
Acknowledge by:		 Signature
Name	Kamini Sooriamoorthy	
Position	Section Head (FAF)	
Date	21/4/2024	

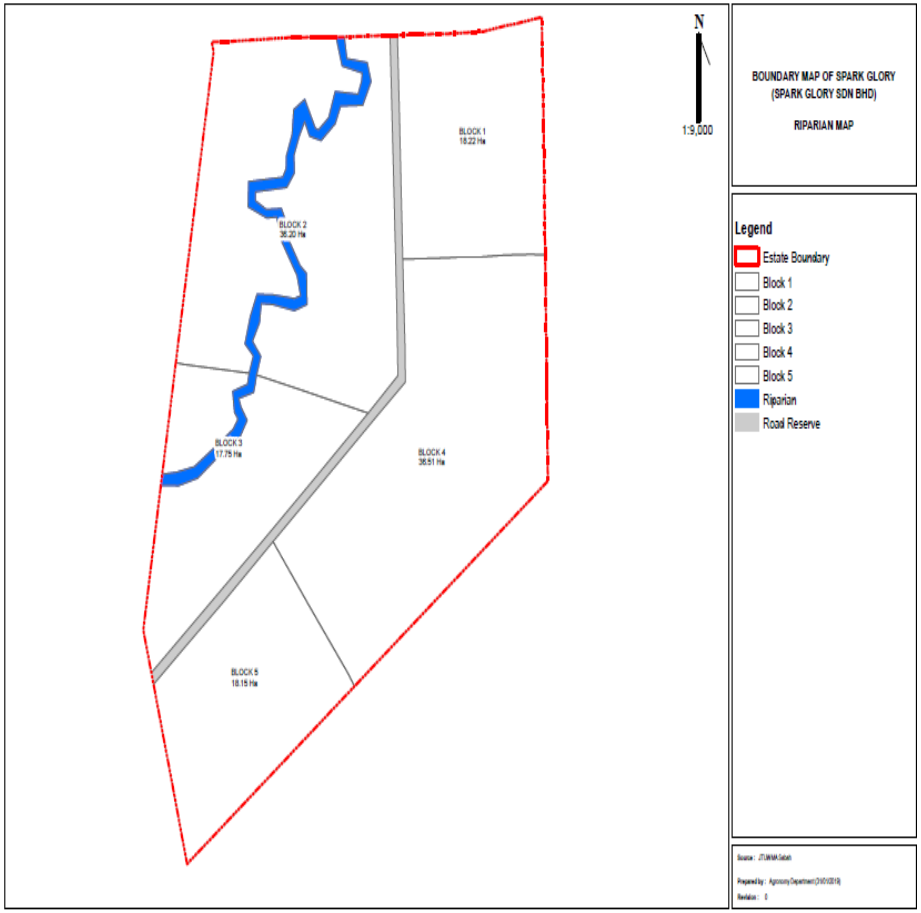
Appendix 1: Location Map Unit of Certification and Group Member



Map of Harus Abadi Sdn. Bhd.



Map of First Raintree Sdn. Bhd.



Map of Spark Glory Sdn. Bhd.

Appendix 2: Greenhouse Gas (GHG) Reporting Summary

The GHG emissions are produced by the Bukit Mas POM (POM and its supply bases) in the period of January 2023 until December 2023 have been calculated using the RSPO PalmGHG Calculator (version 4). The assessment team had verified the data input in the PalmGHG Calculator against operations records. The Certification Unit has selected the following options from the PalmGHG Calculator when preparing inputs for the GHG emissions calculations:

☒ Apply Full Version

☐ Exclude LUC Emissions

The summary of the Net GHG emitted in January 2024 for Bukit Mas POM and supply base are as following:

1. Summary of Emissions

Description	tCO_2eq/t product
CPO	0.69
PK	0.69
PKO	0.00
PKE	0.00

Extraction	tCO_2e/t product
OER	20.48
KER	5.19

2. Summary of Plantation/Field Emissions and Sink

Land Use	Ha
OP Planted Area	29651.70
OP Planted on Peat	0.00
Conservation (Forested)	75.50
Conservation (Non-Forested)	850.23
Total	**30577.43**

Production	t/year
FFB Processed	249235.44
CPO Produced	51044.522

	Own Crop		Group		3rd Party		Total
	tCO_2e	tCO_2e/ tFFB	tCO_2e	tCO_2e/ tFFB	tCO_2e	tCO_2e/ tFFB	
Land Conversion	49734.61	0.31	41576.50	0.52	0.00	0.00	91311.94
CO_2 Emission from Fertilizer	3401.87	0.02	1885.51	0.02	0.00	0.00	5287.42
N_2O Emission	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fuel Consumption	5372.88	0.03	3902.92	0.05	0.00	0.00	9275.88
Peat Oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Crop Sequestration	-40880.52	-0.26	-35499.12	-0.44	0.00	0.00	-76380.3
Sequestration in Conservation Area	-671.93	-0.00	0.00	0.00	0.00	0.00	-671.93
Total	**16956.91**	**0.1**	**11865.81**	**0.15**	0.00	0.00	-62488.9

**Note: Includes both estates and smallholders (delete whichever not applicable)*

3. Summary of Mill Emission and Credits

	tCO_2	tCO_2e/t FFB
Emission		
POME	5827.49	0.02
Fuel Consumption	940.75	0.00
Grid Electricity Utilization	0.00	0.00
Credit		
Export of Excess Electricity to Housing & Grid	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	**6768.24**	**0.03**

4. Palm Oil Mill Effluent (POME) Treatment

Description	%
Diverted to	3.96
Divert to anaerobic digestion	96.04

5. POME Diverted to Anaerobic Digestion

Description	%
Diverted to anaerobic pond	3.37
Diverted to methane capture (Flaring)	13.17
Diverted to methane capture (electricity generation)	83.46