RSPO P&C CERTIFICATION AUDIT REPORT

(JEROCO PALM OIL MILL 1)

Audit Application Number:	PC25-002880
Assessment Type:	Annual Surveillance Audit 2
Date of Audit:	21 Jul 2025 - 25 Jul 2025
Audit Report Number:	01
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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)	Building 4, SIRIM Complex, No. 1, Persiaran Dato' Menteri, Section 2, P.O. Box 7035, 40700 Shah Alam, Selangor, 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 28 September 2024 (accredited since 2014).
Phone Number (Accredited Office)	(603) 5544 6119
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	Malaysia and Indonesia
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	**JEROCO PLANTATIONS SDN. BHD. – JEROCO PALM OIL MILL 1**
Address of the Management Unit/s	Off KM 50, Jalan Jeroco, 91109 Lahad Datu, Sabah, Malaysia
Country	Malaysia
Websites	https://www.hapsengplantations.com.my/
Description of the Management Unit	Jeroco Palm Oil Mill 1 certification unit (hereafter refer to JPOM1 CU) is one of the business units under the Hap Seng Plantations Holdings Berhad (HSPHB). Located at Off 50 KM, Jalan Jeroco, Lahad Datu, Sabah, Malaysia, the CU consists of one mill i.e., Jeroco Palm Oil Mill 1 (JPOM1) and 4 supply bases i.e. Batangan, Lutong, Lokan and Lungmanis Estates. Jeroco 1 CU is surrounded by neighboring oil palm stakeholders and forest reserve, this can be shown in the CU's map and consultations with relevant stakeholders. There were no local communities nearby. Most of the local communities are within the Tomanggong Group of Estate and Sungai Segama Group of Estate. The JPOM1 has a processing capacity of 60 metric tonnes of fresh fruit bunches (FFB) per hour. The mill only receives and processes crops from HSPHB's certified supply bases. The CU has other management system certification schemes such as Halal, HACCP, ISCC and MSPO.
Management Representative Name	Kee Keow Chong
Management Representative Designation	General Manager - Agronomy
Management Representative Email	keekc@hapseng.com

2.2.RSPO Membership Information

RSPO Membership Information	
RSPO Membership No.	1-0098-11-000-00
Name of RSPO Member	HAP SENG PLANTATIONS HOLDINGS BHD.
Member Since	02 September 2005

2.3.Certificate Information

Certificate Information	
Certificate No.	RSPO-PC 00111
prisma Document Reference Number	*(N/A until June 2025)*
prisma Trading Account ID	TA25-017056
Scope of Certification	Production of Sustainable Crude Palm Oil and Palm Kernel Using Identity Preserved Supply Chain Model
Supply Chain Model	☒ Identity Preserved (IP) ☐ Mass Balance (MB)
Applicable Standards / Normative Reference	☒ RSPO 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)	Malaysia National Interpretation
Initial Date of Certification:	27 Sept 2013
Effective Date of Certificate:	27 Sept 2023
Expiry Date of Certificate:	26 Sept 2028
Name of Peer Reviewer	Only for the case of IC or RC

3. Description of the Management Unit

Information of Palm Oil Mill					
Name of Palm Oil Mills	**prisma Site Business ID**	**Address of Palm Oil Mill**	**Mill's capacity (MT/hour)**	**GPS Coordinates**	
				Latitude	**Longitude**
JEROCO PALM OIL MILL 1	ML25-001359	Locked Bag No. 19, 91109, Lahad Datu	60	5.431112˚	118.417224˚
Remarks: To include additional information wherever applicable					

Information of Supply Bases					
Name of Supply Bases	**prisma Supply Base ID**	**Address of Supply Bases**	**Type of Supply Bases**	**GPS Coordinates**	
				Latitude	**Longitude**
BATANGAN ESTATE	SB25-003711	Locked Bag No. 19, 91109, Lahad Datu	Own/Managed Estate	5.412140˚	118.449945˚
LOKAN ESTATE	SB25-004993	Locked Bag No. 19, 91109, Lahad Datu	Own/Managed Estate	5.431056˚	118.382723˚

LUNGMANIS ESTATE	SB25-005026	Locked Bag No. 19, 91109, Lahad Datu	Own/Managed Estate	5.479529˚	118.403139˚
LUTONG ESTATE	SB25-005027	Locked Bag No. 19, 91109, Lahad Datu	Own/Managed Estate	5.365445˚	118.440611˚

3.1. Area Statement of the Management Unit

Area Statement of Supply Bases									
Name of Supply Base	**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**
Batangan Estate	3,632.88	3,394.00	-	-	62.70	-	-	-	176.18
Lokan Estate	3,155.39	2,837.00	-	-	-	-	-	-	318.39
Lungmanis Estate	2,200.00	1,955.00	-	-	-	-	-	-	17.60
Lutong Estate	2,448.40	2,194.00	-	-	82.00	-	-	-	254.40
TOTAL	**11,436.67**	**10,380.00**	-	-	**144.7**	-	**-**	-	**766.57**
Remarks: To include additional information wherever applicable									

3.2. Age Profile of the Management Unit

Name of the Supply Base	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		
Batangan Estate	-	-	2,556	838	3,394	3,394
Lokan Estate	-	-	1,089	1,748	2,837	2,837
Lungmanis Estate	458	674	267	556	1,955	1,955
Lutong Estate	-	-	1539	655	2194	2194
TOTAL (ha)	**458**	**674**	**5,451.00**	**3,797**	**10,380**	**10,380**
Remarks: To include additional information wherever applicable						

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 Programme of the Management Unit (5 Years)

Name of the Supply Base	Land area (ha) by year					Total Area (Ha)
	20xx (current year)	20xy (current year+ 1)	20xz (current year+ 2)	20xa (current year+ 3)	20xb (current year+ 4)	
Batangan Estate	-	-	-	-	-	-
Lokan Estate	-	150	439	820	852	1,002
Lungmanis Estate	-	-	-	-	-	-
Lutong Estate	-	-	-	-	-	-
TOTAL (ha)		150	439	820	852	1,002

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

3.4. Name FFB Supplier Supplying FFB to the Mill (Certified FFB)

Name of other FFB Suppliers	Type of FFB Suppliers	GPS Coordinates		FFB received by the mil (MT) *During the current license period
		Latitude	Longitude	
BATANGAN ESTATE	Own supply bases	5.412140˚	118.449945˚	37904.45
KRETAM ESTATE	Diverted crop	5.412140˚	118.449945˚	35780.75
LUTONG ESTATE	Own supply bases	5.365445˚	118.440611˚	43734.40
LOKAN ESTATE	Own supply bases	5.431056˚	118.382723˚	46873.47

KAPIS ESTATE	Diverted crop	5.442862˚	118.414167˚	7005.96
LUNGMANIS ESTATE	Own supply bases	5.479529˚	118.403139˚	28161.06
LITANG ESTATE	Diverted crop	5.325446˚	118.574529˚	29976.48
WECAN ESTATE	Diverted crop	5.325446˚	118.574529˚	18742.42
TOMANGGONG ESTATE	Diverted crop	5.240190˚	118.395170˚	2524.90

TAGAS ESTATE	Diverted crop	5.214730˚	118.381420˚	23924.68
SUNGAI SEGAMA ESTATE	Diverted crop	5.317339˚	118.463148˚	3336.32
BUKIT MAS ESTATE	Diverted crop	5.317339˚	118.463148˚	3058.48
LADANG KAWA	Diverted crop	4.364506˚	118.038522˚	68.22
HAP SENG PROPERTIES	Diverted crop	4.299946˚	117.961751˚	88.70

APAS CLAREMONT	Diverted crop	4.364506˚	118.038522˚	608.96
			TOTAL	281,789.25

3.5 Name FFB Supplier Supplying FFB to the Mill (Un-Certified FFB)

Name of other FFB Suppliers	**Type of FFB Suppliers**	**GPS Coordinates**		**FFB received by the mil (MT)** **During the current license period*
		Latitude	**Longitude**	
	choose an item	i.e. XX. XXXXX	i.e. XXX. XXXXX	

Rows (including dropdown) can be added as necessary	choose an item			
			TOTAL	

3.6 Projected Certified Volume for Next License

Information of New License		
Next License Period	Start Date	27 Nov 2025
	End Date	26 Sep 2026
Projected Certified FFB Volume (MT)	237,661	
Average Production Yield (MT/ Ha)	22.90	
Projected CSPO Certified Volume (MT)	Identity Preserved	49,909
	Mass Balance	NIL
Projected CSPK Certified Volume (MT)	Identity Preserved	10,931
	Mass Balance	NIL
Oil Extraction Rate (OER) (%)	21.00	
Kernel Extraction Rate (KER) (%)	4.60	

3.7 Information of Previous & Current License (Identity Preserved)

Name of Palm Oil Mill	**Jeroco Palm Oil Mill 1 (JPOM 1)**			
Information of License	**Previous Year License**		**Current Year License**	
License Period	Start Date	27 Nov 2023	Start Date	27 Nov 2024
	End Date	26 Nov 2024	End Date	26 Nov 2025
Actual Production Period Reported	From	27 Nov 2023	From	27 Nov 2024
	To	26 Nov 2024	To	25 Jul 2025
Projected FFB Certified Volume (MT)	229,325.00		229,899.82	
Actual production of FFB (MT)	**285,201.77**		281,789.25	
Projected CSPO Certified Volume (MT)	**52,650.00**		81,023.79	
Actual CSPO Production Volume (MT)	60,920.90		58,943.06	
Actual CSPO Volume Sold as RSPO Certified (MT)	60,920.90		58,368.47	
Actual CSPO Volume Sold as Conventional (MT)	0		NIL	
Actual CSPO Volume Sold under Other Scheme (MT)	0		NIL	
Total Actual CSPO Volume Sold (MT)	60,920.90		58,368.47	
Actual CSPO credits sold (where applicable)	0		NIL	

Projected CSPK Certified Volume (MT)	11,900.00	17,841.87
Actual CSPK Production Volume (MT)	12,403.01	11,718.64
Actual CSPK Volume Sold as RSPO Certified (MT)	12,403.01	11,843.91
Actual CSPK Volume Sold as Conventional (MT)	0	NIL
Actual CSPK Volume Sold under Other Scheme (MT)	0	NIL
Total Actual CSPK Volume Sold (MT)	12,403.01	11,843.91

3.8 Information of Previous & Current License (Mass Balance)

Name of Palm Oil Mill				
Information of License	**Previous Year License**		**Current Year License**	
License Period	Start Date	DD Mmm YYYY	Start Date	DD Mmm YYYY
	End Date	DD Mmm YYYY	End Date	DD Mmm YYYY
Actual Production Period Reported	From	DD Mmm YYYY	From	DD Mmm YYYY
	To	DD Mmm YYYY	To	DD Mmm YYYY
Projected FFB Certified Volume (MT)				
Actual production of FFB (MT)				
Projected CSPO Certified Volume (MT)				
Actual CSPO Production Volume (MT)				
Actual CSPO Volume Sold as RSPO Certified (MT)				
Actual CSPO Volume Sold as Conventional (MT)				
Actual CSPO Volume Sold under Other Scheme (MT)				
Total Actual CSPO Volume Sold (MT)				
Actual CSPO credits sold (where applicable) (MT)				

Projected CSPK Certified Volume (MT)		
Actual CSPK Production (MT)		
Actual CSPK Volume Sold as RSPO Certified (MT)		
Actual CSPK Volume Sold as Conventional (MT)		
Actual CSPK Volume Sold under Other Scheme (MT)		
Total Actual CSPK Volume Sold (MT)		

4. Audit Programme

4.1. Audit Methodology

The audit covered the Jeroco 1 Palm Oil Mill and 4 of its supply base. The sampling methodology applies for supply base with higher than four estates. The sampling shall be conducted in conformance with the requirement specified in the RSPO Certification Systems Document. The 4 supply base covered during the audit are Batangan Estate, Lokan Estate, Lutong Estate and Lungmanis Estate. The audit included an on-site audit to the estates, mill and Surrounding smallgrower and smallholder School, CLC, Humana to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

4.2. Audit Team Member

Name	Role	CAB Auditor Number
Dzulfiqar Azmi (DA)	Auditor	ASI1GIVNPH
Mohd Zulfakar Kamaruzaman (MZK)	Lead Auditor	ASI17IDGG4
Rozaimee Ab Rahman (RAR)	Auditor	ASI1AU6HF7
Nor Ezani Ahmad (NEA)	Auditor	ASI1YW2A6T

4.3. Audit Plan

Date	Time	CAB Auditor Number	Location	Activity
21 July 2025	8.00 am -5.00 pm	ASI1YW2A6T (NEA)	Batangan Estate	Coverage of assessment: (Social – Internal) ▪ Facilities provided at line site inspection (i.e. worker quarters, mosque, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. ▪ Site inspection/interview at production area at Field 2 [harvesting], – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Interview with Union/workers representatives. ▪ Interview with gender committee, worker representative. ▪ Workers Issues & welfare ▪ Complaints and grievances (internal) ▪ Training and skill development programs Continuous improvement
		ASI1AU6HF7 (RAR)		Coverage of assessment: (Environmental, TBP, GHG, Metrics Template) ▪ Facilities at workplace inspection (worker quarters, , School, water treatment plant, clinic, stores, workshop, landfill area & etc. ▪ Site inspection/interview at production area manuring Block 13 B and harvesting at Block 14B ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Waste management including disposal site, GHG calculation, ▪ Aspects/impacts of estate management ▪ Pollution mitigating plans ▪ Management and disposal of waste including pesticides containers

				▪ River system and Effluent Treatment/Discharge ▪ Buffer/Riparian Zones ▪ Controlled/open burning ▪ Landfill Verification. ▪ Chemical management ▪ Chemical management ▪ PPE ▪ Training and skill development programs ▪ Continuous improvement
		ASI17IDGG4 (MZK)		Coverage of assessment: (SCCS, Social – External & HCV) ▪ Site inspection/interview at production area (harvesting, spraying, Loose Fruit Collector, replanting area, & etc. ▪ Interview with external stakeholders i.e. local communities, government agencies, etc. ▪ Site visit at HCV area ▪ HCV/RTE and action plan. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Local sustainable development ▪ Support smallholder inclusion ▪ Complaints and grievances (external) ▪ External stakeholders issues & welfare ▪ Training and skill development programs ▪ Interview with Contractor ▪ Interview with Villagers Continuous improvement
		ASI1GIVNPH (DA)		Coverage of assessment: (GAP Safety) ▪ Facilities at workplace inspection (worker quarters, , School, water treatment plant, clinic, stores, workshop, landfill area & etc.

				▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Chemical management ▪ Safety & Health practice – witness activities at site ▪ Hazard identification and Risk Management ▪ Chemical management ▪ PPE ▪ Training and skill development programs ▪ Continuous improvement
22 July 2025	8.00 am -5.00 pm	ASI1YW2A6T (NEA)		Coverage of assessment: (Social – Internal) ▪ Facilities provided at line site inspection (i.e. worker quarters, mosque, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. ▪ Site inspection/interview at production area at Field 2 [harvesting], – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Interview with Union/workers representatives. ▪ Interview with gender committee, worker representative. ▪ Workers Issues & welfare ▪ Complaints and grievances (internal) ▪ Training and skill development programs Continuous improvement
		ASI1AU6HF7 (RAR)		Coverage of assessment: (Environmental, TBP, GHG, Metrics Template) ▪ Facilities at workplace inspection (worker quarters, , School, water treatment plant, clinic, stores, workshop, landfill area & etc.

			Lokan Estate	▪ Site inspection/interview at production area manuring Block 20 B and harvesting at Block PM14B ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Waste management including disposal site, GHG calculation, ▪ Aspects/impacts of estate management ▪ Pollution mitigating plans ▪ Management and disposal of waste including pesticides containers ▪ River system and Effluent Treatment/Discharge ▪ Buffer/Riparian Zones ▪ Controlled/open burning ▪ Landfill Verification. ▪ Chemical management ▪ Chemical management ▪ PPE ▪ Training and skill development programs ▪ Continuous improvement
		ASI17IDGG4 (MZK)		Coverage of assessment: (SCCS, Social – External & HCV) ▪ Site inspection/interview at production area (harvesting, spraying, Loose Fruit Collector, replanting area, & etc. ▪ Interview with external stakeholders i.e. local communities, government agencies, etc. ▪ Site visit at HCV area ▪ HCV/RTE and action plan. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Local sustainable development ▪ Support smallholder inclusion ▪ Complaints and grievances (external) ▪ External stakeholders issues & welfare

				▪ Training and skill development programs ▪ Interview with Contractor ▪ Interview with Villagers ▪ Continuous improvement
		ASI1GIVNPH (DA)		Coverage of assessment: (GAP Safety) ▪ Facilities at workplace inspection (worker quarters, , School, water treatment plant, clinic, stores, workshop, landfill area & etc. ▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Chemical management ▪ Safety & Health practice – witness activities at site ▪ Hazard identification and Risk Management ▪ Chemical management ▪ PPE ▪ Training and skill development programs Continuous improvement
23 July 2025	8.00 am -5.00 pm	ASI1YW2A6T (NEA)		Coverage of assessment: (Social – Internal) ▪ Facilities provided at line site inspection (i.e. worker quarters, mosque, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. ▪ Site inspection/interview at production area at Field 2 [harvesting], – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Interview with Union/workers representatives. ▪ Interview with gender committee, worker representative. ▪ Workers Issues & welfare

			Lungmanis Estate	▪ Complaints and grievances (internal) ▪ Training and skill development programs Continuous improvement
		ASI1AU6HF7 (RAR)		Coverage of assessment: (Environmental, TBP, GHG, Metrics Template) ▪ Facilities at workplace inspection (worker quarters, , School, water treatment plant, clinic, stores, workshop, landfill area & etc. ▪ Site inspection/interview at production area manuring Block 20 B and harvesting at Block PM14B ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Waste management including disposal site, GHG calculation, ▪ Aspects/impacts of estate management ▪ Pollution mitigating plans ▪ Management and disposal of waste including pesticides containers ▪ River system and Effluent Treatment/Discharge ▪ Buffer/Riparian Zones ▪ Controlled/open burning ▪ Landfill Verification. ▪ Chemical management ▪ Chemical management ▪ PPE ▪ Training and skill development programs ▪ Continuous improvement
		ASI17IDGG4 (MZK)		Coverage of assessment: (SCCS, Social – External & HCV) ▪ Site inspection/interview at production area (harvesting, spraying, Loose Fruit Collector, replanting area, & etc. ▪ Interview with external stakeholders i.e. local communities, government agencies, etc. ▪ Site visit at HCV area ▪ HCV/RTE and action plan. ▪ Follow up from previous assessment findings.

				▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Local sustainable development ▪ Support smallholder inclusion ▪ Complaints and grievances (external) ▪ External stakeholders issues & welfare ▪ Training and skill development programs ▪ Interview with Contractor ▪ Interview with Villagers Continuous improvement
		ASI1GIVNPH (DA)		Coverage of assessment: (GAP Safety) ▪ Facilities at workplace inspection (worker quarters, , School, water treatment plant, clinic, stores, workshop, landfill area & etc. ▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Chemical management ▪ Safety & Health practice – witness activities at site ▪ Hazard identification and Risk Management ▪ Chemical management ▪ PPE ▪ Training and skill development programs Continuous improvement
24 July 2025	8.00 am -5.00 pm	ASI1YW2A6T (NEA)	Jeroco POM	Coverage of assessment: (Social – Internal) ▪ Follow up from previous assessment findings ▪ Facilities provided at line site inspection (i.e. worker quarters, mosque, surau, community center, School, Humana/Crèche, provision shop & etc. ▪ Interview with mill workers – female, male, various nationality, various job scope, contractor workers, check roll workers

				▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) Decent Living Wage, and view documentation such as SIA, assessment and management plans. ▪ Interview with Union/workers representatives ▪ Interview with gender committee, worker representative, contractors, supplier, etc ▪ Workers Issues & welfare ▪ Training and skill development programs Continuous improvement
		ASI17IDGG4 (MZK)		Coverage of assessment: (SCCS) ▪ Follow up from previous assessment findings. ▪ Timebound Plan, Metrics Template ▪ Training and skill development programs ▪ Continuous improvement Site visit and assessment on Supply Chain Implementation including the: ▪ Model used ▪ General Chain of Custody ▪ System Requirements ▪ for the supply chain ▪ Documented procedures ▪ Purchasing and goods in ▪ Outsourcing activity ▪ Sales and goods out ▪ Processing ▪ Records keeping ▪ Registration ▪ Training ▪ Claims Coverage of assessment: (Social – External) ▪ Site inspection/interview at production area (harvesting, spraying, Loose Fruit Collector, replanting area, & etc.

				▪ Interview with external stakeholders i.e. local communities, government agencies, etc. ▪ Site visit at HCV area ▪ HCV/RTE and action plan. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Local sustainable development ▪ Support smallholder inclusion ▪ Complaints and grievances (external) ▪ External stakeholders issues & welfare ▪ Training and skill development programs ▪ Interview with Contractor ▪ Interview with Villagers
		ASI1AU6HF7 (RAR)		Coverage of assessment: (GMP, Environment Safety) ▪ Facilities at workplace inspection (worker quarters, , School, water treatment plant, clinic, stores, workshop, landfill area & etc. ▪ Site inspection/interview at Mill Processing and Facilities, Final discharge, Bio Gas, ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Waste management including disposal site, GHG calculation, ▪ Aspects/impacts of estate management ▪ Pollution mitigating plans ▪ Management and disposal of waste including pesticides containers ▪ River system and Effluent Treatment/Discharge ▪ Buffer/Riparian Zones ▪ Controlled/open burning ▪ Landfill Verification. ▪ Chemical management

				▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Safety & Health practice – witness activities at site ▪ Hazard identification and Risk Management ▪ Chemical management ▪ PPE ▪ Training and skill development programs Continuous improvement
		ASI1GIVNPH (DA)		Coverage of assessment: (GMP, Environment Safety) ▪ Facilities at workplace inspection (worker quarters, , School, water treatment plant, clinic, stores, workshop, landfill area & etc. ▪ Site inspection/interview at Mill Processing and Facilities, Final discharge, Bio Gas, ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Waste management including disposal site, GHG calculation, ▪ Aspects/impacts of estate management ▪ Pollution mitigating plans ▪ Management and disposal of waste including pesticides containers ▪ River system and Effluent Treatment/Discharge ▪ Buffer/Riparian Zones ▪ Controlled/open burning ▪ Landfill Verification. ▪ Chemical management ▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Safety & Health practice – witness activities at site ▪ Hazard identification and Risk Management ▪ Chemical management ▪ PPE ▪ Training and skill development programs

				Continuous improvement
25 July 2025	8.00 am – 5.00 pm	ASI1YW2A6T (NEA)	Lutong Estate	Coverage of assessment: (Social – Internal) ▪ Facilities provided at line site inspection (i.e. worker quarters, mosque, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. ▪ Site inspection/interview at production area at Field 2 [harvesting], – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Interview with Union/workers representatives. ▪ Interview with gender committee, worker representative. ▪ Workers Issues & welfare ▪ Complaints and grievances (internal) ▪ Training and skill development programs Continuous improvement
		ASI1AU6HF7 (RAR)		Coverage of assessment: (Environmental, TBP, GHG, Metrics Template) ▪ Facilities at workplace inspection (worker quarters, , School, water treatment plant, clinic, stores, workshop, landfill area & etc. ▪ Site inspection/interview at production area manuring Block 20 B and harvesting at Block PM14B ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Waste management including disposal site, GHG calculation, ▪ Aspects/impacts of estate management ▪ Pollution mitigating plans ▪ Management and disposal of waste including pesticides containers

				▪ River system and Effluent Treatment/Discharge ▪ Buffer/Riparian Zones ▪ Controlled/open burning ▪ Landfill Verification. ▪ Chemical management ▪ Chemical management ▪ PPE ▪ Training and skill development programs Continuous improvement
		ASI17IDGG4 (MZK)		Coverage of assessment: (SCCS, Social – External & HCV) ▪ Site inspection/interview at production area (harvesting, spraying, Loose Fruit Collector, replanting area, & etc. ▪ Interview with external stakeholders i.e. local communities, government agencies, etc. ▪ Site visit at HCV area ▪ HCV/RTE and action plan. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Local sustainable development ▪ Support smallholder inclusion ▪ Complaints and grievances (external) ▪ External stakeholders issues & welfare ▪ Training and skill development programs ▪ Interview with Contractor ▪ Interview with Villagers Continuous improvement
		ASI1GIVNPH (DA)		Coverage of assessment: (GAP Safety) ▪ Facilities at workplace inspection (worker quarters, , School, water treatment plant, clinic, stores, workshop, landfill area & etc.

				▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Chemical management ▪ Safety & Health practice – witness activities at site ▪ Hazard identification and Risk Management ▪ Chemical management ▪ PPE ▪ Training and skill development programs Continuous improvement
	3.30 pm 4.30pm	ASI17IDGG4 (MZK) ASI1AU6HF7 (RAR) ASI13MZBJC (IA) ASI1HR2NNE (AB)	Lutong Estate	Discussion on assessment findings with Management Representative and visited site Plantation / Scheme Manager/CEO Closing meeting at the PCO End of audit

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)

Free text area for the CB to describe if any changes on initial audit plan e.g. change of lead auditor, change of location

4.5. Sampling Details

Description of Management Unit	Number of Estate/Members/Mills	Risk Factor	Result x = (√y) x (z)	Total Sampled
Mill	1	N/A	N/A	All mills shall be audited.
Own/Managed Estates	4	Low Risk	Minimum sample	4 estates
Scheme Smallholder		Choose an item		
Scheme Outgrower		Choose an item		
Independent Outgrower		Choose an item		

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

4.6. Sampling History of Current Certification Cycle

Name (Mill/ Supply Base / Scheme Smallholder)	Year 1	Year 2	Year 3	Year 4	Year 5
	2023	2024	2025	20xx	20xx
Jeroco 1 POM	☒	☒	☒	☐	☐
Batangan Estate	☒	☒	☒	☐	☐
Lokan Estate	☒	☒	☒	☐	☐
Lungmanis Estate	☒	☒	☒	☐	☐
Lutong Estate	☒	☒	☒	☐	☐

4.7. Audit Team Leader and Audit Team Information

Audit Team Leader: MOHD ZULFAKAR BIN KAMARUZAMAN	
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;	Holds a B.Sc. Forestry from UPM. He had 5 years of working experience in the oil palm operation in Several companies such KLK, IOI, Tradewinds. He had a certificate of Lead Assessor in ISO 9001, OHS 45001, ISO 4001 and qualified social Auditor under RSPO Training, attended the DLW training in 2022 and worker welfare training in 2021 and refresher Endorsed RSPO P&C Lead Auditor Course in 2024. He is a qualified RSPO P&C, RSPO Supply Chain, MSPO Supply Chain and MSPO Lead Auditor.
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 standard, refresher Endorsed RSPO P&C Lead Auditor Course in 2024.and completed evaluation and qualified as lead auditor RSPO since 2015

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 a refresher course for RSPO endorsed P&C lead auditor course in 2024.	
Audit Team Members: Rozaimee Ab Rahman (RAR), Dzulfiqar Azmi (DA), 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;	ASI17IDGG4 (MZK)	Hold B. Sc. Forestry from Universiti Putra Malaysia (UPM)
	ASI1AU6HF7 (RAR)	Holds a B. Sc. in Agriculture from Universiti Putra Malaysia (UPM)
	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.
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	ASI17IDGG4 (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.
	ASI1AU6HF7 (RAR)	Holds a B. Sc. in Agriculture from University Teknologi Malaysia (UiTM). He had more than 5 years of working experience in the oil palm operation.
	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.
Successfully completed an RSPO endorsed P&C lead auditor course	ASI17IDGG4 (MZK)	Completed RSPO P&C lead auditor course in 2015 by Wild Asia and refresher Endorsed RSPO P&C Lead Auditor Course in 2024.
	ASI1AU6HF7 (RAR)	Completed RSPO endorsed P&C lead auditor course in 2017 by Wild Asia and refresher Endorsed RSPO P&C Lead Auditor Course in 2024.

	ASI1GIVNPH (DA)	Completed RSPO endorsed P&C lead auditor course in 2018 by Chemark Training.
	ASI1YW2A6T (NEA)	Completed RSPO endorsed P&C lead auditor course in 2020 by Chemark Training.
Successfully completed the 5-day lead auditor course for ISO 9001 or ISO 14001 or ISO 45001.	ASI17IDGG4 (MZK)	Successfully attended 5-day lead auditor course for ISO 9001, ISO 14001 and ISO 45001 in 2015.
	ASI1AU6HF7 (RAR)	Successfully attended Lead Auditor Course for ISO 14001 and OHSAS 18001 in 2016 and ISO 9001 in 2018
	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.
Demonstrable understanding of the latest version of RSPO Certification Systems	Audit Team Leader: ASI17IDGG4 (MZK)	Can demonstrate of the latest version of RSPO Certification Systems as just completed refresher Endorsed RSPO P&C Lead Auditor Course in 2024.
	Audit Team Member: ASI1AU6HF7 (RAR)	Can demonstrate of the latest version of RSPO Certification Systems as just completed refresher Endorsed RSPO P&C Lead Auditor Course in 2024.
	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.
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	ASI17IDGG4 (MZK)	Not audited this.
	ASI1AU6HF7 (RAR)	Not audited this.
	ASI1GIVNPH (DA)	Not audited this.
	ASI1YW2A6T (NEA)	Not audited this.
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.	Audit Team Leader: ASI17IDGG4 (MZK)	Had completed and pass evaluation of RSPO lead auditor since 2015 with latest on 2024.
	Audit Team Member: ASI1AU6HF7 (RAR)	Had completed and pass evaluation of RSPO lead auditor since 2018, with latest on 2024.
	ASI1GIVNPH (DA)	Had completed and pass evaluation of RSPO lead auditor since 2015 with latest on 2024.

	ASI1YW2A6T (NEA)	Had completed and pass evaluation of RSPO auditor since 2020.
Knowledgeable and experience of the local/regional laws	Audit Team Leader: ASI17IDGG4 (MZK)	Knowledgeable and experience of the local/regional laws
	Audit Team Member: ASI1AU6HF7 (RAR)	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.
Knowledgeable in Best Agricultural Practices, and Integrated Pest Management, pesticide and fertiliser use;	ASI17IDGG4 (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.
	ASI1AU6HF7 (RAR)	He had more than 7 years of working experience in the oil palm operation.
	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.
Experience in health and safety auditing on the farm/plantation and in the palm oil mill, for example against the ISO 45001 Occupational Health and Safety Management standard;	Audit Team Leader: ASI17IDGG4 (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.
	Audit Team Member: ASI1AU6HF7 (RAR)	He had more than 7 years of working experience in the oil palm operation.
	ASI1GIVNPH (DA)	He has over 5 years of extensive experience in oil palm operations and auditing health and safety practices.
	ASI1YW2A6T (NEA)	She 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	Audit Team Leader: ASI17IDGG4 (MZK)	Attended SA 8000 training in 2018 and SMETA training in 2021 and more than 5 years of working experience in the oil palm operation and auditing social.

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;	Audit Team Member: ASI1AU6HF7 (RAR)	Attended SA 8000 training in 2018 and SMETA training in 2021 and more than 7 years of working experience in the oil palm operation and auditing social.
	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.
Experience in handling of land rights, gender and indigenous peoples' issues;	Audit Team Leader: ASI17IDGG4 (MZK)	Attended SA 8000 training in 2018 and SMETA training in 2021 and more than 5 years of working experience in the oil palm operation and auditing social.
	Audit Team Member: ASI1AU6HF7 (RAR)	Attended SA 8000 training in 2018 and SMETA training in 2021 and more than 7 years of working experience in the oil palm operation and auditing social.
	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.
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;	Audit Team Leader: ASI17IDGG4 (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.Successfully attended 5-day lead auditor course for ISO 9001, ISO 14001 and ISO 45001 in 2015.
	Audit Team Member: ASI1AU6HF7 (RAR)	He had 7 years of working experience in the oil palm operation. Successfully attended Lead Auditor Course for ISO 14001 and OHSAS 18001 in 2016 and ISO 9001 in 2018

	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.
Fluent in one of the main national languages	Audit Team Leader: ASI17IDGG4 (MZK)	Fluent in Malays and English
	Audit Team Member: ASI1AU6HF7 (RAR)	Fluent in Malays and English
	ASI1GIVNPH (DA)	Fluent in Malays and English
	ASI1YW2A6T (NEA)	Fluent in Malays and English
Knowledgeable in supply chain requirements of the palm oil mill. 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.	Audit Team Leader: ASI17IDGG4 (MZK)	Had completed RSPO Supply Chain auditor training course in 2016 and experienced auditing supply chain since 2016.
	Audit Team Member: ASI1AU6HF7 (RAR)	Had completed RSPO Supply Chain auditor training course in 2018 and experienced auditing supply chain since 2018.
	ASI1GIVNPH (DA)	Not Audit
	ASI1YW2A6T (NEA)	Not Audit

5. Audit Findings & Results

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 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);		Jeroco 1 CU is committed to providing adequate information upon request regarding environmental, social, and legal matters relevant to the RSPO Criteria, enabling effective stakeholder participation in decision-making processes. A documented procedure titled “Prosedur Memohon Maklumat Syarikat” (Request for Information Procedure), Document No.: HSPSB P1 1120, revision dated 01/01/2020, is available to guide this process. The procedure covers both internal and external consultations and provides a form for stakeholders interested in requesting information related to Principle 1. However, it also allows flexibility, as requests can be made through other means such as verbal communication or written correspondence, which will likewise be considered and responded to accordingly.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	• 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.		The CU continued to use the internet for disseminating public information, using appropriate language. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances are available through Hap Seng Plantations Holdings Berhad website at http://www.hapsengplantation.com. It was evident that Jeroco 1 CU provided relevant information on environmental, social and/or legal upon request by the stakeholders either through letter or during the annual stakeholder meeting latest on 24/3/2025 (JPOM1), 19/5/25 (Lutong), 26/5/25 (Lokan) 27/5/25 (Lungmanis) ,22/5/25 at Batangan. And Group stakeholder meeting on 14/5/25	☒ 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.		Jeroco 1 CU continues to maintain active engagement with stakeholders including contractors, suppliers, government agencies, schools, and local communities. Hap Seng Plantations has updated its official websitehttp://www.hapsengplantation.com to include management documents related to environmental, social, and legal matters, reflecting its ongoing commitment to RSPO compliance through the Hap Seng Plantations Sustainability Report. The estates and mill have maintained comprehensive records of communication and consultation with both internal and external parties such as DOSH, the Labour Department, Immigration Department, Department of Environment, suppliers, and workers. Comments and feedback from DOSH and DOE inspections were recorded in the respective inspection books.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			During the surveillance audit, it was noted that there were no requests for information from authorities or stakeholders concerning agricultural practices, environmental management, or occupational safety and health matters. Similarly, no social-related information requests were received since the previous audit, as verified through the 'Rekod Permohonan Maklumat' at Jeroco 1 POM and all estates. The CU continues to maintain a well-documented system for handling such requests, including the use of stakeholder request forms and records of government agency visits. Recent records sighted include a DOSH visit at JPOM 1 on 2/07/2025, a DOSH visit at Lokan Estate on 16/04/2025, a DOSH visit at Lungmanis Estate on 14/02/2025, and an MPOB visit on 13/08/2024. All inspections found no issues, and machinery was confirmed to be in good condition.	
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.		The consultation and communication procedures of Jeroco 1 CU were well documented and consistently implemented. External and internal communication procedures developed by Hap Seng Plantations for the estates and mill were maintained and made available at all audited sites. The Stakeholders Consultation Procedure – Group Level & Estate/Mill Level (Ref. No. HSPHB/Agro/001, revision dated 30/11/2018) was sighted during the audit. Review of the internal and external communication records confirmed that the estates and mill adhered to the established procedures and manuals. For internal communication, records of meetings, briefings, and memos were properly maintained. Information was also disseminated through notices, posters, and pamphlets displayed on notice boards at offices and muster grounds.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			Regular morning briefings were conducted to communicate policies, procedures, rules, and other important information to employees. For external communication, correspondence with stakeholders was properly recorded and filed in the External Communication File. The CU also provided relevant environmental, social, and legal information upon request, including during the annual group stakeholder meeting, demonstrating compliance with RSPO communication and consultation requirements.	
1.1.5	There is a current list of contact and details of stakeholders and their nominated representatives.		The stakeholder list for Jeroco 1 CU was made available and reviewed prior to the stakeholder consultation process. The list was last updated on 20 June 2025 and includes a comprehensive range of stakeholders relevant to the unit's operations. These comprise government agencies such as the MPOB, Department of Immigration, Sabah Forestry Department, Sabah Wildlife Department, Department of Environment, Sabah Labour Department, and Department of Safety and Health; foreign representatives including the Indonesian Consulate and the Philippines Embassy; and educational institutions such as neighbouring schools and HUMANA schools. Other identified stakeholders include neighbouring estates (IOI Plantations, LPC Plantations, Spark Glory Sdn. Bhd., First Raintree Sdn. Bhd., Harus Abadi Sdn. Bhd., Bukit Kretam Sdn. Bhd., and Lebijaya Sdn. Bhd.), non-governmental organisations (HUMANA and WWF-Malaysia), as well as suppliers and contractors such as Bumi Jaya Kontraktor, Millivest Sdn. Bhd., Thien Engineering, Greentrend Builder Sdn. Bhd., S&S Steel Engineering Works	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			Sdn. Bhd., Uni-Vessel Engineering (L/D) Sdn. Bhd., CH Bearing & Hardware Sdn. Bhd., MP Machinery Sdn. Bhd., Sanda Power Electric Sdn. Bhd., Hap Seng Fertilizer, and Poly Electrical Sdn. Bhd. The list also includes health service providers (Klinik Chong and local hospitals), FFB suppliers and consultants (Chemsain Konsultant Sdn. Bhd., REHPRO Scientific Sdn. Bhd., and Ultus Venture (M) Sdn. Bhd.), as well as internal representatives such as workers' leaders, women's leaders, religious heads, and ethnic leaders.	
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.		Hap Seng Plantations Holdings Berhad (HSPHB) has established a commitment to integrity and ethical conduct through its Anti-Bribery and Corruption (ABC) Policy, which was signed by the Executive Director on 11 June 2020. The policy has been effectively communicated to all employees across the Jeroco 1 CU through morning muster briefings held at Jeroco 1 POM (13/01/2025), Lutong Estate (02/06/2025 and 21/07/2025), Lungmanis Estate (27/05/2025), Batangan Estate (13/06/2025 and 16/05/2025), and Lokan Estate (10/06/2025).The ABC Policy is also extended to suppliers, consultants, agents, and contractors/service providers through contractual agreements under Article (16), which requires compliance with all applicable Acts, regulations, by-laws, and the ABC provisions. Verification of the addendum agreement between Lungmanis Estate and Ding Enterprise confirmed the inclusion of a clause mandating adherence to the ABC Policy. The same implementation approach was consistently applied throughout Jeroco 1 CU, demonstrating the Group's strong commitment to ethical business practices and zero tolerance for bribery and corruption.	☒ 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.		The company has established an Internal Audit mechanism to monitor compliance and implementation of the Anti-Bribery and Corruption (ABC) Policy across all plantation operations. All contractors and vendors have signed declarations acknowledging their commitment to comply with the ABC Policy as well as other applicable laws and regulations. Ethical business practices are regularly monitored through internal audits conducted by the HSP Sustainability Team and Consolidated Berhad (Headquarters Department). The ABC Policy also outlines clear guidance on seeking advice, raising concerns, and reporting any violations related to bribery or corruption. These provisions are consistently communicated to employees during morning muster briefings and stakeholder meetings, ensuring that all internal and external parties are aware of the reporting channels and the company's zero-tolerance stance on unethical conduct.	☒ 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.		Jeroco 1 CU has demonstrated full compliance with all statutory and regulatory requirements across its operating units, including the mill and estates. All sites maintain valid MPOB licenses, Energy Commission permits, diesel and petrol storage approvals, and Certificates of Fitness (CF) for pressure vessels and machinery, as verified during the audit. The estates also hold valid trading licenses, permits for salary deductions, and licenses for employing foreign workers issued by the Sabah Labour Department. Relevant certifications and permits for HUMANA schools, weighbridge calibrations, and air receiver tanks were available and up to date.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			For the mill, regulatory compliance was evidenced through valid Energy Commission and DOE licenses, MPOB licenses for processing and storage, and fire certificates with renewal applications in progress. Required safety and health assessments, including the Noise Risk Assessment (NRA), audiometric testing, Chemical Health Risk Assessment (CHRA), and medical surveillance, were conducted by competent, DOSH-registered assessors, with all results confirming employee fitness and compliance with USECHH and OSHA Regulations. Environmental monitoring in accordance with the Environmental Quality (Prescribed Premises) Crude Palm Oil Regulations 1977 was also maintained, with reporting to DOE showing BOD levels within permissible limits and no non-conformances identified by independent environmental auditors. All units were found to employ certified competent personnel for key technical and operational roles such as steam engineers, boilermen, chargemen, and environmental officers, ensuring safe and compliant operations across Jeroco 1 CU.	
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.		Jeroco 1 CU has established and maintained a comprehensive Legal Register for Estates and Mill, covering all applicable regulatory and other legal requirements. The system for identifying, accessing, tracking, and monitoring compliance continues to be effectively implemented. Each operating unit, including Jeroco 1 Mill, maintains its own Legal and Other Requirements Register (LORR), which is reviewed and evaluated annually for compliance. The registers are updated by the Sustainability Department and verified by the respective Managers to ensure accuracy and completeness. Updates to laws and regulations are actively monitored by the Sustainability Team through multiple sources such as industrial associations (MPOA, EMPA, SECA), seminars, LawNet, government agency websites, newsletters, and relevant media. Any amendments or new legal requirements are communicated	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			to all operating sites for implementation. The most recent review included the update related to the New Sabah Labour Ordinance (Amendment) Act 2024, reflecting Jeroco 1 CU's proactive approach to maintaining legal compliance.	
2.1.3	Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.		Boundary inspections at all Jeroco 1 CU estates confirmed that demarcation lines with neighbouring properties and forest reserves were clearly defined and well maintained. At Lutong Estate, boundary markers and stones along blocks 5646 and 5631 adjoining Ameliana Estate were visibly maintained. At Lokan Estate, markers and boundary stones were clearly visible at blocks 1840 and 1625 bordering IOI Estate, as well as at block 1410 adjoining the Sungai Simpang Forest Reserve. At Lungmanis Estate, boundary stones along blocks 2018 and 2019 adjacent to IOI Estate were well maintained and equipped with electric fencing. Similarly, at Batangan Estate, boundary stones along block B1440 bordering the Simpang Kanan Forest Reserve were properly maintained with electric fencing installed to secure the boundary.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ 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.		All contractors providing operational services and labour at Jeroco 1 CU were found to be in compliance with relevant legal requirements. The list of contractors is included in the stakeholder list, which was last updated on 6 May 2024. As of the audit, no active contractors were engaged at JPOM 1, except for minor job contracts used when external specialists are required. It was also verified that no Fresh Fruit Bunches (FFB) were sourced from non-certified suppliers, consistent with Jeroco 1 CU's Identity Preserved (IP) certification.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

			Each estate maintains its own contractor list within the respective stakeholder register. Sample verification included Perusahaan Lutong Baru at Lutong Estate, Ding Enterprise at Lungmanis Estate, Dingdings Enterprise at Lokan Estate, and Fong Enterprise at Batangan Estate. These contractors primarily operate sundry shops within the estates, and all were found to comply with established legal and operational requirements.	☐ 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.		Each contract issued to suppliers and contractors within Jeroco 1 CU includes a clause mandating compliance with all applicable legal requirements. During the audit, several Minor Job Contracts were reviewed between Jeroco Plantations Sdn Bhd and Thien Engineering, Sanda Power Electric Sdn Bhd, and Hap Seng Fertilizer, all of which contained provisions requiring adherence to relevant Acts, regulations, and by-laws. For the estates, a review of Estate Shop Agreements with Ding Enterprise (Lungmanis Estate), Dingdings Enterprise (Lokan Estate), Perusahaan Lutong Baru (Lutong Estate), and Fong Enterprise (Batangan Estate)—effective from 01 January 2020—confirmed that each includes specific clauses on compliance with legal requirements (refer to Clause 5). An addendum dated 13 August 2020 further supports this obligation. The agreements, initially ending on 31 December 2022, have since been automatically renewed annually, unless terminated by either party with a three-month written notice. Additionally, legal due diligence is conducted by the Contracts Department (PCO) for all FFB suppliers and third-party contractors, including recruitment agencies. This process involves verification of company registration, contact details, principal business activities, authorised and paid-up capital, list of shareholders and directors, bank details, financial auditors, and current trading or business licences, ensuring all parties meet legal and regulatory obligations prior to engagement.	☒ 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		There was no third party FFB has been send to the Jeroco1 POM. Review on Estate Shop Agreement of Ding Enterprise (Lungmanis Estate), Dingdings Enterprise (Lokan Estate), Perusahaan Lutong Baru (Lutong Estate), Fong Enterprise	☒ Conform ☐ Major Nonconformity

	young workers are employed, the contracts include a clause for their protection.		(Batangan Estate) found the agreements for Estate Shop 01.01.2020. has specific clauses on meeting applicable legal requirements as verified through contract agreement in Estate Shop [clause 5] and addendum dated 13.08.2020. The agreements ending on 31st December 2022 has been renewed on annual basis. Stated in the agreement, the tenancy will automatically renew on yearly basis unless terminated by either party by giving 3 months' notice in writing. Addendum Contracts agreements contain clauses disallowing child, forced and trafficked labour. where young workers are employed, the contracts include a clause for their protection. The prohibition against child labour is included in all service contracts and supplier agreements. This was evidenced in Jeroco 1 POM Appendix 1 of the contracts entered into with Repair labour quarters, namely, Thien Engineering. All contracts entered into with third parties contain a clause (f) which states that the contractor shall ensure no minors (below 18 years old) are employed. Clause (g) of the contracts contain a provision that the contractor shall comply with the provisions of the relevant Acts, regulations and by-laws, including Employment of Children and Young Persons (Employment) Act 1966. The contract agreement between Jeroco 1 CU and Estate Shop & Replanting agreements have been immediately included with the clauses of "disallowing child, forced and trafficked labor and where young worker are employed are protected" as verified for Ding Enterprise at Lungmanis Estate (Attachment 1a), Ding Choo Tong at Lokan Estate (Addendum for Estate Shop Tenancy Agreement), Perusahaan Lutong Baru at Lutong Estate (Attachment 1c), Fong Enterprise at Batangan Estate (Attachment 1d). The clauses of "disallowing child, forced and trafficked labor and where young worker are employed are protected" were stated in para 3 and para 4 in the addendum Estate Shop Tenancy Agreement	☐ 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		All Fresh Fruit Bunches are supplied from Jeroco 1 CU owned estates which are certified to RSPO. There is no third-party FFB sent to the JPOM1. Thus, this Indicator was not applicable to Jeroco 1 CU	☒ 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.		All Fresh Fruit Bunches are supplied from Jeroco 1 CU owned estates which are certified to RSPO. There is no third-party FFB sent to the JPOM1. Thus, this Indicator was not applicable to Jeroco 1 CU	☒ 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 ☐oped business case for Scheme Smallholders.		Jeroco 1 CU has established and implemented its long-term sustainability commitment through the “Forecast Summary for Revenue & Capital Expenditure FY2026–FY2028.” The business management plan outlines key elements such as FFB and CPO production, cost of production, price forecasts, and financial performance indicators including cost-benefit analysis, discounted cash flow, and return on investment. Annual budgets are prepared and approved by top management, reflecting the CU’s focus on sustainable and efficient operations. For Jeroco POM 1, production is projected to gradually decrease from 244,340 MT of FFB in 2026 to 228,624 MT in 2028, while maintaining stable OER and KER percentages. The estates Batangan, Lokan, Lungmanis, and Lutong each have specific yield and cost projections. Batangan maintains full maturity with a slight decline in FFB yield, Lokan transitions from mature to immature areas due to replanting, Lungmanis shows yield improvement across the years, and Lutong maintains steady mature areas with moderate cost increases. Overall, the projections indicate consistent productivity supported by controlled cost management and long-term financial planning.	☒ 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.		The CU has an established replanting program documented in the “Replanting Programmed JGOE for 2026–2029,” revised according to the memorandum issued by the General Manager of Agronomy on 27 March 2025. The five-year plan outlines scheduled replanting across the estates, with activities focused only in Lokan Estate covering 150 ha in 2026, 289 ha in 2027, 381 ha in 2028, and 332 ha in 2029 while Batangan, Lungmanis, and Lutong Estates have no replanting planned within the same period. The replanting progress is closely monitored by the operating units and overseen by the Head Office Management,	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			with final approval granted by the Chief Executive Group Plantations. The program is formally reviewed at least once a year, with additional evaluations conducted when necessary by the Plantation Management Committee.	
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		The latest Management Review for Jeroco Group of Estates was held on 25 April 2025, chaired by the General Manager of Group Plantations and the General Manager of Agronomy. The review covered key topics including follow-up actions, SOP adequacy, sustainable agriculture policy, internal audit results, legal compliance updates, system changes, complaints, accidents, environmental performance, energy usage, corrective actions, and improvement recommendations. Minutes of the meeting were verified, with no major issues raised, and the main focus directed toward the upcoming RSPO external audit in July 2025. Internal audits were completed prior to the review at all units: Lungmanis Estate (7–8 April 2025), JPOM 1 (15–16 May 2025), Lokan Estate (17–18 May 2025), Batangan Estate (21–22 April 2025), and Lutong Estate (23–24 April 2025). Each audit identified several major and minor nonconformities, which were addressed through corrective actions. Reports detailing findings, root cause analysis, and improvements were reviewed by management, demonstrating effective follow-up and prevention of recurrence of nonconformities.	☒ 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)		Plans and impact assessments for social and environmental aspects are maintained and available, demonstrating Jeroco 1 CU's commitment to continual improvement in line with RSPO Principles and Criteria. The action plan focuses on optimizing FFB yield through good practices and monitoring, reducing pesticide use via integrated pest management and biological controls, and mitigating environmental impacts through buffer zone maintenance, erosion control, and habitat protection. Waste minimization is addressed through segregation, composting, and proper disposal, while pollution and greenhouse gas emissions are reduced through methane capture and energy efficiency initiatives. The CU also emphasizes community and worker support through regular engagement, grievance mechanisms, and social programs. Additionally, protection and monitoring of HCV and HCS areas are ongoing, wage payments have been progressively implemented via bank accounts, and a monthly night market is organized to encourage worker participation in small-scale selling activities.	☒ 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 auditor using the RSPO metrics template before the audit started. The auditor already verified and checked the data and figure given was tele 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.		The CU continues to implement comprehensive manuals and Standard Operating Procedures (SOPs) for both estates and the mill to ensure clarity, operational efficiency, and compliance with best industry practices. These documents guide daily operations, uphold safety standards, and enhance productivity. The estate SOP, first introduced in 2016 and last updated on 6 March 2025, includes revisions addressing ferry operations, field safety, water management, chemical handling, fertilizer storage, and waste management. The mill SOP, also updated on the same date, details operational and safety practices to improve production efficiency and meet regulatory requirements. The Safe and Standard Operating Procedures (SSOP), covering both estates and mills, were last updated on 6 March 2025 and now include specific protocols for jetty operations during fertilizer loading and the safe use of motorcycles in work areas. The mill's SSOP further outlines detailed guidelines for each processing stage—from reception and grading to oil and kernel extraction, incineration, and dispatch of CPO and CPK—alongside safety procedures for engine rooms, workshops, boilers, and the ESP system. Additionally, the Oil Palm Agriculture Policy (OPAP), serving as the main reference for estate operations, was last revised on 19 May 2025, focusing on updates to OPAP 16: Belt Press Solid (BPS) Application to strengthen sustainable land and soil management. SOPs related to social matters remain in place, including procedures for sexual harassment (2019), stakeholder consultation (2018), grievance handling (2020), information	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			requests (2020), whistleblowing (2016), recruitment and employment (2024), and managing COVID-19 in plantations (2020). These collectively ensure that both operational and social governance aspects are effectively managed and continuously improved.	
3.3.2	A mechanism to check consistent implementation of procedures is in place.		Both the estates and the mill at Jeroco 1 CU have established mechanisms to ensure consistent implementation of operational and safety procedures, though some site-specific gaps were observed. At Jeroco POM 1, oversight includes daily production reports capturing FFB received, processed, and balance quantities, certified versus non-certified FFB, production and dispatch figures, and storage capacity with laboratory results. Unscheduled inspections by the General Manager – Processing occur at least twice monthly, while monthly inspections by a qualified Electrical Engineer (Mr. Augustine Sentiah, PE-T-1-B-0006-2008) ensure electrical installations remain in proper working order, with the latest inspection conducted on 19/07/2025. Environmental compliance is also maintained through third-party audits; a DOE-tracked audit conducted by Rehpro Scientific Sdn. Bhd. on 25/02/2025 identified two observations, both of which were addressed by mill management. For estate operations, monitoring is conducted through daily production and work records, field cost books, chemical consumption records, and mature/immature field work programs covering fertilizer application, herbicide spraying, rat baiting, and harvesting. Records are retained for at least 12 months. Additional oversight includes annual agronomic advisory reports for nutrient management, pest and disease monitoring (Ganoderma, rats, rhinoceros beetles), and monthly pest and disease censuses at 21-day intervals. Plantation advisory visits are conducted twice yearly to assess land use, capital expenditure, field conditions, crop performance, equipment, labor, security, and replanting activities. Internal audits by the Agronomy Department's Sustainability Unit	☐ Conform ☐ Major Nonconformity ☒ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			occur twice per year to verify compliance with ISCC, MSPO, and RSPO standards, with results presented during management reviews. Despite these systems, site inspections identified certain non-conformities. At Batangan Estate, insufficient safety measures were noted at the Water Treatment Plant, including the absence of ERP mock drills and water safety training, leading to Minor NCR DA 01/2025. At Lokan Estate (Block 1839), inconsistent implementation of hearing protection was observed among tractor drivers; although PHP was issued on 23/07/2024, three out of four drivers were not using it during operations. At J1 POM, the Permit to Work (PTW) system, as per SOP JPOM1-63-HSO1 dated 09/01/2025, was not consistently applied; hazard identification for concrete road construction activities omitted key risks such as ergonomic and physical hazards, resulting in Minor NCR RAR 01. Overall, while the CU has robust monitoring and verification systems at both mill and estate levels, the observations indicate the need for closer adherence to safety protocols and regular reinforcement of training and risk awareness among workers.	
3.3.3	Records of monitoring and any actions taken are maintained and available.		The implementation of SOPs is closely monitored by field staff and Assistant Managers, with overall oversight by the Managers, through supervision and systematic record keeping. Estates maintain comprehensive records including work programs, field cost books, bin cards, harvesting intervals, monthly estate reports, rainfall, pest and disease returns, agrochemical usage, harvesting details, machinery running hours, loose fruit collection, and monthly FFB production. Harvesting intervals are maintained between 12 and 15 days across all estates. Monthly estate reports and accounts are generated from the MOVEX database, providing detailed information on crop performance, upkeep and cultivation, harvesting and collection, store balances, and labour matters including payroll and employee details. Bin cards are used to monitor stock inventories	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			in chemical and fertilizer stores. Workplace inspections at the POM during April to June 2025 confirmed that all critical stations—including the weighbridge, FFB reception, laboratory, effluent treatment plant, diesel skid tank, and manual lifting under threshing—were identified, systematically assessed, and verified for compliance with safety and operational standards, ensuring proper functioning and identifying areas for environmental and operational improvements.	
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 have been no new plantings or operational expansions within the CU. However, the CU has conducted comprehensive evaluations of social and environmental impacts through its Social Impact Assessment (SIA), Environmental Impact Assessment (EIA), Management Action Plans, and Continuous Improvement Plans, with the most recent updates carried out in July 2025. These assessments considered potential impacts on surrounding communities through consultations with stakeholders including contractors, suppliers, government agencies, NGOs, neighbouring estates, local communities, workers' representatives, and the estates' gender committee. While no new plantings were undertaken, the CU has maintained these assessments and plans to guide sustainable management and continuous improvement.	☒ 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.		The Sustainability Team revised and reviewed the Social Impact Assessment (SIA) on 9 July 2025, which provides background information on the estates and mill, labour policies, grievance procedures including internal and external landowner issues sexual harassment policies, and available facilities and amenities. The report details social impact assessment procedures and outcomes, identifying both positive and negative impacts with corresponding recommendations, and confirms that previous year's issues have been resolved. The most recent Environmental Impact Assessment (EIA), reviewed on 11 July 2025, evaluates potential impacts of the Jeroco 1 CU's operations on soil, water, and air. Key environmental aspects assessed include agrochemical applications, land and water contamination from hazardous materials and farm vehicles, and disturbances to human settlements. The assessment covers environmental aspects and impacts across all operational stages, from upstream FFB reception through downstream processing.	☒ 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.		The Social Impact Assessment (SIA), Management Action Plans, and Continuous Improvement Plans at Jeroco 1 CU are reviewed and updated annually, with the latest revision on 9 July 2025, incorporating inputs from external stakeholders such as government agencies, neighbouring estates, local communities, suppliers, and contractors, as well as internal stakeholders including estate managers, assistants, the Sustainability Team, workers' representatives, religious and ethnic leaders, and Gender Committee members. Stakeholder consultations, most recently on 14 May 2025, included relevant parties like MPOA, DOE, DOSH, EPD-Sandakan, IPD Lahad Datu, neighbouring estates, Humana, SK Jeroco, Sabah Forestry Department,	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			PDRM, Wildlife Department, Immigration Department, and workers' representatives, with records of feedback properly documented and no social-related negative issues reported. The Environmental Impact Assessment (EIA) and monitoring plans evaluate the effects of operations on soil, water, and air, involving consultation with internal and external stakeholders on environmental aspects, impacts, pollution control, ERT, HCV, and land usage. At the mill, impacts such as biogas, smoke emissions, noise, POME, and EFB management were assessed, with data collected and compliance measures documented and implemented. No significant operational changes were identified, so no timetable for updates was required, and the EIA was confirmed to align with current practices. At the estates, mitigation measures for fertilizing, spraying, FFB transportation, waste management, road maintenance, wildlife, and land conservation continue to be implemented to minimize negative environmental impacts.	
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.		Jeroco 1 CU follows the Standard Operating Procedure – Recruitment, Selection, Hiring, Termination, Retirement and Promotion of Workers (Local & Foreign), revised on 8 May 2024, which governs recruitment, hiring, termination, and retirement. Termination is only allowed under specific circumstances such as failure in medical examination, criminal offenses, or unapproved absences of more than three days, while retirement age is defined in the employment contract. No recruitment agency is appointed; all foreign and local workers are recruited via walk-in or agent/quota basis. The procedures are made available to workers	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			and representatives and were communicated through training on 21 March 2024 at the Group level.	
3.5.2	Employment procedures are implemented and records are maintained.		Jeroco 1 CU has effectively implemented its employment procedures as outlined in the Standard Operating Procedure – Recruitment, Selection, Hiring, Termination, Retirement and Promotion of Workers (Local & Foreign), originally dated 31 May 2020 and revised on 16 August 2022, covering both walk-in and agent/quota recruitment methods. Recruitment is conducted without using a recruitment agency, and all foreign and local workers undergo a structured process including application, interview, medical check-up, and issuance of employment contracts. Workers are briefed on document processing costs, which are borne by the worker with deductions made according to the salary deduction permit, and no recruitment fees are charged. Termination and retirement provisions are specified in contracts, with the retirement age set at 60. Documentation of applications and contracts confirms implementation, and worker interviews indicate no evidence of discrimination.	☒ 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 implemented.		The Occupational Safety and Health Policy, signed by the Chief Executive–Group Plantations, Mr. Au Yong Siew Fah, and reviewed on 1 May 2023, emphasizes a safe and healthy working environment for all employees and business partners, including contractors, suppliers, outgrowers, and smallholders. The policy outlines ten key guidelines to ensure workplace safety and health and has been communicated through briefings and displayed in Bahasa Malaysia and English at all operating units. HIRARC Registers have been established and implemented	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			across all estates and the mill to identify hazards, assess risks, and determine appropriate control measures, following DOSH HIRARC Guideline 2008. The Sustainability Department, together with Assistant Managers, developed and reviewed these registers. For estate operations, 51 work activities were assessed, including land preparation, FFB harvesting, transport, and supporting functions like workshop and electrical works. The latest reviews were conducted in early to mid-2025 across all estates. At Jeroco POM 1, 35 process workstations from FFB reception to product dispatch were assessed and reviewed on 20 January 2025, with sufficient administrative and engineering controls found in place. Additional safety measures such as Permit to Work (PTW), certified machinery, engagement of competent persons, and DOSH approved medical clearance for confined space workers were also implemented effectively.	
3.6.2 (C)	The effectiveness of the H&S plan to address health and safety risks to people is monitored		The 2025 Occupational Health and Safety (OHS) Management Plan for the CU was established to address key safety elements including hazard and risk management, legal compliance, OSH awareness, training programs, accident and emergency procedures, audiometric testing, use of PPE, and OSH Committee meetings. The plan was found acceptable, with safety audits conducted internally and monthly workplace inspections carried out to ensure its effectiveness. At Batangan Estate, a CHRA was conducted by Chemsain Konsultant Sdn. Bhd. on 21 August 2024 and 12 February 2025 for six chemical-related work units, with 47 workers medically examined by Chong Clinic and all found fit for chemical handling. Noise Risk Assessments were carried out in 2022 and 2024, and audiometric testing conducted in September 2024 and May to July	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			2025 confirmed all workers had normal hearing with no Standard Threshold Shift (STS). Lokan Estate underwent CHRA assessments on 21 August 2024 and 12 February 2025 for six chemical-related work units, with 41 workers examined and declared fit. Noise Risk Assessments from 2022 and 2024 and audiometric tests in September 2024 and May 2025 found all workers' hearing normal with no STS. At Lungmanis Estate, CHRA assessments were conducted on 19 August 2024 and 12 February 2025, with 38 workers examined and found fit. Noise Risk Assessments performed in 2022 and 2024 and audiometric tests in September 2024 and May 2025 also confirmed no hearing issues among workers. JPOM1 Mill conducted CHRA on 20 August 2024 and 12 February 2025 for major work units, with medical surveillance and biological exposure monitoring carried out by Chong Clinic showing all workers were fit. Confined space workers were medically examined in April and May 2025 and confirmed physically and mentally fit. Lutong Estate completed CHRA assessments on 21 August 2024 and 12 February 2025 for six chemical-related units, with 13 workers examined and declared fit. Noise Risk Assessments from 2022 and 2024 identified key exposure areas, while audiometric tests in May 2025 confirmed all workers had normal hearing with no STS. Overall, all estates and the mill maintained compliance with OHS requirements through regular CHRA, noise, and medical surveillance programs. All assessed workers were medically fit, and no abnormal findings were reported, demonstrating effective implementation of the 2025 OHS Management Plan across the CU.	

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; - relevant SOPs.		A formal training program for 2025 was developed in December 2024 and implemented across Jeroco 1 CU. The program covered all aspects of RSPO Principles and Criteria (P&C), including supply chain and traceability, with regular on-the-job assessments conducted to ensure employee understanding. All employees and contractors received training relevant to their job functions and RSPO P&C requirements, emphasizing productivity, best management practices, and adherence to Occupational Health & Safety and Environmental procedures. For the estates, training encompassed all operational activities from felling, nursery, replanting, harvesting, and field upkeep to the evacuation of FFB to the mill. At the mill, training included processes from FFB receipt, grading, and processing to CPO storage, dispatch, and by-product management. Each training module identified specific target groups for the respective subjects, ensuring comprehensive coverage of good agricultural and milling practices under the 2024/2025 training plan.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
3.7.2	Records of training are maintained, where appropriate on an individual basis.		A formal training program for 2025 was prepared in December 2024 and implemented at Jeroco 1 CU, with all training records made available during the audit. The program covered a wide range of operational, safety, environmental, and sustainability topics for both mill and estate employees. At JPOM 1, trainings	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

			included safe work procedures, machine operation, sexual harassment procedures, water treatment, waste management, laboratory management, chemical handling, and certification management systems such as RSPO, MSPO, ISCC, HACCP, MESTI, and HALAL. At Batangan Estate, employees received training on safe work procedures for harvesting, chemical handling, firefighting, first aid, working at height, integrated pest management (IPM), emergency response preparedness (ERP), and environmental management. Lokan Estate conducted similar training sessions, emphasizing noise risk, complaint handling, road safety, landfill and waste management, sexual harassment awareness, and fire drills. Lungmanis Estate implemented sessions on sustainability and anti-bribery policies, scheduled waste management, complaint handling, WTP operations, and first aid. Lutong Estate provided training on company policies, IPM, waste management, chemical handling, firefighting, and RTE and HCV awareness. Overall, the 2025 program demonstrated comprehensive coverage of safety, health, environmental, and sustainability aspects, ensuring competency and compliance across all operating units.	☐ 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 task(s) performed.		Training on Supply Chain requirements was conducted on 19/03/2025 by the Assistant Mill Engineer for the Assistant Plantation Manager, weighbridge operator, account clerk, and lab operator, and on 29/06/2025 for the barge transporter crew. The training aimed to enhance awareness and understanding of supply chain requirements among the relevant personnel.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ 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.		Jeroco 1 Palm Oil Mill (JPOM1) sourced for their FFB only from estates under the same CU which involve, Batangan Estate, Lutong Estate, Lokan Estate, and Lung Manis Estate. Divert crop from other certification units Tomanggong, Tagas, Kawa, Kapis, Litang, Bukit Mas and Sungai Segama	☒ 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 since this is IP 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		Details of actual tonnage produced were provided in Table 3.6 and 3.7 of this report	☒ Conform ☐ Major Nonconformity

	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.			☐ 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		JPOM 1 has met all registrations in the Summary as per RSPO Prima System.	☒ 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 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		Jeroco 1 POM has implemented the documented procedure titled "Standard Operating Procedures for Supply Chain" (SOP/COC/003, Issue 04, dated 23 August 2012, last reviewed on 03 April 2024). The procedure comprehensively covers traceability and chain of custody for certified products, including harvesting, delivery, reception, dispatch, and monitoring of CSFFB, CSPO, and CSPK. It also includes guidance on handling certified and non-certified FFBs, weighbridge ticket and delivery note stamping, and product switchover between MB and IP models. The procedure is current and effectively implemented, ensuring compliance with all supply chain model requirements. As the mill operates under the Identity Preserved (IP) model, there are no issues with non-certified FFB. The procedure is maintained under the RSPO Supply Chain and Traceability file. Training on	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	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.		supply chain requirements was conducted on 19 March 2025 for relevant staff and on 29 June 2025 for barge transporter crews to strengthen understanding and awareness. The Senior Mill Manager, Mr. Samsudin Bennu, was appointed as the person-in-charge for RSPO, ISCC, and MSPO implementation, assisted by weighbridge operators, auxiliary police, and QA personnel.	
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 requirements within its organization. (ii) Any con-conformities found as part of the internal audit shall be issued and		As described in paragraph 8.4 of the Supply Chain SOP, Chapter 1: CSFFB, CSPO, and CSPK Traceability System – Chain of Custody (Issue No. 4, dated 23 August 2012, revised on 03 April 2024), Jeroco 1 POM adheres to the RSPO Supply Chain Certification Standard requirements through its internal audit system. An internal audit was conducted on 15–16 April 2025 by the appointed audit team, led by Mr. Saiful, in compliance with RSPO Supply Chain Certification and Market Communications and Claims standards. One NCR was raised, and supporting documents such as the audit attendance sheet, plan, and notes were verified. In accordance with paragraph 8.5 of the SOP, an annual management review was conducted on 25 April 2025, covering RSPO, RSPO SCCS, ISCC, and MSPO. The review recorded no NCR under SCCS, positive customer feedback related to contract fulfillment and delivery timeliness, and highlighted the need to improve the management review format.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	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.		No major changes occurred apart from the transfer of an Assistant Manager, and continuous improvement of the existing system was recommended.	
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.		Jeroco 1 Palm Oil Mill (JPOM1) sources all Fresh Fruit Bunches (FFB) exclusively from estates within the same certification unit, namely Batangan, Lutong, Lokan, and Lungmanis Estates, while diverted crops are received from other certified units such as Tomanggong, Tagas, Kawa, Kapis, Litang, Bukit Mas, and Sungai Segama Estates. A proper mechanism for handling non-conforming products and documents is in place, and no overproduction was recorded. The validity of supplier certificates was verified, and FFB consignment notes from July 2023 to June 2024 were reviewed, showing essential traceability details including estate name, delivery date, FFB weight, quantity, and unique identification number. Monitoring of certified FFB tonnage was recorded under the "Supply Chain MB" system and verified through the LAK weighing system. Sample weighbridge tickets from both own and parent estates confirmed full traceability with RSPO unique identification codes, demonstrating compliance with RSPO Supply Chain requirements.	☒ 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		The procedure for handling the sale and delivery of Certified Sustainable Palm Oil (CSPO) and Certified Sustainable Palm Kernel (CSPK), as outlined in the SOP Traceability Chapter 5: Monitoring of CSPO and CSPK Sales, was reviewed and found adequate. Sales activities are managed by Hap Seng Plantation Holdings Berhad – Commodities Trading in Kuala Lumpur on	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

	a single-documents or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documentation and specification documentation): a) The name and address of buyer; b) The name and address of the seller c) The leading or shipment/delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (IP or MB or the approved abbreviations); g) The quantity of the products delivered; h) Any related transport documentation i) A unique identification number		behalf of Jeroco POM. From July 2024 to June 2025, the mill delivered 58,943.06 MT of CSPO (IP model) and 11,718.64 MT of CSPK (IP model). Sample delivery documents reviewed during the audit contained all required information, including the RSPO certificate number, product name, and supply chain model. Verified samples included deliveries of CSPK to KLK Premier Oil and CSPO to POIC Bulking Terminal, all found properly documented and compliant with RSPO Supply Chain requirements.	☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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		Jeroco 1 POM engaged two outsourced contractors for CPO handling — Hai Heng Enterprise Sdn Bhd for CPO barge transportation (agreement from 01/01/2024 to 31/12/2025) and POIC Bulk Terminal Sdn Bhd for bulking storage (agreement dated 28/03/2024). Both agreements were available and included clauses related to RSPO Supply Chain requirements, specifically in the “Addendum to the CPO Transportation Agreement,” which grants certification bodies access to outsourced operations if audits are required. Communication and training on RSPO supply chain procedures were conducted on 19/03/2025 by the Assistant Mill Engineer for administrative and operational staff, and on 29/06/2025 for barge transporter crews, to enhance understanding of supply chain requirements and traceability	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	input material to be included in outsourced processes b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that CB has access to the outsourcing contractor or operation if an audit is deemed necessary. c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to the respective operations, systems, and all information, when this is announced in advance.		obligations.	
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.		List of contractors specifically the transporter which involve in the physical handling of certified materials had been well maintained through the stakeholder listing. Among the details maintained are name, contact no. as well as address of the contractor.	☒ 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 names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.		No new contractor has been appointed.	☒ Conform ☐ 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		Records related to the RSPO Supply Chain Certification System (SCCS) at Jeroco 1 POM were found updated and easily accessible during the audit. All relevant documents are retained for a minimum of two years as stated in Chapter 1 of the Standard Operating Procedure on CSFFB, CSPO, and CSPK Traceability System – Chain of Custody (Issue No. 4, revised 03 April 2024). The mill has established various reporting templates to track certified FFB and finished product movements (CPO and PK). Records for receipts and deliveries of certified products are maintained and updated through the WB.net system, which provides real-time transaction data and daily or monthly summaries of material movements. The CU applies the Identity Preserved (IP) model.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	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 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.		Jeroco 1 POM processes only certified crops, with production output determined by the actual Oil Extraction Rate (OER) and Kernel Extraction Rate (KER). For 2024, the OER was 20.52% and KER 4.12%, while the year-to-date average stood at OER 20.93% and KER 4.21%. In 2025, the monthly performance showed consistent results June recorded OER 21.12% and KER 4.00%, May recorded OER 21.02% and KER 4.22%, and April recorded OER 21.09% and KER 4.17%. The year-to-date figures for June 2025 stood at OER 20.58% and KER 4.18%, reflecting stable processing efficiency throughout the period.	☒ 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.		These figures were monitored on daily & monthly basis by the mill using the prepared template (e.g. Monthly Production Report – Physical Movement) to ensure their accuracy as well as monitoring of their ongoing performance	☒ 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.		JPOM1 shall only receive the RSPO certified FFB which are from Jeroco 1 CU own estates. Monitoring records titled as "J1POM FFB Received" has recorded the tonnage of certified FFB and other relevant process details. Verified through L.A.K weighing system (weighbridge system) and random sample of weighbridge tickets, being found that no external FFB intake occurred, hence no downgrade required. Consecutively, it is confirmed that RSPO certified oil palm product is from the certified sources. As for transport, dedicated tankers had been allocated by service provider to prevent cross contamination.	☒ 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.		JPOM1 manages its sales and delivery process through established procedures found to be adequate. Sales are handled by Hap Seng Commodities Trading Department at the headquarters on behalf of Jeroco 1 POM, with personnel updating the RSPO IT platform upon confirmation of contracts. Transactions are registered using RSPO Member ID RSPO–PO1000000936, and the mill receives monthly copies of transaction summaries showing buyer weights. Several shipping announcements were verified during the audit, confirming the use	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

	(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		of the Identity Preserved model for both CSPK and CSPO. Previous certified volumes have been sold as conventional or under different schemes, and a new certified projection covering July 2025 to June 2026 will serve as the current certification volume.	☐ 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.		JPOM1 ensures that all outgoing documents such as PK billing, CPO billing, weighbridge advice tickets, and delivery notes accurately include product claim details, applicable supply chain model, and certificate number. The mill applies the RSPO trademark under license no. 1-0098-11-100-00 and complies with corporate communication requirements and Annex 1 of the RSPO Rules on Market Communications and Claims (2019). The trademark license was last renewed on 1 March 2024 and is valid until 28 February 2026.	☒ 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.		Hap Seng Plantations Holdings Berhad has implemented a Human Rights Policy (01/10/2016) reinforced by the Sustainable Agriculture Policy (31/10/2020), emphasizing the protection of Human Rights Defenders. These policies affirm the company's commitment to uphold international human rights standards, prevent violence, retaliation, and discrimination, and protect workers, whistleblowers, and community representatives. The company ensures compliance with ILO Core Conventions and the UN Guiding Principles on Business and Human Rights. The policy has been effectively communicated through briefings, meetings, and induction programs across all operating units and displayed on notice boards. Awareness among workers and external stakeholders was verified through interviews and meetings, including the latest stakeholder session on 14/05/2025. There was no evidence of violence, harassment, or rights violations during the audit.	☒ 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.		There was no evidence that the CU instigate violence or use any form of harassment. This was also confirmed during interview with staffs and workers at the time of audit.	☒ 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 company has an established and documented system for managing complaints and grievances through the Complaint and Grievance Procedure (Ref#: HSPSB P1 1120, dated 31/03/2018) and the Whistleblower Procedure (dated 07/12/2016), which ensure transparency, accountability, and protection of complainants. These procedures aim to provide a fair and participatory process for resolving issues involving affected stakeholders and are reviewed annually with stakeholder input. The system aligns with the UN Guiding Principles on Business and Human Rights, functioning as an effective non-judicial grievance mechanism that guarantees confidentiality and protection when requested. Record reviews and interviews confirmed that no whistleblowing or grievance cases requiring anonymity were reported since the last audit.	☒ 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.		It was noted that the system in resolving disputes and grievances was understood by the affected parties, including the illiterate. The procedure was briefed to all workers and external stakeholders through stakeholders meeting. The briefings of procedure were given verbally, and when necessary, translators from among the workers (usually a worker representatives) are sought to translate documents to ensure understanding by illiterate parties. This was duly confirmed during workers interview and stakeholders interview where all of them has good understanding and well-verse on how to make complaint if any.	☒ 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 has established both internal and external complaint books to record grievances from stakeholders. Records showed that all complaints were addressed and responded to within the agreed timeframe. Internal stakeholder complaints mainly related to maintenance of amenities, while no complaints were received from external stakeholders to date. The complaint and grievance mechanism has been	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

			communicated through morning muster briefings, JCC meetings, gender committee sessions, and annual external stakeholder consultations.	☐ 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.		Jeroco 1 CU has an established system for resolving disputes and grievances through the Prosedur Melapor Aduan dan Permasalahan and Grievances Procedure – Appendix 1 for staff and workers (Ref#: HSPSB P1 1120, dated 31/03/2018). Each mill and estate within Jeroco 1 CU maintains its own Internal Complaint Form/Book and External Communication/Complaint Form/Book. The internal complaint books are primarily used by employees to report housing-related issues, while reviews of the external stakeholder complaint records confirmed that no complaints were lodged against the CU. The grievance procedure, updated on 18/07/2020, also allows complainants to appoint individuals or groups for support or as observers and provides the option of involving a third-party mediator.	☒ 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.		Jeroco Group of Estates (JGOE) demonstrates contributions to community development based on consultations with local communities. Initiatives include providing water supply to SK Jeroco School, repairing electrical wiring at SK Jeroco, upgrading classrooms at SK Jeroco, supplying water to Humana School in Jeroco, and providing transportation for workers. In addition, Hap Seng Management shows commitment to sustainability by offering free consultations to surrounding smallholders to achieve RSPO and MSPO certification. To date, four small growers and two smallholders	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			have successfully obtained RSPO certification.	
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 right to use land at Jeroco 1 CU is clearly demonstrated and undisputed. The auditor verified that Hap Seng Plantations acquired the land from the Sabah State Government in 1980. In Lutong Estate, certain parcels were previously privately owned but were sold to Jeroco Plantations on 4 August 2003, with land titles transferred to Jeroco Plantations Sdn. Bhd. on 5 April 2006. Attempts to contact the former owners were unsuccessful as they reside in West Malaysia. Original land title documents are kept at the Plantation Central Office (PCO) in Sg. Segama, with copies sighted during the audit. All estates fall under the jurisdiction of Kinabatangan District. Review of the land titles confirms compliance with requirements for cultivation of agricultural crops of economic value. For Batangan Estate, land titles CL 09531 1014 and CL 09531 1005, totaling 4,046.94 ha and 4,046.94 ha respectively, are valid from 1 January 1980 to 31 December 2078, for cultivation of agricultural crops and rattan. Lutong Estate includes titles CL 09531 1014 (4,046.94 ha), and former privately owned parcels CL 09533 2264 (5.98 ha), CL 09533 2282 (15.18 ha), CL 09533 2291 (15.17 ha), and CL 09533 2273 (6.07 ha), valid until 2098–2099 for oil palm cultivation. Lokan Estate title CL 09531 0973 (6,068.39 ha) and Lungmanis Estate title CL 09531 0973 (6,068.39 ha) are valid from 1 January 1980 to 31 December 2078 for cultivation of cocoa and other economic crops.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			Sharing of land titles is noted where applicable	
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.		As noted in section 4.4.1 of this checklist, the audit verified that Jeroco 1 CU has held legitimate ownership of the land since 1980. The audit team confirmed that there are no outstanding land issues related to previous owners. Interviews with relevant stakeholders, including IOI Plantations, Morissem 2 Plantation (IOI), and Amalania Estate, further confirmed that there is no evidence of any land disputes at Jeroco 1 CU.	☒ 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).		As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in the Plantation Central Office, and the copy in the estate was verified by the auditor. Thus, there were no issues regarding land with villagers, local community and neighboring estate. No mapping was established for FPIC purpose.	☐ 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..		There was no land encumbered by customary rights or dispute from any stakeholder at the CU, it was confirmed through interviewed relevant stakeholder such as the IOI Plantation, Harus Abadi Sdn Bhd, First Raintree Sdn Bhd, Bukit Kretam Sdn Bhd, Casem Sdn Bhd, Sangi Enterprise Sdn Bhd, LKM Trading, Lebijaya Sdn Bhd. There were no local communities living in or neighbouring Jeroco 1 CU, hence, no evidence of	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			any land dispute involving local communities.	
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.		There was no land encumbered by customary rights or dispute from any stakeholder at the CU, it was confirmed through interviewed relevant stakeholder such as the IOI Plantation, Harus Abadi Sdn Bhd, First Raintree Sdn Bhd, Bukit Kretam Sdn Bhd, Casem Sdn Bhd, Sangi Enterprise Sdn Bhd, LKM Trading, Lebijaya Sdn Bhd. There were no local communities living in or neighbouring Jeroco 1 CU, hence, no evidence of any land dispute involving local communities.	☒ 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.		There was no land encumbered by customary rights or dispute from any stakeholder at the CU, it was confirmed through interviewed relevant stakeholder such as the IOI Plantation, Harus Abadi Sdn Bhd, First Raintree Sdn Bhd, Bukit Kretam Sdn Bhd, Casem Sdn Bhd, Sangi Enterprise Sdn Bhd, LKM Trading, Lebijaya Sdn Bhd. There were no local communities living in or neighbouring Jeroco 1 CU, hence, no evidence of any land dispute involving local communities and FPIC.	☒ 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		Based on Social Impact Assessment (SIA) Report for Jeroco 1 CU and land title, there were no new plantings established on local peoples' land. It has been verified that the land is legitimately owned by Jeroco 1 CU. The audit team had confirmed that there were no land issues related to previous owners and this was confirmed through interview with relevant stakeholder such as the IOI Plantation, Harus Abadi Sdn Bhd, First Raintree Sdn Bhd, Bukit Kretam Sdn Bhd, Casem Sdn Bhd, Sangi	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			Enterprise Sdn Bhd, LKM Trading, Lebijaya Sdn Bhd. Documents showing identification and assessment of demonstrable legal, customary and user rights are not applicable.	
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.		As noted in section 4.4.1 of this checklist, Jeroco 1 CU has been under development since 1980 following its acquisition from the previous owner, Sabah Land Development, with no new planting established. All documentation related to the land acquisition is maintained at the Plantation Central Office (PCO) and was verified by the auditor. There have been no land-related issues with villagers, local communities, or neighboring estates. The audit team confirmed this through interviews with relevant stakeholders, including IOI Plantation, Harus Abadi Sdn Bhd, First Raintree Sdn Bhd, Bukit Kretam Sdn Bhd, Casem Sdn Bhd, Sangi Enterprise Sdn Bhd, LKM Trading, and Lebijaya Sdn Bhd. No local communities reside within or adjacent to Jeroco 1 CU, and there is no evidence of land disputes involving local communities or issues requiring FPIC.	☒ 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 agreements should be non-coercive and entered into voluntarily and carried out prior to new operations.		As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders i.e. IOI Plantation, Harus Abadi Sdn Bhd, First Raintree Sdn Bhd, Bukit Kretam Sdn Bhd, Casem Sdn Bhd, Sangi Enterprise Sdn Bhd, LKM Trading, Lebijaya Sdn Bhd. There was also no local communities living in or neighbouring Jeroco 2 CU, hence, no evidence of any land	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

	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.		dispute involving local communities and FPIC. This Indicator is not applicable.	
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.		As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders i.e. IOI Plantation, Harus Abadi Sdn Bhd, First Raintree Sdn Bhd, Bukit Kretam Sdn Bhd, Casem Sdn Bhd, Sangi Enterprise Sdn Bhd, LKM Trading, Lebijaya Sdn Bhd. There was also no local communities living in or neighbouring Jeroco 2 CU, hence, no evidence of any land dispute involving local communities and FPIC. This Indicator is not applicable.	☐ 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		As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO	☒ Conform ☐ Major Nonconformity

	advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.		and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders i.e. IOI Plantation, Harus Abadi Sdn Bhd, First Raintree Sdn Bhd, Bukit Kretam Sdn Bhd, Casem Sdn Bhd, Sangi Enterprise Sdn Bhd, LKM Trading, Lebijaya Sdn Bhd. There was also no local communities living in or neighbouring Jeroco 2 CU, hence, no evidence of any land dispute involving local communities and FPIC. This Indicator is not applicable.	☐ 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.		As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor. Thus, there were no issues regarding land with villagers, local community and neighboring estate.	☒ 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 November 2018. The current operation area including mill and estates 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.		Not Applicable for MYNI	☒ 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 procedure for identifying legal, customary, or user rights, as well as the compensation process, is outlined in the Land Dispute Management policy [Clause B (2)] and the Sustainable Agriculture Policy dated 15 August 2019. According to the Land Dispute Management procedure, the calculation and distribution of fair compensation are managed by the Head Office at PCO. The process involves the respective estate management, professional consultants such as land surveyors, relevant authorities including the land office, and the affected parties during negotiations. During the past 12 months, the CU did not conduct any compensation 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.		The procedure for identifying legal, customary, or user rights, as well as the compensation process, is incorporated in the Land Dispute Management policy [Clause B (2)]. According to this procedure, the calculation and distribution of fair compensation are managed by the Head Office at PCO. The process requires the involvement of the respective estate management, professional consultants such as land surveyors, relevant authorities including the land office, and the affected parties during negotiations. Additionally, the Sustainable Agriculture Policy dated 15 August 2019 emphasizes respecting the rights of indigenous and local communities [Clause 3.5] and upholding land tenure rights	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			[Clause 3.4]. However, as noted, the CU did not conduct any compensation negotiations in the past 12 months.	
4.6.3	Evidence is available that equal opportunities are provided to both men and women to hold land titles for small holdings.		There were no scheme small holdings at Jeroco 1 CU. The Fresh Fruit Bunches are supplied from owned estates which are certified to RSPO.	☒ 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 were no scheme small holdings at Jeroco 1 CU. The Fresh Fruit Bunches are supplied from owned estates which are certified to RSPO.	☒ 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 procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Land Dispute Management [Clause B (2)] and Sustainable Agriculture Policy dated 15 August 2019 In accordance with the Land Dispute Management, the procedure for calculating and distributing fair compensation falls within the purview of the Plantation Central Office (PCO). The procedure stipulates the involvement of the respective estate management, professional consultants as the land surveyors with reference to relevant authorities such land authority and the	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			affected parties in the negotiation procedures. However, there was neither expansion nor new planting is happening at the CU.	
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.		There was no issue regarding compensation (monetary or otherwise) with villagers, local community due to no local communities within Jeroco 1 CU. Furthermore, the surrounding of Jeroco 1 CU is owned by IOI Plantations, Morissem 2 Plantation (IOI), Amalania Estate.	☒ 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.		It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor.	☒ 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.		As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders such IOI Plantations, Morissem 2 Plantation (IOI), Amalania Estate.	☒ 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.		As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders such IOI Plantations, Morissem 2 Plantation (IOI), Amalania Estate.	☒ 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).		As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders such IOI Plantations, Morissem 2 Plantation (IOI), Amalania Estate.	☒ 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).		As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders such IOI Plantations, Morissem 2 Plantation (IOI), Amalania Estate.	☒ 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.		Fresh Fruit Bunches were supplied from Jeroco 1 CU owned estates of Lokan, Lungmanis, Batangan and Lutong which are certified to RSPO Using the Identity Preserved Supply Chain Model. There was no third-party FFB's sent to the mill. Thus, no contract involved with smallholder.	☒ 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.		Fresh Fruit Bunches were supplied from Jeroco 1 CU owned estates of Lokan, Lungmanis, Batangan and Lutong which are certified to RSPO Using the Identity Preserved Supply Chain Model. There was no third-party FFB's sent to the mill. Thus, no contract involved with smallholder.	☒ 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.		Fresh Fruit Bunches were supplied from Jeroco 1 CU owned estates of Lokan, Lungmanis, Batangan and Lutong which are certified to RSPO Using the Identity Preserved Supply Chain Model. There was no third-party FFB's sent to the mill. Thus, no contract involved with smallholder.	☒ 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.		Fresh Fruit Bunches were supplied from Jeroco 1 CU owned estates of Lokan, Lungmanis, Batangan and Lutong which are certified to RSPO Using the Identity Preserved Supply Chain Model. There was no third-party FFB's sent to the mill. Thus, no contract involved with smallholder.	☒ 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.		Fresh Fruit Bunches were supplied from Jeroco 1 CU owned estates of Lokan, Lungmanis, Batangan and Lutong which are certified to RSPO Using the Identity Preserved Supply Chain Model. There was no third-party FFB's sent to the mill. Thus, no contract involved with smallholder.	☒ 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.		Consultation with contractors and suppliers' representatives confirmed they are understood of their rights and obligations under the contract as per contract with Customcraft (M) Sdn Bhd or Minor Job Contract (MJC). Consultation was made with Mr Fong of Fong Enterprise (Shops in Batangan Estate), Mr. Ding of Dindings Enterprise and Ding Enterprise(shops in Lokan and Lungmanis Estate). There was no third-party FFB sent to the mil, Thus, no contract involved with smallholder	☒ 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).		Weighing Equipment in Jeroco POM 1 (JPOM1) (Gold Cells 70,000kgx10kg) has been calibrated on yearly basis by Metrology Corporation Malaysia Sdn Bhd as in "Perakuan Penentuan Timbang dan Sukat" (Borang D - Timbang dan Sukat) valid until 16/10/26 at Lungmanis Estate, 20/12/2025 at Lutong Estate and 17/2/26 at Batangan Estate.	☒ 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.		Hap Seng Management supports Independent Smallholders with certification. They also consulted with interested smallholders (irrespective of type) including women or other partners in their supply base and already assess their needs for support to improve their livelihoods and their interest in RSPO certification. However Surrounding smallholders and growers are against the idea of ICS they want to certify independently. Hap Seng gives support to surrounding smallholders and growers by giving them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification. Until to date the surrounding smallholders who are RSPO certified is Spark Glory, Harus Abadi, LKM Trading, Bukit Kretam and Lebijaya. Currently on progress for RSPO and MSPO certification is, Khoo Chin Hung, and LPC plantation.	☒ 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.		There is a document namely 'Procedure for reporting complaints and grievances (Prosedur Melapor A*duan dan Permasalahan*)' and 'Grievances Procedure – Appendix 1' for staffs and workers Ref#: HSPSB P1 1120, Prosedur Aduan dated 31/3/2018 and also company has developed procedure named '' Mekanisme Melindungi Pengadu Terhadap Tatacara tidak Wajar (Whistleblower)'' dated 7th December 2016 to	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

			protect the complainants. The procedure contains the Whistle Blower Complaint Response where the complainant has the option of remaining anonymous by not revealing his/her identity.	☐ 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.		Hap Seng Management supports Independent Smallholders with certification. They also consulted with interested smallholders (irrespective of type) including women or other partners in their supply base and already assess their needs for support to improve their livelihoods and their interest in RSPO certification. However Surrounding smallholders and growers are against the idea of ICS they want to certify independently.	☒ 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.		Hap Seng Plantations already develops and implements smallholder support programs to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies. Hap Seng gives support to surrounding smallholders and growers by giving them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification. Until to date the surrounding smallholders who are RSPO certified are Spark Glory, Harus Abadi, LKM Trading, Bukit Kretam and Lebijaya. Currently on progress for RSPO and MSPO certification is, Khoo Chin Hung, and LPC plantation.	☒ 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..		Hap Seng give support to surrounding smallholders and growers to promote legality of their FFB production by given them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification.	☒ 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.		Reviewed the training on Pesticide handlings has been given to surrounding Smallholder and Small grower at Lebijaya on 22/9/23, Khoo Chin Hung on 11/8/23, LPC on 21/7/23, Bukit Kretam on 27/2/24, Harus Abadi on 22/6/24 Spark Glory on 21/3/24 and LKM on 20/5/24 Until to date surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, LKM Trading, Bukit Kretam and Lebijaya. Currently on progress for RSPO and MSPO certification is, Khoo Chin Hung, and LPC plantation.	☒ 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.		Currently Hap Seng Plantations Management has created a system to trace their stakeholders around their estate. Hap Seng Plantations also regularly reviews and publicly reports on the progress of the smallholder support programme as per seen in the Hap Seng Plantation Holdings Berhad 2023 ACOP report in the clause G.4.4.1. As of to date, surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, LKM Trading, Bukit Kretam and Lebijaya. Currently on progress for RSPO and MSPO certification is, Khoo LPC plantation.	☒ 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.		Jeroco 1 CU subscribes to HSPHB Equal Opportunity Policy dated 1st March 2019 and Sustainable Agriculture Policy dated 15th August 2023 both were signed by its Chief Executive Group Plantation. The policy statements emphasize on worker's information, recruitment and selection, training, employee development, based on business needs, terms of service and records of service. It also states that all employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. The Sustainable Agriculture Policy is publicly available for review and download from the company's website. The policy too was displayed prominently in the estates. Briefing of the policy to all workers was conducted via morning muster at all audited estates. It is also being explained during the induction course for the newly recruited workers. Based on interview with sampled workers, they are aware and understood the content of 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		Jeroco 1 CU ensures equal treatment for all employees without discrimination based on nationality, gender, religion, or age. Employment contracts, pay, benefits, and living standards are consistent across all workers, including local and foreign employees. Foreign workers do not incur recruitment fees, and the company covers associated costs such as work permits, medical checks, levies, and insurance. Policies and SOPs governing recruitment, selection, hiring, termination, retirement, promotion, and equal opportunity are established, regularly updated, and implemented. Pay slips and	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			employment contracts reviewed confirm compliance, and interviews with workers verify that these practices are consistently applied. Government policies may affect education access for children, as noted in the Equal Opportunity Policy dated 1 March 2019. Overall, Jeroco 1 CU demonstrates adherence to labor standards, fair treatment, and ethical employment practices.	
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		The recruitment, selection, hiring, and promotion of workers at Jeroco 1 CU are conducted based on skills, capabilities, qualities, and medical fitness as per the SOP revised on 8th May 2024. Recruitment is managed by the Personnel & Administration Department through agents or internal referrals, with Malaysian candidates advertised publicly. Foreign workers must have valid passports, work passes, be over 18, and pass a medical check. Required documents include medical reports, labour engagement forms, labour cards, wage deduction approvals, and employee master reports. Estate workers need only physical fitness, while mill workers require technical skills or training as determined by management.	☒ 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		Pregnancy tests at Jeroco 1 CU are conducted for health and safety reasons, not as a discrimination measure. Female workers handling chemicals are tested monthly, others quarterly. If a worker is found pregnant, the Medical Assistant issues a declaration, and the worker is reassigned to non-chemical tasks to prevent fetal exposure.by management.	☒ 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.		Gender committees are established across Jeroco 1 CU with clear roles and updated organization charts for 2025. Guided by the 2024 "Garis Panduan Perlaksanaan Jawatankuasa Jantina," the committees address sexual harassment, domestic violence, women's health, maternity benefits, children's health, and crèche hygiene, while promoting women's participation in activities like night markets. Committee members and workers demonstrated understanding of their roles, no sexual harassment or violence cases were reported, and the prior year's Major Non-Conformance (NEA 01 2024) has been satisfactorily closed.	☒ 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		HSPHB defines and reviews wages annually, effective 1st February 2025, in line with the Minimum Wage Order 2024. Estate workers are paid mainly on piece-rate, while monthly-paid workers receive a minimum of RM1,700/month or RM65.38/day. Wage variations depend on experience, position, and job complexity. Sampled contracts and payslips confirm equal pay for equal work regardless of gender or nationality.	☒ 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 pay slips and employment contracts, issued in Bahasa Malaysia and explained to workers during induction. Contracts cover public holidays, leave entitlements, repatriation costs, and termination conditions. Pay slips detail earnings, deductions, net salary, and workdays. Worker interviews confirmed understanding of contracts and pay slips. Payments comply with the Minimum Wages Order 2024 and Sabah Labour	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			Ordinance amendment 2025.	
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 at Jeroco 1 CU cover comprehensive terms including job scope, working hours, leave entitlements, remuneration, benefits, and obligations, and are issued in a language understood by the workers. Remuneration is either daily or piece-rate, with payslips detailing earnings, deductions, and net pay, issued monthly. Workers confirmed understanding of contracts and payslips. Samples from JPOM 1 and all estates (Lokan, Lungmanis, Lutong, Batangan) show employment across a mix of local and Indonesian workers, male and female, in various roles from harvesting, spraying, and grading to administrative and technical positions. No family members assist in work, and all payments comply with labour laws and company policies.	☒ 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		Jeroco 1 CU has demonstrated general compliance with the Sabah Labour Ordinance. Workers' regular working hours are maintained at an average of six days per week, with employment contracts stipulating eight hours per day including breaks, or eight hours worked within a ten-hour spread including breaks. Overtime is paid according to legal requirements under the Sabah Labour Ordinance, as evidenced by sample payslips. Workers with medical certificates are granted paid medical leave and annual leave, while female employees are entitled to 60 days of paid maternity leave. Salary deductions are limited to statutory deductions such as SOCSO, EPF, and EIS, with non-statutory deductions made only for passport-related matters and utility payments upon written approval from the Labour Office. There is no evidence of termination during the audit period, so compliance with dismissal procedures and notice periods	☐ Conform ☒ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			could not be verified. However, review of payslips and checkroll records for March, April, and May 2025 revealed that total working hours, including regular hours and overtime, exceeded the permissible limit of 12 hours per day as stipulated under Section 104(7) of the Sabah Labour Ordinance. This also contradicts the conditions of the Permit Sekatan Kerja Lebih Masa (Permit Serial No.: JTKSBH/PMT/104/2024/0041) issued by Jabatan Tenaga Kerja for Jeroco Palm Oil Mill, valid from 30 October 2024 to 29 October 2026. The records indicate continuous and excessive overtime, raising concerns regarding worker welfare and legal non-compliance. Sample records reviewed include an Apprentice Wireman who worked between five to eight hours of overtime across five days in May 2025, an Apprentice Workshop employee with overtime ranging from 4.5 to 8 hours over seven consecutive days in May 2025, and a Lab Attendant with overtime between five to nine hours across April 2025. Consequently, Major NCR NEA 01/2025 has been raised.	
6.2.4 (C)	The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or 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		Jeroco 1 CU provides comprehensive housing and welfare facilities in compliance with the Workers' Minimum Standard of Housing and Amenities Act 1990. Housing is rent-free, accommodating two to five workers per unit with two to three rooms, for both local and foreign employees as per their employment contracts. Estates offer extensive amenities, including football, badminton, volleyball, and takraw courts, children's playgrounds, places of worship, sundry shops, and activity halls. Housing inspections are conducted weekly, and sanitation is well-maintained, with perimeter and monsoon drains around wooden houses kept clear to prevent	☐ Conform ☒ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	reasonable time (5 years) is allowed to upgrade the infrastructure		waterlogging. Safe drinking water is ensured through estate water treatment plants, with monthly water sampling conducted. Medical care is provided at central facilities in Batangan Estate, staffed by a Medical Assistant and Hospital Assistant, with fortnightly visits from a Visiting Medical Officer from Klinik Chong Tawau. Free medical treatment is available for workers and their dependents. Educational support is provided through access to nearby government schools, Community Learning Centers, Humana schools, and an on-site crèche for childcare. Workers receive starter kits, including mattresses, bedframes, and lockers, and the company provides maintenance and repairs for housing as required. CAPEX and OPEX records reviewed across all units confirmed expenditures for housing construction, repairs, sanitation, and compound upkeep, demonstrating a commitment to adequate living conditions and employee welfare. During a site inspection at Labour Quarters Block B, JPOM 1, several unsafe conditions were observed. Rusty zinc and steel piles were used as barricades around the vegetable cultivation area within the workers' residential compound. Harvesting tools without proper sickle covers were placed at height outside the labour quarters, and a loading spike was found on the ground near a bench in the workers' quarters. A review of the weekly line site inspection documentation indicated that unsafe conditions within the residential area were not assessed. Consequently, Major NCR NEA 02/2025 has been raised.	

6.2.5	The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.		Efforts were made to improve workers' access to adequate, sufficient and affordable food. A mill canteen is available at JPOM which sells meals at a subsidized price. This were confirmed during interview with workers. The prices for all menus were marked down compared to prices normally sold in towns. Additionally, there are also grocery stores where workers could purchase their daily needs. Interviews with the workers confirmed that the price of items sold is reasonable considering the distance to the nearest town. Workers were also allowed to plant their own vegetables at worker's quarters to supplement their diet.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
6.2.6	A DLW is paid to all workers, including those on piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours. PROCEDURAL NOTE: 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 operate and for which no Global Living Wage Coalition (GLWC) benchmarks exist		Jeroco 1 CU ensures that all workers receive at least the minimum wages under the Minimum Wages Order 2024, with additional in-kind benefits including housing, electricity, water, education, childcare, healthcare, and recreational facilities. The total prevailing wages, which combine cash salary and in-kind benefits, vary across estates and between local and foreign workers, reflecting differences in provided facilities and allowances. Overall, the calculation confirms compliance with minimum wage requirements and provides a comprehensive assessment of total remuneration.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
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		Permanent, full-time employment is used by Jeroco CU. All foreign workers are full-time employees but have a contractual duration which is stipulated in their employment contracts. This contract duration can be mutually extended subject to the	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

	or seasonal		annual work permit from the Malaysian Immigration Department. There is no casual, temporary or day labour employed.	☐ 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		A formal statement recognizing the right to freedom of association is in place, as outlined in the Policy on Freedom of Association and Right to Collective Bargaining dated 1st March 2019, and signed by the Chief Executive – Group Plantation. The policy affirms that HSPHB acknowledges and respects employees' rights to join trade unions of their choice and to engage in collective bargaining, in accordance with relevant national legislation. The policy is available in both Malay and English and is prominently displayed on notice boards and information walls throughout Jeroco 1 CU. Interviews with workers confirmed that they are aware of their workers' representatives and understand their rights under this policy.	☒ 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		Jeroco 1 CU has no formal trade unions, but workers are represented through the Joint Consultative Committee (JCC), which includes both workers and management. This structure provides a platform for workers to raise concerns, give feedback, and participate in discussions on workplace matters. Meeting records confirm regular engagement across estates, with worker representatives drawn from various roles to ensure fair and diverse representation.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ 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 worker representatives confirmed that the formation and operation of the workers' association were free from management interference. Representatives were elected transparently and democratically by the workers, allowing them to effectively raise concerns and provide feedback through the JCC. No evidence of management influence was observed, and workers across estates, including Batangan Estate, confirmed that representatives were fully elected by their peers.	☒ 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		Jeroco 1 CU subscribes to Child Labour Policy dated 2 January 2017 and Sustainable Agriculture Policy updated in 15th August 2023 signed by Chief Executive – Group Plantation. The Policy states that it would not tolerate the use of child or forced labour, nor exploitation of children in any of its global operations and facilities. This SOP also details out the remediation action to be taken should a child is found working. This includes awareness trainings for all employees and contractors, schools should encourage and motivate children to attend school, parents to be advised and warned verbally not to allow children to assist them, and the child to be sent home or to an appropriate child-care facility.	☒ 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		Minimum hiring age of 18 years old is clearly stated in SOP for Recruitment, Selection, Hiring, Termination, Retirement & Promotion of Workers (Local & Foreign), revised on 08th May 2024. Stakeholder interview and documentation verified on the Employee Master List verified that all the workers employed were above 18 years old. During site visit too found	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

	verification procedure		no underage workers performing any job in the Jeroco 1 CU. Documented age screening verification procedure were also available. The computerized Movex System able to verify and screen the age of employees upon data entry.	☐ 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 documents sighted, interviews and observations, there was no evidence that JPOM 1 and all audited estates employ anyone below the age of 18 years. This was verified by examining the master lists of each operating unit where details of the workers' particulars and dates of birth are available. Interviews with workers and staff, as well as observations made during field visits confirm that only those above 18 are employed.	☒ 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		No Child Labour Policy dated 2nd January 2017 and supported with Sustainable Agriculture Policy updated in 15th August 2023 signed by Chief Executive – Group Plantation has been established and implemented where the company shall not use any child labour. The policy was displayed at the notice board and communicated to workers through morning briefings. In addition, the CU has issued a Integrity Declaration Form by Vendor that is to be signed by all contractors, suppliers and vendors. The Pledge states that the undersigned has read, understood and will comply to the Vendor Ethical Business Conduct and Hap Seng Plantations Sustainable Agriculture Policy.	☒ 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		Jeroco 1 CU implements its “Sexual Harassment, Violence and Abuse Policy” and supporting SOPs, which are publicly displayed and clearly communicated across all estates and the mill. A Gender Committee addresses related issues, and interviews confirmed that female employees understand the policy and reporting procedures. No cases of sexual harassment or abuse were reported during the audit.	☒ 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		Jeroco 1 CU has a Reproductive Rights Policy ensuring employees can make decisions on family planning and reproductive health without discrimination or coercion. Female workers receive 98 days of paid maternity leave, and pregnant employees are assigned light duties. Interviews confirmed understanding and implementation, with communication conducted via Morning Muster, JCC, and Gender Committee meetings.	☒ 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		Jeroco 1 CU maintains comprehensive records of pregnancies and births for workers and their dependents. Assessments for new and pregnant mothers were conducted at various estates on specific dates in 2025, ensuring support such as transportation for clinic visits, time off for medical check-ups and infant vaccinations, and breaks for breastfeeding.	☒ 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.		Jeroco 1 CU has an established grievance mechanism ensuring anonymity and protection of complainants, implemented through multiple SOPs and procedures covering sexual harassment, stakeholder consultation, internal and external grievances, information requests, and whistleblowing. The mechanism is functional, with workers aware of reporting channels including suggestion boxes,	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			representatives, and direct communication with management, and confident that complaints can be raised without retaliation. Awareness is reinforced through Morning Muster, JCC and Gender Committee meetings, as well as posters and notices at common areas, ensuring accessibility and transparency.	
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		Jeroco 1 CU demonstrates full compliance with the No Forced or Bonded Labour requirement. Workers retain possession of their passports except during temporary work permit renewal, recruitment fees are not charged, and contracts are clearly communicated prior to employment. There is no evidence of involuntary overtime, restrictions on resignation, penalties for early termination, debt bondage, or withholding of wages. Employment termination follows contractual and SOP provisions, and all workers confirmed understanding and freedom regarding these terms.	☒ 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		Jeroco 1 CU follows its “Labour Policy for Foreign Workers” and associated procedures for recruitment and employment. Foreign workers are treated fairly, with no contract substitution or discrimination, and receive a post-arrival briefing on employment terms, safety, and benefits. Recruitment is mostly conducted via walk-in in accordance with the SOP.	☒ 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		Jeroco 1 CU has formally appointed Estate and Mill Managers as responsible persons for safety and health, with the Assistant Managers designated as OSH coordinators for implementation at the operational level. All appointments are documented through official letters. OSH Committee meetings are held quarterly across all estates and the mill. Meeting agendas consistently cover the approval of previous minutes, follow-up on arising matters, health and safety concerns raised by all parties, review of accident reports including monthly safety performance data, workplace inspections, and planning or review of ongoing safety programs. Sampled meeting minutes from Batangan, Lokan, Lungmanis, Lutong Estates, and JPOM 1 from 2024 to 2025 confirm regular engagement and structured OSH management.	☒ 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.		Jeroco 1 CU has established and updated procedures for accidents and emergencies as of 03/01/2025, including an Emergency Response Plan (ERP) and team for all identified incidents such as earthquakes, fires, chemical spills, floods, animal attacks, pandemics, POME, EFB, diesel spills, ESP, and workplace accidents. The procedures are summarized in chart form and displayed across estates and POM for employee reference. Site inspections confirmed ERP availability at chemical stores, workshops, offices, and workers' housing, and interviews verified that workers understand the emergency protocols. Each estate and the POM have designated first aiders trained by Persatuan Bulan Sabit Merah Malaysia (Daerah Sandakan), with certification valid for three years. The POM has 21 first aiders, Batangan Estate 3, Lokan 7, Lungmanis 4,	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			and Lutong 3. Annual first aid training is conducted, and records were reviewed. First aid boxes are available for field mandores involved in harvesting, manuring, and spraying; contents were verified, and stock is regularly checked and replenished by estate Medical or Hospital Assistants. Telephone contacts of Emergency Response Team (ERT) members, police, fire brigade, and government clinic are displayed on notice boards. Accident and injury records are maintained using Lost Time Accident (LTA) metrics and reviewed quarterly during OSH committee meetings. Fire drill trainings were also conducted across estates and POM, with records confirmed for Batangan, Lokan, Lungmanis, Lutong, and JPOM 1. Overall, emergency preparedness and response systems are effectively implemented, maintained, and communicated to all employees.	
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 across Jeroco 1 CU estates, workers were observed consistently using appropriate PPE for various operations, including harvesting, manuring, spraying, roadside pruning, circle racking, and grass cutting. PPE provided included face masks, respirators, goggles, harvesting shoes, rubber boots, gloves, aprons, and helmets or straw hats, in line with risk assessments covering hazardous tasks. The condition and validity of all PPE items were satisfactory, and issuance records were maintained in the PPE record book and M3 system. The management fully funds PPE, and interviews confirmed that workers are aware of its importance, understand proper usage, storage, and disposal, and appreciate its provision. Distribution is centralized at each estate to ensure consistent access and operational efficiency. Sanitation facilities were	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			available near chemical store areas for workers applying pesticides, allowing them to change out of PPE and wash before returning to personal clothing. Clothing lockers are also provided for estate and mill workers to facilitate safe and hygienic changing at the start and end of shifts.	
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, under the Employees' Social Security Act 1969 (Act 4). Latest SOCSO payments for June 2025 were verified for all estates and JPOM 1: Batangan Estate – 295 employees, Lokan Estate – 128 employees, Lungmanis Estate – 151 employees, JPOM1 – 180 employees, and Lutong Estate – 103 employees. One case at Batangan Estate was reported to DOSH on 18/12/2024, with the SOCSO claim submitted on 13/01/2025 and payment received on 03/03/2025.	☒ 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		For the year 2024, JKKP 8 reports were submitted to DOSH for all estates and JPOM 1 as follows: Batangan Estate on 23/01/2025 recorded 11 accidents with 35 lost working days and 784,576 total working hours, including 1 case with more than 4 days MC; Lokan Estate on 22/01/2025 recorded 4 accidents with 8 lost working days and 346,840 total working hours; Lungmanis Estate on 30/01/2025 recorded 5 accidents with 8 lost working days and 342,056 total working hours; JPOM1 on 14/01/2025 reported 0 accidents with 0 lost working days and 543,456 total working hours; Lutong Estate on 23/01/2025 recorded 5 accidents with 16 lost working days and 251,000 total working hours. Additionally, one case at Batangan Estate was reported under JKKP 6 on 18/12/2024, with the SOCSO claim submitted on 13/01/2025 and payment received on 03/03/2025.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

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.		Jeroco 1 CU continues to implement Integrated Pest Management (IPM) across its four estates in accordance with the HSPHB Oil Palm Agriculture Policy (OPAP), Chapter 10 on Pest and Disease Management. The IPM program addresses key pests such as rats, bagworms, nettle caterpillars, rhinoceros beetles, and ganoderma. Rats are controlled via calendar baiting twice a year and additional baiting when crop damage exceeds 2%, continuing until bait acceptance falls below 20%, with chemical treatment applied only for rats. Rhinoceros beetles are managed using pheromone traps, while occasional pests like bagworms and nettle caterpillars are controlled using beneficial plants, including *Tunera subulata*, *Cassia cobanensis*, and *Antigonon leptopus*, reducing pesticide use. Monthly pest and disease censuses are conducted, and the results are recorded in the Early Warning System reports. Beneficial plants are actively propagated in nurseries and planted throughout the estates, with maps documenting locations. Annual IPM and pesticide safety training is conducted, with recent sessions at Batangan Estate on 14/01/2025 (35 participants), Lokan Estate on 10/03/2025 (9 participants), and Lungmanis Estate on 06/06/2025 (8 participants).	☒ 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		Plan to prevent and monitor the spread of species referenced in the Global Invasive Species Database and CABI.org (if any). This is not practiced in the visited estate. None of the species were referenced in the Global Invasive	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity

	monitor their spread are implemented.		Species Database and CABI.org are used in the management of IPM.	☐ 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]		The manual for pest control is stipulated in OPAP 10 titled Pests and Diseases Management. Fire is not used in any circumstances. The Zero Burning Policy is clearly stated on the Sustainable Agriculture Policy dated 15/08/2019. There was no evidence to show that fire had been used for pest. This was confirmed during the interviews with workers and staff. Furthermore, there had been no serious pest attack that warrant the use of fire to control.	☒ 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.		Jeroco 1 CU continues to apply agrochemicals following the HSPHB Oil Palm Agriculture Policy (OPAP) Chapter 10 – Pest and Disease Management and the Safe & Standard Operating Procedure/Accounting/Administrative Procedure (AAP) manual. All chemical applications are justified in writing, documented in chemical registers, and applied on a “need-to-do” basis for targeted pests, weeds, or diseases. No Class I chemicals are used, and PPE is required when handling chemicals. The chemical register is regularly updated, and current chemicals include Glyphosate Isopropylamine (Class III), Methamidophos (Class IA), Glufosinate Ammonium (Class III), Triclopyr Butoxy (Class III), Metsulfuron Methyl 20% (Class III), Cypermethrin (Class III), Triclopyr Butoxy Ester (Class III), 2,4-D Amine (Class II), Brodifacoum (Class IV), and Carbofuran (Class II).	☒ 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.		All estates within Jeroco 1 CU maintain comprehensive records of pesticide usage, including types, active ingredients, LD50 values, areas applied, total quantities, number of applications, and active ingredients per hectare. Pesticides are only applied when justified, and usage is documented in bin cards, program sheets, chemical registers, field-cost books, and progress reports. All chemicals used are officially registered under the Pesticide Act 1974, limited to Class II, III, and IV, with no illegal substances such as paraquat applied. Each of the four estates has documented programs for pesticide spraying and rat baiting, with records verified during the audit. Variations in chemical usage are explained by factors such as immature area sizes, rainfall patterns, and weed regeneration in different soil types, with supporting notes provided.	☒ 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.		All estates under Jeroco 1 CU continue to minimise agrochemical usage through the implementation of the Integrated Pest Management (IPM) plan, avoiding blanket spraying and maintaining soft grasses and Nephrolepis in the field. Insecticides are applied only when pest populations exceed threshold levels, in accordance with HSPHB Oil Palm Agriculture Policy (OPAP) Chapter 10 – Pests and Diseases Management. Weeds, circles, and paths are sprayed solely when necessary, following established programs. As part of the IPM strategy, nurseries of nectariferous beneficial plants—Cassia cobanensis, Antigonon leptopus, and Turnera subulata—have been established across all estates to attract natural predators and reduce pesticide use, with a notable quantity of plants	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			observed ready for planting. Additionally, pheromone traps for Rhinoceros Beetles are installed in replanted and immature areas throughout all estates. The quantity of pesticides required for various field conditions is documented and justified under the OPAP guidelines, ensuring chemical use is targeted, minimal, and environmentally responsible.	
7.2.4	There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.		There was no evidence of prophylactic use of pesticides except in immature and young fields, where prophylactic spraying using diluted cypermethrin are still practised for the Pest and Diseases management such as control of Rhinoceros Beetle justified in HSPHB Oil Palm Agriculture Policy (OPAP) Chapter 10 Pests and Diseases Management for estates operations.	☒ 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 can be used c) Which process was applied to verify why		All estates in the CU continued to use only pesticides which are officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A) and in accordance with USECHH Regulations 2000. a) The review of the chemical register concluded that all pesticides used were of class III & class IV. The use of paraquat had been prohibited in all HSPHB estates. b) There was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that were listed by the Stockholm or Rotterdam Conventions had been used. Records, verified, of pesticides issued/used revealed no Class 1A or 1B had been used. This was also confirmed with workers and staff	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	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.		Jeroco 1 CU maintains comprehensive records showing that all pesticides are handled, used, and applied by trained personnel in line with the Chemical Safety Management Procedure, Chemical Hazard Risk Assessment (CHRA), and SDS from manufacturers. Staff including storekeepers, sprayers, manure handlers, and rat bait workers received proper training and understood chemical hazards, safe handling procedures, and correct application methods. Trade and generic names of all chemicals were communicated through SDS and training, and SDS were accessible at all chemical storage sites during audits. Random interviews confirmed workers' understanding and safe handling competency. Training records were sighted across estates: Batangan Estate covered premix, spraying, and manuring; Lokan Estate included SDS, chemical handling, and chemical transport; Lungmanis Estate involved trunk injection, rat baiting, spraying, chemical handling, and PPE awareness; J1POM included PPE awareness, pest control, chemical handling, and diesel/lubricant handling; Lutong Estate covered chemical transport, storage, premix handling, manuring, and spraying. These measures demonstrate consistent implementation of chemical safety management across all estates and the mill.	☒ 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.		Jeroco 1 CU ensures that all pesticides are stored and handled in full compliance with the Occupational Safety and Health Act 1994 (Act 514), the Pesticides Act 1974 (Act 149) and its regulations, and the manufacturers' SDS recommendations. Chemical and fertilizer stores are constructed with cemented floors and roofing, securely locked, and accessible only to authorized personnel such as storekeepers. The stores are ventilated with exhaust fans, and chemicals are segregated by type while fertilizers are neatly stacked. Facilities include showers, wash areas, and dedicated PPE storage. Safety signage is prominently displayed both inside and outside the buildings. Premixing areas are properly equipped with eye wash stations and bathing facilities, and wastewater from washing empty containers, PPE, and chemical mixing is collected in a storage tank for reuse, preventing ground contamination. Triple-rinsing of empty pesticide containers is consistently practiced at a three-level concrete pond, with punctured containers disposed of safely to avoid environmental or health hazards. All chemical information, including hazards, trade, and generic names, is available in English and Bahasa Malaysia, with SDS provided in both languages to ensure workers fully understand the safe handling and usage procedures.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.2.8	All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.		Jeroco 1 CU ensures proper and environmentally responsible disposal of empty pesticide containers and chemical waste through a DOE-approved contractor, Lagenda Bumimas Sdn Bhd. At Batangan Estate, 0.369 mt of empty pesticide containers (SW409) was disposed of on 29/05/2025. Lokan Estate disposed of 0.222 mt of SW409	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

			containers on the same date. Lungmanis Estate recorded disposal of 0.68 mt of SW409 containers on 02/05/2025 and 04/07/2025. At J1POM, both empty pesticide containers (SW409) and chemical waste (SW429) totaling 0.44 mt were disposed of on 20/05/2025. Lutong Estate disposed of 0.123 mt of SW409 containers on 29/05/2025. All disposal activities were conducted following regulatory approval and in compliance with environmental safety standards.	☐ 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 in the CU. There was no evidence to show that such a method being used in all estates. This was also supported through interviews with executives, field staffs and workers. No such activities being witnessed during the site inspection.	☒ 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.		The specific annual medical surveillance for pesticide operators was documented, and actions to address any related health conditions were demonstrated. At Jeroco 1 CU, all estates have conducted Chemical Health Risk Assessments (CHRA) through Chemsain Konsultant Sdn. Bhd., assessed by Suze Barani (DOSH registration HQ/22/ASS/00/00054) on 21/08/2024 and 12/02/2025. The assessments covered six work units in each estate that handle chemicals, including Sprayers, Manurers, Workshop Technicians, Water Treatment Plant Operators, Pest and Disease Operators, and Rat Bait Operators. In Lutong Estate, the units included foremen and storekeepers in addition to the above roles. Following the CHRA, all pesticide operators and	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			recommended workers were sent to Chong Clinic for medical evaluation by OHD Dr. Sim Yong Sing (#HQ/11/DOC/00/223) on various dates specific to each estate. At Batangan Estate, 47 workers were assessed on 02/02/2025, 06/05/2025, 13/05/2025, and 04/07/2025, all deemed fit to handle chemicals. Lokan Estate assessed 41 workers on 06/09/2024, 02/05/2025, and 06/05/2025; Lungmanis Estate assessed 38 workers on 02/05/2025, 06/05/2025, and 13/05/2025; and Lutong Estate assessed 13 workers on 02/05/2025. All workers across the estates were confirmed fit to handle chemicals, ensuring compliance with occupational health requirements and safe chemical handling protocols.	
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.		Medical screening for woman workers involved in chemical handling and application was conducted monthly. Latest medical screening conducted indicated none were found pregnant. During the site visit the female chemical handlers and manurer were interviewed and they mentioned that they are not pregnant no breastfeeding. The POM and their supply bases do not have persons under the age of 18 working in the premises.	☒ 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.		The waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics was documented and assessed in the Environmental Assessment Management Action Plans and Continuous Improvement Plans, date of reviewed on 11/07/2025.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

			Scheduled waste and clinical wastes are disposed of through licensed vendors, organic/domestic waste through the municipal council, and recyclables are sent to recycling centers. Industrial waste such as EFB, BPS, applied to estate fields as supplement fertilizers. Waste is segregated at the collection site into recyclable and non-recyclable categories. Domestic waste from housing and office areas is collected thrice weekly and disposed of at a estate landfill. Recyclable and hazardous wastes are stored separately in designated areas, with scheduled waste properly labeled and stored with secondary containment and spill kits. No spills were observed during the site visit. Weekly monitoring is conducted in domestic waste collection areas. Based on the site inspection at workers' housing in POM and all estates, it was confirmed that all waste was managed in strict adherence to the established waste management plan. Waste segregation practices were observed, ensuring that recyclable, hazardous, and general waste were properly separated and stored in designated areas. Additionally, waste disposal methods were verified to align with environmental guidelines, with no evidence of open burning or other non-compliant disposal methods detected.	☐ 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.		The disposal of type of waste as per the waste management plan. The management of scheduled waste is guided by comprehensive procedures established in 2017, which outline proper handling, storage, labeling, and disposal in accordance with regulatory requirements. Interview with the waste disposal site workers confirmed that they understand about the waste segregation. For the hazardous waste, disposal waste made by DOE's license contractor. Other waste of waste such process/biomass waste (fibre/shell) is being fully optimised for boiler fuel whereas EFB is used for mulching and sent to all estate with replating operations. The inventory (5th Schedule) was up to date and tally with the physical stock at the storage area. Verified 5th Schedule was	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			updated and reported using online consignment notes was carried out accordingly. It was found that scheduled waste generated at the CU had not been stored for more than 180 days. The last collection was conducted by Lagenda Bumimas Sdn. Bhd. on the following dates: 03/03/2025 at Batangan Estate, 13/05/2025 at Lokan Estate, 04/07/2025 at Lungmanis Estate, 20/05/2025 at JPOM1, and 18/06/2024 at Lutong Estate. The types of scheduled waste collected included SW410, SW102, SW312, SW305, SW306, SW110, SW109, and SW409.	
7.3.3	The unit of certification does not use open fire for waste disposal.		During the site visit to all estates and the POM, there was no evidence of open burning for waste disposal. All domestic waste (household and food waste only) from Jeroco Group of Estates CU is disposed of at the landfill located in Batangan Estate (Block K1517), Lokan Estate (Block 9926), Lungmanis Estate (Block 9644) and Lutong Estate (Block LT48).	☒ 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.		Jeroco 1 CU implements long-term soil fertility management through annual fertilizer applications guided by periodic tissue and soil analyses, biomass retention, EFB application, water management, and maintenance of soft weeds within interlines. These practices are aligned with HSPHB's OPAP manual, specifically Chapters 5, 11, 12, and 13, covering legume cover establishment, manuring, EFB application, and belt press solid application. The implementation of these SOPs is monitored daily by field conductors, Estate Assistant Managers, and Estate Managers, with periodic visits by agronomists providing additional oversight to ensure proper adherence. Detailed records	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			include nursery, immature, and mature palm fertilizer types, timing and placement of application, sub-soil manuring, fertilizer sampling, and fertilizer storage. Monthly monitoring covers rainfall, yield trends, nutrient levels in palm fronds and soil, and total application of both organic and inorganic fertilizers. This continuous data collection supports analysis and informs future fertilizer application schedules. Fertilizer applications are conducted according to recommendations from the Agronomy Department, ensuring optimal soil fertility. Agronomic Advisory Reports and Fertilizer Recommendations for 2024–2025 were available for all estates: Batangan Estate (AGR No. 11/25, visit 23–24/06/2025), Lokan Estate (AGR No. 05/24, visit 01–02/04/2024), Lungmanis Estate (AGR No. 05/2025, visit 19–20/03/2025), and Lutong Estate (AGR No. 04/25, visit 30–31/01/2025). Inspection confirmed that fertilizer applications were carried out as recommended and according to schedule.	
7.4.2	Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.		Jeroco 1 CU conducts periodic foliar and soil sampling under the supervision of the Agronomy Department, with results used to inform fertilizer input recommendations. These samplings monitor changes in nutrient status and include annual foliar sampling for nitrogen (N), phosphorus (P), potassium (K), magnesium (Mg), calcium (Ca), and boron (B). Both foliar and soil samplings are conducted together at each estate, with the most recent sampling dates as follows: Batangan Estate conducted foliar sampling from 09/12/2024 to 09/02/2025 and soil sampling on 06/02/2025; Lokan Estate conducted foliar sampling from 07/03/2025 to 07/04/2025 and soil sampling on 19/05/2025; Lungmanis Estate conducted	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			foliar sampling from 16/06/2025 to 16/07/2025 and soil sampling on 29/07/2024; Lutong Estate conducted foliar sampling from 07/08/2024 to 07/09/2024 and soil sampling on 14/10/2024.	
7.4.3	A nutrient recycling strategy is in place, which includes the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers.		Jeroco 1 CU implements a nutrient recycling strategy across all estates, focusing on the use of Empty Fruit Bunches (EFB), Belt Pressed Solid (BPS), palm residues, and inorganic fertilizers to enhance soil fertility and promote sustainable agriculture. At Batangan Estate, in FY2024, 20,017.06 mt of EFB was applied over 572 ha, and 1,153.28 mt of BPS over 666 ha. For FY2025, as of June, 7,423.32 mt of EFB was applied over 211 ha, and 691.64 mt of BPS over 431 ha. Lokan Estate applied 1,190.00 mt of EFB over 63 ha and 306.88 mt of BPS over 75.21 ha in FY2024; by June FY2025, 2,340.32 mt of EFB was applied over 139 ha, and 112.31 mt of BPS over 27.53 ha. Lungmanis Estate applied 3,220.00 mt of EFB over 92 ha in FY2024, and 1,886.00 mt over 54 ha as of June FY2025. Lutong Estate applied 737.60 mt of EFB over 21 ha as of June FY2025. These practices reflect the CU's ongoing commitment to nutrient recycling and soil health management.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.4.4	Records of fertiliser inputs are maintained.		All estates maintained comprehensive records of fertilizer inputs, including program schedules and actual applications, which were made available for audit. The primary fertilizers applied in 2025 for mature palms included NK, SOA, MOP, RP, Kieserite, and Borate, while immature palms received CCM55, CCM45, and MIX44, with an average application rate of 10.50 kg to 13.00 kg per palm. Fertilizer inputs were continuously monitored based on recommendations from the agronomist department, and records were maintained in both	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			the Fertilizer Application Record Books and Bin Cards. At Batangan Estate, Dashboard Fertilizer records showed a total of 4,378.34 mt applied in 2024, and as of June 2025, applications included 1,254.56 mt of NK, 31.86 mt of AS, 700.15 mt of RP, and 54.33 mt of Kieserite. Lokan Estate recorded 3,172.99 mt applied in 2024, and as of June 2025, applications included 810.04 mt of NK, 17.60 mt of AS, 441.15 mt of RP, and 6.05 mt of Kieserite. Lungmanis Estate applied 2,109.08 mt in 2024, and as of June 2025, applications included 608.03 mt of NK, 43.38 mt of AS, 417.52 mt of RP, and 105.28 mt of Kieserite. These records demonstrate adherence to agronomic recommendations and structured fertilizer management across all estates.	
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.		Maps identifying marginal and fragile soils, including steep terrain, have been prepared by the Agronomy Department and are available for all estates. The latest soil maps, verified on 13/01/2025, cover Batangan, Lokan, Lungmanis, and Lutong Estates. Field verification and review of the maps confirmed that no fragile or marginal soils are present in the CU. The soil series distribution is as follows: Batangan Estate – Kretam 84.22%, Kinabatangan 10.82%, Rumidi 0.03%, Lungmanis 4.94%; Lokan Estate – Kretam 81.87%, Lokan 5.55%, Rumidi 12.58%; Lungmanis Estate – Kretam 79.19%, Lokan 14.34%, Lungmanis 6.48%; Lutong Estate – Kretam 100%. Slope maps, verified on 17/01/2025, indicate the terrain distribution across all estates. Batangan Estate has 92.74% of its area at 0–10°, 6.52% at 11–15°, 0.68% at 16–20°, 0.06% at 21–25°, and 0% above 25°. Lokan Estate comprises 89.50%	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			at 0–10°, 9.67% at 11–15°, 0.63% at 16–20°, 0.09% at 21–25°, and 0.10% above 25°. Lungmanis Estate has 91.29% at 0–10°, 6.82% at 11–15°, 1.23% at 16–20°, 0.45% at 21–25°, and 0.22% above 25°. Lutong Estate has 85.66% at 0–10°, 12.52% at 11–15°, 1.52% at 16–20°, 0.24% at 21–25°, and 0.05% above 25°. These maps demonstrate that the majority of the land in all estates consists of gently sloping areas suitable for plantation operations.	
7.5.2	There is no extensive replanting of oil palm on steep terrain.		There is no replanting on steep terrains on all estates in the CU. This was verified during the field visits. However, it was observed that practices to minimize and control erosion and degradation of soils were in place through proper stacking of fronds, EFB application, avoidance of blanket spraying, construction terraces, road maintenance and maintenance of soft vegetation in interlines. Cover crops were planted in the replants and in some mature areas. The cover crop *mucuna bracteata* had been planted along some slopes by management. Large areas with *neprolepis biserrata* in the inter rows were sighted during the visit.	☒ 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.		There was no New Planting observed in all estates in the CU. This was as per HSPHB policy *"Slope and River Protection"* signed by the CEO dated Jan 2015 stating the following among others. Slope of >25 degree to be excluded from any new plantation development and replanting program. For slope <25 degree the existing crop all vegetation shall be maintained accordingly". It was also confirmed by Executives, Staff and Workers during interviews.	☒ 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.		Soil and Slope maps are taken into account in plans and operations of estates to ensure long term suitability of land for palm oil cultivation. Maps are used to identify areas that are inappropriate for planting such as slope maps to indicate steep terrain. There are no new plantings carried out in all the estates visited. The CU had a management strategy for palm oil cultivation, taking into account the soil maps and surveys identifying marginal and fragile soils, including steep terrain for the palm oil long term suitability. The soil maps were provided and reviewed by the auditors it was observed that no fragile or marginal soils were found in the CU.	☒ 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.		This is not applicable as there is no marginal and fragile soil in all estates, as supported by the soil maps of respective estates. No marginal and fragile soil areas were observed during the visit.	☒ 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		All estates had used soil and topographic to plan their drainage and irrigation systems, roads and other infrastructure.	☒ 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.		Auditors had verified through checking the www.globalforestwatch.com, Google Maps, Estate Maps and also through site visit to the sampled estates, it is confirmed that there were no new planting or new development of areas at all estates. Furthermore, this is not applicable as there is no peat soil in all estates, as supported by the soil maps of respective estates. No peat areas were observed during the visit.	☐ 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).		This is not applicable as there is no peat soil in the Batangan Estate, Lokan Estate, Lungmanis Estate and Lutong Estate visited, supported by the soil maps of respective estates. No peat areas were observed during the visit.	☐ 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		This is not applicable as there is no peat soil in the Batangan Estate, Lokan Estate, Lungmanis Estate and Lutong Estate visited, supported by the soil maps of respective estates. No peat areas were observed during the visit.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement

	(PLWG) audit guidance (see Procedural Note for 7.7.5 below).			☒ Not Applicable (justification required)
7.7.3 (C)	Subsidence of peat is monitored, documented and minimised.		This is not applicable as there is no peat soil in the Batangan Estate, Lokan Estate, Lungmanis Estate and Lutong Estate visited, supported by the soil maps of respective estates. No peat areas were observed during the visit.	☐ 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.		This is not applicable as there is no peat soil in the Batangan Estate, Lokan Estate, Lungmanis Estate and Lutong Estate visited, supported by the soil maps of respective estates. No peat areas were observed during the visit.	☐ 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		This is not applicable as there is no peat soil in the Batangan Estate, Lokan Estate, Lungmanis Estate and Lutong Estate visited, supported by the soil maps of respective estates. No peat areas were observed during the visit.	☐ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☒ Not Applicable (justification required)

	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 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.		This is not applicable as there is no peat soil in the Batangan Estate, Lokan Estate, Lungmanis Estate and Lutong Estate visited, supported by the soil maps of respective estates. No peat areas were observed during the visit.	☐ 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.		This is not applicable as there is no peat soil in the Batangan Estate, Lokan Estate, Lungmanis Estate and Lutong Estate visited, supported by the soil maps of respective estates. No peat areas were observed during the visit.	☐ 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 CU has a water management plan that is reviewed and updated annually to ensure sustainable and renewable water resources, protect habitats and ecosystems, and meet the needs of both current and future populations. Water is supplied to all housing areas and office complexes across the estates and POM, sourced from rivers, internal ponds, and catchment areas. Daily water usage is recorded and summarized monthly, with rainfall monitored as an alternative source during dry periods. The continued availability of water and avoidance of negative impacts on other catchment users has been assessed through the Environmental Compliance Report (ECR) conducted quarterly by Chemsain Konsultant Sdn. Bhd. The ECR monitored parameters including pH, dissolved oxygen, biochemical oxygen demand, chemical oxygen demand, total suspended solids, oil and grease, ammoniacal nitrogen, and turbidity. Based on the latest ECR report covering November 2024 to February 2025, inspections conducted from 3rd to 6th February 2025 at five water sampling points—JW2 (Sg. Simpang Kanan Upstream, Lungmanis Estate), JW3 (Sg. Simpang Kiri Upstream, Lokan Estate), JW4 (Sg. Kumambu Midstream, Batangan Estate), JW5 (Stream within Lutong Estate Upstream), and JW6 (Sg. Kretam Upstream, Batangan Estate)—water quality at all points was generally within Class IIB of the National Water Quality Standards for Malaysia (NWQSM). Worker quarters across all estates have adequate clean water supply, and monthly water analysis, conducted in compliance with WHO standards and performed at Hap Seng Plantations Central Laboratory, confirmed the water is safe for domestic use. The results of both raw and treated water analyses were	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			generally within WHO, MOH, and SPAN standards. Recent treated water analyses verified include Batangan Estate (03/06/2025, 30/04/2025, 03/04/2025, 28/02/2025), Lokan Estate (03/06/2025, 30/04/2025, 03/04/2025, 28/02/2025), Lungmanis Estate (28/02/2025, 28/03/2025, 08/05/2025, 03/06/2025), JPOM1 (30/06/2025, 14/05/2025, 29/04/2025), and Lutong Estate (30/06/2025, 03/05/2025, 27/04/2025). These measures demonstrate that the CU maintains effective water management practices, ensuring safe and sustainable water supply across all operational sites.	
7.8.2 (C)	Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017).		The CU has consistently protected watercourses by maintaining and restoring riparian buffer zones along natural waterways. These buffers prevent soil erosion, reduce runoff, and filter pollutants before they enter water bodies. Agrochemical applications are restricted within these zones, and areas are left undeveloped during replanting, in accordance with company policy. This approach supports biodiversity by providing habitats for various species while helping to maintain water quality. Wetlands and watercourses are also protected under the River Reserve Management guidelines, which ensure practices align with environmental sustainability objectives. Signage is displayed at applicable sites to raise awareness among workers and visitors regarding the importance of these zones. Site inspections at Batangan Estate (Block B1136), Lokan Estate (Block 1519), Lungmanis Estate (Block 2205), and Lutong Estate (Block 0646) confirmed that best practices were implemented following the RSPO Manual on BMPs for the management and rehabilitation of riparian reserves, demonstrating adherence to sustainable practices and RSPO standards.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ 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.		Jeroco POM 1 operates its effluent treatment in compliance with national regulations. The effluent license for 2025/2026, License No. 003449, valid from 1 July 2025 to 30 June 2026, was issued by the Director of the DOE. The mill is equipped with an Effluent Treatment Plant (ETP) and a Biogas Plant to treat POME, with the treatment process layout indicating a maximum capacity of 90 mt FFB per hour. According to the DOE license, the treated effluent is disposed of via land irrigation. The ETP is regularly maintained, including pond desludging to ensure efficiency. Final discharge samples are collected monthly and sent to an accredited laboratory for analysis of parameters such as biochemical oxygen demand (BOD), suspended solids (SS), oil and grease (O&G), ammoniacal nitrogen (AN), total nitrogen (TN), and pH. All monitored parameters have been within regulatory limits, with BOD not exceeding 20 mg/L for land irrigation discharge. Monthly lab analyses were conducted by Hap Seng Plantations (River Estates) Sdn Bhd Plantations Central Laboratory, with the most recent tests on 8 April 2025, 7 May 2025, and 4 June 2025. Quarterly reports were submitted to the DOE, the latest on 3 July 2025 for the second quarter (April–June 2025).	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.8.4	Mill water use per tonne of FFB is monitored and recorded.		The mill sources its processing water from the adjacent water catchment, and water usage is monitored monthly. Records of water consumption per metric ton of fresh fruit bunches (FFB) processed from 2023 to 2025 show a baseline ratio of 1.80. The monthly monitoring indicates slight inconsistencies, which are attributed to process cleaning activities in the mill. The recorded water usage was 0.96 L/mt FFB in June 2025, 0.95 L/mt FFB in May 2025, with total average usage of	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			0.99 L/mt FFB in 2024 and 0.82 L/mt FFB in 2023.	
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.		Jeroco 1 CU has established a Fossil Fuels Management Plan to ensure efficient use of fossil fuels and to optimize the use of renewable energy. Energy consumption for both renewable and non-renewable sources is monitored, recorded, and documented monthly, allowing for comparison and control to drive future improvements. Measures implemented to improve fuel efficiency include closely monitoring tractor operations, minimizing electricity usage in workers' housing, replacing light bulbs with energy-saving alternatives, switching off and unplugging electrical equipment when not in use, and reducing lubricant oil usage through the use of smaller tractors for FFB evacuation. Records of non-renewable energy use for machinery at the POM are maintained, and monthly data for renewable fuel (palm fiber and PK shell) and non-renewable fuel (diesel) indicate satisfactory monitoring and optimization. Data over a three-year period shows continual efforts to improve efficiency. Diesel usage per estate and POM is recorded as follows: Jeroco POM 1 – Diesel Usage (Liter/Mt) 2022: 3.13 (Baseline 5.00) 2023: 2.64 (Baseline 4.00) 2024: 2.73 (Baseline 3.00) 2025 (as of June): 2.37 (Baseline 2.00) Batangan Estate – Diesel Usage (Liter/Mt) 2022: 9.34 (Baseline 10.00) 2023: 7.89 (Baseline 9.00) 2024: 7.14 (Baseline 8.00) 2025 (as of June): 8.21 (Baseline 7.00)	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			Lokan Estate – Diesel Usage (Liter/Mt) 2022: 8.38 (Baseline 9.00) 2023: 6.75 (Baseline 8.00) 2024: 6.57 (Baseline 7.00) 2025 (as of June): 6.24 (Baseline 6.00) Lungmanis Estate – Diesel Usage (Liter/Mt) 2022: 14.53 (Baseline 15.00) 2023: 11.15 (Baseline 13.00) 2024: 8.55 (Baseline 11.00) 2025 (as of June): 7.37 (Baseline 9.00) Lutong Estate – Diesel Usage (Liter/Mt) 2022: 5.23 (Baseline 7.00) 2023: 4.71 (Baseline 6.00) 2024: 5.50 (Baseline 5.00) 2025 (as of June): 6.48 (Baseline 4.00)	
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 gas (GHG) emissions has been implemented and its effectiveness verified. The CU continuously monitors its GHG emissions using the RSPO-endorsed PalmGHG calculator, which facilitates accurate quantification of emissions from various sources including land use change, fertilizer application, fuel consumption, and mill operations. The verified data was publicly reported via the RSPO PalmGHG system on 21/07/2025, ensuring transparency and accountability. The input data used in the calculation, including FFB production, fossil fuel usage, electricity consumption, and mill by-products, was thoroughly validated against internal records and operational reports.	☒ 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 has verified through checking the www.globalforestwatch.com, Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at CU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.	☒ 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.		Assessment of all polluting activities was conducted under the Pollution Prevention Plan for identifying activities that contribute significant impact to environment including gaseous emission. As prescribed under DOE's Compliance Schedule, the mill is obliged to conduct stack sampling at least once a year. For Air Pollution Control System, management monitored via Continuous Emissions Monitoring System (CEMS) which link to the DOE on real time base were in progress for Dark smoke emissions monitored. Sighted Ambient Air Quality Monitoring Report as below: i. Black smoke monitoring – The boilers were equipped with smoke density indicators which also included an alarm system. During the audit, it noted that the density meter for boiler no.1 was functioning. ii. Particulate matters – Stack sampling and air emission has been carried out on quarterly basis. Results of isokinetic stack sampling and air emission were found to be below the regulated limit of 150 mg/m^3. The stack sampling was carried out by Chemsain Konsultant Sdn. Bhd. Sighted latest stack sampling has been carried out on 25/02/2025. An action plan to reduce significant pollutants and emissions: ▪ Greenhouse Gas Emission: Fuel used by transport and machinery.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			▪ Scheduled waste: used empty pesticide container, used oil, etc. ▪ Solid waste: FFB Operation ▪ Effluent: Palm Oil Mill effluent, Discharge of untreated effluent, discharge of EFB leachate. ▪ Significant environmental aspects and impacts had been established for the mill as an action plan to reduce the negative impacts due to identified polluting activities with identified person in charge in progressively monitor the action plan. The sources of pollution identified include milling operation, POME, scheduled waste store, laboratory, office, workshop, and theirs control measures and improvements action documented as Waste Management Plan. ▪ GHG Calculation is at the stage of compiling data using RSPO Calculator. Sighted Online Environmental Reporting (OER) has been submitted to DOE on a quarterly basis. The result is within parameter as per Jadual Pematuhan.	

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 CU fulfilled the strict Zero Burning Policy is clearly stated on the Sustainable Agriculture Policy dated 15 August 2019. There was no evidence to show that fire had been used for preparing land for replanting in the year 2024 replanting visited in Lokan Estate during the audit. It was also observed that all palms were felled, shredded, windrowed and left to decomposed.	☒ 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.		Auditor has verified through checking the www.globalforestwatch.com, Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at Jeroco 1 CU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.	☒ 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 Environmental Aspect Impact Assessment and Pollution Prevention Plan was used to identify the GHG emissions. Some of the Greenhouse Gas emissions are through Land Conversation, Crop Sequestration, Fertiliser, N_2O from fertiliser, Fuel Consumption, Peat Oxidation. Plans to reduce or minimise them are in place. Jeroco 1 CU also reduce GHG via Biogas plant to capture Methane gas generated from the Effluent Treatment Plant to generate biogas engine to produce electricity for mill and domestic use. Mitigation measure of leakage or spillage of chemical/oil implement as per pollution prevention plan to avoid negative impact to the environmental issues. During site inspection at skid tank, workshop, chemical store, etc area at Jeroco Group of Estates, sighted diesel/lubricant/hydraulic drum contain by trays and bund.	☒ 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.		The audit findings have confirmed that there is no new planting affecting present HCV and primary forest. There was no land clearing activities made since November 2005 within Jeroco 1 CU nor had damaged any forest to protect or enhance the HCV	☐ 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 plantations remains valid.		Jeroco 1 CU has conducted a High Conservation Value (HCV) assessment documented in the report titled “Potential High Conservation Value Area Assessment Report in Lutong Estate, Batangan Estate, Lokan Estate, Lungmanis Estate and Jeroco Palm Oil Mill 1 (JGOE 1).” The report, prepared by the Sustainability Executive, was originally completed on 31 October 2012, updated on 18 July 2018, and further reviewed on 2 July 2025. The assessment identified all HCV areas within and adjacent to the Jeroco 1 CU, including rare, threatened, and endangered	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

			(RTE) species present in Lutong, Lungmanis, Batangan, and Lokan Estates. Management and action plans for these areas are included in the report. A total of eight potential HCV areas covering 386.34 hectares were identified across the estates: Batangan Estate (62.70 ha), Lutong Estate (181.14 ha), Lokan Estate (61.00 ha), and Lungmanis Estate (81.50 ha). Key HCV areas include Sg Kumambu and Sg Kretam in Batangan Estate (HCV 4) and the cemetery; Mud Volcano (HCV 3) and Water Catchment Pond (HCV 5) in Lokan Estate; Sg Simpang Kiri and Sg Kretam (HCV 4) in Lutong Estate; and Sg Simpang Kanan (HCV 4), Water Catchment Natural Pond (HCV 5), and Cemetery (HCV 6) in Lungmanis Estate. A wider landscape-level HCV was also identified, comprising a wildlife corridor and the border with the Sg Simpang Virgin Jungle Forest Reserve, which adjoins Lutong, Lungmanis, Batangan, and Lokan Estates. Trenching and electric fences have been established to prevent encroachments, and site visits along the Sg Simpang Forest Reserve border with Lungmanis Estate confirmed that the area remains intact with no signs of encroachment.	
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. This will include stakeholder consultation and take into account wider landscape-level considerations.		Auditors has verified through checking through www.globalforestwatch.com, Google Maps, Estate Maps and also through site visit to all estates. Based on the audit findings, it was confirmed that no land clearing at Jeroco 1 CU since Nov 2005. Thus this indicator was not applicable.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)
7.12.3	In High Forest Cover Landscapes		Not Applicable as this is MYNI	☒ Conform

(C)	(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.			☐ 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		The HCV Report of Jeroco 1 CU identified a potential RTE species, crocodiles, along Sg Kretam at Batangan Estate. Crocodiles are listed as Endangered on the IUCN Red List. The HCV Action Plan outlines measures to maintain and enhance this species, including monthly monitoring, maintaining riparian reserves, prohibiting tree cutting, spraying, and manuring within buffer zones, periodic inspections to detect illegal activities, and workforce briefings on prohibitions related to hunting, spraying, and manuring within these areas.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

	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).		Site visits are conducted to HCV areas to monitor compliance, prevent indiscriminate spraying, detect illegal activities, check residential areas for wildlife capture, and ensure ongoing buffer zone maintenance. Jeroco 1 CU has established and periodically reviewed the action plans and monitoring programs for all HCV areas, incorporating consultation with relevant stakeholders. Measures are implemented to maintain or enhance identified HCVs, with no major changes to the integrated management plan other than awareness training and continuous monitoring. Each estate has an HCV-specific action plan entitled “Potential HCV Areas Management Action Plans,” which includes prohibiting tree cutting, manuring, and spraying in riparian reserves, restricting worker access to sensitive areas, periodic inspections, prevention of logging, hunting, and disturbance of culturally or ecologically sensitive sites such as cemeteries and mud volcanoes, and monthly monitoring along forest reserve boundaries. The HCV management plan was updated on 2 July 2025, following consultations with stakeholders on 14 May 2025 and 22 May 2025. Records of stakeholder consultations, including those addressing directly managed areas and relevant wider landscape-level considerations, were documented in meeting minutes and incorporated into the management plan.	
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 are no local communities living adjacent to or nearby Jeroco 1 CU. Thus, this indicator was not applicable.	☒ 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.		Jeroco 1 CU actively discourages any illegal or inappropriate hunting, fishing, or collection activities. During site inspections, signage prohibiting hunting, fishing, and pesticide spraying within HCV buffer areas was observed. CCTV cameras are installed at strategic locations throughout the estates, operating 24 hours to monitor and prevent illegal activities. A list of RTE species within Jeroco 1 CU is documented in the HCV Report (Table 4). The CU adheres to the Rare, Threatened & Endangered Species Policy dated 20 November 2017, signed by the Chief Executive – Group Plantations, with disciplinary actions in place for staff or workers found capturing, harming, collecting, or killing RTE species. The progress of the HCV Management Plan for FY2025 was reviewed and verified on the ground. The management plan has been updated to include new species, such as the Marron Leaf Monkey (Presbytis rubicunda), classified as a Protected Species (Schedule 2), with ongoing enforcement of prohibitions against illegal hunting in areas such as the Sg Simpang Forest Reserve adjacent to Lungmanis Estate. Evidence shows that regular briefings and training are provided to workers on RTE species and the prohibition of illegal activities, informing them that any violations will be reported to the Wildlife Department and police. These briefings were conducted at Batangan Estate on 6 February 2025, Lokan Estate on 12 March 2025, Lungmanis Estate on 21 July 2025, and Lutong Estate on 17 February 2025.	☒ 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.		Jeroco 1 CU ensures that any individual or worker found capturing, harming, collecting, or killing RTE species is immediately reported to the relevant authorities. Estates under the CU will make a report to the Wildlife Department without delay, in accordance with Clause 4 of the Rare, Threatened & Endangered Species Policy dated 20 November 2017. Monitoring of HCV areas is conducted monthly across all estates, and monitoring reports for 2025 confirm the presence of various species. At Lungmanis Estate, common porcupine, Bearded Pig, Pig Tail Macaque, Otter, Maroon Leaf Monkey, and Squirrel were observed during monitoring on 25 February, 12 March, 19 April, 17 May, and 16 June 2025. Batangan Estate recorded Stork, Nightingale, Monkeys, Monitor Lizard, and Jungle Fowl on 6 January, 3 February, 6 March, 7 April, 5 May, 6 June, and 7 July 2025. Lutong Estate monitoring on 3 February, 3 March, 3 April, 3 May, 3 June, and 3 July 2025 noted Monkeys, Otters, and Monitor Lizard. Lokan Estate monitoring on 22 February, 22 March, 26 April, 24 May, 28 June, and 10 July 2025 observed Monitor Lizard, Jungle Fowl, Birds, and other species. These monitoring activities demonstrate a systematic approach to tracking and protecting RTE species within the CU.	☒ 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.		Auditors has verified through checking through www.globalforestwatch.com, Google Maps, Estate Maps and also through site visit to all estates. Based on the audit findings, it was confirmed that no land clearing at Jeroco 1 CU since Nov 2005. Remediation and Compensation Procedure (RaCP) did not apply.	☒ Conform ☐ Major Nonconformity ☐ Minor Nonconformity ☐ Opportunity for Improvement ☐ Not Applicable (justification required)

6. Summary of Audit Findings

6.1 Positive and noteworthy findings

No.	Positive finding
1.	Jeroco management demonstrates strong commitment and responsibility in ensuring the well-being of all workers and maintaining high standards in sustainability practices.
2.	Workers are well cared for in terms of welfare, fair wages, and medical support. Some employees have remained with the company for up to two generations, showing long-term trust and satisfaction
3.	Clean and well-maintained housing is provided for workers, along with on-site facilities such as a clinic within the complex and a convenience shop offering reasonably priced goods, ensuring comfort and accessibility for all residents.
4.	Jeroco has a well-structured and comprehensive documentation system that ensures smooth operations, transparency, and compliance with sustainability standards.
5.	The management team is proactive, cooperative, and fully committed to upholding sustainability principles in every aspect of estate and mill operations.

6.2 Non-conformities and opportunities for improvement

Summary of nonconformities and opportunities for improvement under the RSPO Principles & Criteria				
Principle	**Major**	**Minor**	**Opportunities for Improvement**	**Total No Findings**
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.				
Principle 3: Optimise productivity, efficiency, positive impacts and resilience *(Includes IP and/or MB Module)*		1		**1**
Principle 4: Respect Community and Human Rights and Deliver Benefits				
Principle 5: Support Smallholder Inclusion				
Principle 6: Respect Workers Rights and Conditions	2			**2**
Principle 7: Protect, Conserve and Enhance Ecosystems and the Environment				
Certification Systems Document				
Total				**3**

7. Nonconformity(ies) Issue in this Audit

Indicator Number	3.3.2
Nonconformity Number	DA 01 2025
Nonconformity Category	☐ Major Nonconformity ☒ Minor Nonconformity
Recurring Nonconformity	☐ Yes ☒ No
Date of Nonconformity Issued	25 Jul 2025
Nonconformity Issued To *(when more than one site/member)*:	
Deadline:	☐ 3 months from date of closing meeting ☒12 months from date of closing meeting
Mode of Nonconformity Closure	☐ Onsite ☐ Off-site
Standard Reference	MYNI 2019
Nonconformity Statement: The mechanism to ensure consistent implementation of the water treatment plant operation was found to be ineffective.	
Evidence: During the site inspection at Batangan Estate, sighted insufficient safety measures were observed at the Water Treatment Plant Operation, including: - No Emergency Response Plan (ERP) mock drill conducted for water-related incidents. - No awareness or training sessions on water safety conducted for relevant personnel	
Root Cause Analysis	Certification Unit is lack of prioritization and planning for water-related safety preparedness due to inadequate awareness of regulatory and company requirements.
Correction(s)	Certification Unit will establish Emergency response Plan (ERP) for water treatment plan and conduct training/brief to all relevant personnel on the Water Treatment Plant safety requirements and for water-related incidents by invited Jabatan BOMBA to conduct the trainings. The Sustainability Team will yearly monitor the ERP and Training Programme, integrating water safety training and ERP drills into the annual OSH programme to ensure continuous compliance and preparedness.
Corrective Action Implemented *(including any evidence submitted)*	The Sustainability Team will yearly monitor the ERP and Training Programme, integrating water safety training and ERP drills into the annual OSH programme to ensure continuous compliance and preparedness.
Date of Response	26 Aug 2025

Audit Team Conclusion *(including any evidence reviewed)*	The Effectiveness of CAP will be verify during next assessment
Status of Nonconformity	☐ Closed ☒ Open
Date of Closure:	DD Mmm YYYY

Indicator Number	3.3.2
Nonconformity Number	RAR 01 2025
Nonconformity Category	☐ Major Nonconformity ☒ Minor Nonconformity
Recurring Nonconformity	☐ Yes ☒ No
Date of Nonconformity Issued	25 Jul 2025
Nonconformity Issued To *(when more than one site/member)*:	
Deadline:	☐ 3 months from date of closing meeting ☒12 months from date of closing meeting
Mode of Nonconformity Closure	☐ Onsite ☐ Off-site
Standard Reference	MYNI 2019
Nonconformity Statement: The mechanism to ensure consistent implementation of Safety & health was found to be ineffective.	
Evidence: - During the site inspection at Lokan Estate (Block 1839), it was observed that inconsistent safety measures were implemented by tractor drivers. Although document review showed that Personal Hearing Protection (PHP) was issued to all drivers on 23/07/2024, during the site visit and interviews with four tractor drivers, three of them were not wearing or carrying their personal hearing protection (ear muffs). - During the site visit and document review at J1 POM, it was found that the Permit to Work (PTW) record, as outlined in SOP: JPOM1-63-HSO1 dated 09/01/2025, was not consistently implemented. Specifically, the hazard identification for construction activities related to concrete road operations was not comprehensive. The hazards listed by the person in charge were limited to grinding, heating, welding,piling and hazardous chemicals—which were not directly related to the actual operation. Key hazards such as ergonomic risks, physical hazards, and other relevant operational hazards as per listed in PTW were not identified.	
Root Cause Analysis	1. Lack of monitoring and Inadequate awareness training by the certification unit for the Noise Exposure training and the use of issued PPE. 2. Inadequate understanding and competency of the person in charge (PIC) in identifying specific hazards related to construction and road works
Correction(s)	1. Certification Unit will immediately conducted awareness training to all tractor drivers on hearing conservation and PPE usage. 2. Permit to Works (PTW) for the activity was immediately revised by the Certification Unit to include all relevant hazards.
Corrective Action Implemented *(including any evidence submitted)*	1. RSPO Officer will conduct monthly spot checks on PPE usage during operations while the estate management will carry out daily PPE inspection. An annual assessment will

	be conduct to monitor the effectiveness of noise awareness and PPE usage training. 2. Certification Unit will Implement a verification and approval step by the Safety Officer/Sustainability Team before Permit to Works (PTW) activation.
Date of Response	26 Aug 2025
Audit Team Conclusion *(including any evidence reviewed)*	The Effectiveness of CAP will be verified during next assessment
Status of Nonconformity	☐ Closed ☒ Open
Date of Closure:	DD Mmm YYYY

<table>
<tr><td>Indicator Number</td><td>6.2.3 (C)</td></tr>
<tr><td>Nonconformity Number</td><td>NEA 01 2025</td></tr>
<tr><td>Nonconformity Category</td><td>☒ Major Nonconformity
☐ Minor Nonconformity</td></tr>
<tr><td>Recurring Nonconformity</td><td>☐ Yes
☒ No</td></tr>
<tr><td>Date of Nonconformity Issued</td><td>25 Jul 2025</td></tr>
<tr><td colspan="2">Nonconformity Issued To (when more than one site/member):</td></tr>
<tr><td>Deadline:</td><td>☒ 3 months from date of closing meeting
☐12 months from date of closing meeting</td></tr>
<tr><td>Mode of Nonconformity Closure</td><td>☐ Onsite
☒ Off-site</td></tr>
<tr><td>Standard Reference</td><td>MYNI 2019</td></tr>
<tr><td colspan="2">Nonconformity Statement:
The total working hours, including regular working hours and overtime exceeds permissible limit.</td></tr>
<tr><td colspan="2">Evidence:
<u>Jeroco 1 Palm Oil Mill</u>
During the audit, payslips and checkroll records for the months of March, April, and May 2025 were reviewed. It was noted that the total working hours, which include regular hours and overtime, exceeded the permissible limit of 12 hours per day as stipulated under Section 104(7) of the Sabah Labour Ordinance. This finding is also in contradiction to the conditions outlined in the Permit Sekatan Kerja Lebih Masa (Permit Serial No.: JTKSBH/PMT/104/2024/0041) issued by Jabatan Tenaga Kerja for Jeroco Palm Oil Mill on 30th October 2024, which is valid from 30.10.2024 to 29.10.2026. In addition, the records show continuous and excessive overtime, which may raise concerns regarding worker welfare and non-compliance with legal limits.
Details of the sampled records are as follows:

<table>
<tr><td>Worker's ID</td><td>Job Title</td><td>Day work overtime</td></tr>
<tr><td>91549</td><td>Apprentice Wireman</td><td>5/5/25 (8h)
6/5/25 (7h)
8/5/25 (5h)
9/5/25 (7h)
10/5/25 (6h)</td></tr>
<tr><td>72217</td><td>Apprentice Workshop</td><td>2/5/25 (5h)
3/5/25 (7h)
4/5/25 (6h)
5/5/25 (5.5h)
6/5/25 (4.5h)
7/5/25 (5h)
8/5/25 (8h)</td></tr>
<tr><td>80341
-</td><td>Lab Attendant</td><td>15/4/25 (9h)
16/4/25 (8h)
28/4/25 (9h)
29/4/25 (5h)
30/4/25 (7h)</td></tr>
</table>
</td></tr>
<tr><td>Root Cause Analysis</td><td>1) Critical workstations were manned by only a single worker, creating overdependence on individual employees to sustain operations. This lack of workforce redundancy led to extended working hours maintaining workflow continuity.</td></tr>
</table>

	2) Planned maintenance and improvement activities were carried out during peak operational hours, overlapping with high workloads. This compounded the operational strain and extended working periods for available staff. 3) The mill experienced sudden surges in fruit intake, significantly increasing operational demands. The unpredictable volume of incoming crops necessitated longer shifts and immediate processing, contributing to excessive daily working hours.
Correction(s)	1) All overtime requests are now subject to daily review and approval by management. This ensures that any overtime worked is justified, necessary, and within legal limits, in accordance with the Sabah Labour Ordinance and the overtime permit conditions. 2) Supervisors immediately required to closely monitor the workload at each station throughout the shift. In cases where a worker is identified as being overloaded or at risk of exceeding permitted hours, immediate arrangements are made to redistribute the workload or assign additional support. 3) All current work schedules and rosters immediately reviewed and adjusted to ensure no worker exceeds the 12-hour legal daily limit, in accordance with Section 104(7) of the Sabah Labour Ordinance and the conditions of the issued overtime permit.
Corrective Action Implemented *(including any evidence submitted)*	1) All improvement and maintenance activities are now scheduled during off-peak hours or non-operational periods to prevent disruption to core daily operations. 2) All overtime is now monitored and approved daily to ensure that it is both justified and within legal limits. 3) Overtime records are reviewed by mill management to prevent recurrence of excessive working hours.
Date of Response	26 Aug 2025
Audit Team Conclusion *(including any evidence reviewed)*	. The Lead Auditor has reviewed the root cause and found it acceptable. Additionally, the auditor examined the memorandum related to overtime, dated 30 July 2025, which outlined the new schedule effective from 1 August 2025. This schedule was established by the Jeroco Palm Oil Mill 1 (JPOM 1) management to prevent excessive overtime in the future. The auditor also verified that the checkroll monitoring conducted by the clerk is in place to ensure proper control and tracking of overtime hours.
Status of Nonconformity	☒ Closed ☐ Open
Date of Closure:	23 Oct 2025

Indicator Number	6.2.4 (C)
Nonconformity Number	NEA 02 2025
Nonconformity Category	☒ Major Nonconformity ☐ Minor Nonconformity
Recurring Nonconformity	☐ Yes ☒ No
Date of Nonconformity Issued	25 Jul 2025
Nonconformity Issued To *(when more than one site/member)*:	
Deadline:	☒ 3 months from date of closing meeting ☐12 months from date of closing meeting
Mode of Nonconformity Closure	☐ Onsite ☒ Off-site
Standard Reference	MYNI 2019
Nonconformity Statement: Inadequate safe condition at labour quarters.	
Evidence: Jeroco 1 POM During the audit, a site inspection was conducted at Labour Quarters Block B. The inspection revealed several unsafe conditions at the labour quarters, as outlined below: - Rusty zinc and steel pile were used to barricade around the vegetable cultivation area located within the vicinity of the workers' residential compound. - Harvesting tool without proper sickle cover was placed outside labour quarters at height. - A loading spike was found placed on the ground near a bench at workers' quarters. In addition, a review of the weekly line site inspection documentation indicated that unsafe conditions within the residential area were not assessed.	
Root Cause Analysis	The ineffectiveness of awareness programs and inspections conducted by the mill management has resulted in inadequate control over the safe storage and proper placement of tools and materials at the labour quarters. This situation indicates that existing monitoring and communication measures were not sufficient to ensure compliance with safety requirements, leading to potential hazards within the living areas.
Correction(s)	1) Mill management immediately remove the rusty zinc and steel pile barricades and replace them with safe and proper fencing material. 2) Relocate the loading spike to a designated safe storage area away from common sitting or walking areas. 3) Mill management immediately build proper storage of harvesting tool in a designated tool rack or storage area at ground level.
Corrective Action Implemented *(including any evidence submitted)*	1) Train supervisors and workers on safe storage practices and the risks of unsafe conditions (e.g., sharp tools, rusty barricades, improper placement). 2) Monthly monitor compliance through documented inspection reports and regular audits by respective RSPO

	Officer.
Date of Response	26 Aug 2025
Audit Team Conclusion *(including any evidence reviewed)*	Lead auditor has reviewed the root cause and found it satisfactory. Evidence in the form of before-and-after photographs of the gotong-royong (clean-up activity) conducted on 24 July 2025 was verified, along with the weekly monitoring checklist used to ensure continuous compliance, with the latest record available in October 2025. Based on the corrective actions and ongoing monitoring, the auditor agreed to close this NCR.
Status of Nonconformity	☒ Closed ☐ Open
Date of Closure:	23 Oct 2025

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

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

Add tables as necessary

9. Status of Nonconformities Previously Identified and Opportunity for Improvement

Indicator No	Nonconformity No	Evidence Observed / Nonconformity Raised	Auditee Response Correction / Corrective Action	Verification of Correction/ Corrective Action	Conclusion /Status
6.1.5	NEA 01 2024	Finding: The gender committee was not comprehensive specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women. Objective evidence: It was noted that gender committee has been established in each audited estate. Appointment letter for each committee members, organizational chart and minutes of meeting was made available during the audit. However, based on interview with female workers and gender representative and/or documentation review: 1.The understanding of gender committee's existence is limited to sexual harassment concern. 2. The appointment letter, role and responsibilities of committee member is inconsistent for each audited estate (due to no specific guidance). 3.Annual programme for gender committee is available. However, there is no programme to raise awareness among women, as well as	Root cause: The Certification Unit lack of understanding and awareness regarding to raise awareness, identify and address issues of concern, and create opportunities and improvements for women due to there are no specific guidelines for Gender Committee establish by the CU (Sustainability (HQ). Corrective Action: 1. The certification Unit has conducted immediately the training for Gender Committee to brief the new Guidelines for Gender Committee to enhance their understanding to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women. – **Refer Attachment 1.** 2. The Certification Unit has established specific guidelines for Gender Committee to ensure role and responsibilities of committee member is consistent – **Refer Attachment 2.** 3. The Certification Unit has immediately included program to raise awareness among women, as well as opportunities and	Gender committees have been established throughout Jeroco 1 CU, with updated organization charts for 2025 at Jeroco 1 POM and Lungmanis, Lokan and Lutong Estate. Membership comprises female workers and office staff, with appointment letters issued specifying roles and responsibilities. The "Garis Panduan Perlaksanaan Jawatankuasa Jantina" (Doc. Ref. No.: HSPHB/AGRO/002) , dated 08.08.2024, was introduced to address previous	**Closed**

		opportunities and improvements for women.	improvements for women into their annual program for gender committee – **Refer Attachment 3.** Corrective action: (*The corrective action shall address the root cause of this NC)* 1. Including the Training Guidelines for Gender Committee in the Yearly Training program to refresher for workers especially gender committee. 2. The Certification Unit will review the Guideline for Gender Committee on a yearly basis or if necessary. 3. The Sustainability Team will yearly monitor the annual program for gender committee to include raise awareness among women, as well as opportunities and improvements for women.	inconsistencies in committee formation. This served as the corrective action for the prior year's Major non-conformance (NEA 01 2024) under this indicator, which has been satisfactorily closed.	

Indicator No	Opportunity for Improvement Number	Opportunity for Improvement Statement:	Verification / Follow-up actions:

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: N/A (Only for the case of IC or RC)

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

11.1 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

11.2 For Public Summary Report

No	Consulted Stakeholders *(Type of Stakeholders)*	Date of Consultation/ Comment Received	Method of Consultation/Comment received	Feedback/Comments/Issue Raised Received from Stakeholders	CB's Responses
1	*Harus Abadi Sdn Bhd, First Raintree Sdn Bhd, Bukit Kretam Sdn Bhd, Casem Sdn Bhd,*	21-25 July 2025	Phone Call	*No Issues, good Cooperation with JPOM 1 CU*	*None*

	Sangi Enterprise Sdn Bhd, LKM Trading, Lebijaya Sdn Bhd.				

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

Total Workers in the Unit of Certification			**998**	
Sampled Worker Consulted/ Interviewed in This Audit			**96**	
No	**Type of Workers Consulted/ Interviewed**	**Interview Method**	**Feedback/Comments/Issue Raised/ Received from Workers**	**CB's Responses**
1	Oil Palm Harvesters	Site interviews	Based on interviews conducted with both male and female workers across various job scopes, it was confirmed that daily-rated workers receive a minimum wages per month. For piece-rated workers, as long as they achieve their targets, they also receive a minimum wages per month. Salaries are paid before the 7th of each month. Workers follow a 6-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	The management has effectively implemented human rights values 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.
2	General workers	Site interviews		
3	Piece rated workers	Site interviews		
4	Mill Operator	Site interviews		
5	Processing (POM)	Site interviews		
6	Clerk	Site interviews		
7	Wireman	Site interviews		

			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 2024 and the Sabah Labour Ordinance. Samples of worker records were also examined and verified for compliance.	

11.4 Consultation with Previous Land User

Total Identified Previous Land User in the Unit of Certification			Not applicabe as land Title previously from State of Sabah and under country Lease	
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. Time Bound Plan

Name of the Management Unit	Country	Name of the Mills and Supply Bases	Total Managed Area (Ha)	Certification Status	Plan Year for Certification	Actual Certification Year	New Proposed Year for Certification
Hap Seng Plantations (River Estates) Bukit Mas Palm Oil Mill	Malaysia	Bukit Mas Palm Oil Mill	N/A	Certified	N/A	2012	N/A
		Sungai Segama Estate	5,174.00	Certified	N/A	2012	N/A
		Bukit Mas Estate	4,733.00	Certified	N/A	2012	N/A
		Kawa Estate	1,276.19	Certified	N/A	2015	N/A
Jeroco Plantations Sdn Bhd Jeroco Palm Oil Mill 1	Malaysia	Jeroco Palm Oil Mill 1	N/A	Certified	N/A	2013	N/A
		Lokan Estate	3,155.39	Certified	N/A	2013	N/A

		Lutong Estate	2,448.40	Certified	N/A	2013	N/A
		Lungmanis Estate	2,200.00	Certified	N/A	2013	N/A
		Batangan Estate	3,632.88	Certified	N/A	2013	N/A
Jeroco Plantations Sdn Bhd Jeroco Palm Oil Mill 2	Malaysia	Jeroco Palm Oil Mill 2	N/A	Certified	N/A	2013	N/A
		Kapis Estate	2,681.00	Certified	N/A	2013	N/A
Hap Seng Plantations (River Estates) Sdn Bhd Tomanggong Group of Estates	Malaysia	Tomanggong Palm Oil Mil	N/A	Certified	N/A	2015	N/A
		Tomanggong Estate	2,654.80	Certified	N/A	2015	N/A

		Litang Estate	2,648.62	Certified	N/A	2015	N/A
		Tagas Estate	2,212.33	Certified	N/A	2015	N/A
Pelipikan Estate	Malaysia	Pelipikan Estate	2,091.61	Not Certified	2025	N/A	2028
Hap Seng Plantations (River Estates) Sdn Bhd Tomanggong Group of Estates	Malaysia	Tabin Estate	2,235.30	Not Certified	2025	N/A	2028
		Northbank Estate	2,578.91	Not Certified	2025	N/A	2028

12. Requirements on Multiple Management Unit

Requirement	Findings/Compliance
A time bound plan for certifying all its management units and/or entities, including the units where the organisation has management control and no or minor shareholding has been established by the certification unit.	Applicable
Was the time bound plan submitted during the initial audit?	27 September 2013
Does the time bound plan contain a current list of all estates and mills?	Yes, Hap Seng Plantations (HSP) TBP has included all its operating units. Refer to the Time Bound Plan table.
Does the time bound plan include the certification of all estates and mills within five years after obtaining RSPO membership?	Yes, Hap Seng Plantations (HSP) TBP has included all its operating units. Refer to the Time Bound Plan table.
Are there any new acquisitions of land done by the certification unit since the last audit? If YES, is the time bound plan updated to indicate that the newly acquired land is to becertified within a three year timeframe?	The CU has not undertaken any new land acquisitions since the previous audit.
If there are any deviations from these maximum periods, did the Unit of Certification request approval from the RSPO Secretariat?	There have been no deviations from the maximum periods as approved by the RSPO Secretariat dated 22/09/2023.
Has the CB verified the progress of the time bound plan established by the Unit of Certification during the annual surveillance audit? *Note: If the CB conducting the surveillance audit differs from the CB that initially accepted the time bound plan, the latter CB must assess the appropriateness of the time bound plan at the time of its first involvement and will only verify its continued appropriateness thereafter.*	An internal partial certification assessment was conducted by the Agronomy and Sustainability Team in February 2024 with no significant changes noted. The two uncertified units remain scheduled for certification by 2025, as stated in the TPB dated 22/09/2023. HSP later submitted a revised TBP on 18/03/2025, requesting an extension with deviations until 2028, which has been approved by RSPO Secretariat on 28/05/2025. The justification of changes has been highlighted are in the TBP: 1) RSPO Compensation Panel and Certification Unit required time to review/amend the Concept Note and this has delayed the certification. 2) Frequent changing of RSPO person in-charge of compensation case and need to explain again the detail of Concept Note submitted to RSPO Compensation Panel/RSPO personnel in-charge of compensation matter.
Is there any revision made to the time bound plan? If YES, has the revised time bound plan been reviewed by the CB? *Note: Changes to the time bound plan are allowed only if the organisation can provide evidence to the CB that these changes are justified.*The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or Chamber of Commerce (or equivalent).	

Are there any isolated lapses in the implementation of a time bound plan? If YES, a minor non-compliance shall be raised.	There are no isolated lapses in the implementation of a time bound plan. As per the latest Time-Bound Plan (TBP) dated 22/09/2023, all units are scheduled to be certified by 2025. HSP later submitted a revised TBP on 18/03/2025, requesting an extension with deviations until 2028, which has been approved by RSPO Secretariat on 28/05/2025. The justification of changes has been highlighted are in the TBP:
Is there any evidence of fundamental failure to proceed with the implementation of the plan? If YES, a major non-compliance shall be raised.	No fundamental failure to proceed with the implementation of the plan.

13. Requirements for Uncertified Management Units

Requirement	Findings/Compliance
Is there any replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3 since 1st January 2010? If YES, did the CB verify that it complies with the RSPO New Planting Procedure (NPP)? *Note: For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB*	There were two occurrences of non-compliances to the RSPO New Planting Procedures within HSPHB raised for Tomanggong Group of Estates in year 2014, with details as follows: 1) Northbank and Tabin: New planting was carried out the area within the company's land title area under Tomanggong group of estates without following the New Planting Proce-dure. Previously the area was a flooded area that was not developed as a plantation area, however the company started development of the area in year 2011 without completing the HCV and SEIA assessment. The LUCA was approved by the RSPO re-viewer as seen from email communication from the RSPO Compensation Executive dated 16 January 2017, which included the reviewer's findings and information that the li-ability calculated by the reviewer is 579.48ha (slightly high-ly than company reported figure of 548.79ha). The RaCP for Northbank and Tabin has been submitted to the RSPO compensation panel for endorsement and has gone through several rounds of review. Hap Seng sent the 5th version of their concept note for RaCP to RSPO on 11th January 2020. As of 13 April 2022, Hap Seng Plantations is still in the progress of reviewing the concept note in discussion with RSPO. 2) Pelipikan Estate: HSPHB declared to RSPO on their liabilities on 28 April 2016 for of area under Pelipikan Estate located at Kota Marudu. This estate has total area of 2091.61ha with 716ha planted after year 2010 that was not done in accordance with the New Planting Procedure. This estate is currently sending to an external mill under Sawit Kinabalu (not owned by HSPHB. The company con-ducted LUCA for this area and first draft submitted to RSPO on 13 May 2016 and completed LUCA on 4th January 2017. As of 28 December 2022, the LUCA is still un-der review by Hap Seng Plantations after receiving feedback from En. Indrawan Suryadi (RSPO GIS Manager) regarding the status of LUCA report and as well as the resolution of the issue of major clarification required (i.e., LUCA image search, classifications, and land cover change analysis, and calculation of the liabilities).
Are there any land conflicts reported/ identified within any Un-Certified Management Unit belonging to the RSPO Member? If YES, has it been resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8.? *Note: In case of issues related to land conflicts identified by the CB, details of the status/ progress to resolve such matters shall be clearly explained.*	There are 2 ongoing land dispute cases and one recently closed land dispute case affecting other management units of Hap Seng Plantations (River Estates) Sdn. Bhd. (RESB), which is described in the company's publicly available Annual Report 2015 (available on their company website). The cases are as follows: 1) RESB suit against Mr. Heng Chin Hing who claims be own-er of legal parcel of land held under CL095310017, District of Kinabatangan, State of Sabah measuring approximately 6,454 acres (under Litang estate in Tomanggong Group of Estates) and entered a sales and purchase agreement with another company for the land area. The case has been transferred to the High Court of Sabah & Sarawak on 10 August 2012

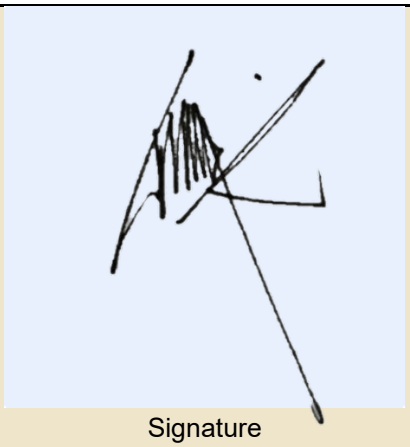
	2) Suit from Dato Sia Yi Chan filed against RESB where he claims that Mr. Heng Chin Hing had divested his claims and 3) interests for the same parcel of land to Dato Sia Yi Chan, and hence he was the legal owner of the land and not RESB. The case was heard on 23 October 2012 and 26 November 2012. 4) Write of summons filed against Pelipikan Plantation by 94 Sabahan natives claiming interest and ownership, legal and beneficial in respect of 113 parcels of land which form part of the Pelipikan Sub-Leased Lands. The case was filed on 7 August 2014 in the High Court of Sabah and Sarawak at Kota Kinabalu. For the 1st and 2nd case, it was informed in the company's quarterly update for December 2015 that both cases had been requested to be transferred from the Federal Court to the Sa-bah High Court, and the RESB suits are presently stayed pending determination by the Federal Court of Malaysia on the constitutionality of the transfer of civil suits from West Malaysia to the High Court of Sabah and vice versa. Mr. Sia Yi Chan had also raised a complaint to the RSPO Complaints Panel on 24 November 2015 claiming that Hap Seng Plantations Bhd is illegally occupying his property (River Estates) of 6,454acres in Lahad Datu, Sabah. He has filed a civil suit against Hap Seng; originating summons: BKI-24-127/5-2012 filed on 30.07.2015. The case is being processed under the Kota Kinabalu High Court system. As per the company's latest annual report 2018, the Consolidated RESB Suit was part heard from 13 to 15 September 2017, 20 to 21 September 2017, 12 and 25 October 2017, 24 November 2017, 26 to 27 February 2018, 25 to 26 April 2018, 11 to 14 June 2018, 12 to 14 September 2018, 29 October to 2 November 2018, 7 to 11 January 2019, 28 February 2019 and 8 March 2019 with the case still ongoing. RSPO Secretariat is monitoring the progress of the case. With regards to the 3rd case, the company provided evidence of a consent order by the High Court in Sabah & Sarawak on 15 May 2015, stating that the claims of the 94 land claimants against the company had been struck off and that they are are not entitled to possession of the land titles under dispute. The order also include a restraining order prohibiting the claimants from interfering with the enjoyment and posession of the land titles by the company.
Is there any labour dispute reported/ identified within any Un-Certified Management Unit belonging to the RSPO Member? If YES, is it being resolved through a mutually agreed process, per RSPO P&C criterion 4.2? *Note: In case of an issue related to labour dispute identified by the CB, details of the status/ progress to resolve such matter shall be clearly explained.*	HSP currently has two uncertified management unit, i.e., Pelipikan Estate and Tabin & Northbank Estate. At this time the company has not identified or declared any labour disputes occurring at these units. The company has prepared an internal report for each estate area dated August 2022 and March 2023 based on self-assessment (internal audit) to verify compliance of uncertified management units to this requirement.

Is there any legal non-compliance reported/ identified within any Un-Certified Management Unit belonging to the RSPO Member? If YES, has it been addressed through measures consistent with the requirements of RSPO P&C criterion 2.1? *Note: In case of an issue related to legal non-compliance identified by the CB, details of the status/ progress to resolve such matter shall be clearly explained.*	At this time the company has not identified or declared any legal non-compliances occurring at these units. The company has pre-pared an internal report for each estate area dated August 2022 and March 2023 based on self-assessment (internal audit) to verify compliance of uncertified management units to this requirement. No NPP carried out to date as the company has not carried out any new plantings.
Has a positive assurance statement been provided based on their self-assessment (i.e., internal audit) regarding the requirements for Un-Certified Management Units?*Note:* *1. This would necessitate evidence of the self-assessment for each requirement.* *2. A POSITIVE ASSURANCE statement is MANDATORY to indicate the outcome of self-assessment.*	The Agronomy and Sustainability Department has conducted internal audits of the uncertified units and updated their compliance status accordingly. The most recent internal audits were carried out in each operating unit in August 2022 and March 2023. These audits confirmed that a positive assurance statement was provided based on the results of their self-assessments.
Did the CB conduct targeted stakeholder consultation (including consultation with the relevant NGO's) to evaluate the compliance related to Requirements on the Un-Certified Management Unit?	Yes, the CB conducted targeted stakeholder consultations, including engagement with relevant NGOs, to assess compliance with the requirements for the Un-Certified Management Unit.
Did the CB conduct desktop study on the Un-Certified Management Unit to identify risk of any potential non-compliances? *Note: (e.g. relevant complaints, labour disputes, land conflicts)*	Yes, the CB conducted a desktop study on the Un-Certified Management Unit to identify potential risks of non-compliance. Thus far, no risks have been identified.
Based on the result of the desktop study, did the CB decide to perform further stakeholder consultation or field inspection to assess the risk of any potential non-compliance with the requirements (as necessary)?	There is no potential non-compliance with the requirements.

14. Audit Conclusion & Recommendation

Audit finding	
☐	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)*

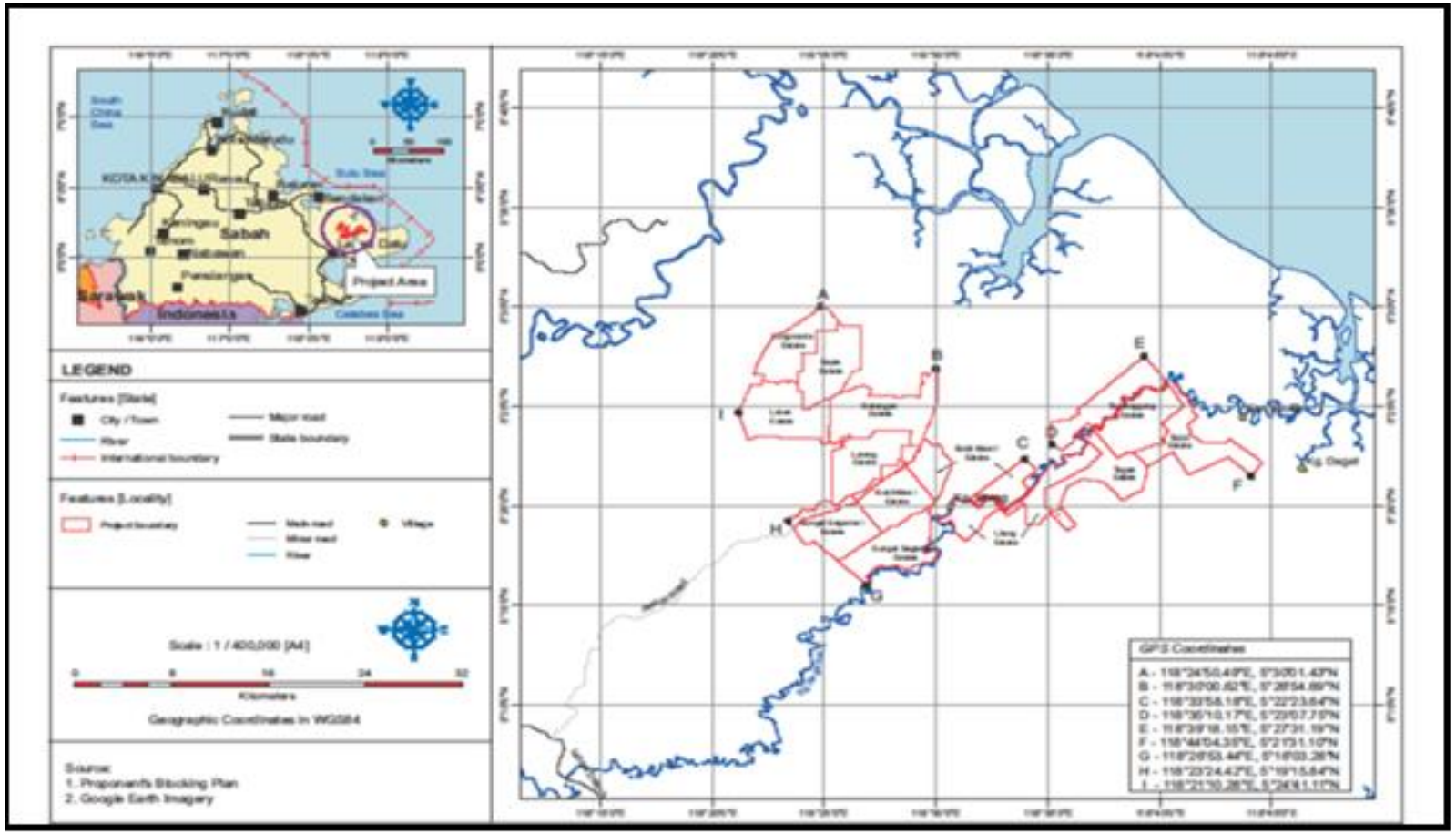
15. Acknowledgment of Internal Responsibility and Formal Sign-off Assessment Findings

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.		
Acknowledged by:		
Name	KEE KEOW CHONG	
Position	GENERAL MANAGER - AGRONOMY	
Date	31.10.2025	 Signature

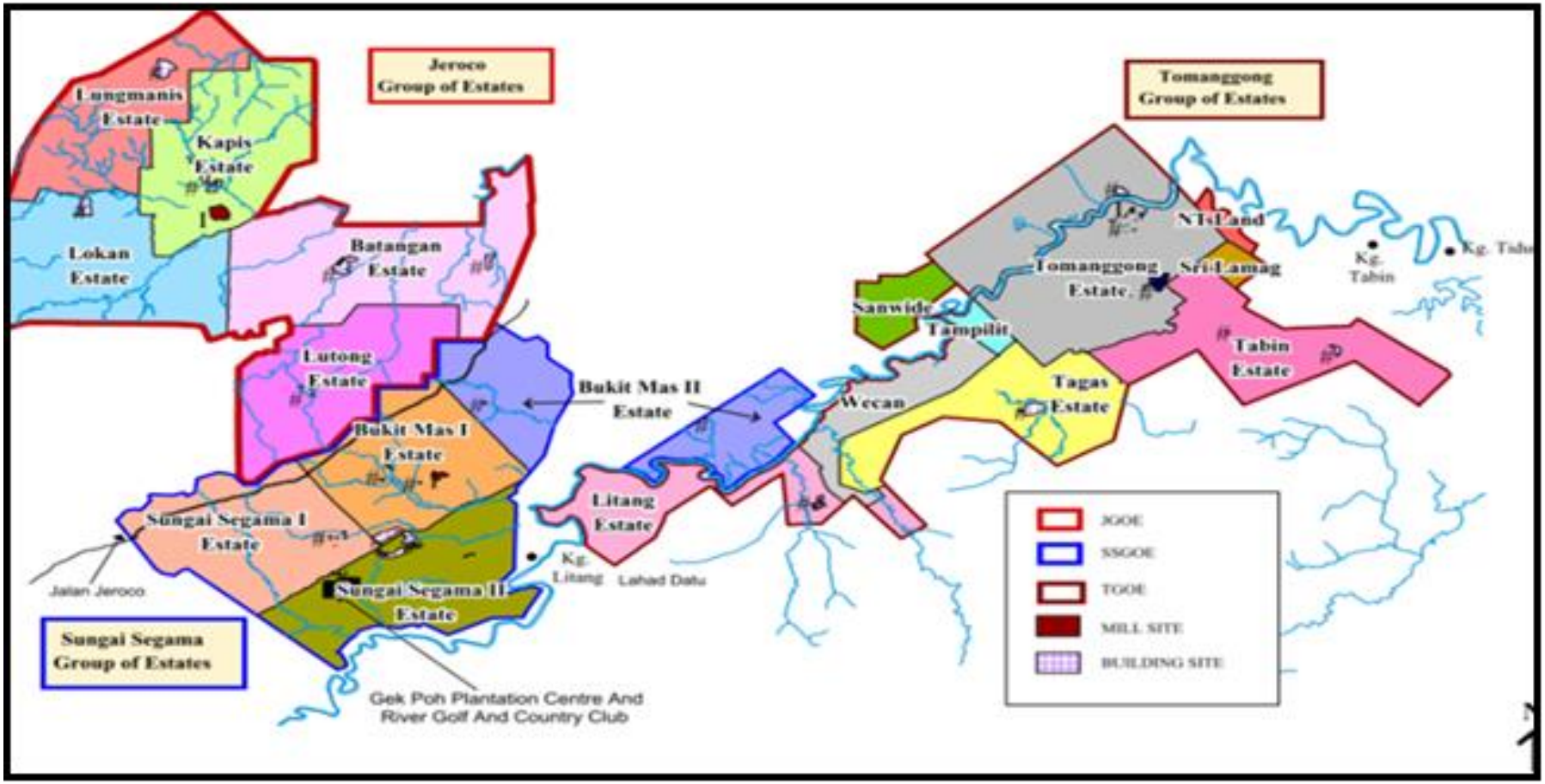
Signing by the Audit Team Leader		
I, the undersigned, being the Audit Team Leader, confirm that this report accurately reflects the findings and proceedings of the closing meeting. Furthermore, I affirm that the summary of the findings presented in this report is a true and accurate representation of the actual findings of the Audit Team.		
Acknowledged by:		 Signature
Name	MOHD ZULFAKAR KAMARUZAMAN	
Position	LEAD AUDITOR	
Date	27/10/2025	

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.		
Acknowledged by:		 Signature
Name	Kamini Sooriamoorthy	
Position	Section Head	
Date	29/10/2025	

Appendix 1: Location Map Unit of Certification and Supply bases



Map of Jeroco 1 CU



Map of all Supply base of Jeroco 1 CU

Appendix 2: History of the changes in the current certification cycle

Assessment Type	Date of Audit	Changes
Choose	DD Mmm YYYY	e.g. additional of supply bases, changes of supply chain model, removal of certified area *etc.* The row can be added as necessary

Appendix 3: Greenhouse Gas (GHG) Reporting Summary

The GHG emissions produced by the Jeroco 1 Certification Unit (POM and its supply bases) in the period of 012024 until 122024 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 072025 for POM and supply base are as following:

1. **Summary of Emissions**

Description	**tCO_2eq/t product**
CPO	0.57
PK	0.57
PKO	
PKE	

Extraction	**%**
OER	20.93
KER	4.21

2. Summary of Plantation/Field Emissions and Sink

Land Use	Ha
OP Planted Area	29651.07
OP Planted on Peat	0
Conservation (Forested)	256.64
Conservation (Non-Forested)	663.60
Total	

Production	t/year
FFB Processed	281,635.08
CPO Produced	58,943.06

	Own Crop		Group		3rd Party		Total
	tCO_2e	tCO_2e/ tFFB	tCO_2e	tCO_2e/ tFFB	tCO_2e	tCO_2e/ tFFB	
Land Conversion	90528.63	0.43	23891.36	0.34	0.00	0.00	**114,420.80**
CO_2 Emission from Fertilizer	4188.07	0.02	1686.24	0.02	0.00	0.00	**5,874.35**
N_2O Emission	0.00	0.00	0.00	0.00	0.00	0.00	**0**
Fuel Consumption	4100.89	0.02	1831.87	0.03	0.00	0.00	**5,932.81**
Peat Oxidation	0.00	0.00	0.00	0.00	0.00	0.00	**0**
Crop Sequestration	-72611.92	-72611.92	-23133.77	-0.33	0.00	0.00	**-168,358.00**
Sequestration in Conservation Area	-1550.41	-0.01	-35.10	-0.00	0.00	0.00	**-1,585.52**
Total	**24,655.26**	**-72,611.50**	**4,240.60**	**0.06**	**0.00**	**0.00**	**-43,715.50**

**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	7103.46	0.03
Fuel Consumption	2226.34	0.01
Grid Electricity Utilization	0.00	0.00
Credit		
Export of Excess Electricity to Housing & Grid	0.00	0.00
Sales of PKS	-5193.30	-0.02
Sales of EFB	0.00	0.00
Total	**4,136.50**	**0.02**

4. Palm Oil Mill Effluent (POME) Treatment

Description	%
Divert to compost	3.36
Divert to anaerobic digestion	96.64

5. POME Diverted to Anaerobic Digestion

Description	%
Diverted to anaerobic pond	2.42
Diverted to methane capture (Flaring)	34.15
Diverted to methane capture (electricity generation)	63.43