

RSPO PRINCIPLES & CRITERIA

PUBLIC SUMMARY REPORT

ANNUAL SURVEILLANCE ASSESSMENT 4

Malaysia
KLK (S) PINANG POM
Kuala Lumpur Kepong Berhad
2022

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Control Union Certifications	
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PART 1: SCOPE OF THE CERTIFICATION ASSESSMENT AUDIT

1.1 Company and Contact Details

Company Name:	Kuala Lumpur Kepong Berhad
Business Address:	KL-Kepong (Sabah) Sdn. Bhd., Batu 42, Jalan Tawau-Semporna, Beg Berkunci No. 3, 91009 Tawau, Sabah
Contact Person:	Mr Sin Chuan Eng
Office Telephone:	+60127621582
E-Mail:	ce.sin@klk.com.my
Web Site:	www.klk.com.my
Other Certifications Held:	ISCC

1.2 RSPO Membership & Certification Details

RSPO Membership Number:	1-0014-04-000-00
Registered Client Name:	Kuala Lumpur Kepong Berhad
Certificate Number:	CU-RSPO-808656
Start Date Of Certificate:	04/03/2019
End Date Of Certificate:	03/03/2024
Date Of Original Certification:	04/03/2009
Scope:	Certification of the Palm Oil Mill and Supply Bases
Type Of Certification:	Single site <input checked="" type="checkbox"/> Multi sites <input type="checkbox"/>
Duration Of Certificate:	5 Years from date of certification

1.3 Annual Surveillance Assessment Details

Dates Of This Audit:	5 th – 9 th December 2022
Audit Number:	ASA 04

1.4 Assessment Type

This is a RSPO Principles & Criteria (RSPO P&C 2018) Compliance assessment of KLK (S) MILL 2 POM and its respective supply bases as listed in this report below as per National Interpretation MYNI 2019 of RSPO Principles and Criteria for the Production of Sustainable Palm Oil 2018 Endorsed by RSPO Executive Board and adopted at the 15th Annual General Assembly by RSPO Members on 15 November 2018.

1.5 Location of the Palm Oil Mill

PRU	Name Palm Oil Mill (POM)	Mill Capacity MT/Hour	Location Address	GPS Reference	
				Longitude (E/S)	Latitude (N/S)
POM 1	KLK (S) PINANG MILL	45	Mile 45, Tawau – Semporna Highway, 91009 Tawau, Sabah.	118.27819E	4.45041N

1.6 Palm Oil Mill Output and Approximate Tonnages Certified

If the Mill is receiving FFB from uncertified supply bases outside the audit scope, such uncertified sources is highlighted under the following sections as seen applicable:

- PART 1, Section 1.7 – General Description of Supply Base,
- PART 2: Partial Certification, Section 2.4 – Uncertified Units or Holdings,
- PART 5: RSPO Supply Chain Certification of this report

Projected Production from the last 12 Months (MT) (Oct'21 to Sep'22)	Actual Production for this Audit Year 2020/2021 (MT) (Oct'21 to Sep'22)	Projected 12 Months (MT) Forecast Volume in this Report (Oct'22 – Sep'23)
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FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
POM 1: Pinang POM								
199,060	45,784	6,968	161,055.54	35,478.66	5,225.89	199,060	42,508	6,612

Note : refer to part 5.2 for Palmtrace certified volume

Note 2: the projected volume from the last 12 months and actual volume refer to production related information before certification for main assessment

Note 3: in cases of only plantations (without mill), projected CSPO and CSPK is based on standard OER and KER.

1.7 General Description of Supply Base

Pinang POM receive from 4 Supply based: Estate Pinang, Estate Jatika, Estate Pangeran and Estate Sigalong. All estates are owned by KLK and no FFB is sourced from independent suppliers

1.7.1 Location of the Supply Base

OPP	Oil Palm Plantation	Location	GPS reference		Area Summary (Ha)		
	Name	Address	Longitude (E/S)	Latitude (N/S)	Mature	Planted	Total
POM 1: Pinang POM							
OPP 1	Ladang Pinang	Mile 45, Jalan Tawau – Semporna	118.27103	4.43266	2,295	2,328	2,420
OPP 2	Ladang Pangeran	Mile 45, Jalan Tawau – Semporna	118.26775	4.44199	2,571	2,604	2,855
OPP 3	Ladang Jatika	Mile 42, Jalan Tawau – Semporna	118.29094	4.55800	2,568	3,201	3,508
OPP 4	Ladang Sigalong	Mile 45, Jalan Tawau – Semporna	118.29792	4.44597	1,942	2,770	2,864
TOTAL					9,376	10,903	11,647

1.7.2 Scheme Smallholders/Scheme Outgrowers/Independent Smallholders/Outgrowers included in the certificate

Type	Presence	Number
Scheme Smallholders	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Scheme Outgrowers	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Independent Smallholders	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Independent Outgrowers	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

1.7.3 Statistics of the Supply Base and Estimated Tonnes of FFB produced per year

OPP	Oil Palm Plantation	Projected FFB/Year (MT)	Planting Years	Cycle (Years)
OPP 1	Ldg. Pinang	52,685	1997 - 2018	30 max
OPP 2	Ldg. Pangeran	56,676	2004 - 2014	30 max
OPP 3	Ldg. Jatika	51,308	1992 - 2021	30 max
OPP 4	Ldg. Sigalong	38,391	1993 - 2022	30 max
TOTAL		199,060		

1.7.4 Non-Certified Tonnage of FFB (outside supplier – Excluded from Certificate)

Independent FFB Supplier	Tonnage / Year		
	Projected Production from the last 12 Months (MT)	Actual Production for this Audit Year	Projected 12 Months (MT) Forecast Volume in this Report
N/A			

1.7.5 Conservation and HCV Area (Ha)				
OPP	Oil Palm Plantation	Conservation Area (Ha)	HCV Area (Ha)	* HCV part of Conservation
OPP 1	Ldg. Pinang	76	32	Yes
OPP 2	Ldg. Pangeran	185	45	Yes
OPP 3	Ldg. Jatika	259	102	Yes
OPP 4	Ldg. Sigalong	78	59	Yes
TOTAL		598	292	

1.7.6 Percentage of Planted Oil Palm by different Age Ranges								
OPP	Planting Years by 5 year Ranges							Total
	1991 – 1995	1996- 2000	2001 - 2005	2006 – 2010	2011 – 2015	2016- 2020	2021- 2022	
Ldg. Pinang	0	1.09	20.17	43.70	23.88	11.15	0	100
Ldg. Pangeran	0	0	18.94	43.29	37.77	0	0	100
Ldg. Jatika	3.95	19.74	7.99	0	25.73	36.32	6.27	100
Ldg. Sigalong	5.75	49.65	0	0	7.45	18.00	19.14	100

1.7.7 Calculation of the Number of Production Units (N) to Sample for the Mill			
Where sampling is required for a certification assessment, the sampling design shall include every mill and be based on a minimum sample of x estates, where $x = (\sqrt{y}) \times (z)$, where y is the number of estates and where z is the multiplier defined by the risk assessment. A 'risk level' shall be set at: Level 1 - low risk (multiplier of 0.8) Level 2 - medium risk (multiplier of 1.2) Level 3 - high risk (multiplier of 2) The result always to be rounded "up" to the next whole integer. Sampling will be done where there are more than four estates or associated smallholders, otherwise all estates must be visited as part of the assessment.			
For the Mill, how many units make up the production base?			
Owned estates (Y)	$N = (\sqrt{Y}) \times (z)$	Smallholders/outgrowers (S)	$N = (\sqrt{S}) \times (z)$
4	4		
Explanation as to the selection of estates sampled			
All 4 unit has been visited. No sampling required.			

1.8 Progress of associated Smallholders or Out-growers, if applicable to this assessment
Progress of associated Smallholders or Out-growers towards Compliance with relevant Standards - the mill shall develop and implement a plan to ensure that 100% of scheme smallholders and scheme outgrowers are compliant with the standard within three years of the mill's initial certification.
No smallholders or outgrowers in adjacent or neighboring area of Pinang Plantation Complex.
**In monitoring compliance with this timeline, an observation shall be raised after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.

1.9 Previous land users, if applicable to this assessment					
Section	Requirement	Yes/No	If "Yes"	If "No"	Findings
1.9.1	Are there any areas which were previously owned by other users and/or are subject to customary rights of local communities and indigenous peoples?	NO	Go to 1.9.2	Section 1.9 is N/A	Land belong to Sabah state government that being lease to KLK Kepong Sabah.
1.9.2	Are list of previous land owners and contact details available?		Please fill up table below	-	Land Belong to Sabah State Government land.

1.9.3	Were all the acquisitions done with a proper FPIC?		-	-	Not applicable
1.9.4	Are there any acquisition agreements available?		-	-	Not applicable
1.9.5	Were the acquisition agreements complied with?		-	-	Not applicable

List of previous land owners			
OPP	Name	Year of acquisition	Contact details
All Estates	Kalumpang Development Sdn. Bhd	23.11.2009	- (Not existed anymore)

Note: contact details of previous landowners and consultation status under annex 5. All previous landowners were sampled, unless unreachable.

1.10 Outsourced Activities / Contractors

The outsourced activities or contractors are third parties activities that fall inside the scope of certification.

Contractor Name	Type of Outsourced Activity	Location of Activity
Syarikat Kekal Unggul	Contractor	Jatika estate, Pangeran Estate
Foo Cheng Co	Contractor	Sigalong estate
KLC Transport	CPO Transporter	Pinang Palm Oil Mill

1.11 Location Map for this Certification Unit (See Appendix 1)

PART 2: MULTIPLE MANAGEMENT UNITS

Organizations that have multiple management units, and/or a majority holding in and/or management control of more than one autonomous company growing oil palm, will be permitted to certify individual management units and/or subsidiary companies under certain conditions. A majority shareholding is defined as the largest shareholding; where the largest shareholdings are equal (e.g. 50/50) this applies to the organization that has management control.

2.1 Summary of Multiple Management Unit

Section	Requirement	Findings and any action required	Compliance
2.1.1	RSPO membership: The parent organization or one of its majority owned and/or managed subsidiaries is a member of the RSPO.	Yes, the parent organization is a member of the RSPO Kuala Lumpur Kepong Berhad (RSPO Membership: 1-0014-04-000-00)	Yes
2.1.2	Time-bound plan: A time-bound plan for certifying all its management units and/or entities, including the units where the organization has management control and no or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan should contain a current list of all estates and mills	The latest update of the Time Bound Plan was submitted to RSPO and approved on the 15 th November 2022. TBP covers all oil palm cultivation and milling operations under KLK based in Malaysia, Indonesia and Liberia and last updated on 15-11-22.	Yes
2.1.3	Does all estates and mill are certified within five years after obtaining RSPO membership? As a minimum, all estates and mills shall be certified within five years after obtaining RSPO membership. Any new acquisitions shall be certified within a three-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat	Several deviations noted in Indonesia as well as Liberia where the period to be certified has exceeded the maximum periods specified. KLK has notified on the revised TBP from RSPO secretariat and was approved on the 15 th November	Yes

		2022 on the deviations from the maximum timelines specified.	
2.1.4	What is the progress of the time bound plan? Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	Timely progress on the certification of the areas except for those identified as 'Not Certified' in the TBP below KLK has notified on the revised TBP from RSPO secretariat and was approved on the 15th November 2022 on the deviations from the maximum timelines specified.	Yes
2.1.5	Any revision to the time-bound plan? If there is any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent)	TBP covers all oil palm cultivation and milling operations by KLK in Malaysia, Indonesia, and Liberia. Revision of the TBP is as such: Unit: LFPI, Butaw Estate. Plan to certify: N/A Justification: Approval from the government of Liberia has been obtained , and the sales of this estate has been completed. It is no longer under our management. Unit: Kebun Anugerah Surya Mandiri Plan to Certify: N/A Justification: PT ASM has surrendered back its HGU to the government of Indonesia. It is currently at the tail end of liquidation Process Unit: Kebun Putra Bongan Jaya Plan to Certify: 2025 Justification: Unit have yet to obtain its HGU. Unit: Kebun Bumi Makmur Sejahtera Jaya Plan to Certify: 2025 Justification: Unit have yet to obtain its HGU. Unit: Kebun Menteng Jaya Sawit Perdana Plan to Certify: 2025 Justification: Unit have yet to obtain its HGU. TBP has been last updated as below inclusive of the new acquisitions.	Yes

****Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised**

2.2 Requirement of Uncertified Management Units			
Section	Requirement	Findings and any action required	Compliance
NOTE: Companies may demonstrate compliance by clear evidence of a self-audit (i.e. an internal audit for all subsidiaries, estates and Palm Oil Mills)			
2.2.1	<p>Is there any replacement of primary forest? No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.12. Any new plantings since January 1st 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB</p>	<p>Noted that there are land clearing done in PT Menteng Jaya Sawit Perdana prior to HCV assessment (2010. Thus, RSPO RaCP applies. https://www.rspo.org/certification/remediation-and-compensation/racp-tracker</p> <p>KLK's concept note and compensation plan has been approved in 2018 and 2019 respectively. HCSA report complete for peer review as link; http://highcarbonstock.org/wp-content/uploads/2019/05/HCSA-Report-PT.-MJSP-070519_compressed.pdf</p> <p>PT Putra Bongan Jaya, HCV assessment was conducted prior to development. Previous owner Rea Kaltim. Noted that the first submission 5 Sept 2019 (unsatisfactory), first re-submission 20 March 2020 (unsatisfactory) and second re-submission 15 July 2020 (unsatisfactory) https://hcvnetwork.org/reports/laporan-kajian-hcv-hcs-terpadu-pt-putra-bongan-jaya-kabupaten-kutai-barat-kalimantan-timur-indonesia-versi-1-0/</p> <p>NPP conversion of existing agricultural land for Kemasul Estate and Kuala, a new planting area located in Kuala Gris Estate which is located in Kuala Krai District, Kelantan State and Kemasul Estate which is located in Bera District, Pahang State. Both New Planting area is in Malaysia refer as link. https://rspo.org/certification/new-planting-procedure/public-consultations/kuala-gris-and-kemasul-estate-kuala-lumpur-kepong</p> <p>KLK Berhad has established Sustainability Policy that focuses on no deforestation, protect of peat areas, driving of positive socioeconomic impact for people and communities, traceability and continuous stakeholder engagement.</p>	Yes
2.2.2	<p>Is there any land conflict? If any, are they being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance</p>	<p>The company has developed Group Employee Grievance Redressal Policy. The policy was applicable to all level of employees of KLK group. The objective of the policy is to provide a formal and transparent platform for its employees to air their grievance, complaints and report. The methods of raising complaints are channel to</p>	Yes

	with RSPO P&C criteria 4.4, 4.5, 4.6, and 4.7?	<p>various such as via hotline number at +605 2408000, email or by post to head quarter office. The written grievance also can be dropped in the suggestion box available at the respective office. The company will take all necessary steps to protect the identity of the complainant and/or victim of sensitive cases.</p> <p>https://www.klk.com.my/wp-content/uploads/2019/05/KLK-Group-Employee-Grievance-Redressal-Policy_29May2019FINAL-1.pdf</p> <p>The company has also established a whistleblowing policy and report shall be made through options given as such above.</p> <p>There is no land conflict in uncertified area also no complain or conflict observed in the RSPO Complains System.</p> <p>The internal assessment checklist for uncertified areas were observed and it is confirmed that there were no land conflicts.</p>	
2.2.3	Is there any labour dispute? If any, are they being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2?	<p>Employee Grievance Procedure was in place in all of KLK's OC, a Group Employee Grievance Redressal Policy was introduced and fine-tuned to make grievance-raising more accessible to all levels, from the grassroots to senior management. Refer to Grievance Against KLK Group – updated on November 2022.</p> <p>https://www.klk.com.my/sustainability/grievance/</p> <p>The internal assessment checklist for uncertified areas were observed and it is confirmed that there were no labour disputes.</p>	Yes
2.2.4	Is there any Legal non-compliance? If any, is it being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1?	<p>No stakeholder comments or complaints received and there are no reports of legal disputes at the time of reporting.</p> <p>Legal compliance has been assessed based on internal assessment. The internal assessment checklist (for partial certification) has been observed for PT Bumi Makmur Sekahtera Jaya, PT Karya Bakti Sejahtera Agrotama, PT Menteng Jaya Sawit Perdana, PT Prima Alumga, PT Prima Bahagia Permai, PT Sinergi Agro Industri, PT Pinang Witmas Sejati, PT Tekukur Indah.</p>	Yes

****CBs shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements above by the CB based on self-declarations only by the company, with no other supporting documentation, shall not be acceptable.**

TIME BOUND PLAN FORECAST FOR RSPO CERTIFICATION OF ALL PALM OIL MILLS & SUPPLY BASES				
Palm Oil Mill	Country	Supply Bases (estates, plantations, associations)	Targeted RSPO Certification Year	Current Certification Status as per this Audit
Refer to next page format				

Region	Name of the Unit of Certification (UoC)	Country	Name of the Mills and Supply Bases	Certification Status (Certified / Not certified)	Plan Year for Certification	Actual Certification Year
Liberia	Liberian Palm Developments Ltd - Palm Bay POM	Liberia	Palm Bay POM	Not Certified	2023	
			Palm Bay Estate			
	LFPI, Butaw Estate		Butaw Estate	Not Certified	2023	Not Applicable. Unit has been sold
KALTIM	PT. Hutan Hijau Mas- Berau POM	Indonesia	Berau POM	Certified	2019	2019
			Kebun Hutan Hijau Mas			
			Kebun Malindomas Perkebunan			
	PT. Jabontara Eka Karsa- Jabon POM		Koperasi Perkebunan Sawit Mitra Jaya	Certified	2022	2022
			Jabon POM	Certified	2017	2017
			Kebun Jabontara Eka Karsa			
			Kebun Anugrah Surya Mandiri	Not Certified	Not applicable (in the process of liquidation)	-
			Koperasi Harapan Sejahtera Bersama	Certified	2022	2022
			Koperasi Tani dan Nelayan Batu Putih Rimba Perkasa	Certified	2022	2022
			PT. Satu Sembilan Delapan-Segah POM	Segah POM	Certified	2022
Kebun Satu Sembilan Delapan						
Koperasi Perkebunan Sawit Gunung Sari Mandiri						

		Koperasi Sawit Mekar Sejahtera			
		Koperasi Perkebunan Sawit Labasari			
		Koperasi Mitra Mandiri			
		Koperasi Hidup Bersama			
		Kebun Tekukur Indah			
	PT. Putra Bongan Jaya- PBJ POM	PBJ POM	Certified	2022	2022
		Kebun Putra Bongan Jaya Certified HGU area. Non certified is the Izin Lokasi	Not Certified	2025	-
	PT. Sinergi Agro Industri- Sinergi POM Potential Racp and Sanction	Sinergi POM	Not Certified	2024	-
		Kebun Pertama			
		Kebun Belidan			
		Kebun Manubar			
		Kebun Multi			
		Kebun Karya			
	PT. Indonesia Plantation Sinergi- IPS POM Potential RaCP	IPS POM	Not Certified	2024	-
Kebun Kaliorang					
Kebun Mengenai					
Kebun KM 08					
KALTARA	PT. Prima Bahagia Permai- Prima POM - Potential RaCP and Sanction	Not Certified	2024	-	
	Kebun Prima				
	Kebun Bahagia				
	Kebun Permai 1				
	Kebun Permai 2				
RIAU	PT. Adei Plantation & Industry- Mandau POM	Mandau POM	Certified	2012	2012
		Kebun Mandau			

BELITUNG	PT. Adei Plantation & Industry- Nilo POM 1	Scheme smallholders	Not Certified	2025	-
		Nilo POM 1	Certified	2024	certified in 2022
		Koperasi Petani Sejahtera		2025	
	PT. Adei Plantation & Industry- Nilo POM 2	Koperasi Karya Mitra	Certified	-	2014
		Nilo POM 2			
		Kebun Nilo Timur			
		Kebun Nilo Barat			
		Ladang Mutiara			
		Koperasi Sumber Rezeki			
		Koperasi Pekantua Jaya			
	PT. Sekarbumi Alamlestari- Tapung Kanan POM	Koperasi Teluk Makmur	Certified	-	2018
		Tapung Kanan POM			
	PT. Steelindo Wahana Perkasa- SWP POM	Kebun Sekarbumi Alamlestari	Certified	2015	2015
		SWP POM			
		Kebun Steelindo Wahana Perkasa			
Kebun Bumi Makmur Sejahtera Jaya					
Scheme smallholders					
PT. Parit Sembada- Parit Sembada POM	Parit Sembada POM	Certified	-	2016	
	Kebun Parit Sembada				
	Kebun Alam Karya Sejahtera				
	Scheme smallholders				
	Scheme smallholders				
KALTENG	PT. Karya Makmur Abadi- KMA POM	KMA POM	Certified	2019	2019
		Kebun Karya Makmur Abadi (KMA)			
		Scheme smallholders	Not Certified	2025	
		MAP POM	Certified	2019	2019

	PT. Mulia Agro Permai- MAP POM		Kebun Mulia Agro Permai (MAP)			
			Kebun Menteng Jaya Sawit Perdana - Potential Racp and sanction	Not Certified	2025	-
SUMATERA UTARA	PT. Langkat Nusantara Kepong- Stabat POM		Stabat POM	Certified	-	2017
			Kebun Basilam			
			Kebun Gohor Lama			
			Kebun Padang Brahrang			
	PT. Langkat Nusantara Kepong- Tg Keliling POM		Kebun Tanjung Beringin		2020	
			Tanjung Keliling POM	Certified	-	2020
			Kebun Bekiun			
			Kebun Bukit Lawang			
Kebun Tanjung Keliling						
SUMATERA SELATAN	PT. Pinang Witmas Sejati- PWS POM	Kebun Maryke				
		PWS POM	Not Certified	2024	-	
		Kebun Pasir Salak				
		Kebun Pangkor				
Kebun Grik						
LAMPUNG	PT. Plantation Prima Alumga- No POM yet)	Kebun Anugerah	Not Certified	2024	-	
		Kebun Bintang				
		Kebun Ceria				
PENINSULAR MALAYSIA	Kuala Lumpur Kepong Berhad - Batu Lintang POM	MALAYSIA	Batu Lintang POM	Certified	2013	2013
			Pelam Estate*			
			Batu Lintang Estate*			
			Subur Estate			
			Buntar Estate			
	Changkat Chermin POM		Certified	2013	2013	

	Kuala Lumpur Kepong Berhad - Changkat Chermin POM	Lekir Estate			
		Changkat Chermin Estate			
		Raja Hitam Estate			
		Glenealy Estate*			
		Serapoh Estate*			
		Kuala Kangsar Estate*			
		Allagar Estate			
	Kuala Lumpur Kepong Berhad - Tuan Mee POM	Tuan Mee POM	Certified	-	2013
		Tuan Mee Estate			
	Kuala Lumpur Kepong Berhad - Tanjong Malim POM	Tanjong Malim POM	Certified	-	2013
		Changkat Asa Estate*			
		Kerling Estate*			
	Kuala Lumpur Kepong Berhad - Jeram Padang POM	Sg Gapi Estate	Certified	-	2013
		Jeram Padang POM			
		Ayer Hitam Estate			
		Batang Jelai Estate*			
		Jeram Padang Estate*			
		Kombok Estate*			
		Ulu Pedas Estate*			
		Gg Pertanian Estate			
Sg Kawang Estate*					
Renjok Estate*					
Tuan Estate*					
Kemasul Estate*					
Kuala Lumpur Kepong Berhad - Kuala Pertang POM	Kuala Pertang POM	Certified	-	2014	
	Kerilla Estate*				
	Pasir Gajah Estate				
	Sg Sokor Estate*				

		Kuala Gris Estate*			2020			
	Kuala Lumpur Kepong Berhad - Kekayaan POM	Kekayaan POM	Certified	-	2011			
		Landak Estate						
		Kekayaan Estate						
		Voules Estate*						
		Sg Peggeli Estate						
		New Pogoh Estate*						
		Fraser Estate						
		Paloh Estate						
		Sg Bekok Estate						
		Ban Heng Estate						
		See Sun Estate						
SABAH		Kuala Lumpur Kepong Berhad - Pinang POM				Pinang POM	Certified	-
	Jatika Estate							
	Sigalong Estate							
	Pangeran Estate							
	Pinang Estate							
	Kuala Lumpur Kepong Berhad - Mill 2	Mill II	Certified	-	2009			
		Pang Burong Estate						
		Sri Kunak Estate						
		Tundong Estate						
	Kuala Lumpur Kepong Berhad - Bornion POM	Ringlet Estate	Certified	-	2020			
		Mill I						
		Bornion POM				Certified	-	2010
		Bornion Estate						
	Segar Usaha Estate							
		Lungmanis POM						

Kuala Lumpur Kepong Berhad - Lungmanis POM	Tungku Estate			
	Bukit Tabin Estate			
	Lungmanis Estate			
	Sg Silabukan Estate			
KLK Sawit Nusantara Berhad - Desa Talisai POM	Rimmer Estate			
	Desa Talisai POM	Not Certified	2024	-
	Desa Talisai South Estate			
	Desa Talisai North Estate			
	Sijas Estate			
Meliau Estate				
KLK Sawit Nusantara Berhad - Sabang POM 1	Sabang POM 1	Not Certified	2024	-
	Sg. Sabang Estate			
	Berakan Maju Estate			
	Excellent Challenger-1 Estate			
KLK Sawit Nusantara Berhad - Sabang POM 2	Sabang POM 2	Not Certified	2024	-
	Excellent Challenger 2 Estate			
	Rakanan Jaya North Estate			
KLK Sawit Nusantara Berhad - Minat Teguh POM	Minat Teguh POM	Not Certified	2024	-
	Rakanan Jaya South Estate			
	Minat Teguh Estate			

With reference to time bound plan, the following issues were reviewed openly with the Control Union audit team during the assessment and which may be in conflict with the rules for partial certification, if applicable	
Name of Mill or Plantation	*Area of concern (See examples below)
NA	NA

2.3 Summary of the findings for Multiple Management Unit
<i>The audit team assessed compliance with the above requirements during this audit. Failure to address any non-compliance identified may lead to certification suspension.</i>
The multiple management units of Kuala Lumpur Kepong Berhad (RSPO Membership: 1-0014-04-000-00) were found to be compliance with the requirements of RSPO P&C Certification Systems 2020, Section 5.5; Minimum requirements for multiple management units, and should enable them to continue with RSPO Certification.
The MMU audit could not be conducted in 2021 due to ongoing revision of KLK's time bound plan which they only were able to finalise and submit to RSPO in 2022. The TBP approval from RSPO was made on the 15 th of November 2022.

2.4 Multiple Management Unit Audit Agenda		
Date	Location	Agenda
30-07-20	Remote (MS Teams)	10:00 – 10:30 - Opening meeting
		10:30 – 15:30 - Document review, Interviews with respect to verification of section 4.5 of the RSPO Systems 2017
		15.30 – 16.00 Interim closing meeting
28-10-22	Remote (MS Teams)	10:00 – 10:30 Opening meeting
		10:30 – 15:30 Document review, Interviews with respect to verification of section 5.5 of the RSPO Systems 2020
		15.30 – 16.00 Interim closing meeting
19-05-22	Desk Review of the approved TBP	-

PART 3: AUDIT PROCESS

3.1 About the Certification Body

Control Union Certifications is a member of the Control Union – an international inspection and certification body. CUC performs assessments and certification in many agricultural based fields such as FSC, RSPO, and Organic production, Sustainable Textile Production, Organic Exchange, GLOBALGAP, HACCP, BRC, GMP and GTP.

Control Union (Malaysia) Sdn Bhd is accredited for RSPO (ASI-ACC-069) for the scope of P&C (Single Site & Group) and SCCS worldwide and accredited by Department of Standards Malaysia (DSM) for ISO 17021, ISO 9001, ISO 14001, and MSPO. When requested, a copy of accredited certificates can be obtained from CUC.

3.2 Audit Team		
Role	Name	Audit Criteria
Lead auditor	Fadly Ahmad	RSPO SCC, 3.1.1-3.3.3, 3.6.1-3.8.17, 5, 6.7, 7.1.1-7.2.11, 7.4.1-7.6.3, 7.10.1-7.10.3
Transparency and Social	Yugeswaran Muthaiah	1.1.1-1.2, 3.4, 3.5.1-3.5.2, 4.1.1-4.3.1, 6.1.1-6.6.2,
Legal & Environmental	Afiq Aliyyudin Bin Othman	2.1.1-2.3.2, 3.4, 4.4.1-4.8.4, 7.3.1-7.3.3, 7.7.1-7.9.1, 7.11.1-7.12.8

3.2.1 Qualifications of the Lead Auditor

Requirement	Qualifications
Post-high school/secondary school training in related disciplines, such as agriculture, environmental science or social sciences;	Postgraduate study in Plantation management background and graduated from UiTM Malaysia. Bachelors (Hons) in Plantation Science and Management.
Five years' professional experience in an area of work relevant to the audit (e.g. palm oil management; agriculture, ecology; social science);	Experienced 6 years in oil palm plantation as Assistant Manager and another 6 years in certification body as Auditor and Lead Auditor.
Demonstrable understanding of the RSPO Certification Systems;	Passed RSPO Lead Auditor Course Plus in January 2018. Involved in RSPO and MSPO audit since March 2017 for best practices, environmental and social aspect for various countries that has been conducted in Malaysia, Indonesia, Papua New Guinea and Ivory Coast.
Successful completion of an ISO 19011 auditing course or lead auditor courses for ISO 9000 or ISO 14000;	Successfully completed ISO 14001-2015 LA Course in year 2017. ISO 9001:2015 LA Course in 2020.
Successful completion of an RSPO endorsed P&C lead auditor course;	Completed RSPO Endorsed Lead Auditor Course with David Ogg & Partner in January 2018 and refresher training in 2020
A supervised (by a registered lead auditor) period of training in practical assessments against the RSPO P&C, with a minimum of 15 days' assessment experience in at least three assessments	Has undergo supervised audit against the RSPO P&C standard by the senior auditor of Control Union Malaysia.
Signed code of conduct.	Yes
General knowledge of:	
• RSPO P&C standards.	Yes
• CUC organizational structure.	Yes
• CUC quality systems.	Yes

• Lead auditor role.	Yes
• Report writing.	Yes
• Stakeholder consultation.	Yes
• Certification decision process.	Yes
• RSPO SCCS program manual.	Yes
• CUC filing systems.	Yes
• Correct use of RSPO trademarks.	Yes
• History and objectives of RSPO.	Yes
• CV available.	Yes
Completion of CUC RSPO lead auditor training.	Yes

3.2.2 Qualifications of the Assessment Team members		
RSPO Requirement	Team Member Name	Qualifications
Fluent in main local languages and English.	Yugeswaran Muthaiah	Fluent in Malay and English
	Afiq Aliyyudin Bin Othman	Fluent in Malay and English
Successfully completed an RSPO endorsed P&C lead auditor course (for all auditors on the team);	Yugeswaran Muthaiah	Successfully completed certified Lead Auditor Course for MSPO P&C, MSPO SCCS, ISO 9001:2015, ISO 14001:2015, Forest Stewardship Council (FSC) Chain of Custody, Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody and SA8000. Sound knowledge on health and safety aspect and best practices implementation in plantation
	Afiq Aliyyudin Bin Othman	More than 4 years experience working as Lead Auditor with several certification bodies. Attended RSPO P&C LA Course, RSPO SCC LA Course, MSPO Auditor Course, MSPO SCCS Auditor Course, IRCA ISO 9001 LA Course, IRCA ISO 14001 LA Course, PEFC COC Auditor Course and CePSWaM.
Field experience in the palm oil sector	Yugeswaran Muthaiah	Graduated from Universiti Malaysia Terengganu (UMT), majoring in B. Sc. Nautical Science & Maritime Transportation with 7 years working experience in Palm Oil Plantation at Malaysia and Papua New Guinea (PNG). Sound knowledge on health and safety aspect and best practices implementation in plantation
	Afiq Aliyyudin Bin Othman	Bachelor in BSc Marine Technology. Over 4 years experience working as sustainability in charge with a government linked plantation company (HQ & Sarawak Region).
Familiarity with Best Agricultural Practices, and Integrated Pest Management, pesticide and fertilizer use;	Yugeswaran Muthaiah	Graduated from Universiti Malaysia Terengganu (UMT), majoring in B. Sc. Nautical Science & Maritime Transportation with 7 years working experience in Palm Oil Plantation at Malaysia and Papua New Guinea (PNG). Sound knowledge on health and safety aspect and best practices implementation in plantation

<p>Experience in health and safety auditing on the farm/plantation and in processing facilities, for example against the BS OHSAS 18001 Occupational Health and Safety Management standard (note: ISO 45001 has been published and is intended to replace BS OHSAS 18001);</p>	<p>Yugeswaran Muthaiah</p>	<p>Graduated from Universiti Malaysia Terengganu (UMT), majoring in B. Sc. Nautical Science & Maritime Transportation with 7 years working experience in Palm Oil Plantation at Malaysia and Papua New Guinea (PNG). Successfully completed certified Lead Auditor Course for MSPO P&C, MSPO SCCS, ISO 9001:2015, ISO 14001:2015, Forest Stewardship Council (FSC) Chain of Custody, Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody and SA8000. Sound knowledge on health and safety aspect and best practices implementation in plantation</p>
	<p>Afiq Aliyyudin Bin Othman</p>	<p>Bachelor in BSc Marine Technology. Over 4 years experience working as sustainability in charge with a government linked plantation company (HQ & Sarawak Region). More than 4 years experience working as Lead Auditor with several certification bodies. Attended RSPO P&C LA Course, RSPO SCC LA Course, MSPO Auditor Course, MSPO SCCS Auditor Course, IRCA ISO 9001 LA Course, IRCA ISO 14001 LA Course, PEFC COC Auditor Course and CePSWaM. Responsible for verification assessment of NDPE IRF, Pepsico Protocol, Nestle Traceability Program, ADM Traceability Protocol, Unilever VDF Protocol, TTM and TTP</p>
<p>Worker welfare issues and social auditing experience, such as experience with the SA8000 Standard or related social or ethical accountability codes;</p>	<p>Yugeswaran Muthaiah</p>	<p>Successfully completed certified Lead Auditor Course for MSPO P&C, MSPO SCCS, ISO 9001:2015, ISO 14001:2015, Forest Stewardship Council (FSC) Chain of Custody, Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody and SA8000</p>
<p>Experience in environmental and ecological auditing or assessments, such as experience with High Conservation Value (HCV) assessments, organic agriculture or the ISO 14001 Environmental Management Systems standard;</p>	<p>Yugeswaran Muthaiah</p>	<p>She has qualification in ISO 9001, 14001, 45001, SA8000, RSPO P&C 2018, RSPO SCCS, MSPO SCC and MSPO P&C.</p>
	<p>Afiq Aliyyudin Bin Othman</p>	<p>Has completed and passed Lead Auditor course for Integrated Management System (9001,45001, and 14000),RSPO, ISCC , and MSPO.</p>
<p>Experience in land rights, gender and indigenous peoples' issues;</p>	<p>Yugeswaran Muthaiah</p>	<p>She has qualification in ISO 9001, 14001, 45001, SA8000, RSPO P&C 2018, RSPO SCCS, MSPO SCC and MSPO P&C</p>

3.3 Audit Methodology

3.3.1 General Overview

The Audit was carried out in conformity with the procedures as laid down in the CUC Procedure Manual and the RSPO Program Manual for the auditors and Certifier. During the Audit the qualified CUC auditors used the RSPO standard as endorsed for the country in which the audit took place and recorded their findings.

Workers and local communities were interviewed and evidence sought to confirm ongoing compliance to include:

- **Chemical stores.** Storage, MSDS leaflets, Herbicide mixing areas, PPE, Ventilation, Security.
- **Field inspections.** Herbicide application programs. Harvesting sites and efficiency. Fertilizing operations. SOP's. Soil maps. Land preparation. Ground cover. IPM. First aiders and boxes. Ground cover. Soil erosion. Field observations of all operations.
- **Worker interviews.** OSH. Sexual, religious, racial harassment. Pay and contracts. Child labor. First aid. Awareness.
- **Re-planting sites.** Zero burn.
- **HCV's.** Identification. Management plans. Environmental Impact Assessments. Implementation.
- **Riparian zones.** Width. Current and future management. Non maintenance regimes.
- **Water management.** Water courses. Water monitoring.
- **Road maintenance.** Run off.
- **Social amenities.** Social Impact Audits.
- **Local communities.** Contributions made. Employment opportunities. Social impacts. Complaints procedures.
- **Workshops.** Oil traps. Safe working environment. PPE. Diesel tanks. Environmental waste management.
- **Line sites.** Interviews with householders. Inspection of water discharge points. Water improvement plans. Waste disposal.
- **Documentation review.**

The Palm Oil Mill audit verification included the following activities:

- **Mill and workshop inspections.** Documentation review & worker interviews.
- **Mill.** SOP's. Safe working environment. Gen sets. Walk ways. Signs. EFB. POME treatment. Emissions. Mass balance. Diesel tanks. PPE. Fire extinguishers. First aiders and boxes. Fuel and water usage.
- **OSH.** Training. Management structure. First aiders.
- **Full document review.** Completion of the checklist. Review and documentation of evidence. All aspects of RSPO P&C's applicable.
- **Worker interviews.** OSH. Sexual, religious, racial harassment. Pay and contracts.
- **Compliance against the RSPO SCCS certification scheme.**

Verification:

Verification of implementation was done through field observations, workshop and chemical store inspections, worker and community interviews and mill inspections as summarized above.

3.3.2 Assessment agenda for this Audit

Date	Location	Main activities
5th December 2022 (Monday)	KLK Pinang POM	0800 – 0830: Opening meeting <ul style="list-style-type: none"> • Introduction by team leader
		0830 – 1700: Document review <ul style="list-style-type: none"> • Document review [EIA, SIA, CIP, Business Plan] • Complaint mechanism / Request & respond 0830 – 1700: Document review Supply Chain Certification Assessment Mill under Criteria 3.8.

		<ul style="list-style-type: none"> • Demonstration of legal entity • Roles and responsibility • Procedures/manual/SOP • Record of purchase – RSPO certified product • Record of sales– RSPO certified product • RSPO logo & claims <p>Site verification</p> <ul style="list-style-type: none"> • Mill inspection • Workshops • Stores • POM application • Safety and Health / PPE / Signage • Waste Management / Environment • Workers interview • Stakeholder consultation if required.
6th December 2022 (Tuesday)	Ladang Pinang	<p>0800 – 1700: Document review</p> <ul style="list-style-type: none"> • Document review [EIA, SIA, CIP, Business Plan] • Complaint mechanism / Request & respond • Best agricultural practices • Safety and Health <p>Site verification</p> <ul style="list-style-type: none"> • Best agricultural practices • Manuring, Spraying, Harvesting, • HCV / Conservation Area • Legal compliance / boundary • Chemical / Pesticide / Fertilizer Stores • Workers interview • Worker’s facilities (housing, pay, etc) • Stakeholder consultation if required. <p>Stakeholder Consultation: 1000 – 1200: Meeting</p> <p>(As per Annex 1 above)</p>
7th December 2022 (Wednesday)	Ladang Pangeran	<p>0800 – 1700: Document review</p> <ul style="list-style-type: none"> • Document review [EIA, SIA, CIP, Business Plan] • Complaint mechanism / Request & respond • Best agricultural practices • Safety and Health <p>Site verification</p> <ul style="list-style-type: none"> • Best agricultural practices • Manuring, Spraying, Harvesting, • HCV / Conservation Area • Legal compliance / boundary • Chemical / Pesticide / Fertilizer Stores • Workers interview • Worker’s facilities (housing, pay, etc) • Stakeholder consultation if required.
8th December 2022	Ladang Jatika Ladang	<p>0800 – 1700: Document review</p> <ul style="list-style-type: none"> • Document review [EIA, SIA, CIP, Business Plan]

(Thursday)	Sigalong	<ul style="list-style-type: none"> Complaint mechanism / Request & respond Best agricultural practices Safety and Health <p>Site verification</p> <ul style="list-style-type: none"> Best agricultural practices Manuring, Spraying, Harvesting, HCV / Conservation Area Legal compliance / boundary Chemical / Pesticide / Fertilizer Stores Workers interview Worker's facilities (housing, pay, etc) Stakeholder consultation if required.
9th December 2022 (Friday)	KLK Pinang POM	<p>0800 – 1000: Preparation for closing meeting Additional field visits and meetings with managers as necessary</p> <p>1000: closing meeting</p> <ul style="list-style-type: none"> Presentation of findings by the audit team NC closure dateline (if any) Questions and answers Final summary by team leader <p>End of assessment</p>

PART 4 ASSESSMENT FINDINGS

4.1 Lead Assessor's Summary and Recommendation for Certification

The mill and supply bases visited were assessed at field, office, facilities, stores and a document review was carried out in accordance to the RSPO principles and criteria. The subscribed RSPO management system's documentations seen with minor changes that due to internal external influenced factors that in relation to scope of certification.

During the audit process, the auditors had extensive interviews session with Estate Managers, Mill Manager, members of workers' union and committee took place in both formal and informal environments and worker interviews were conducted at the supply base and the mill. The management is highly committed in maintaining the RSPO system by adopting continuous improvement programs.

There were a few suggestions or feedbacks received during the audit or during the stakeholders meeting via phone conversation. Under multiple management units, there is a time-bound plan established. For further clarification on MMU, see PART 2 above.

The RSPO concept of having stakeholder consultation prior to any negotiation has benefited all parties which have always been in systematic and legal ways. The mill is fully verified according to RSPO P&C Criteria 3.8 for mills.

Summary of Non-Conformance and Current Status

During the assessment there 1 Non-Conformance has been raised.

It is therefore the recommendation of the lead assessor that:

- A certificate of compliance is maintained.

Signed:



Name: Fadly Ahmad
Date: 28 February 2023

4.2 Summary of the findings by Principles and Criteria

- Over the 5 year period of the life of the certificate, there will be 4 annual surveillance audits
- Identified Non-Conformities and noteworthy Positive and Negative Observations.
- The RSPO require that this report contain findings by each principle and some example criteria. Please see table below.

Principle 1: Behave ethically and transparently

Indicator	Summary of Findings	Compliance (Y/N/NA) and NC#
1.1.1 (C)	<p>Pinang Complex</p> <p>Documents that are specified in the RSPO P&C are made available to the public. There are 90 documents that were made available to the public which can be seen posted at the notice board within the mill and estates area and is available upon request. List of publicly available documents (Ref. Doc.: References Document List SOP: 9.0 Appendix: 4.0 Rev.: 3/2 Date: 01/01/2021). Out of 117 documents, 90 documents are publicly available such as:</p> <ol style="list-style-type: none"> 1) RSPO 1 – Commitment to Transparency 2) RSPO 2 Compliance with Applicable Laws & Regulations 3) RSPO 3 Commitment to Long Term Economic & Financial Stability 4) RSPO Circulars 5) Social Impact Assessment (SIA) 6) SOP 3 – Land Acquisition (OP Planting) 7) OSH 1 – Management Review 8) LP 7 – Accountant Memo <p>The document for Pinang Estate was prepared by Abdul Arif Arham (Asst. Manager) and verified by Mark Dayao (Manager) on 19/09/2022.</p> <p>The document for Pinang POM was prepared by Jumansnah M. Repai (Asst. Manager) and verified by Jamaluddin B. Saparuddin (Mill Assistant) on 23/09/2022.</p> <p>KLK's website also uploaded documents available for public such as whistleblowing policy and group policy which is downloadable via the link below:</p> <p>https://www.klk.com.my/group-policies/ - Retrieved on 5th November 2021</p>	Yes

	<p>The list of publicly available documents was also explained during the Stakeholder Meeting which conducted on 28/09/2022 at KDC Clubhouse and attended by 63 stakeholders (Ref. Doc.: Minit Mesyuarat Pihak Berkepentingan 2022 Bahagian Tawau).</p> <p>Pinang Estate</p> <p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct for Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 158 employees on 20/5/2022 by Abdul Arif at Pinang Estate Office (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021)</p> <p>Pinang POM</p> <p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 82 employees on 22/04/2022 by Jamaluddin bin Saparuddin at Pinang POM Training Centre (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Jatika Estate</p> <p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 87 employees on 10/08/2022 by Mohd Fazlan Nurdin at Jatika Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pangeran Estate</p> <p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 178 employees on 05/01/2022 by Bhertson. R at Pangeran Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Sigalong Estate</p> <p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 197 employees on 12/01/2022 by Augustine Willy at Sigalong Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p>	
1.1.2	<p>Pinang Complex</p> <p>The 90 publicly available mentioned above/ has dual language as seen during the audit. The main document language that is used is English, but</p>	Yes

	<p>the company also has documents written in Bahasa Malaysia. As mentioned in 1.1.1, the documents are available upon request and is posted at the notice board in the mill and estates.</p> <p>Pinang Mill Complex</p> <p>The list of publicly available documents was also explained during the Stakeholder Meeting which conducted on 28/09/2022 at KDC Clubhouse and attended by 63 stakeholders (Ref. Doc.: Minit Mesyuarat Pihak Berkepentingan 2022 Bahagian Tawau).</p> <p>Pinang Estate</p> <p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct for Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 158 employees on 20/5/2022 by Abdul Arif at Pinang Estate Office (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021)</p> <p>Pinang POM</p> <p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 82 employees on 22/04/2022 by Jamaluddin bin Saparuddin at Pinang POM Training Centre (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Jatika Estate</p> <p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 87 employees on 10/08/2022 by Mohd Fazlan Nurdin at Jatika Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pangeran Estate</p> <p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 178 employees on 05/01/2022 by Bhertson. R at Pangeran Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Sigalong Estate</p> <p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 197 employees on 12/01/2022 by Augustine Willy at Sigalong Estate Muster Ground (Ref. Doc.: Training Needs Analysis,</p>	
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	Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).																																																					
1.1.3 (C)	<p>Pinang Complex</p> <p>The management has developed SOP for requests for information and responses (Ref. Doc.: Stakeholders Engagement/Negotiation SOP: 1.0 Issue/Rev.: 5/4 Date: 01/01/2021). Under Engagement of the SOP covers Request & Response, Consultation & Communication and Complaint & Grievances. The management is using Buku Log Pihak Berkepentingan (SOP: 1.0 Appendix: 2B Rev.: 4/3 Date: 01/01/2021 to record the requests for information and responses.</p> <p style="text-align: center;">Pinang Estate</p> <table border="1" data-bbox="512 609 1126 1070"> <thead> <tr> <th>Date</th> <th>Stakeholder</th> <th>Matter</th> <th>Date Response</th> </tr> </thead> <tbody> <tr> <td>10/11/22</td> <td>Muhammad Airin bin Pasih – Sime Darby</td> <td>Requirement of machinery – tractor (New Holland)</td> <td>10/11/22</td> </tr> <tr> <td>21/10/22</td> <td>Ramla binti Muhammad – HUMANA</td> <td>Chairs, Tables, Lamps and Toilet Door</td> <td>21/10/22</td> </tr> <tr> <td>10/11/22</td> <td>Agus B. Samsuddin</td> <td>Lamps</td> <td>10/11/22</td> </tr> </tbody> </table> <p style="text-align: center;">Jatika Estate</p> <table border="1" data-bbox="512 1137 1126 1303"> <thead> <tr> <th>Date</th> <th>Stakeholder</th> <th>Matter</th> <th>Date Response</th> </tr> </thead> <tbody> <tr> <td>04/04/22</td> <td>Rasman Hamja Jumsah</td> <td>Electricity supply</td> <td>04/04/22</td> </tr> </tbody> </table> <p style="text-align: center;">Pangeran Estate</p> <table border="1" data-bbox="523 1368 1115 1601"> <thead> <tr> <th>Date</th> <th>Stakeholder</th> <th>Matter</th> <th>Date Response</th> </tr> </thead> <tbody> <tr> <td>13/04/22</td> <td>Azrina Tasim</td> <td>Ceiling</td> <td>25/04/22</td> </tr> <tr> <td>03/11/22</td> <td>Hafiz Safwan</td> <td>ECR Monitoring</td> <td>03/11/22</td> </tr> </tbody> </table> <p style="text-align: center;">Sigalong Estate</p> <table border="1" data-bbox="512 1666 1126 1863"> <thead> <tr> <th>Date</th> <th>Stakeholder</th> <th>Matter</th> <th>Date Response</th> </tr> </thead> <tbody> <tr> <td>24/10/22</td> <td>Aripin bin Abdullah</td> <td>Request for chair, lamps and canvas</td> <td>25/10/2022</td> </tr> </tbody> </table> <p style="text-align: center;">Pinang POM</p> <table border="1" data-bbox="512 1928 1126 1993"> <thead> <tr> <th>Date</th> <th>Stakeholder</th> <th>Matter</th> <th>Date Response</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Date	Stakeholder	Matter	Date Response	10/11/22	Muhammad Airin bin Pasih – Sime Darby	Requirement of machinery – tractor (New Holland)	10/11/22	21/10/22	Ramla binti Muhammad – HUMANA	Chairs, Tables, Lamps and Toilet Door	21/10/22	10/11/22	Agus B. Samsuddin	Lamps	10/11/22	Date	Stakeholder	Matter	Date Response	04/04/22	Rasman Hamja Jumsah	Electricity supply	04/04/22	Date	Stakeholder	Matter	Date Response	13/04/22	Azrina Tasim	Ceiling	25/04/22	03/11/22	Hafiz Safwan	ECR Monitoring	03/11/22	Date	Stakeholder	Matter	Date Response	24/10/22	Aripin bin Abdullah	Request for chair, lamps and canvas	25/10/2022	Date	Stakeholder	Matter	Date Response					Yes
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		13/09/22	Sharifah Lenary Abu Bakar	MPOB monthly statement, FFB grader	13/09/22	
		24/10/22	Dady Yangsa b. Badaway	Fogging	26/10/22	
1.1.4 (C)	<p>Pinang Complex SOP is developed by the unit of certification for consultation and communication between the company and all relevant stakeholders (Ref. Doc.: Stakeholders Engagement/Negotiation SOP: 1.0 Issue/Rev.: 5/4 Date: 01/01/2021). Under Engagement of the SOP covers Request & Response, Consultation & Communication and Complaint & Grievances.</p> <p>SOP been communicated to the relevant stakeholders using appropriate mechanisms and in languages understood by nominated representatives during the Stakeholders' Meeting which conducted on 28/09/2022 at KDC Clubhouse and attended by 63 stakeholders (Ref. Doc.: Minit Mesyuarat Pihak Berkepentingan 2022 Bahagian Tawau).</p> <p>The invitation to the stakeholders for stakeholder meeting which sent via email on 26/09/2022 by Mark Dayao (Pinang Estate). Invitation was sent to:</p> <ol style="list-style-type: none"> 1) Powerco Trading Sdn. Bhd. 2) Hong Xin Hardware 3) CK General Parts & Supplies <p>Pinang Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct for Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 158 employees on 20/5/2022 by Abdul Arif at Pinang Estate Office (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021)</p> <p>Pinang POM The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 82 employees on 22/04/2022 by Jamaluddin bin Saparuddin at Pinang POM Training Centre (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Jatika Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 87 employees on 10/08/2022 by Mohd Fazlan Nurdin at Jatika Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p>					Yes

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1.1.5	<p>Pinang Estate Internal Stakeholder – 7 (E.g.: Toko Suka Ramai, HTH Communication) Smallholder – 6 (E.g.: Major Gain Sdn. Bhd., Syarikat Kon Pau Sdn. Bhd.) Supplier – 23 (E.g.: ATSB Commercial Truck Sdn Bhd., TCIM Sdn. Bhd.) Contractor – 3 (E.g.: Syarikat Kekal Unggul) Government Body – 15 (E.g.: Balai Polis Daerah Semporna, SK Kalumpang)</p> <p>Pinang Estate has provided a list of stakeholders with their nominated representatives which updated by Abdul Arif Arham (Asst. Manager) on 01/10/2022 (Ref. Doc.: Stakeholder List SOP: 1.0 Appendix: 1.0 Rev.: 3/2 Date: 01/01/2021).</p> <p>Pangeran Estate Government – 21 (E.g.: Sabah Electricity SESB, SOSCO) External Stakeholder – 7 (E.g.: DAB OH Sdn. Bhd., Felda Bulkens Sdn. Bhd.) Smallholder – 15 (E.g.: Major Gain Sdn. Bhd., Syarikat Kon Pau Sdn. Bhd.) Suppliers/Contractors – 86 (E.g.: Edaran Badang Sdn. Bhd., Palmtech Enterprise) Surrounding Stakeholder – 13 (E.g.: Lim Yit Siong)</p> <p>Pangeran Estate has provided a list of stakeholders with their nominated representatives which updated by Nurlaeli Anwar (Sustainability In-Charge) on 01/08/2022 (Ref. Doc.: Stakeholder List SOP: 1.0 Appendix: 1.0 Rev.: 3/2 Date: 01/01/2021).</p> <p>Jatika Estate Government – 18 (E.g.: DOSH, SOSCO) NGO – 12 (E.g.: WWF Malaysia, Sabah Environmental Protection Association) Suppliers/Contractors – 108 (E.g.: Agri Machinery & Part, Visamaju Parts Supplies Sdn. Bhd.) Smallholder – 27 (E.g.: Ladang Watshon, Ladang Motor Krap)</p> <p>Jatika Estate has provided a list of stakeholders with their nominated representatives which updated by Ruhaidah (Sustainability In-Charge) on 10/08/2022 (Ref. Doc.: Stakeholder List SOP: 1.0 Appendix: 1.0 Rev.: 3/2 Date: 01/01/2021).</p>	Yes

	<p>Sigalong Estate Government – 19 (E.g.: DOE, SOSCO) External Stakeholder – 8 (E.g.: DAB OH Sdn. Bhd., Klinik Mabello) Internal Stakeholder – 11 (E.g.: Jatika Estate, Pinang Estate) Suppliers/Contractors – 30 (E.g.: UMW Toyota, Lee Sen Air-Cond & Electrical Services) Surrounding Stakeholder – 2 (E.g.: Brousted Segaria Estate)</p> <p>Sigalong Estate has provided a list of stakeholders with their nominated representatives which updated by Augustine Willy (Assistant Manager) on 29/09/2022 (Ref. Doc.: Stakeholder List SOP: 1.0 Appendix: 1.0 Rev.: 3/2 Date: 01/01/2021).</p> <p>Pinang POM Government & NGO – 26 (E.g.: DOE, SOSCO) Internal Stakeholder – 19 (E.g.: Jatika Estate, Pinang Estate) Suppliers/Contractors – 94 (E.g.: Alee Sports Trading, Acoxgas Sdn. Bhd.) Buyers & Transporter – 18 (E.g.: Bunge Asia Pte. Ltd., Kwantas Edible Oil Sdn. Bhd.)</p> <p>Pinang POM has provided a list of stakeholders with their nominated representatives which updated by Jumasnah binti Muhd Repai (Clerk) on 29/10/2022 (Ref. Doc.: Stakeholder List SOP: 1.0 Appendix: 1.0 Rev.: 3/2 Date: 01/01/2021).</p>	
1.2.1	<p>There are no changes to KLK’s policy for ethical conduct as of the time of audit.</p> <p>The Unit of Certification has established ethical conduct policy for the whole operations. This policy constitutes as part of KLK Sustainability Policy signed by the CEO, Tan Sri Dato’ Seri Lee Oi Hian dated 30/8/2018.</p> <p>The policy statement as below: 4. GOVERNANCE 4.1 Business Integrity • Conduct business in an honest and ethical manner; and comply with applicable laws and regulations.</p> <p>The policy is available in Bahasa Melayu and English in the KLK’s website and posted at the estates and mill noticeboards.</p>	Yes
1.2.2	<p>KLK conducts their annual internal audit where to ensure compliance are in place on the implementation of the policy and the overall ethical business practice.</p> <p>This can be seen in the internal audit report which was conducted in August 2022 for each unit. From the internal audit checklist, it can be seen that KLK uses indicators from RSPO to conduct the internal audit.</p> <p>The internal audit conducted as below: 1) Pangeran Estate – 16/08/2022 2) Singalong Estate – 17/08/2022 3) Pinang Palm Oil Mill – 19/08/2022 4) Pinang Estate – 18/08/2022 5) Jatika Estate – 18/08/2022</p>	Yes

	<p>For Pinang Mill Complex, the monitoring of the implementation compliance consists of time bound implementation plan, compliance protocol as well as independent verification of policy compliance as sighted from the management review.</p> <p>The Management Review conducted (Ref. Doc.: Tawau Region Sustainability Management Meeting Minute) as below:</p> <p>1) Pinang Palm Oil Mill Complex – 26/10/2022</p> <p>Pinang POM has conducted Management Review on 31/10/2022 to ensure compliance are in place on the implementation of the policy and the overall ethical business practice (Ref. Doc.: Mesyuarat Semakan Semula Pengurusan Bagi Tahun 2022).</p>	
Principle 2: Operate legally and respect rights		
Indicator	Summary of Findings	Compliance (Y/N) and NC#
2.1.1 (C)	<p>List and Summary of Applicable Laws and Regulations (SOP 2.0, Appendix 1.0 Issue/Rev 3/2) issued on 1st January 2021 and updated has been done on 5/10/22 regarding:</p> <ul style="list-style-type: none"> • National Wages Consultative Council Act 2011 (Act 732) <ul style="list-style-type: none"> ○ Minimum Wages Order 2022 • Use and Standard of Exposure of Chemical Hazardous to Health (USECHH 2022) • Classification, Labelling and Safety Data Sheet of Hazardous Chemical (CLASS Regulation 2013) • Guideline on Occupational Safety and Health in Agriculture, 2002 • Fire Service Act 1988 <p>The list states the applicable requirements, current status and parts applicable (mill/estate).</p> <p>The list of legal Includes 67 applicable laws such as (International and local):</p> <ul style="list-style-type: none"> • Environmental Quality Act 1974 (Act 127) • OSHA 1994 (Act 514) • Poisons Act and Regulations 1952 (Act 366) • Malaysia Palm Oil Board Act 1998 (MPOB) Act 582 • Sabah Labour Ordinance 1979 (Cap.67) • Land Ordinance (Cap. 68) • ILO Forced Labour convention 1930 (No.29) • C138 Minimum Age Convention 1973 • FMA Repeal Act 2022 • Pesticide Act and Regulations 1974 (Act 149) • Sabah Biodiversity Enactment 2000 • Sabah Wildlife Conservation Enactment 1997 • Personal Protection Data Act 2019 (Act 709) • Malaysia Anti-Corruption Commission 2009 (Act 694) 	Yes

	<ul style="list-style-type: none"> • Employment Insurance System (EIS) 2017 (Act 800) • Sexual Offences against Children’s Act 2017 • Anti-Trafficking in Persons & Anti-Smuggling Act 2007 (APTISOM Act) (Act 670) • Employees Minimum Standards of Housing, Accommodations and Amenities (Amendment) Ordinance 2021 <p>Pinang POM</p> <p>Legal compliance checklist SOP 2.0 (permit/Licenses) prepared and updated by Mrs. Jumasnah Bt. Muhd Repai (Sust. In Charge) on 24/11/2022 and verified by Mr. Jamaluddin Bin Saparuddin (Mill Engineer).</p> <ul style="list-style-type: none"> • Permit Pemotongan Daripada Gaji Pekerja Seksyen 113(4), Ordinan Buruh (Sabah Bab 67), JTKSBH/PMT/113/2021/0219, valid until 1/7/2023. • Lesen Bagi Pemasangan Persendirian (GENSET) No Lesen: 2022/02081, Serial Number 56751, Capacity 2,400 kW valid until 13/8/2023 • Control Goods Permit (Diesel) S005629 for 36,000L diesel valid until 20/1/2023 • Perakuan Penentuan Timbang dan Sukat (Borang D), B 1700975. Inspection done on 14/4/2022 • Form A, Poisons Ordinance 1952, Permit to Purchase, Store and Use Sodium Hydroxide for water treatment SC0059/2022 (5000 kg of liquid NaOH) dated 24/1/2022 • Perakuan Bomba (Fire Cert) 319740, JBPM:SB/7/144/2022, valid until 11/8/2023 • Quit rent payment has been done on with receipt no Geran No: 125317562 dated 18/4/2022 • Cess payment receipt: 36250 dated 9/6/2022 • Permit for air compressor (PMT-SB/21 48093) for SB PMT 11177 valid until 8/3/2023 • Permit for Steriliser 2 (PMT-SB/21 47865) for PMT 122013 valid until 8/3/2023 • Permit for Filter Vessel (PMT-SB/21 48077) for PMT 122006 valid until 8/3/2023 • Permit for Steam Receiver (PMT-SB/21 47596) for PMT 122004 valid until 8/3/2023 • MPOB license (500319104000) valid until 28/2/2023, Menjual dan Mengalih PK, CPO, PPO, SPO #, Membeli dan mengalih FFB#, Menyimpan PK, CPO, SPO #, Mengilang FFB #. 264,000 MT FFB/Year. • Jabatan Alam Sekitar (DOE) JPKKS/12/004524 valid until 30/6/2023 • DOE – Pelanggaran (005169) valid until 31/12/2022 • CePPOME/00235: Basri Bin Baco as registered in National Registry of Certified Environmental Professionals 	
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	<ul style="list-style-type: none"> • CePSWaM/2217781: Basri Bin Baco as registered in National Registry of Certified Environmental Professionals • Lesen untuk Menggaji Pekerja Bukan Pemastatautin (JTK.H.SMP 600-4/1/C/153/11) valid until 24/2/2023), 70 Indonesians and 3 Philippines <p>Pinang Estate</p> <p>Legal compliance checklist SOP 2.0 (permit/Licenses) prepared and updated by Mrs. Nur Syafiqah Amis (Sust. In Charge) on 19/9/2022 and verified by Mr. Abdul Arif Bin Arham (Asst. Manager.)</p> <ul style="list-style-type: none"> • Lesen untuk Menggaji Pekerja Bukan Pemastatautin (JTK.H.SMP 600-4/1/A01/110/10) valid until 12/3/2023) • Permit Pemotongan Daripada Gaji Pekerja Seksyen 113(4), Ordinan Buruh (Sabah Bab 67), JTKSBH/PMT/113/2021/0232, valid until 7/7/2023. • Perakuan Kelayakan Pengandung tekanan tak berapi (Air Compressor) PMT-SB/21 47678 (SB PMT 1253) valid until 8/3/2023 • Permit Barang Kawalan Berjadual, S005633, Diesel 16,000 Liter, Petrol 800 Liter valid until 20/1/2023 • Lesen Bagi Pemasangan Persendirian (GENSET) No Lesen: 2022/00987, Serial Number 55130, Capacity 140 kW valid until 11/5/2023 • Trading License (10021773) valid until 31/12/2022 • MPOB License (563302102000) valid until 31/7/2023, Menjual dan Mengalih FFB#. • License to Practice as Dresser, 03471, Dresser's Name Baldev Singh valid until 31/12/2022 <p>Jatika Estate</p> <p>Legal compliance checklist SOP 2.0 (permit/Licenses) prepared and updated by Mr. Ridwansyah Bin Ahmadi (Asst. Manager) on 20/9/2022 and verified by Mr. Syafiq Ho Abdullah (Sr. Manager)</p> <ul style="list-style-type: none"> • MPOB Licences (604464002000) valid until 30/11/2022, Menjual dan Mengalih FFB #. • Lesen untuk Menggaji Pekerja Bukan Pemastautin (JTK.H.SMP. 600-4/1/A01/109/11) valid until 24/3/2023, 154 Indonesian and 100 Philippines. • Trading License (49298) valid until 31/12/2022 • Permit Pemotongan Daripada Gaji Pekerja Seksyen 113(4), Ordinan Buruh (Sabah Bab 67), JTKSBH/PMT/113/2021/0236, valid until 7/7/2023. • Permit Kawalan Barangan Berjadual for diesel 32000L (KPDNHEP.SPN.600-1/7/2013/01(P)) valid until 20/1/2023. • Permit Kawalan Barangan Berjadual for diesel 16000L (KPDNHEP.SPN.600-1/7/2013/05 (P)) valid until 20/1/2023. 	
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	<ul style="list-style-type: none"> • Lesen Pemasangan Sendiri GenSet (2022/00672) Ladang Jatika valid until 3/3/2023 for 165 kW. • Air Compressor Permit (PMT-SB/21 47671) for SB PMT 1247 valid until 8/3/2023 • Air Compressor Permit (PMT-SB/21 47672) for SB PMT 1248 valid until 8/3/2023 • Air Compressor Permit (PMT-SB/21 47673) for SB PMT 1249 valid until 8/3/2023 <p>Pangeran Estate</p> <p>Legal compliance checklist SOP 2.0 (permit/Licenses) prepared and updated by Mrs. Nurlaeli Anwar (Sust. In Charge) on 1/8/2022 and verified by Mr. Mohd Ali Hanafiah T. (Asst. Manager.)</p> <ul style="list-style-type: none"> • MPOB Licences (563307002000) valid until 31/7/2023, Menjual dan Mengalih FFB #. • MPOB Licences Nursery (563525011000) valid until 31/7/2022, Menghasilkan SLGBIJI, SLGTISU #, Menjual dan Mengalih SLGBIJI, SLGTISU #, Menyimpan SLGBIJI, SLGTISU #. • Trading License 49298 valid until 31/12/2022 • Lesen untuk Menggaji Pekerja Bukan Pemastautin (JTK.H.SMP. 600-4/1/A01/113/10) valid until 12/3/2023, 117 Indonesian and 75 Philippines. • Permit Pemotongan Daripada Gaji Pekerja Seksyen 113(4), Ordinan Buruh (Sabah Bab 67), JTKSBH/PMT/113/2021/0231, valid until 7/7/2023. • Permit Kawalan Barangan Berjadual for diesel, Serial Number S005634 (KPDNHEP.SPN.600-1/7/2013/06 (P)), for 18500L valid until 20/1/2023. • Lesen Bagi Pemasangan Persendirian (GENSET) No Lesen: 2022/01776, Serial Number 56320, Capacity 107 kW valid until 30/6/2023 • Air Compressor Permit (PMT-SB/21 47670) for SB PMT 9283 valid until 8/3/2023 <p>Sigalong Estate</p> <p>Legal compliance checklist SOP 2.0 (permit/Licenses) prepared and updated by Mrs. Norsarimah Ismail (Sust. In Charge) on 1/8/2022 and verified by Mr. Augustine Willy B. Olis. (Asst. Manager.)</p> <ul style="list-style-type: none"> • MPOB Licences (577421002000) valid until 30/9/2022, Menjual dan Mengalih FFB #. • Lesen untuk Menggaji Pekerja Bukan Pemastautin (JTK.H.SMP. 600-4/1/A01/112/11) valid until 12/3/2023, 227 Indonesian and 55 Philippines. • Trading License (10021773) valid until 31/12/2022 • Air Compressor Permit (PMT-SB/22 48583) for SB PMT 1250 valid until 9/4/2023 	
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	<ul style="list-style-type: none"> • Air Compressor Permit (PMT-SB/22 48584) for SB PMT 1251 valid until 9/4/2023 • Lesen Bagi Pemasangan Persendirian (GENSET) No Lesen: 2021/02902, Serial Number 52988, Capacity 136 kW valid until 31/12/2022 • Lesen Bagi Pemasangan Persendirian (GENSET) No Lesen: 2022/01444, Serial Number 55907, Capacity 50 kW valid until 9/6/2023 • Lesen Bagi Pemasangan Persendirian (GENSET) No Lesen: 2022/02078, Serial Number 56766, Capacity 80 kW valid until 3/9/2023 • Permit Pemotongan Daripada Gaji Pekerja Seksyen 113(4), Ordinan Buruh (Sabah Bab 67), JTKSBH/PMT/113/2022/0127, valid until 7/7/2024. • Permit Kawalan Barangan Berjadual for diesel and Petrol (S001608) for 16000L diesel and 800L petrol valid until 20/1/2023. 	
2.1.2	<p>The management of KL-Kepong (Sabah) has established the Legal Compliance Procedure (SOP 2.0 Issue/Rev 3/2): Documented methodologies where it stated the procedure on how to identify the applicable laws and the source to get the reference of the law.</p> <p>Sustainability Department is responsible to monitor and update the changes in applicable law for the operating unit and source of reference taken are from the federal gazette website, communication with law enforcement, enquiring the law book publisher and announcement from the relevant authorities as stated in the procedure mentioned above. This was evident from an appointment letter dated 8/6/2021.</p> <p>Each of the operating unit (Mill and estates) will have a set of Comprehensive lists which stated the Document/Law, Regulatory authority/Summary, Requirements, and status including international and national law :List and Summary of Applicable Laws and Regulations (SOP 2.0, Appendix 1.0 Issue/Rev 3/2) issued out on 1st January 2021. The latest update has been done on 5/10/22 regarding</p> <ul style="list-style-type: none"> • National Wages Consultative Council Act 2011 (Act 732) <ul style="list-style-type: none"> ○ Minimum Wages Order 2022 • Use and Standard of Exposure of Chemical Hazardous to Health (USECHH 2022) • Classification, Labelling and Safety Data Sheet of Hazardous Chemical (CLASS Regulation 2013) • Guideline on Occupational Safety and Health in Agriculture, 2002 • Fire Service Act 1988 <p>The updated list has been communicated through Sustainability Management review (Tawau Region) on 26/10/2022 as sighted from the minutes prepared by Mrs. Nur Hazriani Binti Hamri, Sustainability Exec and approved by Ms. Shia Bee Gek, Manager.</p>	Yes

	<p>The monitoring of the legal compliances (Permits and License) is recorded in the Legal Compliance checklist (Permits/Licenses) where it listed all the applicable permits and license for each of the mill and estates. The checklist contains the name of the person responsible to maintain/update each of the permit, expiry date, and permit/license number.</p> <p>Pinang POM</p> <p>Legal compliance checklist SOP 2.0 (permit/Licenses) prepared and updated by Mrs. Jumasnah Bt. Muhd Repai (Sust. In Charge) on 24/11/2022 and verified by Mr. Jamaluddin Bin Saparuddin (Mill Engineer)</p> <p>Pinang Estate</p> <p>Legal compliance checklist SOP 2.0 (permit/Licenses) prepared and updated by Mrs. Nur Syafiqah Amis (Sust. In Charge) on 19/9/2022 and verified by Mr. Abdul Arif Bin Arham (Asst. Manager.)</p> <p>Jatika Estate</p> <p>Legal compliance checklist SOP 2.0 (permit/Licenses) prepared and updated by Mr. Ridwansyah Bin Ahmadi (Asst. Manager) on 20/9/2022 and verified by Mr. Syafiq Ho Abdullah (Sr. Manager)</p> <p>Pangeran Estate</p> <p>Legal compliance checklist SOP 2.0 (permit/Licenses) prepared and updated by Mrs. Nurlaeli Anwar (Sust. In Charge) on 1/8/2022 and verified by Mr. Mohd Ali Hanafiah T. (Asst. Manager.)</p> <p>Sigalong Estate</p> <p>Legal compliance checklist SOP 2.0 (permit/Licenses) prepared and updated by Mrs. Norsarimah Ismail (Sust. In Charge) on 1/8/2022 and verified by Mr. Augustine Willy B. Olis. (Asst. Manager.)</p>									
2.1.3	<p>Pinang POM</p> <p>The mill was established on the land title CL105387719 which leased from Sabah state Government for 99 years starting from 1st July 1975 until 30th June 2074. The land already been transferred to KL-Kepong Sabah on 23rd November 2011 from Kalumpang Development Corporation Sdn. Bhd.</p> <p>The legal maps sighted as attached in the land title where it shows the boundary and the area hectarage of the area.</p> <p>Pinang estate</p> <p>Pinang Estate has 18 land titles that covers the total area of 2420 Ha and the Quit rent for each land has been paid by KL-Kepong Sabah on 1st October 2021. Legal drawing map for the estate was stated in the land titles. Sampled land titles are listed below:</p> <table border="1" data-bbox="422 1906 1209 1980"> <thead> <tr> <th>Land title</th> <th>Hectarage (Ha)</th> <th>Quit Rent Receipt</th> <th>Land Purpose</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Land title	Hectarage (Ha)	Quit Rent Receipt	Land Purpose					Yes
Land title	Hectarage (Ha)	Quit Rent Receipt	Land Purpose							

	CL125316976	40.14	122021100000 24	The purpose of the cultivation of oil palm and agricultural crops of economic value
	CL125310410	60.00	122021100000 21	The purpose of the cultivation of oil palm
	CL125316967	10.36	122021100000 22	The purpose of the cultivation of oil palm and agricultural crops of economic value
	CL125314263	71.87	122021100000 30	The purpose of the cultivation of oil palm and agricultural crops of economic value
	CL125317857	12.54	122021100000 29	The purpose of the cultivation of coco, "oil palm"
	CL125317866	12.33	122021100000 28	The purpose of the cultivation of coco, "oil palm"
	CL125317875	12.44	122021100000 26	The purpose of the cultivation of coco, "oil palm"
	CL125317884	11.98	122021100000 25	The purpose of the cultivation of coco, "oil palm"

Quit Rent and Cess have been paid accordingly. This was evident from payment receipts that were made available during the audit. Observed quit rent payment was made on 18/4/2022 whereas for cess, payment was made on 9/6/2022.

Sighted the presence of boundary stone No. 773/993 (N4'25.440" E118'15.620") located at block 14B which indicate the boundary between Pinang estate and Dairy farm. Also sighted a boundary peg number 13 (N 4°25'22.8", E 118°16'06.5") in the same field. The boundary is well maintained and has signboard installed nearby to be identified easily. Also sighted the records of Boundary Stones Monitoring Checklist which was last updated on 14/11/2022.

Jatika Estate
Jatika estate has a total land title of 78 which covers 1976. Ha for Home Division that can be used for the purpose of planting of oil palm Quit Rent and Cess have been paid accordingly. This was evident from payment

receipts that were made available during the audit. Observed quit rent payment was made on 18/4/2022 whereas for cess, payment was made on 1/4/2022. Legal drawing map for the estate was stated in the land titles. Sampled land titles are listed below:

Land title	Hectarage	Quit rent receipt
CL245341217	16.84	24202104000119
CL245341253	17.89	24202104000120
CL245341191	16.79	24202104000121
CL245341226	17.49	24202104000122
CL245341235	17.50	24202104000123
CL245341244	17.08	24202104000124
CL125319039	25.58	12202110000063
CL125312290	42.35	12202110000011
CL125324825	4.66	12202110000070
CL245337937	178.99	24202104000153
PL116291028	160.55	24202104000153

5 Boundary stone available at Jatika estate (Home Division) as seen from the Boundary stone map.

- BS1 located at PM2014A (N4'33.061'E118'17.747)
- BS2 (264/23) located at PM1998A (N4'35.206'E118'17.921)
- BS3 (117/882) located at PM2015A (N4'35.133'E118'16.971)
- BS4 (357/951) located at PM2015A (N4'35.422'E118'17.136')
- BS5 (547/230) located at PM2016D (N4'34.942 E118'17.283)

2 Boundary stone available at Jatika estate (Finari Division) as seen from the Boundary stone map.

- BS1 (731/12A) located at block PR20C – N4'34.32119' E118'19.90775'
- BS2 (731/881) located at _M1993C – N4'68.659'E118'37.54744'

Monitoring and maintenance of the BS has been conducted as verified from the Boundary Stone monitoring checklist last updated on 8/7/2022.

Boundary Pegs also available with total of 151 pegs for Home division to mark the boundary of the estate with the neighbouring estates or smallholder.

Pangeran estate

Pangeran estate has 4 land titles that covers the total area of 2855, Ha. Quit Rent and Cess have been paid accordingly. This was evident from payment receipts that were made available during the audit. Observed quit rent payment was made on 18/4/2022 to Kerajaan Negeri Sabah whereas for cess, payment was made on 9/6/2022 to Majlis Daerah Semporna.

Land titles	Hectarage (Ha)	Quit rent receipt
CL125317562	2508.94	12202110000016
CL125317571	184.63	12202110000018
CL125311079	92.60	12202110000019
CL125318523	68.83	12202110000020

Presence of Boundary stone located at block 2014B and block 2014A as sighted during site visit and referred in Boundary Stone Map last updated on 21st September 2021.

- Boundary stone 5 (499/728) Located at Block 2014B, N04'26.220' E118'15.097'
- Boundary stone 4 (374/118) Located at Block 2014A, N04'26.209' E118'14.477'

Monitoring and maintenance of the BS has been conducted as verified from the Boundary Stone monitoring checklist last updated on 27/9/2022.

Sigalong estate

Sigalong estate has 21 land titles that covers the total area of 2864, Ha. Quit Rent and Cess have been paid accordingly. This was evident from payment receipts that were made available during the audit. Observed quit rent payment was made on 20/4/2022 to Kerajaan Negeri Sabah whereas for cess, payment was made on 9/6/2022 to Majlis Daerah Semporna. Legal drawing map for the estate was stated in the land titles.

Land title	Hectarage (Ha)	Land Purpose
CL125317580	842.54	The purpose of the cultivation of oil palm and agricultural crops of economic value
CL125318809	6.15	The purpose of the cultivation of oil palm
CL125317562	1375.22	The purpose of the cultivation of oil palm and cocoa and crops of economic value
CL126290408	29.14	The purpose of the cultivation of oil palm and cocoa and crops of economic value
CL126290417	29.14	The purpose of the cultivation of oil palm and cocoa and crops of economic value
CL126290426	30.35	The purpose of the cultivation of oil palm and cocoa and crops of economic value
CL126290435	31.16	The purpose of the cultivation of oil palm and cocoa and crops of economic value

	<table border="1" data-bbox="424 219 1227 331"> <tr> <td data-bbox="424 219 655 331">CL126390444</td> <td data-bbox="655 219 863 331">30.76</td> <td data-bbox="863 219 1227 331">The purpose of the cultivation of oil palm and cocoa and crops of economic value</td> </tr> </table> <p data-bbox="424 371 1227 434">Boundary stones also available and maintained at block 98H and block 00B as referred in Boundary Stone Map last updated on 17th February 2021.</p> <ul data-bbox="469 450 1227 779" style="list-style-type: none"> • Boundary stone 1 (544/963) located at Block 98H, N04°28.314' E118°17.635' which indicate the boundary between Sigalong estate and Forest reserve (Mount Pock's Forest Reserve) • Boundary stone 2 (387/264) located at Block 00B, N04°27.863' E118°18.148' which indicate the boundary between Sigalong estate and Forest reserve (Mount Pock's Forest Reserve) • Boundary stone 3 (387/551) located at Block 93B, N04°30.279' E118°16.917' which indicate the boundary between Sigalong estate and smallholder area. 	CL126390444	30.76	The purpose of the cultivation of oil palm and cocoa and crops of economic value								
CL126390444	30.76	The purpose of the cultivation of oil palm and cocoa and crops of economic value										
2.2.1	<p data-bbox="424 790 564 817">Pinang POM</p> <p data-bbox="424 822 1227 1043">The contractors for Pinang POM are listed in Stakeholder list: Suppliers/Contractors (SOP 1.0 Appendix: 1.0 Issue/Rev 3/2) updated on 1st October 2022 that complete with the name of the contractors, contact name, contact number, email, and address. As sighted from the list of stakeholders and mentioned by Assistant Manager of Pinang POM, KLC Transport Sdn. Bhd., Rimbun Hijau and Chung Yuk Fa are the active contractors for transportation.</p> <p data-bbox="424 1084 504 1111">Estates</p> <p data-bbox="424 1115 1227 1207">Based on Stakeholder list provided by the estates (Suppliers/Contractors (SOP 1.0 Appendix: 1.0 Issue/Rev 3/2), the active contractors for each estate are shown in the table below:</p> <table border="1" data-bbox="491 1240 1150 1615"> <thead> <tr> <th data-bbox="491 1240 740 1272">Estate</th> <th data-bbox="740 1240 1150 1272">Active Contractor</th> </tr> </thead> <tbody> <tr> <td data-bbox="491 1272 740 1375">Jatika estate</td> <td data-bbox="740 1272 1150 1375"> <ul style="list-style-type: none"> • Syarikat Kekal Unggul (Transporting Gravel, EFB, FFB, and OP seedling) </td> </tr> <tr> <td data-bbox="491 1375 740 1442">Pangeran estate</td> <td data-bbox="740 1375 1150 1442"> <ul style="list-style-type: none"> • VK Machinery (machinery for road repair) </td> </tr> <tr> <td data-bbox="491 1442 740 1509">Pinang Estate</td> <td data-bbox="740 1442 1150 1509"> <ul style="list-style-type: none"> • Syarikat Kekal Unggul (Transport EFB, stones) </td> </tr> <tr> <td data-bbox="491 1509 740 1615">Sigalong estate</td> <td data-bbox="740 1509 1150 1615"> <ul style="list-style-type: none"> • Vui Contractor (machinery for road repair) </td> </tr> </tbody> </table>	Estate	Active Contractor	Jatika estate	<ul style="list-style-type: none"> • Syarikat Kekal Unggul (Transporting Gravel, EFB, FFB, and OP seedling) 	Pangeran estate	<ul style="list-style-type: none"> • VK Machinery (machinery for road repair) 	Pinang Estate	<ul style="list-style-type: none"> • Syarikat Kekal Unggul (Transport EFB, stones) 	Sigalong estate	<ul style="list-style-type: none"> • Vui Contractor (machinery for road repair) 	Yes
Estate	Active Contractor											
Jatika estate	<ul style="list-style-type: none"> • Syarikat Kekal Unggul (Transporting Gravel, EFB, FFB, and OP seedling) 											
Pangeran estate	<ul style="list-style-type: none"> • VK Machinery (machinery for road repair) 											
Pinang Estate	<ul style="list-style-type: none"> • Syarikat Kekal Unggul (Transport EFB, stones) 											
Sigalong estate	<ul style="list-style-type: none"> • Vui Contractor (machinery for road repair) 											
2.2.2	<p data-bbox="424 1686 683 1713">Pinang POM and Estate</p> <ul data-bbox="469 1765 1227 1942" style="list-style-type: none"> • Contract Agreement between KLC Transport Sdn. Bhd. and Pinang Palm Oil Mill on 1/10/22 for the period of 1 year as stated in Section 6: Duration of Agreement. • Contract Agreement between Beche Binti Soro (Syarikat Kekal Unggul) and Mr. Syafiq Ho (KL-Kepong (Sabah) Sdn. Bhd. – Jatika 	Yes										

	<p>estate) on 1/10/2022 for the period of 1 year as stated in Section 5 of Sundry/Petty contract.</p> <ul style="list-style-type: none"> • Contract Agreement between Beche Binti Soro, Syarikat Kekal Unggul and Mr. Mark Dayao, KL-Kepong (Sabah) Sdn. Bhd. – Pinang Estate) on 1/10/2022 for the period of 1 year as stated in Section 5 of Sundry/Petty contract. • Contract Agreement between Chou Dack Kwang (Vui Kontraktor) and Mr. Arifin Taking (KL-Kepong (Sabah) Sdn. Bhd. – Sigalong estate) on 1/10/2022 as stated in Section 5 of Sundry/Petty contract. • Contract Agreement between Liew Vui Kim, VK Machinery and Mr. Wong Wai Hou, KL-Kepong (Sabah) Sdn. Bhd. – Pangeran Estate) on 1/10/2022 for the period of 1 year as stated in Section 5 of Sundry/Petty contract. <p>For all the contractors mentioned above, they have signed a separate document known as Supplier Code of Conducts where the documents stated that the contractors or suppliers must conduct business in an honest and ethical matter; and comply with applicable law and regulations under the Governance section and Regulations and Compliance. The code of conducts has been signed by the contractors on 2/12/2022 by their legal representative.</p>	
2.2.3	<p>All the suppliers mentioned above have signed the Supplier Code of Conduct which stated that the supplier prohibit the employment of child labour and set the minimum age for employment consistent with applicable law under Section Social -Workplace and Communities. The code of conducts has been signed by the contractors on 2/12/2022 by their legal representative.</p> <p>To ensure the contractors comply with the clause stated above, the employment contract and ID card of the workers are provided by each of the contractors as listed in the table below where all the workers employed are more than 18 years old.</p>	Yes
2.3.1 (C)	All the fresh fruit bunches supplied to Pinang POM are from their own estates under KL-Kepong (Sabah) Sdn. Bhd. such as Pinang estate, Jatika estate, Pangeran estate and Sigalong estate.	Yes
2.3.2	<p>As informed by Mrs. Hazriani (Sustainability Executive) and Mill manager, Mr. Basri, the mill only received from their own estate and no FFBs outsource from different estate or smallholder other than estate under KL-Kepong (Sabah) Sdn. Bhd. The certification unit also do not have any smallholder scheme established by them.</p> <p>Each of the estate that supplies their FFB to Pinang POM has their own land titles which proof the ownership of the land and well documented in the estate office. The sample of land title from each estate are listed below:</p>	Yes

<p>Pinang Estate Pinang Estate has 18 land titles that covers the total area of 2420, Ha. Legal drawing map for the estate was stated in the land titles. Sampled land titles are listed below:</p>			
Land title	Hectarage (Ha)	Quit Rent Receipt	Land Purpose
CL125316976	40.14	122021100000 24	The purpose of the cultivation of oil palm and agricultural crops of economic value
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CL125317875	12.44	122021100000 26	The purpose of the cultivation of coco, "oil palm"
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<p>Jatika Estate Jatika estate has a total land title of 78 which covers 1976 Ha for Home Division that can be used for the purpose of planting of oil palm. Legal drawing map for the estate was stated in the land titles. Sampled land titles are listed below:</p>			
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CL245341244	17.08	24202104000124	

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<p>Pangeran estate Pangeran estate has 4 land titles that covers the total area of 2855, Ha.</p> <table border="1"> <thead> <tr> <th>Land titles</th> <th>Hectarage (Ha)</th> <th>Quit rent receipt</th> </tr> </thead> <tbody> <tr> <td>CL125317562</td> <td>2508.94</td> <td>12202110000016</td> </tr> <tr> <td>CL125317571</td> <td>184.63</td> <td>12202110000018</td> </tr> <tr> <td>CL125311079</td> <td>92.60</td> <td>12202110000019</td> </tr> <tr> <td>CL125318523</td> <td>68.83</td> <td>12202110000020</td> </tr> </tbody> </table> <p>Sigalong estate Sigalong estate has 21 land titles that covers the total area of 2864, Ha. Legal drawing map for the estate was stated in the land titles.</p> <table border="1"> <thead> <tr> <th>Land title</th> <th>Hectarage (Ha)</th> <th>Land Purpose</th> </tr> </thead> <tbody> <tr> <td>CL125317580</td> <td>842.54</td> <td>The purpose of the cultivation of oil palm and agricultural crops of economic value</td> </tr> <tr> <td>CL125318809</td> <td>6.15</td> <td>The purpose of the cultivation of oil palm</td> </tr> <tr> <td>CL125317562</td> <td>1375.22</td> <td>The purpose of the cultivation of oil palm and cocoa and crops of economic value</td> </tr> <tr> <td>CL126290408</td> <td>29.14</td> <td>The purpose of the cultivation of oil palm and cocoa and crops of economic value</td> </tr> <tr> <td>CL126290417</td> <td>29.14</td> <td>The purpose of the cultivation of oil palm and cocoa and crops of economic value</td> </tr> <tr> <td>CL126290426</td> <td>30.35</td> <td>The purpose of the cultivation of oil palm and cocoa and crops of economic value</td> </tr> <tr> <td>CL126290435</td> <td>31.16</td> <td>The purpose of the cultivation of oil palm and cocoa and crops of economic value</td> </tr> <tr> <td>CL126390444</td> <td>30.76</td> <td>The purpose of the cultivation of oil palm and cocoa and crops of economic value</td> </tr> </tbody> </table> <p>MPOB License as sighted in 2.2.1</p> <p>GPS Coordinates of supplying estates</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Lat</th> <th>Long</th> </tr> </thead> <tbody> <tr> <td>Pinang</td> <td>4°25'57.58"</td> <td>118°16'15.722"</td> </tr> </tbody> </table>			Land titles	Hectarage (Ha)	Quit rent receipt	CL125317562	2508.94	12202110000016	CL125317571	184.63	12202110000018	CL125311079	92.60	12202110000019	CL125318523	68.83	12202110000020	Land title	Hectarage (Ha)	Land Purpose	CL125317580	842.54	The purpose of the cultivation of oil palm and agricultural crops of economic value	CL125318809	6.15	The purpose of the cultivation of oil palm	CL125317562	1375.22	The purpose of the cultivation of oil palm and cocoa and crops of economic value	CL126290408	29.14	The purpose of the cultivation of oil palm and cocoa and crops of economic value	CL126290417	29.14	The purpose of the cultivation of oil palm and cocoa and crops of economic value	CL126290426	30.35	The purpose of the cultivation of oil palm and cocoa and crops of economic value	CL126290435	31.16	The purpose of the cultivation of oil palm and cocoa and crops of economic value	CL126390444	30.76	The purpose of the cultivation of oil palm and cocoa and crops of economic value	Estate	Lat	Long	Pinang	4°25'57.58"	118°16'15.722"
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3.1.1 (C)	<p>Business Management for PiPOM cluster has been established covering year from 2022 – 2025. The management plan focusing on Fresh Fruit Bunches yield Mt/Ha, FFB crop (Mt), OER %, KER %, Oil produced, Kernel produced, production cost and revenue.</p> <p>The details of business projection is as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>2022/23</th> <th>2023/24</th> <th>2024/25</th> </tr> </thead> <tbody> <tr> <td>Hectarage Matured Ha</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Jatika Estate</td> <td>2,524</td> <td>2,380</td> <td>2,176</td> </tr> <tr> <td>Sigalong Estate</td> <td>1,848</td> <td>1,655</td> <td>1,404</td> </tr> <tr> <td>Pinang Estate</td> <td>2,295</td> <td>2,295</td> <td>2,239</td> </tr> <tr> <td>Pangeran Estate</td> <td>2,571</td> <td>2,571</td> <td>2,571</td> </tr> <tr> <td>Hectarage immature Ha</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Jatika Estate</td> <td>667</td> <td>811</td> <td>1,015</td> </tr> <tr> <td>Sigalong Estate</td> <td>883</td> <td>1,076</td> <td>1,327</td> </tr> <tr> <td>Pinang Estate</td> <td>0</td> <td>0</td> <td>56</td> </tr> <tr> <td>Pangeran Estate</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>FFB yield (Mt/Ha)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Jatika Estate</td> <td>20</td> <td>22</td> <td>24</td> </tr> <tr> <td>Sigalong Estate</td> <td>18</td> <td>19</td> <td>21</td> </tr> <tr> <td>Pinang Estate</td> <td>22</td> <td>22</td> <td>22</td> </tr> <tr> <td>Pangeran Estate</td> <td>22</td> <td>22</td> <td>22</td> </tr> <tr> <td>FFB Crop (Mt)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Jatika Estate</td> <td>50,480</td> <td>52,360</td> <td>52,224</td> </tr> <tr> <td>Sigalong Estate</td> <td>33,264</td> <td>31,445</td> <td>29,484</td> </tr> <tr> <td>Pinang Estate</td> <td>50,490</td> <td>50,490</td> <td>49,258</td> </tr> <tr> <td>Pangeran Estate</td> <td>56,562</td> <td>56,562</td> <td>56,562</td> </tr> <tr> <td>OER %</td> <td></td> <td></td> <td></td> </tr> <tr> <td>PiPOM</td> <td>22.50</td> <td>22.50</td> <td>22.50</td> </tr> <tr> <td>Oil Produced (Mt)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Jatika Estate</td> <td>11,358</td> <td>11,781</td> <td>11,750</td> </tr> <tr> <td>Sigalong Estate</td> <td>7,484</td> <td>7,075</td> <td>6,634</td> </tr> <tr> <td>Pinang Estate</td> <td>11,360</td> <td>11,360</td> <td>11,083</td> </tr> <tr> <td>Pangeran Estate</td> <td>12,726</td> <td>12,726</td> <td>12,726</td> </tr> <tr> <td>KER %</td> <td></td> <td></td> <td></td> </tr> <tr> <td>PiPOM</td> <td>3.5</td> <td>3.5</td> <td>3.5</td> </tr> </tbody> </table>				2022/23	2023/24	2024/25	Hectarage Matured Ha				Jatika Estate	2,524	2,380	2,176	Sigalong Estate	1,848	1,655	1,404	Pinang Estate	2,295	2,295	2,239	Pangeran Estate	2,571	2,571	2,571	Hectarage immature Ha				Jatika Estate	667	811	1,015	Sigalong Estate	883	1,076	1,327	Pinang Estate	0	0	56	Pangeran Estate	0	0	0	FFB yield (Mt/Ha)				Jatika Estate	20	22	24	Sigalong Estate	18	19	21	Pinang Estate	22	22	22	Pangeran Estate	22	22	22	FFB Crop (Mt)				Jatika Estate	50,480	52,360	52,224	Sigalong Estate	33,264	31,445	29,484	Pinang Estate	50,490	50,490	49,258	Pangeran Estate	56,562	56,562	56,562	OER %				PiPOM	22.50	22.50	22.50	Oil Produced (Mt)				Jatika Estate	11,358	11,781	11,750	Sigalong Estate	7,484	7,075	6,634	Pinang Estate	11,360	11,360	11,083	Pangeran Estate	12,726	12,726	12,726	KER %				PiPOM	3.5	3.5	3.5	Yes
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	Kernel Produced (Mt)																																	
	Jatika Estate	1,767	1,833	1,828																														
	Sigalong Estate	1,164	1,101	1,032																														
	Pinang Estate	1,767	1,767	1,724																														
	Pangeran Estate	1,980	1,980	1,980																														
	Production Cost (RM/Mt FFB)																																	
	Jatika Estate	428.20	449.61	472.09																														
	Sigalong Estate	390.39	409.91	430.40																														
	Pinang Estate	355.61	373.39	392.06																														
	Pangeran Estate	374.55	393.28	412.94																														
	Production cost (RM/Mt CPO)																																	
	PiPOM	135.93	142.73	149,86																														
	Revenue (RM)																																	
	Jatika Estate	55,899,659	57,981,500.50	57,830,899.20																														
	Sigalong Estate	36,835,306.20	34,821,013.81	32,649,475.95																														
	Pinang Estate	55,910,732.63	55,910,732.63	54,546,462.03																														
	Pangeran Estate	62,634,637.73	62,634,637.73	62,634,637.73																														
	Total	211,280,335	211,347,884.66	207,661,474.9																														
	3.1.2	<p>KL_Kepong (Sabah) Sdn Bhd Tawau Region has established Proposed Replanting Program for the 5 years. The estates involved under Pinang Complex is Jatika and Sigalong Estate. The replanting program has been revised at 26/04/2022.</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>2022/23</th> <th>2023/24</th> <th>2024/25</th> <th>2025/26</th> <th>2026/27</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Jatika</td> <td>FI-93C/119 (S) 119Ha</td> <td>HM-98c/171 (A) 171Ha</td> <td>RH-92D/10 (A) 10Ha</td> <td>RH-01A/10 (A) 100Ha</td> <td>FI-02A/3 (S) 37HA</td> </tr> <tr> <td>HM-99A/179 (A) 179Ha</td> <td></td> <td>RH-99F/50 (A) 50Ha</td> <td>FI-99B/33 (S) 33Ha</td> <td>FI-05A/2 (S) 23Ha</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>FI-00A/17 (S) 17Ha</td> <td>RH-02B/9 (A) 5 (A)</td> </tr> <tr> <td>Sigalong</td> <td>SK-93A/156 (A) 156Ha</td> <td>D2-98C/156 (A) 156Ha</td> <td>SK-98B/86 (S) 86 Ha</td> <td>DI98A/148 (A) 148Ha</td> <td>0</td> </tr> </tbody> </table>				Estate	2022/23	2023/24	2024/25	2025/26	2026/27	Jatika	FI-93C/119 (S) 119Ha	HM-98c/171 (A) 171Ha	RH-92D/10 (A) 10Ha	RH-01A/10 (A) 100Ha	FI-02A/3 (S) 37HA	HM-99A/179 (A) 179Ha		RH-99F/50 (A) 50Ha	FI-99B/33 (S) 33Ha	FI-05A/2 (S) 23Ha					FI-00A/17 (S) 17Ha	RH-02B/9 (A) 5 (A)	Sigalong	SK-93A/156 (A) 156Ha	D2-98C/156 (A) 156Ha	SK-98B/86 (S) 86 Ha	DI98A/148 (A) 148Ha	0
Estate	2022/23	2023/24	2024/25	2025/26	2026/27																													
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		D1-99E/139 (S) 139Ha	D1-99A/98 (S) 98Ha	DI-99B/129 (A) 129Ha DI-00A/132 (A) 132Ha D1-00B/101 (A) 101Ha	DI-99C/53 (S) 53Ha DI-99D/134 (A) 134Ha																																											
<p>Actual realization for Jatika Estate can be verified through the replanting work program:</p> <table border="1"> <thead> <tr> <th>Field No/Area</th> <th>Type of Work</th> <th>Target</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td rowspan="12">2021A</td> <td>Preplanting spraying</td> <td>Mar 21</td> <td>Completed (Done Mar 21)</td> </tr> <tr> <td>Palm Counting</td> <td>Mar 21</td> <td>Completed (Feb 21)</td> </tr> <tr> <td>Rat Baiting</td> <td>Mar 21</td> <td>Completed Mar 21</td> </tr> <tr> <td>Felling and Chipping</td> <td>June 21</td> <td>Completed May 21</td> </tr> <tr> <td>Point Lining</td> <td>Dec 21</td> <td>Completed Nov 21</td> </tr> <tr> <td>Oil Palm Seedling Planting</td> <td>Jul 21</td> <td>Completed (Jul 21)</td> </tr> <tr> <td>Mucuna Bracteata (LCC) Planting</td> <td>Nov 21</td> <td>Completed (Nov 2021)</td> </tr> <tr> <td>Road Construction</td> <td>Dec 21</td> <td>Completed (Oct 2021)</td> </tr> <tr> <td>Terrace Construction</td> <td>Dec 21</td> <td>Completed (Oct 2021)</td> </tr> <tr> <td>Platform Construction</td> <td>Dec 21</td> <td>Completed (Oct 2021)</td> </tr> <tr> <td>Drain Construction</td> <td>Oct 21</td> <td>Completed (Oct 2021)</td> </tr> <tr> <td>Palm Census</td> <td>Jan 22</td> <td>Completed (January 22)</td> </tr> </tbody> </table>								Field No/Area	Type of Work	Target	Status	2021A	Preplanting spraying	Mar 21	Completed (Done Mar 21)	Palm Counting	Mar 21	Completed (Feb 21)	Rat Baiting	Mar 21	Completed Mar 21	Felling and Chipping	June 21	Completed May 21	Point Lining	Dec 21	Completed Nov 21	Oil Palm Seedling Planting	Jul 21	Completed (Jul 21)	Mucuna Bracteata (LCC) Planting	Nov 21	Completed (Nov 2021)	Road Construction	Dec 21	Completed (Oct 2021)	Terrace Construction	Dec 21	Completed (Oct 2021)	Platform Construction	Dec 21	Completed (Oct 2021)	Drain Construction	Oct 21	Completed (Oct 2021)	Palm Census	Jan 22	Completed (January 22)
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3.1.3	<p>Pinang Complex has conducted management review dated 26th October 2022 using MS team platform. The management review was prepared by Nur Hazriani Binti Hamri – Sustainability Executives KDC Laboratory. The Management review was attended by 34 management representatives from each estate, POM and KDC laboratory. Internal audit outcome has been included as one of the meeting agenda in management review.</p> <p>Following's agenda has been discussed:</p> <ol style="list-style-type: none"> 1) Follow up action from previous management review 2) Issues/items pertaining to stakeholders' engagement 3) Compliance to legal requirements 4) Water Management 5) Annual Budget and Projection 6) Waste reduction 7) Integrated Pest management (IPM) 8) Training 9) Policies 10) Pollution and Greenhouse gas (GHG) emissions 11) Internal and External audit findings 12) Status of preventive and corrective action 13) Social and environmental impacts 14) High Conservation value (HCV) 15) Customer Feedback 16) Process performance and product conformity 17) Changes that could affect management system 18) Recommendations for improvement 19) Optimizing the yield of the supply base 20) Land Acquisition 21) Soil Erosion, Fertility and Road Maintenance 22) Safe use and Storage of Agrochemical Chemicals 23) Control of Documents and Record 24) Employment of Workers / Staff 25) Amenities 26) Supply Chain <p>Pinang POM</p> <p>Internal audit has been conducted By Ms Nur Hazriani Bt Hamri dated 19th August 2022. 1st follow up was done on 22nd September 2022 while 2nd follow up was done on 14th October 2022.</p> <p>There are two audit findings has been raised during the internal audit. The findings as follows:</p> <table border="1" data-bbox="507 1937 1136 2002"> <thead> <tr> <th data-bbox="507 1937 756 2002">Opportunity for Improvement</th> <th data-bbox="756 1937 971 2002">Action Taken (Manager reply)</th> <th data-bbox="971 1937 1136 2002">Review of evidence</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>				Opportunity for Improvement	Action Taken (Manager reply)	Review of evidence				Yes
Opportunity for Improvement	Action Taken (Manager reply)	Review of evidence									

		SOP 16 Continuous improvement plan need to be reviewed for year 2022	CIP for year 2022 has been reviewed	Reviewed CIP for year 2022 was available															
		Others: Social and environment meeting was not available during the visit	SEM minutes for year 2022 is available. A copy of minutes has been sent to sustainability Department	SEM for year 2022 was reviewed															
	<p>Pinang Estate</p> <p>Internal audit has been conducted By Ms Nur Hazriani Bt Hamri dated 15th August 2022. 1st follow up was done on 19th September 2022 while 2nd follow up was done on 24th October 2022.</p> <p>There are two audit findings has been raised during the internal audit. The findings as follows:</p> <table border="1" data-bbox="507 943 1136 1563"> <thead> <tr> <th>Opportunity for Improvement</th> <th>Action Taken (Manager reply)</th> <th>Review of evidence</th> </tr> </thead> <tbody> <tr> <td>SOP 6 Pesticide Usage Monitoring Records (Spraying costing book, a.i. (kg/Ha) is updated but not include the value of LD50</td> <td>Pesticide usage monitoring has been updated including LD50 value</td> <td>Pesticide usage monitoring record with LD50 was sighted</td> </tr> <tr> <td>SOP 9 Reference document list for year 2022 has been reviewed but need to be updated using the latest Sustainability Manual 2021</td> <td>Reference document list has been updated using the latest form in Sustainability Manual 2021</td> <td>Reference document list was sighted and has been updated and reviewed accordingly.</td> </tr> </tbody> </table> <p>Pangeran Estate</p> <p>Internal audit has been conducted By Ms Nur Hazriani Bt Hamri dated 16th August 2022. 1st follow up was done on 22nd September 2022 while 2nd follow up was done on 20th October 2022.</p> <p>There are two audit findings has been raised during the internal audit. The findings as follows:</p> <table border="1" data-bbox="507 1856 1136 1986"> <thead> <tr> <th>Opportunity for Improvement</th> <th>Action Taken (Manager reply)</th> <th>Review of evidence</th> </tr> </thead> <tbody> <tr> <td>SOP 6</td> <td>Pesticide usage monitoring has</td> <td>Pesticide usage</td> </tr> </tbody> </table>				Opportunity for Improvement	Action Taken (Manager reply)	Review of evidence	SOP 6 Pesticide Usage Monitoring Records (Spraying costing book, a.i. (kg/Ha) is updated but not include the value of LD50	Pesticide usage monitoring has been updated including LD50 value	Pesticide usage monitoring record with LD50 was sighted	SOP 9 Reference document list for year 2022 has been reviewed but need to be updated using the latest Sustainability Manual 2021	Reference document list has been updated using the latest form in Sustainability Manual 2021	Reference document list was sighted and has been updated and reviewed accordingly.	Opportunity for Improvement	Action Taken (Manager reply)	Review of evidence	SOP 6	Pesticide usage monitoring has	Pesticide usage
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		SOP 16 CIP for the year 2022 is available during the visit. Suggest Pangeran Estate to update and utilize latest form in Sustainability Manual 2021	CIP for year 2022 has been reviewed using the latest form in Sustainability Manual 2021	Reviewed CIP for year 2022 was sighted							
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3.2.1 (C)	<p>Continual Improvement plan for KLK has always been focusing on 3 main aspects which is OSH, Environmental and Social. Continuous improvement plan SOP has been established under SOP 16.0 Appendix 1.0 issue/revision 3/2 dated 01st January 2021.</p> <p><u>Pinang Estate</u></p> <table border="1"> <thead> <tr> <th>Program</th> <th>Activities</th> <th>Timeframe</th> <th>PIC</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td rowspan="12">OSH</td> <td>Management review</td> <td>January 2022</td> <td>Manager</td> <td>Done</td> </tr> <tr> <td>Monitoring of Accidents</td> <td>Monthly monitoring</td> <td>Hospital Assistant</td> <td>Ongoing Refer Accident/Clinic Record</td> </tr> <tr> <td>OSH Training</td> <td>Continuously</td> <td>Ast/OSH Department</td> <td>OSH Training Record</td> </tr> <tr> <td>Site Inspection and OSH Committee meeting</td> <td>Quarterly</td> <td>Manager/Asst/AJKKP</td> <td>OSH Quarter meeting minutes</td> </tr> <tr> <td>CHRA</td> <td>2018</td> <td>Manager</td> <td>CHRA assessment conducted on September 2022</td> </tr> <tr> <td>Medical Surveillance</td> <td>Annually</td> <td>Assistant Manager</td> <td>Refer latest medical surveillance summary</td> </tr> <tr> <td>Inspection of first aid kits</td> <td>15th every month</td> <td>Assistant Manager</td> <td>Refer 1st aid checklist</td> </tr> <tr> <td>Inspection of fire extinguisher</td> <td>Annually</td> <td>Assistant Manager</td> <td>Refer Fire Extinguisher checklist</td> </tr> <tr> <td>OSH hazards and risk assessment</td> <td>Annually</td> <td>Manager</td> <td>Refer HIRARC</td> </tr> <tr> <td>OSH SOP review</td> <td>Annually</td> <td>Manager</td> <td>Ongoing</td> </tr> <tr> <td>Inspection of air compressor</td> <td>Annually</td> <td>Assistant Manager</td> <td>Refer air compressor checklist</td> </tr> <tr> <td>Training - wiremen/wa</td> <td>Ongoing</td> <td>Assistant Manager</td> <td>Refer training record</td> </tr> </tbody> </table>	Program	Activities	Timeframe	PIC	Status	OSH	Management review	January 2022	Manager	Done	Monitoring of Accidents	Monthly monitoring	Hospital Assistant	Ongoing Refer Accident/Clinic Record	OSH Training	Continuously	Ast/OSH Department	OSH Training Record	Site Inspection and OSH Committee meeting	Quarterly	Manager/Asst/AJKKP	OSH Quarter meeting minutes	CHRA	2018	Manager	CHRA assessment conducted on September 2022	Medical Surveillance	Annually	Assistant Manager	Refer latest medical surveillance summary	Inspection of first aid kits	15 th every month	Assistant Manager	Refer 1 st aid checklist	Inspection of fire extinguisher	Annually	Assistant Manager	Refer Fire Extinguisher checklist	OSH hazards and risk assessment	Annually	Manager	Refer HIRARC	OSH SOP review	Annually	Manager	Ongoing	Inspection of air compressor	Annually	Assistant Manager	Refer air compressor checklist	Training - wiremen/wa	Ongoing	Assistant Manager	Refer training record				Yes
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		ter pump attendant			
		Training MBS Lorry Driver	November	Assistant Manager /OSH Department	Refer Training record
		Workers insurance record	Annually	Assistant/Chief Clerk	Refer Insurance Record
		OSH Audit	Annually	OSH Department	Refer Audit Report
	Environmental	Introduction of central domestic waste collection at linestite	December	Assistant Manager	Ongoing
		Usage of Alion to reduce the number of spraying rounds	September	Assistant Manager	Ongoing
		Environmental training	Continuously	Assistant Manager	Refer training record
		To promote recycle of paper, plastic and glass /aluminium	Annually	Assistant Manager	Ongoing
		Environmental meeting	Quarterly	Manager/Assistant Manager/AJKK	Refer Environmental Minute
		Management and monitoring of HCV & riparian zone	Every 6 months	Assistant Manager	Refer Monitoring Checklist
		Disposal of empty pesticide containers (sell to G-planter)	Quarterly	Assistant Manager	Refer disposal record
		Disposal of scrap iron	Quarterly	Assistant Manager	Refer disposal record

		Proper Disposal of Schedule Waste through Lagenda Bumimas	Every 6 months	Manager	Refer Disposal record	
		Reduction of GHG emission through replacement of AC fertilizer with AS Fertilizer	Continuously	Manager	Ongoing	
	Social	Social Meeting	Quarterly	Manager, Assistant Manager /AJKKP	Refer Social Meeting	
		Inspection of workers quarter	Weekly basis	Manager/Assistant Manager	Refer Linesite checklist	
		Gotong Royong	Every 3months	All management	Ongoing	
		Provision of treated water	2018	PIPOM	Ongoing	
		Electrical inspection of workers quarter	Continuously	PIPOM Electrical Chargeman	Ongoing	
		Immunization of Children / otheractivities related to social aspects	Monthly	Hospital Assistant	Ongoing	
		To identify upproductive areas and with a plan for further improvement	Continuously	Manager/Assistants	Ongoing	
		<p>The plan is prepared by Mr Abdul Arif Arham, Assistant Manager dated 5th January 2022. The plan was verified by Mark Dayao, Pinang Estate Manager.</p>				

3.2.2	<p>RSPO metric is available and has been filled and completed accordingly by Ms Shia Bee Gek Sustainability Manager KLK Sabah.</p> <p>Review data within the RSPO metric template indicate all the data is traceable to the source of information at estate and mill level.</p> <p>All the data is deemed correct and tally with the shown source of information during site audit.</p>	Yes
3.3.1 (C)	<p><u>Mill and Estates</u></p> <p>The management of KL-Kepong (Sabah) Sdn. Bhd. has established the SOPs for the mills and plantation. Where sustainability SOPs and Standard Operating Procedures are implemented in both estates and mill and approved by the top management from the headquarters.</p> <p>While for the safe operating procedures, the estates and mill will have different procedures according to their work activities.</p> <p>Sustainability SOPs approved by Mr. Sin Chuan Eng, Head of Sustainability (Plantation)</p> <ul style="list-style-type: none"> • SOP No. 1: Stakeholders Engagement/ Negotiation Issue/Rev/Date: 5/4/010121 • SOP No. 2: Legal Compliance Issue/Rev/Date: 4/3/010121 • SOP No. 3A: Land Acquisition (For OP Planting) Issue/Rev/Date: 4/3/010121 • SOP No. 3C: Land Conflict Resolution Mechanism Issue/Rev/Date: 2/1/010121 • SOP No. 4: Soil Erosion & Fertility and Road Maintenance Issue/Rev/Date: 3/2/010121 • SOP No. 5: Surface Ground Water Management Issue/Rev/Date: 3/2/010121 • SOP No. 6: Safe Use & Storage of Agrochemicals/ Chemicals Issue /Rev/Date: 5/4/010121 • SOP No. 8: Training Issue /Rev/Date: 4/3/010121 <p>Standard Operating Procedure approved by Mr. Lawrence Parthasarathy and issued out on 1st October 2020.</p> <ul style="list-style-type: none"> • SOP OSH 3: Safe Operating Procedure • SOP OSH 4: Emergency Response • SOP OSH 6: PPE • SOP OSH 7: Investigation & Notification • SOP OSH 13: Schedule Waste <p>Operation Policy approved by Head of Plantation Division issued out on 1st October 2020.</p> <ul style="list-style-type: none"> • GP/AGRIC/OP1: Harvesting updated 15th May 2014 • GP/AGRIC/OP2: Field Upkeep updated 15th May 2014 • GP/AGRIC/OP4: Pest & Disease updated 8th May 2014 • GP/AGRIC/OP5: Soil Conservation updated 15th May 2014 • GP/AGRIC/OP6: By-Product (Mulching) updated 3rd June 2005 • GP/AGRIC/OP7: Replanting updated 15th May 2014 <p>Safe Operating Procedure (Mill) as revised o February 2020:</p>	Yes

	<ul style="list-style-type: none"> • SOP No. 5: Working at ramp • SOP No. 6: Capstan • SOP No. 7: Sterilizer • SOP No. 9: Threshing • SOP No. 10: Digester and Pressing • SOP No. 22: Kernel Silo • SOP No. 25: Boiler steam and Mud Drum • SOP No. 32: Air Compressor • SOP No. 36: Workshop <p>Safe operating Procedure by Mr. Lawrence revised on 1st October 2020.</p> <ul style="list-style-type: none"> • SOP 1: Harvesting • SOP5: Chemical Handling/Sprayer • SOP 6: Manuring • SOP 7: Workshop • SOP 4: Despatch of FFB <p>Site visit and interview has been conducted with the workers at Pinang POM (Workshop, ramp, schedule/chemical waste store, iron scrap area), the workers have done the works in each station according to the training received from their supervisor or the management representatives. They also shows the simplified version (flowchart/diagram) of the SOP that available at their work station especially the safety operating procedure in chemical store, sterilizer area and workshop area.</p> <p>As for the estates, sighted the sprayers and harvesters provided with PPE (eg: safety helmet, sickle cover, apron, respirator, gloves and boots) from the company which in line with the safe operating procedures of the company.</p> <p>From the interview conducted with them, the sprayers stated that they have received training on safety aspect for before start doing their job and they will be reminded by their mandore every day. They managed to demonstrate on what should be done before start doing the job, when doing the job and after finish spraying such as need to clean themselves at the allocated area before going home and avoid any risk of chemicals to their family at home.</p>					
3.3.2	<p><u>Mill and Estates</u></p> <p>The management of KL-Kepong (Sabah) Sdn Bhd. has established SOP 19.0 (Issue/Rev 3/2): Internal Audit procedure updated on 1st January 2021 to check the consistency and the effectiveness of the implementation of the procedures at the operating units. The internal audit process as stated in the procedure is a process that carried out to ensure the management system has been properly maintained and to determine the effectiveness of the implemented management system.</p> <p>The sustainability team led by Mrs. Nur Hazriani has done the internal audit for Mill 2 and its supply bases as sighted from the internal audit reports. The scope of the internal audit includes all the requirement for RSPO and MSPO</p> <table border="1" data-bbox="576 1933 1066 1995"> <thead> <tr> <th data-bbox="576 1933 820 1995">Operating Unit</th> <th data-bbox="820 1933 1066 1995">Date of Internal Audit</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Operating Unit	Date of Internal Audit			Yes
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Pinang POM	18 th October – 22 nd October 2021							
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Pangeran Estate								
Sigalong Estate								
3.3.3	<p><u>Mill and Estates</u></p> <p>The results of the internal audit are discussed during the Sustainability Management Review Meeting (Tawau Region) conducted on 8th November 2021 through MS Teams (Online Meeting).</p> <p>As sighted from the minutes of meeting provided by Mrs. Hazriani, no non-conformity has been raised during the internal audit by the internal audit team only some observation (improvement) needs to be done by the estates and mill as recorded in the report such as:</p> <ul style="list-style-type: none"> • List of documents (Publicly available), waktu bekerja (with entitle rest hour), Jadual Pembuangan Sampah, Complaint and Grievance procedure, Recruitment process need to be made available and displayed at the notice board • To follow up the latest contract with the workers and ensure the contract has been signed by the workers. -Refer to pic in phone <p>The immediate action has been taken by each operating unit accordingly to the comment given and monitored by the estate manager as interviewed with the Sustainability representative, Mrs. Hazriani.</p>	Yes						
3.4.1 (C)	<p>No new plantings have been done by the operating unit.</p> <p>Environmental Impact Assessment</p> <p>The estates and the mill have conducted the Environmental Aspect and Impact assessment for every major activity conducted within the certification area. The assessment was conducted according to SOP 10.0 (Sustainability Manual) Environmental Aspect and Impact Assessment, Appendix 1 dated on 16/1/2017. The document was last updated on 2/5/2022</p>	Yes						

The impacts that have been identified has been reported in Environmental Aspect and Impact Assessment Report which available for each operating unit. The report consists Aspect and Impact Identification, Impact risk assessment and Management control plan as shown below:

Pinang POM

Major Activity	POL Store
Aspect	<ul style="list-style-type: none"> POL Spillage
Impact	<ul style="list-style-type: none"> Water and land pollution
Waste Generated	<ul style="list-style-type: none"> Empty oil drum Used rags
Existing Control Measure	<ul style="list-style-type: none"> Construction of bund and oil trap.

Pinang estate

Major Activity	Schedule waste store
Aspect	<ul style="list-style-type: none"> Schedule waste spillage
Impact	<ul style="list-style-type: none"> Water and air pollution
Waste Generated	<ul style="list-style-type: none"> Used rags and fibre
Existing Control Measure	<ul style="list-style-type: none"> Construction of bund and oil trap.

Jatika Estate

Major Activity	Fertilizer store
Aspect	<ul style="list-style-type: none"> Fertilizer spillage. Improper disposal of fertilizer bag
Impact	<ul style="list-style-type: none"> Water and land pollution
Waste Generated	<ul style="list-style-type: none"> Empty fertilizer bag Fertilizer spillage.
Existing Control Measure	<ul style="list-style-type: none"> PPE and SOP Store for empty fertilizer bag

Pangeran Estate

Major Activity	Chemical store
Aspect	<ul style="list-style-type: none"> Chemical spillage
Impact	<ul style="list-style-type: none"> Water and land pollution
Waste Generated	<ul style="list-style-type: none"> Empty chemical container
Existing Control Measure	<ul style="list-style-type: none"> Construction of bund

Sigalong Estate	
Major Activity	Spraying
Aspect	<ul style="list-style-type: none"> Chemical residue washed into water source by rainwater. Emission of GHG from chemical usage
Impact	<ul style="list-style-type: none"> Water pollution Global warming
Waste Generated	<ul style="list-style-type: none"> Empty chemical container
Existing Control Measure	<ul style="list-style-type: none"> No spraying activities during raining day Usage of surfactant for chemical to adhere to plant's surface Reduction of spraying round by using chemical

From the assessment that has been conducted, each of the operating unit will develop Environmental Management plan based on the results from the assessment report such as:

Pinang POM
Environmental Management Plan updated on 23/9/2022 for Pinang POM includes the aspect, impact, impact management control, person in charge, monitoring plan and status.

Example #1
Process/Area: Generating steam using water tube boiler
Aspect: Water, land, air and noise pollution
Impact: Negative
Impact Management control:

- Maintenance of blowdown chamber
- Stack Emission Monitoring
- Regular dispatch to prevent accumulation
- Training on boiler operation
- Continuous monitoring emission system (CEMS)

Monitoring Plan:

- Calibrate of fuel gate damper opening to prevent any excess fuel supply furnace
- Maintenance of blowdown valve and pipe
- Maintenance of the boiler ash house

Person responsible: Mill assistant
Monitoring Status: Ongoing

Jatika Estate
The estate has engaged Kiwiheng Environmental Consultants Sdn Bhd to conduct Environmental Compliance Report (ECR) for its proposed replanting area of 719Ha. The assessment is being carried out by the appointed consultant bi-annually. The 2nd bi-annual report for 2022 dated Oct 2022 was made available during the audit. The purpose of the assessment is to conduct bi-annual environmental monitoring of an oil

	<p>palm replanting project in the estate. The assessment covers soil erosion, siltation, road preparation, preparation of planting area, rehabilitation of bare soil, watercourse protection and water quality, air quality, spillage control, biomass and solid waste control, sewage control, project completion, appointment of Environmental Officer. Based on the report conclusion, the estate has complied against all the assessed requirements.</p> <p>Environmental Management Plan updated on 2/8/22 for Jatika estate includes the aspect, impact, impact management control, person in charge, monitoring plan and status.</p> <p>Example #1 Process/Area: Workshop Aspect: Schedule waste spillage and produce of scrap iron from damage trailers Impact Management control:</p> <ul style="list-style-type: none"> • To carry out training for workshop attendant • Provide spill kit and secondary containment for all transferring utensil • Provide oil trap and ensure bund in good condition • Periodically disposed the scrap iron (Scrap iron record) <p>Monitoring Plan:</p> <ul style="list-style-type: none"> • Workshop attendant training record • Workshop checklist • Scrap iron disposal record <p>Person responsible: Mr. Ridwansyah Monitoring Status:</p> <ul style="list-style-type: none"> • Training has been conducted on 12/4/2022 • Workshop checklist completed on 12/4/2022 • Scrap iron has been disposed on 10/2/2021 with total amount of 12.4 mt to Tong Shen Scrap Metal Sdn. Bhd. <p>Pinang Estate Environmental Management Plan updated on 19/9/22 for Pinang estate includes the aspect, impact, impact management control, person in charge, monitoring plan and status.</p> <p>Sigalong Estate The estate has engaged Kiwiheng Environmental Consultants Sdn Bhd to conduct Environmental Compliance Report (ECR) for its proposed replanting area of 673Ha. The assessment is being carried out by the appointed consultant bi-annually. The 2nd bi-annual report for 2022 dated Sep 2022 was made available during the audit. The purpose of the assessment is to conduct bi-annual environmental monitoring of an oil palm replanting project in the estate. The assessment covers soil erosion, siltation, road preparation, preparation of planting area, rehabilitation of bare soil, watercourse protection and water quality, air quality, spillage control, biomass and solid waste control, sewage control, project completion, appointment of Environmental Officer. Based on the report conclusion, the estate has complied against all the assessed requirements.</p> <p>Environmental Management Plan updated on 21/9/22 for Sigalong estate includes the aspect, impact, impact management control, person in charge, monitoring plan and status.</p>	
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	<p>Social Impact Assessment</p> <p>The management has established SOP for SIA (Ref. Doc.: In-House Social Impact Assessment SOP: 13.0 Issue/Rev.: 3/2 Date: 01/01/2021). The in-house SIA covers as below:</p> <ul style="list-style-type: none"> • Access and use rights • Economic livelihoods and working conditions • Cultural and religious values • Health and education facilities • Subsistence activities • Amenity • Employment • Human Rights • Food and water security • Other community values, resulting from changes, e.g., improved transport/communication or arrival of substantial migrant labour force. <p>Social Impact Assessment for Tawau Region was conducted by Ms. Nur Hazriani binti Hamri (Ref. Doc.: KL-Kepong (Sabah) Sdn. Bhd. Tawau Region Social Impact Assessment Report 2022).</p> <p>Social Impact Assessment was conducted in June and September 2022 conducted by Nur Hazriani binti Hamri. The methodology including sample selection was random and covered each category of stakeholders. The evaluation was carried out through distribution of survey forms. A total of 169 sets of questionnaires that covers the essential topic of local community benefits, communication, sustainability practices, health, accessibility, and social development & contribution were distributed. Action plans were developed such as below:</p> <ul style="list-style-type: none"> • Brief stakeholders regarding KLK policy in yearly basis • Annual training programme was established to ensure continuous briefing conducted for workers regarding the Sustainability Policy • Brief stakeholders on Stakeholder Engagement/Negotiation including complaint procedure • Safety briefing to contractor whenever they enter operating centre to do work • To provide PPE for suppliers/contractors that entering the premises • To erect signage to prohibit child labour at operating centre <p>Jatika Estate has conducted Social Impact Assessment for building new houses on 24/05/2022 which involves the employees. The assessment conducted covers:</p> <ul style="list-style-type: none"> • Public order • Safety of dependants • Suggestions and feedback <p>Pangeran Estate has conducted Social Impact Assessment for building toilet at workshop area on 25/07/2022 which involves the employees. The assessment conducted covers:</p> <ul style="list-style-type: none"> • Consent • Safety and health • Effects on facility & comfort 	
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	<p>Pinang Estate Social Improvement Plan 2022 for Pinang Estate was developed by Abdul Arif Arham on 17/10/2022.</p> <p>Pinang POM Continuous Improvement Plan for Pinang POM (Ref. Doc.: SOP 16.0 Appendix 1.0 Issue/Rev.: 3/2 Date: 01/01/2021) prepared by Jamaluddin Saparuddin on 04/11/2022.</p>	
3.4.2	<p>Environmental Impact Assessment The management involves the participation of affected stakeholders through the stakeholder’s consultation meeting that conducted on annual basis. If there is any input or feedback from the stakeholders during the meeting will be incorporated in the management plan for implementation.</p> <p>The minutes of meeting for Stakeholder Consultation that conducted on 28/9/2022 is available and prepared by Mrs. Nur Hazriani Binti Hamri and approved by Ms. Shia Bee Gek. The meeting was conducted for the whole Tawau Region. Meeting attended by 82 participants from various representatives. From the minutes, the certification unit has discussed the following agenda with the stakeholders:</p> <ul style="list-style-type: none"> • Sustainability Policy • Schedule waste management • HCV/CV management (implementation and best practice) • Human rights and young workers management strategy • Awareness • Enough facilities for children’s development <p>The management plan can be seen under attachment of SOP 10.0 Environmental Aspect & Impact Assessment Management Plan (EMP) & Waste Management Plan (WMP), where it consist of the process/Area, impact, management plan, person in charge (PIC), and status of the implementation on site.</p> <p>From the document review and site visit conducted, the management plan has been implemented by the management through training that has been conducted as verified from the training records and interview with the workers, establishment of schedule waste store and landfill at each estate for proper waste disposal, and the establishment and monitoring of riparian area along the watercourse and water catchment area.</p> <p>Social Impact Assessment The minutes of meeting for Stakeholder Consultation which conducted on 28/09/2022 at KDC Clubhouse and attended by 63 stakeholders prepared by Nur Hazriani binti Hamri (Ref. Doc.: Minit Mesyuarat Pihak Berkepentingan 2022 Bahagian Tawau). From the minutes, the certification unit has discussed the following agenda with the stakeholders:</p> <ul style="list-style-type: none"> • Schedule waste management • HCV/CV management (implementation and best practice) • Human rights and child labour • OSH Awareness • Gender Committee • Complaint procedure 	Yes

	<p>The methodology including sample selection was random and covered each category of stakeholders. The evaluation was carried out through distribution of survey forms. A total of 169 sets of questionnaires that covers the essential topic of local community benefits, communication, sustainability practices, health, accessibility, and social development & contribution were distributed. Action plans were developed such as below:</p> <ul style="list-style-type: none"> • Brief stakeholders regarding KLK policy in yearly basis • Annual training programme was established to ensure continuous briefing conducted for workers regarding the Sustainability Policy • Brief stakeholders on Stakeholder Engagement/Negotiation including complaint procedure • Safety briefing to contractor whenever they enter operating centre to do work • To provide PPE for suppliers/contractors that entering the premises • To erect signage to prohibit child labour at operating centre 	
3.4.3 (C)	<p>Environmental Impact Assessment</p> <p>Based on the SOP 10.0 Environmental Aspect and Impact Assessment (Issue/Rev 4/3) dated on 1st January 2021, the review of management and monitoring plan was conducted annually. The review has been conducted internally through Sustainability management review meeting which involves the top management, sustainability team and estates' representatives of Tawau region estates and mills.</p> <p>As sighted from Sustainability Management Review 2022 Minutes prepared by Mrs. Nur Hazriani dated on 26/10/22, the following agenda related to environment management plan has been discussed and updated:</p> <p>Water Management Plan</p> <ul style="list-style-type: none"> • WQI for upstream and downstream points are performed regularly based on estate water sampling program schedule. • Water Management Plan was reviewed and updated <p>Pollution and GHG Emission: All operating centres had submitted GHG Calculation tools to be uploaded in PalmGHG by Sustainability Department.</p> <p>Waste management plan has been established accordingly where;</p> <ul style="list-style-type: none"> • Landfill selected far from any water course • Establishment of domestic waste checklist for landfill collection and disposal • OC set waste collection plan at linesite. <p>All centres waste identification and mitigation plan were reviewed to ensure current mitigation plans were in line with onsite practice of the operating center.</p> <p>Evidence of proper mitigating actions taken was available for all operating centres which includes</p> <ul style="list-style-type: none"> • Consignment notes • Waste collection checklist • Sales record of recycle waste 	Yes

	<ul style="list-style-type: none"> Scrap iron/Empty containers sales record. Energy usage were update <p>Social Impact Assessment The methodology including sample selection was random and covered each category of stakeholders. The evaluation was carried out through distribution of survey forms. A total of 169 sets of questionnaires that covers the essential topic of local community benefits, communication, sustainability practices, health, accessibility, and social development & contribution were distributed. Action plans were developed such as below:</p> <ul style="list-style-type: none"> Brief stakeholders regarding KLK policy in yearly basis Annual training programme was established to ensure continuous briefing conducted for workers regarding the Sustainability Policy Brief stakeholders on Stakeholder Engagement/Negotiation including complaint procedure Safety briefing to contractor whenever they enter operating centre to do work To provide PPE for suppliers/contractors that entering the premises To erect signage to prohibit child labour at operating centre <p>Pinang Estate Social Improvement Plan established by the Abdul Arif Arham on 17/10/2022. The plan consists of:</p> <ul style="list-style-type: none"> Monitoring Sexual Harassment Cases Gender Committee Meeting Annual Training Programme Social Meeting Annual Social Programme RSPO Audit Continuous Improvement Plan <p>The review has been conducted internally through Sustainability management review meeting which involves the top management, sustainability team and estates' representatives of Tawau region estates and mills. Management Review for Tawau Region done on 26/10/2022.</p>	
3.5.1	<p>Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives. SOPs for recruitment, selection, hiring, promotion, retirement and termination of workers established (Ref. Doc.: Employment of Workers/Staff SOP: 14.0 Issue/Rev.: 4/3 Date: 01/01/2021). The SOP stipulates the duties of a Manager in the Employment Procedure. Workers Recruitment Flowchart was sighted. The flowchart shows the flow from the operating centre interview of the worker to Head Office's duty to enter in the Foreign Workers System and send the passport with permit sticker to operating centres.</p> <p>The management has established Foreign Workers Employment. The procedure covers the process of recruitment of foreign workers. The recruitment procedures are stated under point 2.2 Recruitment Procedures (KL-Kepong (Sabah) Sdn. Bhd. Foreign Workers' Employment). Procedure also covers:</p> <ol style="list-style-type: none"> Recruitment Recruitment Procedures 	Yes

	<p>3) Employment Contract 4) Recruitment Cost 5) Renewal of Passport and Extension of Work Permit 6) Repatriation 7) Termination of Employment Contract 8) Abscondment 9) Change of Employer Not Permitted</p> <p>The management has also established Local Workers Employment. Procedure covers:</p> <p>1) Recruitment 2) Recruitment Procedures 3) Employment Contract 4) Resignation 5) Promotion 6) Retirement 7) Termination of Employment Contract</p> <p>The job vacancy is posted at the entrance of complex. Example of job advertisement for Process Operator dated 19/10/2022 which posted at the entrance of the complex was sighted.</p> <p>Pinang POM Borang Permohonan Pekerjaan Application Date: 27/09/2022 Job: General Worker Age: 22 Surat Panggilan Temuduga Date: 03/10/2022 Borang Temuduga Pekerja Date of Interview: 04/10/2022 Medical Examination Date: 05/10/2022 Done by: Baldev Singh – Estate Hospital Assistant Offer Letter Date Signed: 15/10/2022 Employment Contract Date signed: 16/10/2022</p> <p>Induction Training for the new worker was done on 17/10/2022 by Mr. Ahmad Danial Mohammed at Pinang POM Office. The induction training covers job function, safety, deduction, insurance, housing, school, culture, freedom of union, complaint & grievance procedure, RSPO, KLK Group Policies, OSH Policy, Code of Conduct & Ethics For The Company & Group and etc.</p> <p>Pangeran Estate Borang Permohonan Pekerjaan Application Date: 20/12/2020 Job: Harvester Age: 20 Surat Panggilan Temuduga Date: 20/12/2020 Borang Temuduga Pekerja Date of Interview: 21/10/2020</p>	
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	<p>Medical Examination Date: 26/12/2020 Done by: Baldev Singh – Estate Hospital Assistant Offer Letter Date Signed: 24/12/2020 Employment Contract Date signed: 02/01/2022</p> <p>Induction Training for the new worker was done on 02/01/2022 by Assistant Manager at Pangeran Estate Office. The induction training covers job function, safety, deduction, insurance, housing, school, culture, freedom of union, complaint & grievance procedure, RSPO, KLK Group Policies, OSH Policy, Code of Conduct & Ethics For The Company & Group and etc.</p> <p>Pinang Estate Borang Permohonan Pekerjaan Application Date: 20/06/2022 Job: Second Clerk Age: 23 Surat Panggilan Temuduga Date: 27/06/2022 Borang Temuduga Pekerja Date of Interview: 27/06/2022 Medical Examination Date: 01/07/2022 Done by: Baldev Singh – Estate Hospital Assistant Offer Letter Date Signed: 15/07/2022 Employment Contract Date signed: 18/07/2022</p> <p>Induction Training for the new worker was done on 18/07/2022 by Assistant Manager at Pinang Estate Office. The induction training covers job function, safety, deduction, insurance, housing, school, culture, freedom of union, complaint & grievance procedure, RSPO, KLK Group Policies, OSH Policy, Code of Conduct & Ethics For The Company & Group and etc.</p> <p>Jatika Estate Borang Permohonan Pekerjaan Application Date: 20/10/2022 Job: General Worker Age: 24 Surat Panggilan Temuduga Date: 20/10/2022 Borang Temuduga Pekerja Date of Interview: 27/10/2022 Medical Examination Date: 10/11/2022 Done by: Baldev Singh – Estate Hospital Assistant Offer Letter Date Signed: 10/11/2022 Employment Contract Date signed: 14/11/2022</p>	
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<p>3.5.2</p>	<p>Employment procedures are implemented and records are maintained. Sample as below:</p> <p>Pinang POM Borang Permohonan Pekerjaan Application Date: 27/09/2022 Job: General Worker Age: 22 Surat Panggilan Temuduga Date: 03/10/2022 Borang Temuduga Pekerja Date of Interview: 04/10/2022 Medical Examination Date: 05/10/2022 Done by: Baldev Singh – Estate Hospital Assistant Offer Letter Date Signed: 15/10/2022 Employment Contract Date signed: 16/10/2022</p> <p>Induction Training for the new worker was done on 17/10/2022 by Mr. Ahmad Danial Mohammed at Pinang POM Office. The induction training covers job function, safety, deduction, insurance, housing, school, culture, freedom of union, complaint & grievance procedure, RSPO, KLK Group Policies, OSH Policy, Code of Conduct & Ethics For The Company & Group and etc.</p> <p>Pangeran Estate Borang Permohonan Pekerjaan Application Date: 20/12/2020 Job: Harvester Age: 20 Surat Panggilan Temuduga Date: 20/12/2020 Borang Temuduga Pekerja Date of Interview: 21/10/2020 Medical Examination Date: 26/12/2020 Done by: Baldev Singh – Estate Hospital Assistant Offer Letter Date Signed: 24/12/2020 Employment Contract Date signed: 02/01/2022</p> <p>Induction Training for the new worker was done on 02/01/2022 by Assistant Manager at Pangeran Estate Office. The induction training covers job function, safety, deduction, insurance, housing, school, culture, freedom of union, complaint & grievance procedure, RSPO, KLK Group Policies, OSH Policy, Code of Conduct & Ethics For The Company & Group and etc.</p>	<p>Yes</p>

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3.6.1 (C)	<p>KLK has established Health and Safety policy. The policy is pasted on the notice board at every mill and estate offices. Risk assessment has been conducted and compiled in HIRARC.</p> <p>All the operations conducted within estate has been compiled in HIRARC which focus on hazard and way to minimize the risk.</p>	Yes

	<p>Documented mitigation plan has been identified and emphasized in HIRARC as well in CHRA conducted by competent assessor. CHRA Assessor is Dr Mohd Azizan Bin Abdul Aziz, DOSH registration: HQ/11/ASS/00/298-2018/084. Date of assessment is 4th December 2017.</p> <p>Plan of mitigation has been implemented according to recommendation by CHRA assessor as well as in HIRARC.</p> <p>There is minor accidents recorded and JKKP form 8 was sent to DOSH as part of compliance to OSHA 1994.</p> <p>Chemical Hazard Risk Assessment has been conducted in Pinang Complex which completed in September:</p> <table border="1" data-bbox="571 741 1070 974"> <thead> <tr> <th>Date</th> <th>Operating Center</th> </tr> </thead> <tbody> <tr> <td>19/09/2022</td> <td>Jatika Estate</td> </tr> <tr> <td>20/09/2022</td> <td>Pangeran Estate Sigalong Estate Pinang POM</td> </tr> <tr> <td>21/09/2022</td> <td>Pinang Estate</td> </tr> </tbody> </table> <p>LEV annual inspection has been conducted by Hygiene Technician II Mr Daneshkumar Rajendran DOSH Registration Number HQ/15/JHII/00/206. Date of Examination 13th October 2022, report reference number HQ/15/JHII/00/206-2022/081. Report reference: OSHE/1022/1493.</p> <p>Thus, PiPOM has obliged to Regulation 17 (1b) of USECHH Regulations 2000.</p>	Date	Operating Center	19/09/2022	Jatika Estate	20/09/2022	Pangeran Estate Sigalong Estate Pinang POM	21/09/2022	Pinang Estate									
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3.6.2 (C)	<p>The implementation of the H&S plan can be seen through sampled pick of the risk that was identified. For estate and mill which is POL Store:</p> <table border="1" data-bbox="422 1373 1219 1962"> <thead> <tr> <th>Work identified</th> <th>Identified Hazard</th> <th>Identified Risk</th> <th>Risk Mitigation</th> </tr> </thead> <tbody> <tr> <td>Penerimaan POL</td> <td>Tumpahan POL</td> <td>Environmental</td> <td>Memeriksa bund dan perangkap minyak dalam keadaan baik</td> </tr> <tr> <td>Penyimpanan POL</td> <td>Wap Bertoksik/Mudah Terbakar berkumpul</td> <td> <ul style="list-style-type: none"> Health hazard Kebakaran/letupan </td> <td>Tidak membenarkan pekerja merokok berhampiran stor</td> </tr> <tr> <td>Pengagihan POL</td> <td>Terdedah kepada bahan POL</td> <td> <ul style="list-style-type: none"> Merengsa </td> <td>Meneruskan Latihan keselamatan dan kesihatan serta PPE</td> </tr> </tbody> </table>	Work identified	Identified Hazard	Identified Risk	Risk Mitigation	Penerimaan POL	Tumpahan POL	Environmental	Memeriksa bund dan perangkap minyak dalam keadaan baik	Penyimpanan POL	Wap Bertoksik/Mudah Terbakar berkumpul	<ul style="list-style-type: none"> Health hazard Kebakaran/letupan 	Tidak membenarkan pekerja merokok berhampiran stor	Pengagihan POL	Terdedah kepada bahan POL	<ul style="list-style-type: none"> Merengsa 	Meneruskan Latihan keselamatan dan kesihatan serta PPE	OBS
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	<p>From the site visit during the audit to the POL store for both mill and estate, it can be seen that the POL store is in good condition. The oil bund trap for any leaking from the items is seen to be in good condition where there are nearby equipment in place to be used in case of leakage. The POL store is also maintained through weekly checking by the store clerk for each estate, and for mill, the assistant mill will be the person responsible to ensure good condition of the store.</p> <p>Further observation can be seen that there are training records been given to workers who handles POL items to use appropriate PPE including training in case of emergencies, such as spillage, fire outbreak and etc.</p> <p>The safety supervisor Mr. Syafiq will also monitor the progress of the H&S plan and will report and update during the Quarterly OSH meetings, as seen in the OSH minutes of meeting for the estates and mill.</p>																																																								
3.7.1 (C)	<p>The company has maintained a list of staff and workers whom training must be provided. Training need analysis, attendance and evaluation form has been verified for each estates.</p> <p><u>Pinang Estate</u> Refer to “<i>Program Latihan Tahunan Ladang Pinang yang Dirancang Bagi tahun -2022</i>”, the training program has been recorded and realised until month of November.</p> <table border="1" data-bbox="424 1043 1222 1995"> <thead> <tr> <th>Month</th> <th>Training</th> <th>Target</th> <th>Person In Charge</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>January</td> <td>Fronds Stacking and Pruning</td> <td>Staff and Worker</td> <td>Abdul Arif</td> <td>19/01/2022</td> </tr> <tr> <td>February</td> <td>Spraying Chemical, Mature Palm</td> <td>Staff and Worker</td> <td>Abdul Arif</td> <td>18/02/2022</td> </tr> <tr> <td>March</td> <td>Manuring</td> <td>Staff and worker</td> <td>Abdul Arif</td> <td>10/03/2022</td> </tr> <tr> <td>April</td> <td>Water Pump and Electrical</td> <td>Staff and worker</td> <td>Bakhir Muhamad</td> <td>21/04/2022</td> </tr> <tr> <td>May</td> <td>Safe work procedure at Workshop</td> <td>Staff and Worker</td> <td>Haji Marsuki</td> <td>09/05/2022</td> </tr> <tr> <td>June</td> <td>Harvesting SOP manual</td> <td>Staff and worker</td> <td>Haji Marsuki</td> <td>04/06/2022</td> </tr> <tr> <td>July</td> <td>Pre-mixing</td> <td>Staff and Worker</td> <td>Abdul Arif</td> <td>19/07/2022</td> </tr> <tr> <td>August</td> <td>Motorcycle Riding</td> <td>Staff and Worker</td> <td>Abdul Arif</td> <td>08/08/2022</td> </tr> <tr> <td>September</td> <td>Driving Practical</td> <td>Staff and worker</td> <td>Shazid</td> <td>07/09/2022</td> </tr> <tr> <td>October</td> <td>Emergency Training</td> <td>Staff and worker</td> <td>Haji Marsuki</td> <td>12/10/2022</td> </tr> </tbody> </table>	Month	Training	Target	Person In Charge	Status	January	Fronds Stacking and Pruning	Staff and Worker	Abdul Arif	19/01/2022	February	Spraying Chemical, Mature Palm	Staff and Worker	Abdul Arif	18/02/2022	March	Manuring	Staff and worker	Abdul Arif	10/03/2022	April	Water Pump and Electrical	Staff and worker	Bakhir Muhamad	21/04/2022	May	Safe work procedure at Workshop	Staff and Worker	Haji Marsuki	09/05/2022	June	Harvesting SOP manual	Staff and worker	Haji Marsuki	04/06/2022	July	Pre-mixing	Staff and Worker	Abdul Arif	19/07/2022	August	Motorcycle Riding	Staff and Worker	Abdul Arif	08/08/2022	September	Driving Practical	Staff and worker	Shazid	07/09/2022	October	Emergency Training	Staff and worker	Haji Marsuki	12/10/2022	OBS
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November	First aid Training	Staff and worker	Baldev Singh	17/11/2022																
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3.7.2	<p>Documentation of all training assessment needs, formal training conducted and the list of participants attending these formal training has been maintained.</p> <p>Pinang Estate Sample 4 training of 2022:</p> <ol style="list-style-type: none"> 1- Premix training conducted by Mr Abdul Arif Assistant Manager dated 19/07/2022 attended by 1 staff and 6 workers. Training was conducted based on Chemical Premix SOP Rev. 03/2020 focusing on hazard, preparation before working, during working and after working. 2- Chemical spraying training conducted by Abdul Arif Arham Assistant Manager dated 18/02/2022 attended by 2 staffs and 10 sprayers. Training was conducted referring to SaOP Rev 09/2021 focusing on hazard, preparation before working, during working and after working. 3- First aid training conducted by Mr Baldev Singh dated 17/11/2022 attended by 2 staffs and 9 workers. 4- Emergency training conducted by Mr Chow Sung Lu Supplier Fire Extinguisher from C.W Engineering arranged by Mr Shazid Assistant Manager dated 12/10/2022 at 7 a.m. attended by 7 staffs and 11 workers. 	Yes																		
3.7.3	<p>Mr Jamaluddin Bin Saparuddin PIPOM Mill Engineer is incharge as specific personnel carrying out task for effective implementation of the Identity Preserve supply chain.</p> <p>Specific training of SCCS has been conducted dated 3rd January 2022 given by Mill Engineer Mr Jamaluddin Bin Saparuddin. Training material is available, and list of attendance is as follows:</p> <table border="1"> <thead> <tr> <th>Participant attendance</th> <th>Scope of work</th> <th>Training Evaluation</th> </tr> </thead> <tbody> <tr> <td>12</td> <td>General- Office, Store, Security, Driver</td> <td>Good</td> </tr> <tr> <td>12</td> <td>Laboratory, Grader</td> <td>Good</td> </tr> <tr> <td>22</td> <td>Workshop, Electrical</td> <td>Good</td> </tr> <tr> <td>23</td> <td>Normal Shift</td> <td>Good</td> </tr> <tr> <td>30</td> <td>Shift A & B</td> <td>Good</td> </tr> </tbody> </table> <p>The relevant personnel such as weighbridge clerk Mrs Habsah Binti Pide and Mrs Hasriani Binti Messa has undergone the SCCS training.</p>	Participant attendance	Scope of work	Training Evaluation	12	General- Office, Store, Security, Driver	Good	12	Laboratory, Grader	Good	22	Workshop, Electrical	Good	23	Normal Shift	Good	30	Shift A & B	Good	Yes
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Supply Chain Requirements for Mills																				
See also section 5 of this report																				
3.8.1	<p>The mill is operating in IP model, only certified FFB are processed within the mill.</p> <p>The company has established RSPO Supply Chain Certification Procedure – Document No SBPOM-RSPO-SCC Revision 02, effective date 01 September 2020.</p> <p>Last revision took place on 1 September 2020 on general update of document.</p> <p>SOP number 14, Supply Chain model- Mass Balance.</p> <p>14.2 Site shall ensure that quantity of Physical RSPO mass balance inputs and outputs (volume or weight) at the physical site are monitored and maintain via the product movement record (ie Daily and monthly movement summary report) the report is sent to the sustainability and supply chain department monthly for update.</p> <p>14.3 Site shall implement a fixed inventory period, where site shall ensure that quantity of RSPO mass balance material inputs and outputs (volume or weight) are balanced within a periodical inventory period which does not exceed 3 (three) months.</p> <p>The fixed inventory has been implemented based on calendar year from January to March.</p> <p>The monitoring of Mass Balance started from the weighbridge station as recorded in FFB ticket.</p>	Yes																		
3.8.2	NA , the mill is running in IP model.	NA																		
3.8.3	<p>The certified volume for CPO and PK is projected based on the crop budget determined by the estate after the approval by the HQ.</p> <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="background-color: #ADD8E6;">Projected 12 Months (MT) Forecast Volume in this Report Sept 21 – Aug22</th> </tr> <tr> <th style="width: 33%;">FFB</th> <th style="width: 33%;">CPO</th> <th style="width: 33%;">PK</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">93,049.87</td> <td style="text-align: center;">21,556.93</td> <td style="text-align: center;">4,177.59</td> </tr> </tbody> </table> <p>Actual Production volume for this audit year:</p> <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="background-color: #FFFF00;">Actual Production from the last 14 Months (MT) Sept 21 – Aug22</th> </tr> <tr> <th style="width: 33%;">FFB</th> <th style="width: 33%;">CPO</th> <th style="width: 33%;">PK</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">65,552.48</td> <td style="text-align: center;">14,081.46</td> <td style="text-align: center;">2,437.74</td> </tr> </tbody> </table> <p>Based on actual production, there is no overproduction as per against the projected figure for the same time frame period.</p>	Projected 12 Months (MT) Forecast Volume in this Report Sept 21 – Aug22			FFB	CPO	PK	93,049.87	21,556.93	4,177.59	Actual Production from the last 14 Months (MT) Sept 21 – Aug22			FFB	CPO	PK	65,552.48	14,081.46	2,437.74	Yes
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3.8.4	The mill met all registration and reporting requirements for the appropriate supply chain through the RSPO IT platform. (Palmtree platform) As per verified in Palmtree platform, the license is valid and still active.	Yes																		

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3.8,5	<p>SOP for Supply Chain Procedure dated 1st Jan 2021 (SOP:18.0) has been established. The SOP spells out all procedures in relation to the supply chain system at this operating center.</p> <p>Specific training of SCCS has been conducted dated 3rd January 2022 given by Mill Engineer Mr Jamaluddin Bin Saparuddin. The attendance list and material presented is observed during the assessment.</p>	Yes																																														
3.8.6	<p>There are internal audit procedure revision 3/2 dated 1st Jan 2021. The internal audit for systematic, independent and documented process carried out by the organization to ensure that the management system has been properly implemented and to determine the effectiveness of the implementation management system. The internal audit has planned at least once a year.</p> <p>The internal audit conducted on 21 October 2021 for RSPO by Ms Shia Bee Gek. Internal audit report observed with no number of finding Major, Minor and Observation.</p> <p>Observed that the Sustainability Management Review meeting minutes has been conducted on 29th October 2021 at meeting Room Pinang POM.</p>	Yes																																														

	Detail of meeting agenda, attendance list, discussion/ issue raised and action to be taken.	
3.8.7	<p>Noted that FFB supplier from KLK Mill 2 estates and KLK Pinang estates (sisters estate) both RSPO IP certification. The sample weighbridge detail tickets FFB as below:</p> <p>Ladang Pinang</p> <ol style="list-style-type: none"> 1. Date 28 May 2021 2. Weight 7.92 MT 3. No Nota Hantaran: 1317936 4. Ticket : A651146 5. Driver name, lorry number, block and IC available. <p>Ladang Jatika</p> <ol style="list-style-type: none"> 1. Date 30 Jun 2021 2. Weight 8.05 MT 3. No Nota Hantaran: 1404622 4. Ticket : A654270 5. Driver name, lorry number, block and IC available. <p>1. Date 30 Jun 2021</p> <ol style="list-style-type: none"> 2. Weight 4.55 MT 3. No Nota Hantaran: 1155224 4. Ticket : A654307 5. Driver name, lorry number and IC available. <p>Ladang Sigalong</p> <ol style="list-style-type: none"> 1. Date 31 July 2021 2. Weight 9.1MT 3. No Nota Hantaran 1155167 4. Ticket : A656754 5. Driver name, lorry number and IC number <p>Ladang Pangeran</p> <ol style="list-style-type: none"> 1. Date 30 Aug 2021 2. Weight 8.66MT 3. No Nota Hantaran 1401113 4. Ticket : A659504 5. Driver name, lorry number and IC number <p>Ladang Ringlet (group estate)</p> <ol style="list-style-type: none"> 1. Date 22 Feb 2021 2. Weight 6.92 MT 3. No Nota Hantaran 1350301 4. Ticket: A640821 5. Driver name, lorry number and IC number <p>Ladang Pang Burong (group estate)</p> <ol style="list-style-type: none"> 1. Date 4 April 2021 2. Weight 7.32 MT 3. No Nota Hantaran 1394210 4. Ticket: A645068 5. Driver name, lorry number and IC number <p>KLK (S) PIPOM monitor the production base on certified sustainable palm oil accounting system.</p>	Yes

<p>3.8.8</p>	<p>Noted that KLK PIPOM has supplied to Genting Musimmas contract reference KLSC/01228-S/CPO-SG dated 12 March 2021, 2000MT CPO SG. Buyer address available in contract and weighbridge, delivery (date,time,ticket number, volume and RSPO ticket number) available. The data has sale transportation verified with weighbridge data, contract number and CPO Dispatch to Genting Musimmas (PIPOM) weighbridge book.</p> <ul style="list-style-type: none"> • RSPO Cert CU-RSPO-808656 • No Ticket (1) :A647250 • CPO: 29.06 MT • No Ticket (2): A647252 • CPO: 30.43MT <p>Other sample contract for Bunge Asia verified total contract 250MT as below.</p> <ul style="list-style-type: none"> • Buyer address : Bunge Asia Pte Ltd, 1 Wallich Street, No 08-01 Guoco Tower. • RSPO cert No: CU-RSPO-808656 • Several transportation with detail ticket number, weight. • Product: Certified Sustainable CPO in Bulk - Segregated, Malaysia Origin. • Ticket No (1) : A663752 • CPO : 30.14MT • Ticket No (2): A663746 • CPO: 30.25MT <ul style="list-style-type: none"> • Contract no KLSC/01308-S/CPO-SG. • RSPO cert No: CU-RSPO-808656 • Ticket (1): A663974 • CPO: 30.14MT • Ticket (2): A663968 • CPO: 30.14MT <p>Several transportation with detail ticket number, weighbridge ticket has been observed and recorded in CPO-SG Dispatched to FGV Bulkers log book..</p> <p>Sample for CSPK (PK-IP) contract no KLSP/00763-S with KLK Premier Oil Sdn Bhd total 100MT.</p> <p>Buyers address available in contract and the weighbridge each transportation is available. The sample detail weighbridge out detail product RSPO-PK-IP, quantity product dispatch and received with unique identification number observed. Detail summary dispatched product recorded in Palm Kernel dispatch to KLKPO L/Datu, Weighbridge Book.</p>	<p>Yes</p>
<p>3.8.9</p>	<p>PIPOM has once outsource contractor which is, Rimbun Hijau and FGV Bulkers Sdn Bhd for handle RSPO CSPO transportation and temporary storage. the contract agreement has been observed stated that the company agreed to continue to comply with the intent and requirements of KLK's sustainability (RSPO,ISCC,MSPO) practices. Detail contract agreement has been agreed and signed by both parties.</p>	<p>Yes</p>

	<p>The agreement also stated that the company to provide necessary to KLK's Sustainability certification bodies to operation, system and any other information when this is notified in advance and if an audit is deemed necessary.</p> <p>Training and awareness to contractor record observed during assessment. The latest training has been conducted 3 Nov 2021.</p>													
3.8.10	Mill has record and contract detail of contractor used for the physical handling of RSPO certified oil palm product in list of outsource contractor.	Yes												
3.8.11	No new contractor appointed. All the contractors are existing contract focusing transport activities within KLK Pinang Group.	Yes												
3.8.12	As sighted in clause 8 : Record keeping. 8.1: Retention time for records covering all RSPO supply chain requirements of a minimum of 2 years.	Yes												
3.8.13	<p>Based on the Pinang Palm Oil Mill Certified Sustainable Palm Oil Accounting System (Mass Balance) 2022/23:</p> <table border="1" data-bbox="603 757 1037 952"> <thead> <tr> <th>Extraction Rate</th> <th>Todate (November 2022)</th> </tr> </thead> <tbody> <tr> <td>OER</td> <td>20.68%</td> </tr> <tr> <td>KER</td> <td>3.25%</td> </tr> </tbody> </table>	Extraction Rate	Todate (November 2022)	OER	20.68%	KER	3.25%	Yes						
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3.8.14	<p>The Pinang POM has record of 2021 OER and KER as follows:</p> <table border="1" data-bbox="419 1025 1142 1106"> <thead> <tr> <th>Month</th> <th>OER</th> <th>KER</th> </tr> </thead> <tbody> <tr> <td>2021 December</td> <td>22.02%</td> <td>3.05%</td> </tr> </tbody> </table> <table border="1" data-bbox="419 1144 1142 1225"> <thead> <tr> <th>Month</th> <th>OER</th> <th>KER</th> </tr> </thead> <tbody> <tr> <td>2022 November</td> <td>20.68%</td> <td>3.25%</td> </tr> </tbody> </table>	Month	OER	KER	2021 December	22.02%	3.05%	Month	OER	KER	2022 November	20.68%	3.25%	Yes
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2021 December	22.02%	3.05%												
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3.8.15	Pinang POM maintain Identity Preserve Module, there is no non-certified product being received in Pinang palm Oil Mill	Yes												
3.8.16	<p>The shipping announcement carried out in accordance with the internal SOP requirements.</p> <p>Confirmation from buyer has been carried out as per sample shipping transaction as follows:</p> <p>Product name – CSPO, buyer reference – November 2022</p> <ol style="list-style-type: none"> 1. Transaction ID – TR-417c3f22-6352 2. Transaction status – confirmed 3. Creation date – 14/10/2022 4. Created by – Lucanus Lim 5. Confirmation date – 18/10/2022 6. Confirmed by Kueh Tiar Allen Khoo 7. Volume – 514.16Mt 8. Shipping/BL Date – 29/09/2022 <p>Sighted Domestic Contract – CPO-SG between KL-Kepong (Sabah) Sdn Bhd and KLK Premier Oils Sdn Bhd. Quantity 500Metric Tonnes, Reference: KLSC/01569-S/CPO-SG-GMS.</p> <p>Details:</p>	Yes												

	<p>1- Certified Sustainable Crude Palm Oil in Bulk – Segregated 2- Packing – in Bulk 3- Specification – FFA (as Palmitic) : 5.0% max 4- Basis – delivered Lahad Datu Sabah, Malaysia 5- Full Payment by TT after delivery completion 6- Special condition – Contract price to include premium of RSPO-SG Certification USD 30.00 per Mt.</p> <p>As there is no sale of CPO and PK in other scheme such as ISCC and MSPO, there is no stock removal being conducted.</p>	
3.8.17	No claim has been made by the mills/ certified holder.	Yes
Principle 4: Respect community and human rights and deliver benefits		
Indicator	Summary of Findings	Compliance (Y/N) and NC#
4.1.1 (C)	<p>A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRD) and prohibits intimidation and harassment by the unit of certification are incorporated in KLK Sustainability Policy under 2. Social Workplace And Communities 2.1 Respect and Recognise The Rights In Workplace (i) Respect Employees Rights.</p> <p>KLK’s website also uploaded policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRD) which is downloadable via the link below: https://www.klk.com.my/group-policies/ - Retrieved on 5th November 2021</p> <p>Pinang Mill Complex The policy has been communicated to the external stakeholders during the Stakeholders’ Meeting which conducted on 28/09/2022 at KDC Clubhouse and attended by 63 stakeholders (Ref. Doc.: Minit Mesyuarat Pihak Berkepentingan 2022 Bahagian Tawau).</p> <p>Pinang Estate The policy was briefed to the 158 employees on 20/5/2022 by Abdul Arif at Pinang Estate Office (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pinang POM The policy was briefed to the 82 employees on 22/04/2022 by Jamaluddin bin Saparuddin at Pinang POM Training Centre (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Jatika Estate The policy was briefed to the 87 employees on 10/08/2022 by Mohd Fazlan Nurdin at Jatika Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Ladang Pangeran</p>	Yes

	The policy was briefed to the 178 employees on 05/01/2022 by Bhertson. R at Pangeran Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).	
4.1.2	There is no violence or use of any form of harassment in the operation units were observed during the audit. There were also no records of complaints and grievances from workers pertaining to violence or use of any form of harassment. The use of security or auxiliary police only for the purpose of security.	Yes
4.2.1 (C)	<p>The management has established a system in place to deal with complaints and grievances for all affected parties (Ref. Doc.: Stakeholders Engagement/Negotiation SOP: 1.0 Issue/Rev.: 5/4 Date: 01/01/2021). Under Engagement of the SOP covers Request & Response, Consultation & Communication and Complaint & Grievances.</p> <p>Under Engagement of the SOP, Complaint & Grievances, there are 5 grievance channels available which the stakeholders can use (Ref. Doc.: Stakeholders Engagement/Negotiation SOP: 1.0 Issue/Rev.: 5/4 Date: 01/01/2021):</p> <ul style="list-style-type: none"> • Use the grievance form available at www.klk.com.my or scan QR code to download the form • By calling KLK's hotline +605-2408000 (extension 2201) • By Email: hr@klk.com.my • By Post to: Head office • By dropping it into the suggestion box <p>Group Employee Grievance Redressal Policy (May 2019),</p> <ul style="list-style-type: none"> • Anonymous Letter <p>Pinang Estate Mark Dayao (Manager) has been appointed as responsible person to receive complaints and grievances on 08/6/2021 by Murali A/L Thomas (Assistant General Manager) (Ref. Doc.: Surat Lantikan Sebagai Orang Bertanggungjawab). Abdul Arif Arham (Assistant Manager) has been appointed as responsible person to receive complaints and grievances on 01/07/2021 by Mark Dayao (Manager) (Ref. Doc.: Surat Lantikan Sebagai Orang Bertanggungjawab).</p> <p>Sigalong Estate Arifin bin Taking (Manager) has been appointed as responsible person to receive complaints and grievances on 09/09/2020 by Murali A/L Thomas (Assistant General Manager) (Ref. Doc.: Surat Lantikan Sebagai Orang Bertanggungjawab).</p> <p>Pinang POM Basri bin Baco has been appointed as responsible person to receive complaints and grievances on 17/08/2021 by S. Kathiresan (Mill Advisor) (Ref. Doc.: Surat Lantikan Sebagai Orang Bertanggungjawab).</p> <p>Ladang Jatika Syafiq Ho Abdullah (Manager) has been appointed as responsible person to receive complaints and grievances on 09/09/2020 by Murali A/L Thomas (Assistant General Manager) (Ref. Doc.: Surat Lantikan Sebagai Orang Bertanggungjawab).</p>	Yes

	<p>Ladang Pangeran Wong Wai Hou (Manager) has been appointed as responsible person to receive complaints and grievances on 09/09/2020 by Murali A/L Thomas (Assistant General Manager) (Ref. Doc.: Surat Lantikan Sebagai Orang Bertanggungjawab).</p>	
4.2.2	<p>Pinang Complex Procedures to ensure the above system is understood by the affected parties, including the illiterate parties (Ref. Doc.: Stakeholders Engagement/Negotiation SOP: 1.0 Issue/Rev.: 5/4 Date: 01/01/2021). Under Engagement of the SOP covers Request & Response, Consultation & Communication and Complaint & Grievances.</p> <p>Pinang Estate The procedure was briefed in Bahasa Melayu to the 158 employees on 20/5/2022 by Abdul Arif at Pinang Estate Office (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pinang POM The procedure was briefed in Bahasa Melayu to the 82 employees on 22/04/2022 by Jamaluddin bin Saparuddin at Pinang POM Training Centre (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Jatika Estate The procedure was briefed in Bahasa Melayu to the 87 employees on 10/08/2022 by Mohd Fazlan Nurdin at Jatika Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Ladang Pangeran The procedure was briefed in Bahasa Melayu to the 178 employees on 05/01/2022 by Bhertson. R at Pangeran Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p>	Yes
4.2.3	<p>Under Engagement of the SOP covers Request & Response, Consultation & Communication and Complaint & Grievances. The SOP mentions about agreed timeframe for parties to a grievance.</p> <p>KLK has also established Group Employee Grievance Redressal Policy (May 2019). The scope of the Grievance policy and mechanism is applicable to all employees of KLK, its subsidiaries and associate companies. The grievance policy contains guidelines for employees in raising grievance as well as the grievance process method. The grievance process method as stated in the procedure is as follows:</p> <p>Step 1</p> <p>a. Employee to raise his grievance in writing using the prescribed grievance form to his immediate superior.</p>	Yes

	<p>b. Alternatively, instead of writing, and employee can also raise his grievance through hotlines set up in the respective operating countries as set out in paragraph 4.1 (i) of alternative method.</p> <p>c. The superior will take the necessary action within three (3) working days upon receiving grievance.</p> <p>d. If the matter remains unresolved, proceed to step 2.</p> <p>e. Should the grievance relate to his direct superior, proceed straight to step 2.</p> <p>Step 2</p> <p>a. Employee to raise grievance with his head of department (HOD)</p> <p>b. HOD to take necessary actions within 7 days</p> <p>c. If the matter remains unresolved, proceed to Step 3.</p> <p>Step 3</p> <p>a. Employee to report the grievance to head of human resource.</p> <p>b. Grievance should be addressed preferably within 10 working days or receipt of the grievance.</p> <p>Based on the interview with the workers in mill and 4 estates, the workers were able to explain the procedures on how to submit a grievance should they have any grievances to submit to the management.</p>	
4.2.4	<p>Under Engagement of the SOP covers Request & Response, Consultation & Communication and Complaint & Grievances. The SOP mentions about agreed timeframe for parties to a grievance.</p> <p>KLK has also established Group Employee Grievance Redressal Policy (May 2019). The scope of the Grievance policy and mechanism is applicable to all employees of KLK, its subsidiaries and associate companies. The grievance policy contains guidelines for employees in raising grievance as well as the grievance process method. The grievance process method as stated in the procedure is as follows:</p> <p>Step 1</p> <p>a) Employee to raise his grievance in writing using the prescribed grievance form to his immediate superior.</p> <p>b) Alternatively, instead of writing, and employee can also raise his grievance through hotlines set up in the respective operating countries as set out in paragraph 4.1 (i) of alternative method.</p> <p>c) The superior will take the necessary action within three (3) working days upon receiving grievance.</p> <p>d) If the matter remains unresolved, proceed to step 2.</p> <p>e) Should the grievance relate to his direct superior, proceed straight to step 2.</p> <p>Step 2</p> <p>a) Employee to raise grievance with his head of department (HOD)</p> <p>b) HOD to take necessary actions within 7 days</p>	Yes

	<p>c) If the matter remains unresolved, proceed to Step 3.</p> <p>Step 3</p> <p>a) Employee to report the grievance to head of human resource. b) Grievance should be addressed preferably within 10 working days or receipt of the grievance.</p> <p>Based on the interview with the workers in mill and 4 estates, the workers were able to explain the procedures on how to submit a grievance should they have any grievances to submit to the management.</p>	
4.3.1	<p>Contributions to community development that are based on the results of consultation with local communities are demonstrated.</p> <p>Sample as below:</p> <p>Pinang Complex The management has asked the stakeholders for any requests during the Stakeholder Meeting which conducted on 28/09/2022 at KDC Clubhouse and attended by 63 stakeholders (Ref. Doc.: Minit Mesyuarat Pihak Berkepentingan 2022 Bahagian Tawau). However, there was no requests from the stakeholders.</p> <p>Pangeran Estate</p> <ul style="list-style-type: none"> • Edible Garden Vegetables Distribution – 13/09/2022 • Family Day – 26/08/2022 • Breakfast Distribution to Workers – 11/07/2022 • School Bag and Socks Distribution for Pangeran Kindergarten – 14/03/2022 <p>Jatika Estate</p> <ul style="list-style-type: none"> • Donation to SK Skim Kokos Kunak – 22/09/2022 (Ref. Doc.: Payment Voucher Pv. No.: 97441) <p>Sigalong Estate</p> <ul style="list-style-type: none"> • Hari Sukan Pekerja – 06/08/2022 • Malam Penghargaan Pekerja – 30/08/2022 <p>Pinang Estate</p> <ul style="list-style-type: none"> • Blood Donation Campaign 2022 – 27/11/2022 at KLK Club House – Joint Programme with Hospital Tawau <p>Pinang POM Donation to Jabatan Bomba Malaysia on 31/07/2022 (Ref. Doc.: Payment Voucher Pv. No.: 16428)</p>	Yes
4.4.1 (C)	The certified unit does not occupy customary land.	Yes
4.4.2	<p>Pinang POM The mill was established on the land title CL105387719 which leased from Sabah state Government for 99 years starting from 1st July 1975 until 30th June 2074. The land already been transferred to KL-Kepong Sabah on 23rd November 2011 from Kalumpang Development Corporation Sdn. Bhd.</p>	Yes

The legal maps sighted as attached in the land title where it shows the boundary and the area hectarage of the area.

Pinang estate

Pinang Estate has 18 land titles that covers the total area of 2420 Ha and the Quit rent for each land has been paid by KL-Kepong Sabah on 1st October 2021. Legal drawing map for the estate was stated in the land titles. Sampled land titles are listed below:

Land title	Hectarage (Ha)	Quit Rent Receipt	Land Purpose
CL125316976	40.14	12202110000024	The purpose of the cultivation of oil palm and agricultural crops of economic value
CL125310410	60.00	12202110000021	The purpose of the cultivation of oil palm
CL125316967	10.36	12202110000022	The purpose of the cultivation of oil palm and agricultural crops of economic value
CL125314263	71.87	12202110000030	The purpose of the cultivation of oil palm and agricultural crops of economic value
CL125317857	12.54	12202110000029	The purpose of the cultivation of coco, "oil palm"
CL125317866	12.33	12202110000028	The purpose of the cultivation of coco, "oil palm
CL125317875	12.44	12202110000026	The purpose of the cultivation of coco, "oil palm
CL125317884	11.98	12202110000025	The purpose of the cultivation of coco, "oil palm

Quit Rent and Cess have been paid accordingly. This was evident from payment receipts that were made available during the audit. Observed quit rent payment was made on 18/4/2022 whereas for cess, payment was made on 9/6/2022

Sighted the presence of boundary stone No. 773/993 (N4'25.440" E118'15.620") located at block 14B which indicate the boundary between Pinang estate and Dairy farm. Also sighted a boundary peg number 13 (N 4°25'22.8", E 118°16'06.5") in the same field. The boundary is well maintained and has signboard installed nearby to be identified easily. Also sighted the records of Boundary Stones Monitoring Checklist which was last updated on 14/11/2022.

Jatika Estate

Jatika estate has a total land titles of 78 which covers 1976. Ha for Home Division that can be used for the purpose of planting of oil palm Quit Rent and Cess have been paid accordingly. This was evident from payment receipts that were made available during the audit. Observed quit rent payment was made on 18/4/2022 whereas for cess, payment was made on 1/4/2022. Legal drawing map for the estate was stated in the land titles. Sampled land titles are listed below:

Land title	Hectarage	Quit rent receipt
CL245341217	16.84	24202104000119
CL245341253	17.89	24202104000120
CL245341191	16.79	24202104000121
CL245341226	17.49	24202104000122
CL245341235	17.50	24202104000123
CL245341244	17.08	24202104000124
CL125319039	25.58	12202110000063
CL125312290	42.35	12202110000011
CL125324825	4.66	12202110000070
CL245337937	178.99	24202104000153
PL116291028	160.55	24202104000153

5 Boundary stone available at Jatika estate (Home Division) as seen from the Boundary stone map.

- BS1 located at PM2014A (N4'33.061'E118'17.747)
- BS2 (264/23) located at PM1998A (N4'35.206'E118'17.921)
- BS3 (117/882) located at PM2015A (N4'35.133'E118'16.971)
- BS4 (357/951) located at PM2015A (N4'35.422'E118'17.136')
- BS5 (547/230) located at PM2016D (N4'34.942 E118'17.283)

2 Boundary stone available at Jatika estate (Finari Division) as seen from the Boundary stone map.

- BS1 (731/12A) located at block PR20C – N4'34.32119' E118'19.90775'
- BS2 (731/881) located at _M1993C – N4'68.659'E118'37.54744'

Monitoring and maintenance of the BS has been conducted as verified from the Boundary Stone monitoring checklist last updated on 8/7/2022.

	<p>Boundary Pegs also available with total of 151 pegs for Home division to mark the boundary of the estate with the neighbouring estates or smallholder.</p> <p>Pangeran estate Pangeran estate has 4 land titles that covers the total area of 2855 Ha. Quit Rent and Cess have been paid accordingly. This was evident from payment receipts that were made available during the audit. Observed quit rent payment was made on 18/4/2022 to Kerajaan Negeri Sabah whereas for cess, payment was made on 9/6/2022 to Majlis Daerah Semporna.</p> <table border="1"> <thead> <tr> <th>Land titles</th> <th>Hectarage (Ha)</th> <th>Quit rent receipt</th> </tr> </thead> <tbody> <tr> <td>CL125317562</td> <td>2508.94</td> <td>12202110000016</td> </tr> <tr> <td>CL125317571</td> <td>184.63</td> <td>12202110000018</td> </tr> <tr> <td>CL125311079</td> <td>92.60</td> <td>12202110000019</td> </tr> <tr> <td>CL125318523</td> <td>68.83</td> <td>12202110000020</td> </tr> </tbody> </table> <p>Presence of Boundary stone located at block 2014B and block 2014A as sighted during site visit and also referred in Boundary Stone Map last updated on 21st September 2021.</p> <ul style="list-style-type: none"> Boundary stone 5 (499/728) Located at Block 2014B, N04'26.220' E118'15.097' Boundary stone 4 (374/118) Located at Block 2014A, N04'26.209' E118'14.477' <p>Monitoring and maintenance of the BS has been conducted as verified from the Boundary Stone monitoring checklist last updated on 27/9/2022.</p> <p>Sigalong estate Sigalong estate has 21 land titles that covers the total area of 2864 Ha. Quit Rent and Cess have been paid accordingly. This was evident from payment receipts that were made available during the audit. Observed quit rent payment was made on 20/4/2022 to Kerajaan Negeri Sabah whereas for cess, payment was made on 9/6/2022 to Majlis Daerah Semporna. Legal drawing map for the estate was stated in the land titles.</p> <table border="1"> <thead> <tr> <th>Land title</th> <th>Hectarage (Ha)</th> <th>Land Purpose</th> </tr> </thead> <tbody> <tr> <td>CL125317580</td> <td>842.54</td> <td>The purpose of the cultivation of oil palm and agricultural crops of economic value</td> </tr> <tr> <td>CL125318809</td> <td>6.15</td> <td>The purpose of the cultivation of oil palm</td> </tr> <tr> <td>CL125317562</td> <td>1375.22</td> <td>The purpose of the cultivation of oil palm and cocoa and crops of economic value</td> </tr> </tbody> </table>	Land titles	Hectarage (Ha)	Quit rent receipt	CL125317562	2508.94	12202110000016	CL125317571	184.63	12202110000018	CL125311079	92.60	12202110000019	CL125318523	68.83	12202110000020	Land title	Hectarage (Ha)	Land Purpose	CL125317580	842.54	The purpose of the cultivation of oil palm and agricultural crops of economic value	CL125318809	6.15	The purpose of the cultivation of oil palm	CL125317562	1375.22	The purpose of the cultivation of oil palm and cocoa and crops of economic value	
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CL126290417	29.14	The purpose of the cultivation of oil palm and cocoa and crops of economic value
CL126290426	30.35	The purpose of the cultivation of oil palm and cocoa and crops of economic value
CL126290435	31.16	The purpose of the cultivation of oil palm and cocoa and crops of economic value
CL126390444	30.76	The purpose of the cultivation of oil palm and cocoa and crops of economic value
<p>Boundary stones also available and maintained at block 98H and block 00B as referred in Boundary Stone Map last updated on 17th February 2021.</p> <ul style="list-style-type: none"> • Boundary stone 1 (544/963) located at Block 98H, N04'28.314' E118'17.635' which indicate the boundary between Sigalong estate and Forest reserve (Mount Pock's Forest Reserve) • Boundary stone 2 (387/264) located at Block 00B, N04'27.863' E118'18.148' which indicate the boundary between Sigalong estate and Forest reserve (Mount Pock's Forest Reserve) • Boundary stone 3 (387/551) located at Block 93B, N04°30.279' E118°16.917' which indicate the boundary between Sigalong estate and smallholder area. <p>As to this date, no claims has been made by any parties regarding their rights on the land that has been developed by the KL-Kepong (Sabah) Sdn. Bhd even through the complaint/request procedure or during the stakeholder consultation. From the record of transfer stated in the land titles, no involvement of local community or any native/indigenous people can be seen and the FPIC procedure was not applicable during land transfer process</p> <p>Based on stakeholder maps and list of stakeholders for Jatika estate, the estate is surrounded by other plantations (different company), forest reserve or plantation own by individual (smallholder):</p> <ul style="list-style-type: none"> • Kemabong Plantation • Wijaya Plantation • Aumkar Plantation • Forest • Kg. Keramat • Kebun Abu • Windsome Plantation • Springfield • N.Y.Heiw Holdings Sdn. Bhd. 		

	<p>Based on stakeholder maps and list of stakeholders for Pangeran estate, the estate is surrounded by other plantations of plantation own by individual (smallholder):</p> <ul style="list-style-type: none"> • Syarikat Yong Fong • Lim Yit Siong • Chock Men Keon • Chong Shui Sion • Gala Made • Pang Peck Ming • Sito San Po • Hafid Osman 	
<p>4.4.3 (C)</p>	<p>No participatory maps have been developed with the affected parties since no involvement of any local community or any native/indigenous as verified from the history of land transfer in the land titles.</p> <p>However, the maps that show the appropriate scale showing the extent of recognized legal, customary or user rights are sighted attached together with the land titles verified above complete with land hectarage and the location of the boundary stones. Also, sighted the boundary stone maps developed by Mr. Zamri where it shows the location of the boundary stone with coordinates and located in which blocks.</p> <p>Pinang estate Sighted the presence of boundary stone No. 773/993 (N04'25.440' E118'15.620') located at block 14B which indicate the boundary between Pinang estate and Dairy farm. The boundary is well maintained and has signboard installed nearby to be identified easily.</p> <p>Jatika estate 5 Boundary stone available at Jatika estate (Home Division) as seen from the Boundary stone map.</p> <ul style="list-style-type: none"> • BS1 located at PM2014A (N4'33.061'E118'17.747) • BS2 (264/23) located at PM1998A (N4'35.206'E118'17.921) • BS3 (117/882) located at PM2015A (N4'35.133'E118'16.971) • BS4 (357/951) located at PM2015A (N4'35.422'E118'17.136') • BS5 (547/230) located at PM2016D (N4'34.942 E118'17.283) <p>2 Boundary stone available at Jatika estate (Finari Division) as seen from the Boundary stone map.</p> <ul style="list-style-type: none"> • BS1 (731/12A) located at block PR20C – N4'34.32119' E118'19.90775' • BS2 (731/881) located at _M1993C – N4'68.659'E118'37.54744' <p>Pangeran estate Presence of Boundary stone located at block 2014B and block 2014A as sighted during site visit and also referred in Boundary Stone Map last updated on 21st September 2021.</p> <ul style="list-style-type: none"> • Boundary stone 5 (499/728) Located at Block 2014B, N04'26.220' E118'15.097' 	<p>Yes</p>

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4.4.4	There was no neighboring communities and village sighted during site visit. There are only internal communities representing workers quarters area which being defined as village within the premises.	Yes
4.4.5 (C)		Yes
4.4.6		Yes
4.5.1 (C)	<p>No new planting has been done by the certification unit but the related SOP for the assessment of SEIA already been established.</p> <p>The certification unit separate the assessment report into Environmental and Social according to their SOP as stated below:</p> <ul style="list-style-type: none"> SOP 13.0 In-house Social Impact Assessment (Issue/Rev 3/2) dated on 1st January 2021 SOP 10.0 Environmental Aspect and Impact Assessment (Issue/Rev 4/3) dated on 1st January 2021 <p>The company also has the SOPs to identify and assess any legal, customary and user rights of the local peoples as mentioned in SOP 3A (Issue/Rev 4/3) Land Acquisition for OP Planting dated on 1st January 2021 where it stated the process to:</p> <ul style="list-style-type: none"> Identification of legal, customary and user rights. Engagement of legal constitution 	Yes
4.5.2 (C)	No new planting has been done by the certification unit. However, KL-Kepong Sabah has established SOP 3A (Issue/Rev 4/3) Land Acquisition for OP Planting dated on 1 st January 2021 where it stated the process to:	Yes
4.5.3	<ul style="list-style-type: none"> To conduct joint mapping of the area if deemed necessary. To commence negotiation in fair manner through open and consensual agreements with affected parties if the above conditions and other conditions set by the management are met. Agreements negotiated through FPIC is annually reviewed in consultation with affected parties. Any compensation paid should be fair and in accordance with agreed amount. When claiming on land ownership, the compensation shall take into consideration on <ul style="list-style-type: none"> proof of legal versus communal ownership in ethnic group. communities period of residing and origins 	Yes

	<p>Under the same SOP, FPIC procedure has been established as sighted in SOP 3A Attachment 1 (issue/Rev 3/2) Free, Prior and Informed Consent (FPIC) Flow Chart.</p> <p>The FPIC procedure established includes process flows as stated below:</p> <ol style="list-style-type: none"> 1. Initial Community Engagement 2. Further negotiations 3. Obtain written consent. 4. Engagement and negotiation with Community Representative committee 5. Participatory mapping and assessment 6. Presentation of development map to communities 7. Social agreement 8. Monitoring 	
4.5.4	<p>The FPIC procedures that has been established includes participatory mapping and assessment as stated in step number 13 of the process flow.</p> <p>The assessment done will be separated into Environmental assessment and Social assessment according to the procedures that has been established below:</p> <ul style="list-style-type: none"> • SOP 13.0 In-house Social Impact Assessment (Issue/Rev 3/2) dated on 1st January 2021 • SOP 10.0 Environmental Aspect and Impact Assessment (Issue/Rev 4/3) dated on 1st January 2021 	Yes
4.5.5	No new planting conducted by the certification unit and there was no neighboring communities and village sighted during site visit. There are only internal communities representing workers quarters area which being defined as village within the premises.	Yes
4.5.6		Yes
4.5.7	No new land acquired by certification units as verified from the hectareage statement and land titles provided by Pinang, Jatika, Sigalong and Pangeran estate.	Yes
4.5.8 (C)		Yes
	From the stakeholder consultation conducted during the audit, no comment or feedback received from the stakeholder interviewed regarding new acquired land or expansion done by certification unit	
4.6.1 (C)	<p>The land used by the KL-Kepong Sabah currently are belong to them and no conflict with any parties.</p> <p>SOP 3A (Issue/Rev 4/3) Land Acquisition for OP Planting dated on 1st January 2021 where it stated the process to:</p> <ul style="list-style-type: none"> • To conduct joint mapping of the area if deemed necessary • To commence negotiation in fair manner through open and consensual agreements with affected parties if the above conditions and other conditions set by the management are met. • Agreements negotiated through FPIC is annually reviewed in consultation with affected parties. • Any compensation paid should be fair and in accordance with agreed amount. When claiming on land ownership, the compensation shall take into consideration on <ul style="list-style-type: none"> ○ proof of legal versus communal ownership in ethnic group. ○ communities' period of residing and origins 	Yes
4.6.2 (C)		Yes

	As interviewed with Mr. Syafiq and Mrs. Hazriani, the details of the compensation value will be calculated by the person in charge in their HQ involving the top management and their legal department. The top management will approve the amount of the compensation according to the agreement that has been done with the affected parties.	
4.6.3	No small grower schemes handled by KL-Kepong (Sabah).	Yes
4.6.4	As for now, no compensation or negotiation has been made related to the loss, legal or land rights and no claim also issued by any parties.	Yes
4.7.1 (C)	<p>There was no neighbouring communities and village located nearby to the estates and only internal communities (workers' quarters) available within the certification unit area. However, the related SOP to land acquisition and FPIC has been established by the certification unit as follows:</p> <p>SOP 3A (Issue/Rev 4/3) Land Acquisition for OP Planting dated on 1st January 2021 where it stated the process to:</p> <ul style="list-style-type: none"> • Identification of legal, customary and user rights. • Engagement of legal constitution • To conduct joint mapping of the area if deemed necessary • To commence negotiation in fair manner through open and consensual agreements with affected parties if the above conditions and other conditions set by the management are met. • Agreements negotiated through FPIC is annually reviewed in consultation with affected parties. • Any compensation paid should be fair and in accordance with agreed amount. When claiming on land ownership, the compensation shall take into consideration on <ul style="list-style-type: none"> ○ proof of legal versus communal ownership in ethnic group. ○ communities period of residing and origins <p>The FPIC procedure established includes process flows as stated below:</p> <ul style="list-style-type: none"> • Initial Community Engagement • Further negotiations • Obtain written consent • Engagement and negotiation with Community Representative committee • Participatory mapping and assessment • Presentation of development map to communities • Social agreement • Monitoring <p>As informed by Mr. Syafiq and Mrs. Hazriani, the details of the compensation value will be calculated by the person in charge in their HQ involving the top management and their legal department. The top management will approve the amount of the compensation according to the agreement that has been done with the affected parties.</p>	Yes
4.7.2 (C)		Yes
4.7.3		Yes
4.8.1		As verified from the land titles provided by the estates, all the land are acquired legally from the company that developed the land for oil palm plantation as sighted from the proof of transfer attached together with the land titles.
4.8.2 (C)	Yes	
4.8.3	Yes	
4.8.4	Yes	

	<p>Until to date, no records of land dispute or claims done by any parties regarding the rights for the land develops under (KL-Kepong Sabah) Pinang POM, Pinang estate, Jatika estate, Pangeran estate and Sigalong estate. Also, from the interview conducted with the stakeholders, no issue has been raised regarding the land rights belongs to KL-Kepong (Sabah).</p> <p>Even though no history of land dispute between KL-Kepong (Sabah) with other related parties, the certification unit has established Land Acquisition procedures where it includes the process of negotiation on land dispute/rights, compensation, participatory mapping and FPIC procedure as shown below:</p> <p>SOP 3A (Issue/Rev 4/3) Land Acquisition for OP Planting dated on 1st January 2021 where it stated the process to:</p> <ul style="list-style-type: none"> • Identification of legal, customary and user rights. • Engagement of legal constitution • To conduct joint mapping of the area if deemed necessary • To commence negotiation in fair manner through open and consensual agreements with affected parties if the above conditions and other conditions set by the management are met. • Agreements negotiated through FPIC is annually reviewed in consultation with affected parties. • Any compensation paid should be fair and in accordance with agreed amount. When claiming on land ownership, the compensation shall take into consideration on <ul style="list-style-type: none"> ○ proof of legal versus communal ownership in ethnic group. ○ communities' period of residing and origins <p>The FPIC procedure established includes process flows as stated below:</p> <ul style="list-style-type: none"> • Initial Community Engagement • Further negotiations • Obtain written consent • Engagement and negotiation with Community Representative committee • Participatory mapping and assessment • Presentation of development map to communities • Social agreement • Monitoring 	
Principle 5: Support smallholder inclusion		
Indicator	Summary of Findings	Compliance (Y/N) and NC#
5.1.1	PIPOM only process own supplied base and this mill module IP.	Yes
5.1.2 (C)	PIPOM only process own supplied base and this mill module IP.	Yes
5.1.3 (C)	PIPOM only process own supplied base and this mill module IP.	Yes
5.1.4 (C)	PIPOM only process own supplied base and this mill module IP.	Yes
5.1.5	PIPOM only process own supplied base and this mill module IP.	Yes
5.1.6(C)	PIPOM only process own supplied base and this mill module IP.	Yes
5.1.7	Observed Perakuan Penentuan Timbang dan Sukat has been verified by third party dated 28 May 2022 Metrology Corporation Malaysia Sdn Bhd.	Yes
5.1.8	PIPOM only process own supplied base and this mill module IP. No scheme smallholder.	Yes

5.1.9 (C)	PIPOM only process own supplied base and this mill module IP. No scheme smallholder. Noted that the grievance mechanism available if there have any grievance and open to all parties.	Yes
5.2.1	<p>Mill is IP module and no scheme smallholder or independent smallholder supplied to the processing unit. However, KLK (S) PIPOM complex has do a awareness during the stakeholder meeting and share the requirements of RSPO such as:</p> <ol style="list-style-type: none"> 1. OSH Practices 2. Management Conservation 3. SW Management 4. Minimum Wages, Child Labour 5. Complaint Procedure 6. No Open Burning 7. COVID 19 awareness - SOP <p>Minutes meeting observed during the assessment and record of attendance list available.</p>	Yes
5.2.2	<p>Mill is IP module and no scheme smallholder or independent smallholder supplied to the processing unit. However, KLK (S) PIPOM complex has do a awareness during the stakeholder meeting and share the requirements of RSPO such as:</p> <ol style="list-style-type: none"> 1. OSH Practices 2. Management Conservation 3. SW Management 4. Minimum Wages, Child Labour 5. Complaint Procedure 6. No Open Burning 7. COVID 19 awareness - SOP <p>Minutes meeting observed during the assessment and record of attendance list available.</p>	Yes
5.2.3	<p>Mill is IP module and no scheme smallholder or independent smallholder supplied to the processing unit. However, KLK (S) PIPOM complex has do a awareness during the stakeholder meeting and share the requirements of RSPO such as:</p> <ol style="list-style-type: none"> 1. OSH Practices 2. Management Conservation 3. SW Management 4. Minimum Wages, Child Labour 5. Complaint Procedure 6. No Open Burning 7. COVID 19 awareness - SOP <p>Minutes meeting observed during the assessment and record of attendance list available.</p>	Yes
5.2.4 (C)	<p>Mill is IP module and no scheme smallholder or independent smallholder supplied to the processing unit. However, KLK (S) PIPOM complex has do a awareness during the stakeholder meeting and share the requirements of RSPO such as:</p> <ol style="list-style-type: none"> 1. OSH Practices 	Yes

	<p>2. Management Conservation 3. SW Management 4. Minimum Wages, Child Labour 5. Complaint Procedure 6. No Open Burning 7. COVID 19 awareness - SOP</p> <p>Minutes meeting observed during the assessment and record of attendance list available.</p>	
5.2.5	<p>Mill is IP module and no scheme smallholder or independent smallholder supplied to the processing unit. However, KLK (S) PIPOM complex has do a awareness during the stakeholder meeting and share the requirements of RSPO such as:</p> <p>1. OSH Practices 2. Management Conservation 3. SW Management 4. Minimum Wages, Child Labour 5. Complaint Procedure 6. No Open Burning 7. COVID 19 awareness - SOP</p> <p>Minutes meeting observed during the assessment and record of attendance list available.</p>	Yes
Principle 6: Respect workers' rights and conditions		
Indicator	Summary of Findings	Compliance (Y/N) and NC#
6.1.1 (C)	<p>A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age. KLK established Sustainability Policy which has been revised on the 30th of August 2018. The sustainability covers the following:</p> <ul style="list-style-type: none"> • Environmental <ul style="list-style-type: none"> a. No Deforestation b. Protection of Peatlands c. No Burning d. Protecting HCV Areas e. Reduce net emission of GHG • Social – Workplace and Communities <ul style="list-style-type: none"> a. Respect and recognise the rights in workplace <ul style="list-style-type: none"> i. Respect employees rights ii. No forced or bonded labour iii. No Child Labour iv. OSH v. Employment Contracts vi. Freedom of association and rights to collecting bargaining vii. Minimum Wage standard viii. Working hours and record keeping ix. Harassment and violence 	Yes

	<ul style="list-style-type: none"> x. Equal employment opportunities and diversity b. Respect the rights of indigenous and local communities c. Facilitate the inclusion of smallholders /farmers into the supply chain • Traceability • Governance <ul style="list-style-type: none"> a. Business integrity b. Resolve verifiable complaints, Grievances and Conflicts through an open, transparent and consultative process. • Implementation and compliance <ul style="list-style-type: none"> a. Time-bound implementation plan b. Compliance Protocols c. Independent Verification of policy compliance • Monitor, Evaluate and Report <p>The sustainability policy is publicly available and downloadable via KLK’s website: https://www.klk.com.my/group-policies/ - Retrieved on 5th November 2021</p> <p>Pinang Mill Complex The policy has been communicated to the external stakeholders during the Stakeholders’ Meeting which conducted on 28/09/2022 at KDC Clubhouse and attended by 63 stakeholders (Ref. Doc.: Minit Mesyuarat Pihak Berkepentingan 2022 Bahagian Tawau).</p> <p>Pinang Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct for Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 158 employees on 20/5/2022 by Abdul Arif at Pinang Estate Office (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021)</p> <p>Pinang POM The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 82 employees on 22/04/2022 by Jamaluddin bin Saparuddin at Pinang POM Training Centre (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Jatika Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 87 employees on 10/08/2022 by Mohd Fazlan Nurdin at Jatika Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pangeran Estate</p>	
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	<p>The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 178 employees on 05/01/2022 by Bhertson. R at Pangeran Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Sigalong Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 197 employees on 12/01/2022 by Augustine Willy at Sigalong Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>This can be verified during the interview session with the workers onsite for Pinang Mill and the 4 estates, where they were able to explain in their own understanding on the company’s discrimination and equal opportunity policies.</p>	
6.1.2 (C)	<p>Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against. Samples taken as below:</p> <p>Pinang Estate 1) (Female) – Indonesian – Weeders 2) (Female) – Indonesian — Weeders 3) (Male) – Philippines –Harvester 4) (Male) – Philippines –Harvester 5) (Male) – Indonesian –Harvester 6) (Male) – Malaysian –Harvester</p> <p>Sigalong Estate 1) (Male) – Philippines –Harvester 2) (Female) – Indonesian –General Worker 3) (Female) – Indonesian –General Worker 4) (Female) – Indonesian –General Worker</p> <p>Pangeran Estate 1) (Male) – Indonesian –Harvester 2) (Male) – Indonesian –Harvester 3) (Female) – Philippines –Weeder 4) (Indonesian) –Weeder 5) (Female) – Indonesian –Weeder</p> <p>Jatika Estate 1) (Female) – Indonesian –General Worker 2) (Male) – Malaysian –General Worker 3) (Male) – Indonesian –Weeder</p> <p>Pinang POM</p>	Yes

	<p>1) (Female) – Indonesian –Lab Attendant 2) (Male) – Philippines –Mechanical Apprentice 3) (Male) – Philippines –Mechanical Apprentice 4) (Female) – Indonesian –Cleaning Compound 5) (Male) – Indonesian –Mechanical Apprentice 6) (Male) – Malaysian –Electrical Apprentice 7) (Male) – Malaysian - General Worker</p> <p>As stated in the recruitment policy, the cost for medical check-up, processing, transportation, work permit fees and other related recruitment cost shall be borne by the company.</p> <p>Cost for medical check-up, processing, transportation, work permit fees and other related recruitment are borne by HO and to be charged accordingly to the OC subsequently. Based on interview with the foreign workers who are mainly Indonesian and Philippine, there were no recruitment costs that they need to fork out upon applying for the job with KLK. There are some workers when interviewed said that they needed to sort out their passport in each respective consulate as it is their responsibility.</p> <p>It is also confirmed from the interview that all medical check-up and recruitment process costs were handled by the company.</p> <p>SOPs for recruitment, selection, hiring, promotion, retirement and termination of workers established (Ref. Doc.: Employment of Workers/Staff SOP: 14.0 Issue/Rev.: 4/3 Date: 01/01/2021) where it mentions the following:</p> <ol style="list-style-type: none"> 1. Workers/staff should enter employment voluntarily and freely, without debt bondage and the threat of a penalty, and should have the freedom to terminate employment without penalty given reasonable notice or in line with the requirements stipulated in the employment SOP. 2. Where candidates for employment are of equal merit, preference will be given to local workers (positive discrimination). 3. There MUST be no discrimination against workers based on race, ethnic origin, caste national origin, religion, disability, gender, sexual orientation gender, identity, union membership, political affiliation or age. 4. Where migrant workers are employed, there MUST be no contract substitution and reasonable accommodation with basic amenities shall be provided. <p>Based on document review of workers personal file, there are no contract substitution observed for the mill and 4 estates. Furthermore, the workers contracts have clearly specified on the task of which the workers are tasked to do. Based on the interview with the Operating Centre (OC) personnel who is responsible on the recruitment of workers for Pinang Mill cluster (Including the 4 estates supplying FFB to Pinang Mill), all of the migrant workers were hired through a job application from the job ad that KLK published, normally in the newspaper, as seen in the recruitment file</p>	
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	<p>job ad copy. KLK Pinang Mill cluster does not use agents to recruit workers since many of the migrant workers are already staying in Sabah. If a migrant worker were to apply for the job, and if the migrant worker does not have a passport, the company will inform the consulate (Indonesia/Philippines) where the migrant workers are asked to process their passport from the consulate. Once the migrant workers have obtained their passport, the company will then process their permit with JTK. The company handles all recruitment related costs, such as medical check-up costs, permit costs and etc of the migrant worker.</p>	
<p>6.1.3</p>	<p>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. SOPs for recruitment, selection, hiring, promotion, retirement and termination of workers established (Ref. Doc.: Employment of Workers/Staff SOP: 14.0 Issue/Rev.: 4/3 Date: 01/01/2021). The SOP stipulates the duties of a Manager in the Employment Procedure. Workers Recruitment Flowchart was sighted. The flowchart shows the flow from the operating centre interview of the worker to Head Office's duty to enter in the Foreign Workers System and send the passport with permit sticker to operating centres.</p> <p>The management has established Foreign Workers Employment. The procedure covers the process of recruitment of foreign workers. The recruitment procedures are stated under point 2.2 Recruitment Procedures (KL-Kepong (Sabah) Sdn. Bhd. Foreign Workers' Employment). Procedure also covers:</p> <ol style="list-style-type: none"> 1) Recruitment 2) Recruitment Procedures 3) Employment Contract 4) Recruitment Cost 5) Renewal of Passport and Extension of Work Permit 6) Repatriation 7) Termination of Employment Contract 8) Abscondment 9) Change of Employer Not Permitted <p>The management has also established Local Workers Employment. Procedure covers:</p> <ol style="list-style-type: none"> 1) Recruitment 2) Recruitment Procedures 3) Employment Contract 4) Resignation 5) Promotion 6) Retirement 7) Termination of Employment Contract <p>The job vacancy is posted at the entrance of complex. Example of job advertisement for Process Operator dated 19/10/2022 which posted at the entrance of the complex was sighted.</p> <p>Pinang POM Borang Permohonan Pekerjaan Application Date: 27/09/2022 Job: General Worker</p>	<p>Yes</p>

	<p>Age: 22 Surat Panggilan Temuduga Date: 03/10/2022 Borang Temuduga Pekerja Date of Interview: 04/10/2022 Medical Examination Date: 05/10/2022 Done by: Baldev Singh – Estate Hospital Assistant Offer Letter Date Signed: 15/10/2022 Employment Contract Date signed: 16/10/2022</p> <p>Pangeran Estate Borang Permohonan Pekerjaan Application Date: 20/12/2020 Job: Harvester Age: 20 Surat Panggilan Temuduga Date: 20/12/2020 Borang Temuduga Pekerja Date of Interview: 21/10/2020 Medical Examination Date: 26/12/2020 Done by: Baldev Singh – Estate Hospital Assistant Offer Letter Date Signed: 24/12/2020 Employment Contract Date signed: 02/01/2022</p> <p>Pinang Estate Borang Permohonan Pekerjaan Application Date: 20/06/2022 Job: Second Clerk Age: 23 Surat Panggilan Temuduga Date: 27/06/2022 Borang Temuduga Pekerja Date of Interview: 27/06/2022 Medical Examination Date: 01/07/2022 Done by: Baldev Singh – Estate Hospital Assistant Offer Letter Date Signed: 15/07/2022 Employment Contract Date signed: 18/07/2022</p> <p>Jatika Estate Borang Permohonan Pekerjaan Application Date: 20/10/2022 Job: General Worker Age: 24 Surat Panggilan Temuduga Date: 20/10/2022 Borang Temuduga Pekerja</p>	
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	<p>Date of Interview: 27/10/2022 Medical Examination Date: 10/11/2022 Done by: Baldev Singh – Estate Hospital Assistant Offer Letter Date Signed: 10/11/2022 Employment Contract Date signed: 14/11/2022</p>														
6.1.4	<p>Pregnancy testing was not conducted in the estates as a requirement to apply the job vacancy or as a discrimination as of the time of the audit. Interview with chairman of gender committee (Puan Salihati Gala – Pinang Estate, Pn. Nursiah Pistanalli – Sigalong Estate and Pn. Hayatih Bte Sinar – Pinang POM) were also conducted during the audit to verify on the pregnancy testing and it was evidenced that the estates’ management did not impose any pregnancy testing as part of a discrimination to new recruitment.</p> <p>Pregnancy workers would be allocated at the light work such as administration or gardening as verified through workers’ interview.</p>	Yes													
6.1.5 (C)	<p>A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.</p> <p>Pinang Estate Election for Gender Committee was held on 25/08/2018. Puan Salihati Gala was elected as Chairman of the Gender Committee on 03/09/2018 (Ref. Doc.: Pengesahan Ketua Gender Dan Penolong Ketua Gender Ladang Pinang). Gender Committee Meeting was held on 31/10/2022 and attended by 11 persons.</p> <p>Program Tahunan Aktiviti Gender Bagi Tahun 2022:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Activity</th> </tr> </thead> <tbody> <tr> <td>Mac 22</td> <td>1st Meeting Gender Committee</td> </tr> <tr> <td>May 22</td> <td>Sambutan Hari Ibu Bapa & Hari Raya Aidilfitri</td> </tr> <tr> <td>Jul 22</td> <td>2nd Meeting Gender Committee</td> </tr> <tr> <td rowspan="2">Aug 22</td> <td>Malam Riang Ria Gender Committee</td> </tr> <tr> <td>Family Day</td> </tr> <tr> <td>Oct 22</td> <td>3rd Meeting Gender Committee</td> </tr> </tbody> </table> <p>Sigalong Estate Election for Gender Committee was held on 13/09/2021. Pn. Nursiah Pistanalli elected as Chairman of the Gender Committee on 13/09/2021 by Tasmin Taligau Ketua Kampung Sri Aman Ladang Sigalong (Ref. Doc.: Pemakluman Perlantikan Sebagai Pengerusi Gender Committee).</p> <p>Pangeran Estate Election for Gender Committee was held on 11/01/2021. Pn. Masfa Roslan elected as Chairman of the Gender Committee on 11/01/2021 by Sarwan Lasise Ketua Kampung Cenderawasih Ladang Pangeran (Ref. Doc.: Pemakluman Perlantikan Sebagai Pengerusi Gender Committee).</p>	Month	Activity	Mac 22	1 st Meeting Gender Committee	May 22	Sambutan Hari Ibu Bapa & Hari Raya Aidilfitri	Jul 22	2 nd Meeting Gender Committee	Aug 22	Malam Riang Ria Gender Committee	Family Day	Oct 22	3 rd Meeting Gender Committee	Yes
Month	Activity														
Mac 22	1 st Meeting Gender Committee														
May 22	Sambutan Hari Ibu Bapa & Hari Raya Aidilfitri														
Jul 22	2 nd Meeting Gender Committee														
Aug 22	Malam Riang Ria Gender Committee														
	Family Day														
Oct 22	3 rd Meeting Gender Committee														

Gender Committee Meeting – Mesyuarat Ketiga Gender Committee 2022 – 14/09/2022 – Pangeran Estate Office – 14 person – (Ref. Doc.: Minit Mesyuarat Ketiga Gender Committee 2022).

Gender Committee Plan 2022 Pangeran Estate

Month	Activity
March 22	1 st Meeting Gender Committee
June 22	2 nd Meeting Gender Committee
Sept 22	3 rd Meeting Gender Committee
	Health & Fitness (Zumba)
Oct 22	Ceramah Kesihatan
Nov 22	Pertandingan Memasak
Dec 22	4 th Meeting Gender Committee

Jatika Estate

Election for Gender Committee was held on 01/07/2022. Cik Ine Carima has been elected as the Chairman of Gender Committee on 01/07/2022 by Husin Jailani Tidi Ketua Kampung Sri Indah Ladang Jatika (Ref. Doc.: Pemakluman Perlantikan Sebagai Pengerusi Gender Committee).

Gender Committee Meeting – 13/07/2022 – Jatika Estate Office – 12 persons.

Matter discussed:

- Yearly activities
- Confirmation last meeting minutes
- Sexual harassment
- New committee member appointment
- Pregnant mother
- Other matters
- Gender committee activities

Pinang POM

Election for Gender Committee was held on 28/08/2010. Pn. Hayatih Bte Sinar elected as Chairman of the Gender Committee on 01/09/2010 by Suwedi Lujang Ketua Kampung Sri Bayu PiPOM (Ref. Doc.: Pemakluman Perlantikan Sebagai Pengerusi Gender Committee).

Pinang POM Gender Committee Action Plan For Year 2022

Month	Activity
Jan 22	Bola Tampar
Feb 22	Family Day
Mar 22	1 st Meeting Gender Committee
Apr 22	Zumba
May 22	Hari Raya Aidilfitri
	Hari Ibu
Jun 22	2 nd Meeting Gender Committee
Jul 22	Volleyball Competition
Aug 22	Cervical Cancer Awareness
Sep 22	3 rd Meeting Gender Committee

	<p>Gender Committee Meeting – Mesyuarat Ketiga Gender Committee 2022 – 24/09/2022 – Pinang POM Meeting Room – 12 persons.</p> <p>Meeting consists of:</p> <ul style="list-style-type: none"> • Chairman Speech • Confirmation last meeting minutes • Sexual harassment and domestic violence cases • Pregnant Mother • Arising Matters 	
6.1.6	<p>There was evidence provided by the estate on the same work scope as verified in contract agreement and workers' payslips that sampled for the month of Aug, Sept and Oct 2022. Based on the verification, workers received minimum wage with RM1,500 per month or RM57.69 for daily rate. The verification was done for the below samples:</p> <p>Pinang Estate</p> <ol style="list-style-type: none"> 1) (Female) – Indonesian –Weeders 2) (Female) – Indonesian –Weeders 3) (Male) – Philippines –Harvester 4) (Male) – Philippines –Harvester 5) (Male) – Indonesian –Harvester 6) (Male) – Malaysian –Harvester <p>Sigalong Estate</p> <ol style="list-style-type: none"> 1) (Male) – Philippines –Harvester 2) (Female) – Indonesian –General Worker 3) (Female) – Indonesian –General Worker 4) (Female) – Indonesian –General Worker <p>Pangeran Estate</p> <ol style="list-style-type: none"> 1) (Male) – Indonesian –Harvester 2) (Male) – Indonesian –Harvester 3) (Female) – Philippines –Weeder 4) (Indonesian) –Weeder 5) (Female) – Indonesian –Weeder <p>Jatika Estate</p> <ol style="list-style-type: none"> 1) (Female) – Indonesian –General Worker 2) (Male) – Malaysian –General Worker 3) (Male) – Indonesian –Weeder <p>Pinang POM</p> <ol style="list-style-type: none"> 1) (Female) – Indonesian –Lab Attendant 2) (Male) – Philippines –Mechanical Apprentice 3) (Male) – Philippines –Mechanical Apprentice 4) (Female) – Indonesian –Cleaning Compound 5) (Male) – Indonesian –Mechanical Apprentice 6) (Male) – Malaysian –Electrical Apprentice 7) (Male) – Malaysian –General Worker 	Yes

<p>6.2.1 (C)</p>	<p>The employment contract for the employees was written in Bahasa Melayu, Indonesian and Tagalog. The foreign worker employment contract covers:</p> <ol style="list-style-type: none"> 1) Job Designation 2) Rate Salary 3) Overtime Rate 4) Allowance 5) Rest Day 6) Rest Day Work 7) Working Days and Hours 8) Work Termination Notice Period 9) Paid Public Holiday 10) Paid Public Holiday Work 11) Annual Leave 12) Sick Leave 13) Salary Payment Rate 14) Housing 15) Death and Burial 16) Insurance Coverage 17) Other terms and conditions 18) Terms and conditions explanation to workers 19) Contract Transfer 20) Employment period and Repatriation Cost <p>The local worker employment contract covers:</p> <ol style="list-style-type: none"> 1) Job Designation 2) Rate Salary 3) Overtime Rate 4) Allowance 5) Rest Day 6) Rest Day Work 7) Working Days and Hours 8) Work Termination Notice Period 9) Paid Public Holiday 10) Paid Public Holiday Work 11) Annual Leave 12) Sick Leave 13) Salary Payment Rate 14) Other terms and conditions 15) Terms and conditions explanation to workers 16) Contract Transfer 17) Retirement Age <p>Contract of employment for the following workers sampled:</p> <p>Pinang Estate</p> <ol style="list-style-type: none"> 1) Female) – Indonesian –Weeders 2) (Female) – Indonesian –Weeders 3) (Male) – Philippines –Harvester 4) (Male) – Philippines –Harvester 5) (Male) – Indonesian –Harvester 6) (Male) – Malaysian –Harvester 	<p>Yes</p>
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	<p>Pinang Estate Contractor Supplier Code of Conduct was signed by Beche binti Soro (Syarikat Kekal Unggul) on 02/12/2022. Employment contract for Azman bin Moo @ Moolo which signed on 21/09/2020 was sighted. Payment for KWSP for the month of October 2022 and SOSCO for the month of September 2022 were sighted. Payslip for month of October 2022 was submitted. The wages paid is higher than minimum wages order 2022. Only statutory deduction such as KWSP and SOSCO sighted in the payslip.</p> <p>Sigalong Estate 1) (Male) – Philippines –Harvester 2) (Female) – Indonesian –General Worker 3) (Female) – Indonesian –General Worker 4) (Female) – Indonesian –General Worker</p> <p>Sigalong Estate’s Contractor Supplier Code of Conduct – Vui Kontraktor – 01/10/2022 – Chou Dack Khong (Manager) Employment contract for Chou Dack Wing which signed on 01/11/2021 was sighted. Payment for KWSP and SOSCO for the month of September 2022 were sighted. Payslip for month of September 2022 was submitted. The wages paid is higher than minimum wages order 2022. Only statutory deduction such as KWSP and SOSCO sighted in the payslip.</p> <p>Pangeran Estate 1) (Male) – Indonesian –Harvester 2) (Male) – Indonesian –Harvester 3) Female) – Philippines –Weeder 4) (Indonesian) –Weeder 5) Female) – Indonesian –Weeder</p> <p>Pangeran Estate’s Contractor Supplier Code of Conduct – VK Machinery Sdn. Bhd. on 01/10/2022 by Mr. Liew Vui Kim. Employment contract for Sueleman bin Suetisna (Indonesian) which signed on 01/07/2022 was sighted. Payment for SOSCO for the month of September 2022 were sighted. Payslip for month of September 2022 was submitted. The wages paid is higher than minimum wages order 2022. Only statutory deduction such as KWSP and SOSCO sighted in the payslip.</p> <p>Jatika Estate 1) (Female) – Indonesian –General Worker 2) (Male) – Malaysian –General Worker 3) (Male) – Indonesian –Weeder</p> <p>Pinang POM</p>	
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	<ol style="list-style-type: none"> 1) (Female) – Indonesian –Lab Attendant 2) (Male) – Philippines –Mechanical Apprentice 3) (Male) – Philippines –Mechanical Apprentice 4) (Female) – Indonesian –Cleaning Compound 5) (Male) – Indonesian –Mechanical Apprentice 6) (Male) – Malaysian –Electrical Apprentice 7) (Male) –General Worker 	
6.2.2 (C)	<p>The employment contract for the employees was written in Bahasa Melayu, Indonesian and Tagalog. The foreign worker employment contract covers:</p> <ol style="list-style-type: none"> 1) Job Designation 2) Rate Salary 3) Overtime Rate 4) Allowance 5) Rest Day 6) Rest Day Work 7) Working Days and Hours 8) Work Termination Notice Period 9) Paid Public Holiday 10) Paid Public Holiday Work 11) Annual Leave 12) Sick Leave 13) Salary Payment Rate 14) Housing 15) Death and Burial 16) Insurance Coverage 17) Other terms and conditions 18) Terms and conditions explanation to workers 19) Contract Transfer 20) Employment period and Repatriation Cost <p>The local worker employment contract covers:</p> <ol style="list-style-type: none"> 1) Job Designation 2) Rate Salary 3) Overtime Rate 4) Allowance 5) Rest Day 6) Rest Day Work 7) Working Days and Hours 8) Work Termination Notice Period 9) Paid Public Holiday 10) Paid Public Holiday Work 11) Annual Leave 12) Sick Leave 13) Salary Payment Rate 14) Other terms and conditions 15) Terms and conditions explanation to workers 16) Contract Transfer 17) Retirement Age <p>Contract of employment for the following workers sampled:</p> <p>Pinang Estate</p>	Obs

	<p>1) (Female) – Indonesian –Weeders 2) (Female) – Indonesian –Weeders 3) (Male) – Philippines –Harvester 4) (Male) – Philippines –Harvester 5) (Male) – Indonesian –Harvester 6) (Male) – Malaysian –Harvester</p> <p>Pinang Estate’ Contractor Supplier Code of Conduct was signed by Beche binti Soro (Syarikat Kekal Unggul) on 02/12/2022. Employment contract for Azman bin Moo @ Mooloo which signed on 21/09/2020 was sighted. Payment for KWSP for the month of October 2022 and SOSCO for the month of September 2022 were sighted. Payslip for month of October 2022 was submitted. The wages paid is higher than minimum wages order 2022. Only statutory deduction such as KWSP and SOSCO sighted in the payslip.</p> <p>Sigalong Estate 1) (Male) – Philippines –Harvester 2) (Female) – Indonesian –General Worker 3) (Female) – Indonesian –General Worker 4) (Female) – Indonesian –General Worker</p> <p>Sigalong Estate’s Contractor Supplier Code of Conduct – Vui Kontraktor – 01/10/2022 – Chou Dack Khong (Manager) Employment contract for Chou Dack Wing which signed on 01/11/2021 was sighted. Payment for KWSP and SOSCO for the month of September 2022 were sighted. Payslip for month of September 2022 was submitted. The wages paid is higher than minimum wages order 2022. Only statutory deduction such as KWSP and SOSCO sighted in the payslip.</p> <p>Pangeran Estate 1) (Male) – Indonesian –Harvester 2) S (Male) – Indonesian –Harvester 3) (Female) – Philippines –Weeder 4) (Indonesian) –Weeder 5) (Female) – Indonesian –Weeder</p> <p>Pangeran Estate’s Contractor Supplier Code of Conduct – VK Machinery Sdn. Bhd. on 01/10/2022 by Mr. Liew Vui Kim. Employment contract for Sueleman bin Suetisna (Indonesian) which signed on 01/07/2022 was sighted. Payment for SOSCO for the month of September 2022 were sighted. Payslip for month of September 2022 was submitted. The wages paid is higher than minimum wages order 2022. Only statutory deduction such as KWSP and SOSCO sighted in the payslip.</p>	
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	<p>Jatika Estate</p> <ol style="list-style-type: none"> 1) (Female) – Indonesian –General Worker 2) (Male) – Malaysian –General Worker 3) (Male) – Indonesian –Weeder <p>Pinang POM</p> <ol style="list-style-type: none"> 1) (Female) – Indonesian –Lab Attendant 2) (Male) – Philippines –Mechanical Apprentice 3) (Male) – Philippines –Mechanical Apprentice 4) (Female) – Indonesian –Cleaning Compound 5) (Male) – Indonesian –Mechanical Apprentice 6) (Male) – Malaysian –Electrical Apprentice 7) (Male) –General Worker <p>Obs 1: The employment contract for the employees was written in Bahasa Melayu, Indonesian and Tagalog. The foreign worker employment contract covers:</p> <ol style="list-style-type: none"> 1) Job Designation 2) Rate Salary 3) Overtime Rate 4) Allowance 5) Rest Day 6) Rest Day Work 7) Working Days and Hours 8) Work Termination Notice Period 9) Paid Public Holiday 10) Paid Public Holiday Work 11) Annual Leave 12) Sick Leave 13) Salary Payment Rate 14) Housing 15) Death and Burial 16) Insurance Coverage 17) Other terms and conditions 18) Terms and conditions explanation to workers 19) Contract Transfer 20) Employment period and Repatriation Cost <p>The local worker employment contract covers:</p> <ol style="list-style-type: none"> 1) Job Designation 2) Rate Salary 3) Overtime Rate 4) Allowance 5) Rest Day 6) Rest Day Work 7) Working Days and Hours 8) Work Termination Notice Period 9) Paid Public Holiday 10) Paid Public Holiday Work 11) Annual Leave 12) Sick Leave 	
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	<p>13) Salary Payment Rate 14) Other terms and conditions 15) Terms and conditions explanation to workers 16) Contract Transfer 17) Retirement Age</p> <p>However, based on the review of the sampled employment contracts, there are no mention of deduction in the contracts. Deduction for the electricity was found in the payslips. The detail of the deduction is briefed during the New Worker Induction Training. Induction Training for the new worker was done on 17/10/2022 by Mr. Ahmad Danial Mohammed at Pinang POM Office. The induction training covers job function, safety, deduction, insurance, housing, school, culture, freedom of union, complaint & grievance procedure, RSPO, KLK Group Policies, OSH Policy, Code of Conduct & Ethics For The Company & Group and etc.</p> <p>Induction Training for the new worker was done on 14/11/2022 by Assistant Manager at Jatika Estate Office. Induction Training for the new worker was done on 18/07/2022 by Assistant Manager at Pinang Estate Office. Induction Training for the new worker was done on 02/01/2022 by Assistant Manager at Pangeran Estate Office.</p> <p>Based on the interview of the workers at the respective operating centres, they acknowledge and able to explain the deduction that been done from their salary.</p>	
6.2.3 (C)	<p>The payslips for the month of August, September and October 2022 were verified.</p> <p>Pinang POM conducted a meeting with the workers representatives on 22/04/2022 regarding implementation of the New Minimum Wages and attended by 6 workers (Ref. Doc.: Minit Mesyuarat Social Impact Assessment Mesyuarat Perintah Gaji Minimum – Rm1,500).</p> <p>Social Impact Assessment on Implementation of New Minimum Wages was conducted on 25/04/2022 (Ref. Doc.: Social Impact Assessment SOP: 13.0 Appendix: 1 Issue/Rev.: 1/0 Date: 01/06/2015).</p> <p>Jatika Estate conducted briefing on new minimum wages 2022 on 09/05/2022 by Fireck F. Teo at Jatika Estat Muster Ground and attended by 120 employees (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pangeran Estate conducted briefing on new minimum wages 2022 on 26/05/2022 by Bhertson. R at Pangeran Estate Muster Ground and attended by 150 employees (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pinang Estate conducted briefing on new minimum wages 2022 on 25/05/2022 by Abdul Arif Arham at Pinang Estate Muster Ground and attended by 157 employees (Ref. Doc.: Training Needs Analysis,</p>	<p>No</p> <p>RSPO-2022- KLKPiPOM- Critical-01</p>

	<p>Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Sigalong Estate conducted briefing on new minimum wages 2022 on 28/05/2022 by Augustine Willy at Sigalong Estate Muster Ground and attended by 197 employees (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>During the review of the employees' payslips, it was found that the daily rated and piece-rated employees' paid public holiday in the month of August, September, October 2022 were not paid based on the ordinary rate of pay. Based on the Sabah Labour Ordinance Chapter 67, under section Holidays 103. (1) Every employee shall be entitled to a paid holiday at his ordinary rate of pay... Under Interpretation Section 2. (3) Where an employee is employed on— (c) a daily rate of pay or on piece rates, the ordinary rate of pay shall be calculated by dividing the total wages earned by such employee during the preceding wage period (excluding any payment made under an approved incentive payment scheme or for work done on any rest day, any gazetted public holiday granted by the employer under the contract of service or any day substituted for the gazetted public holiday) by the actual number of days the employee had worked during that wage period (excluding any rest day, any gazetted public holiday or any paid holiday substituted for the gazetted public holiday). As of this, a Major NC was raised.</p>																									
6.2.4 (C)	<p>The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards.</p> <p>Linesite Repair Records:</p> <p style="text-align: center;">Pinang Estate</p> <table border="1" data-bbox="539 1339 1102 1529"> <thead> <tr> <th>Date</th> <th>Matter</th> <th>Completed</th> </tr> </thead> <tbody> <tr> <td>15/10/22</td> <td>Atap bocor and Pintu rumah reput</td> <td>17/10/22</td> </tr> </tbody> </table> <p style="text-align: center;">Jatika Estate</p> <table border="1" data-bbox="539 1603 1102 1794"> <thead> <tr> <th>Date</th> <th>Name & Matter</th> <th>Completed</th> </tr> </thead> <tbody> <tr> <td>14/03/22</td> <td>Sedimentation drain and Humana canteen</td> <td>14/03/2022</td> </tr> <tr> <td>05/04/22</td> <td>Pintu Tandas Rosak</td> <td>16/04/22</td> </tr> <tr> <td>10/08/22</td> <td>Pintu hadapan rosak</td> <td>27/08/22</td> </tr> </tbody> </table> <p style="text-align: center;">Ladang Pangeran</p> <table border="1" data-bbox="539 1868 1102 1946"> <thead> <tr> <th>Date</th> <th>Name & Matter</th> <th>Completed</th> </tr> </thead> <tbody> <tr> <td>17/02/22</td> <td>– Pintu rumah rosak</td> <td>22/02/22</td> </tr> </tbody> </table>	Date	Matter	Completed	15/10/22	Atap bocor and Pintu rumah reput	17/10/22	Date	Name & Matter	Completed	14/03/22	Sedimentation drain and Humana canteen	14/03/2022	05/04/22	Pintu Tandas Rosak	16/04/22	10/08/22	Pintu hadapan rosak	27/08/22	Date	Name & Matter	Completed	17/02/22	– Pintu rumah rosak	22/02/22	Yes
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6.2.5	<p>During the site visit of Pinang Mill Complex there are sundry shops located within the estates area where the workers are able to purchase basic necessities, such as food and personal hygiene items.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Estate/Mill</th> <th>Shop</th> </tr> </thead> <tbody> <tr> <td>Jatika</td> <td>Cahaya Sapang</td> </tr> <tr> <td>Pangeran, Sigalong, Pinang POM, Pinang Estate</td> <td>Kedai Cahaya Murni, Toko Suka Ramai, Perniagaan Lim and Perniagaan Fresh Mart</td> </tr> </tbody> </table> <p>KLK provides a return transport for workers on a daily basis via time schedule, to those who would like to go out and buy food and things.</p>	Estate/Mill	Shop	Jatika	Cahaya Sapang	Pangeran, Sigalong, Pinang POM, Pinang Estate	Kedai Cahaya Murni, Toko Suka Ramai, Perniagaan Lim and Perniagaan Fresh Mart	Yes																		
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	Other than that, KLK management also assist in helping the workers to purchase requested item and will bring those items to the workers. Based on the interview with the workers, the management does not impose them any fee for the benefit provided to them.																																											
6.2.6	<p>KLK have conducted a calculation of prevailing wages for Tawau region and Semporna region. The calculation consists of in-kind benefits, such as provision of housing, electricity, water, education, creche, healthcare and sports/recreation facilities and etc.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3">Prevailing Wages</th> </tr> <tr> <th>In-kind benefits</th> <th>Local</th> <th>Foreign</th> </tr> </thead> <tbody> <tr> <td>Housing</td> <td>196.22</td> <td>196.22</td> </tr> <tr> <td>Electricity & Water</td> <td>269.17</td> <td>269.17</td> </tr> <tr> <td>Education</td> <td>13.32</td> <td>13.32</td> </tr> <tr> <td>Creche</td> <td>171.81</td> <td>171.81</td> </tr> <tr> <td>Healthcare</td> <td>96.09</td> <td>96.09</td> </tr> <tr> <td>Transport</td> <td>-</td> <td>-</td> </tr> <tr> <td>Clothing</td> <td>-</td> <td>-</td> </tr> <tr> <td>Food</td> <td>-</td> <td>-</td> </tr> <tr> <td>Sports & Recreation Facilities</td> <td>3.05</td> <td>3.05</td> </tr> <tr> <td>Total cost of in-kind benefits</td> <td>749.66</td> <td>749.66</td> </tr> <tr> <td>Average monthly take home salary per worker</td> <td>1065.00</td> <td>1465.00</td> </tr> <tr> <td>Total Value of Prevailing Wages</td> <td>1814.66</td> <td>2214.66</td> </tr> </tbody> </table>	Prevailing Wages			In-kind benefits	Local	Foreign	Housing	196.22	196.22	Electricity & Water	269.17	269.17	Education	13.32	13.32	Creche	171.81	171.81	Healthcare	96.09	96.09	Transport	-	-	Clothing	-	-	Food	-	-	Sports & Recreation Facilities	3.05	3.05	Total cost of in-kind benefits	749.66	749.66	Average monthly take home salary per worker	1065.00	1465.00	Total Value of Prevailing Wages	1814.66	2214.66	Yes
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6.2.7	Permanent and full-time employment are used for all core workers either based on contract basis or permanently. No casual and temporary workers hired by the estates and mill.	Yes																																										
6.3.1 (C)	<p>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. KLK established Sustainability Policy which has been revised on the 30th of August 2018. The sustainability covers the following:</p> <p>Social – Workplace and Communities</p> <ol style="list-style-type: none"> a. Respect and recognise the rights in workplace <ol style="list-style-type: none"> i. Respect employees rights ii. No forced or bonded labour iii. No Child Labour iv. OSH 	Yes																																										

	<ul style="list-style-type: none"> v. Employment Contracts vi. Freedom of association and rights to collective bargaining vii. Minimum Wage standard viii. Working hours and record keeping ix. Harassment and violence x. Equal employment opportunities and diversity <p>b. Respect the rights of indigenous and local communities</p> <p>c. Facilitate the inclusion of smallholders /farmers into the supply chain</p> <p>The sustainability policy is publicly available and downloadable via KLK’s website: https://www.klk.com.my/group-policies/ - Retrieved on 5th November 2021</p> <p>Pinang Mill Complex The policy has been communicated to the external stakeholders during the Stakeholders’ Meeting which conducted on 28/09/2022 at KDC Clubhouse and attended by 63 stakeholders (Ref. Doc.: Minit Mesyuarat Pihak Berkepentingan 2022 Bahagian Tawau).</p> <p>Pinang Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct for Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 158 employees on 20/5/2022 by Abdul Arif at Pinang Estate Office (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021)</p> <p>Pinang POM The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 82 employees on 22/04/2022 by Jamaluddin bin Saparuddin at Pinang POM Training Centre (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Jatika Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 87 employees on 10/08/2022 by Mohd Fazlan Nurdin at Jatika Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pangeran Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 178 employees on 05/01/2022 by Bherston. R at Pangeran Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance &</p>	
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	<p>Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Sigalong Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 197 employees on 12/01/2022 by Augustine Willy at Sigalong Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>This can be verified during the interview session with the workers onsite for Pinang Mill and the 4 estates, where they were able to explain in their own understanding on the company's policy of recognising freedom of association and right to collective bargaining. The policy was sighted displayed on the noticeboards around mill and 4 estates.</p>	
6.3.2	<p>Pinang Estate Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in English and/or Bahasa Malaysia and were made available upon request (Ref. Doc.: Mesyuarat Sosial Komuniti Dan Alam Sekitar). The meeting was conducted on 02/06/2022 at Pinang Estate Office and attended by 12 workers representatives. The meeting was about the implementation of the new Minimum Wages Order 2022.</p> <p>Sigalong Estate Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in English and/or Bahasa Malaysia and were made available upon request (Ref. Doc.: Mesyuarat Sosial Komuniti Dan Alam Sekitar 2022). The meeting was conducted on 06/10/2022 at Sigalong Estate Office and attended by 6 workers representatives. The meeting discusses about sexual harassment, domestic violence, gambling, vandalism and sports activity.</p> <p>Pinang POM Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in English and/or Bahasa Malaysia and were made available upon request (Ref. Doc.: Mesyuarat Jawatankuasa Sosial Dan Persekitaran Kali Ketiga 2022). The meeting was conducted on 17/08/2022 at Pinang POM Meeting Room and attended by 6 worker representatives. No social issues, sexual harassment and domestic violence reported during the meeting.</p> <p>Jatika Estate Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in English and/or Bahasa Malaysia and were made available upon request (Ref. Doc.: Mesyuarat Sosial Komuniti Dan Alam Sekitar Kali Ketiga 2022).</p>	Yes

	The meeting was conducted on 19/09/2022 at Jatika Estate Office and attended by 6 workers representatives. Matters discussed such as sexual harassment, domestic violence, drug abuse, gambling, theft, water & electric supply, worker housing, creche and kindergarden.	
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 workers. Pinang Mill Complex does support and welcome the creation of a worker's union by the workers, but currently there are no union formed by the workers, both local and migrant. Based on the interview the sampled workers, all of them felt that there is no need to create a union since they themselves are able to voice out their needs and problems to the management directly.	Yes
6.4.1	<p>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. KLK established Sustainability Policy which has been revised on the 30th of August 2018. The sustainability covers the following: Social – Workplace and Communities.</p> <p>a) Respect and recognise the rights in workplace</p> <ol style="list-style-type: none"> i. Respect employees rights ii. No forced or bonded labour iii. No Child Labour iv. OSH v. Employment Contracts vi. Freedom of association and rights to collective bargaining vii. Minimum Wage standard viii. Working hours and record keeping ix. Harassment and violence x. Equal employment opportunities and diversity <p>The sustainability policy is publicly available and downloadable via KLK's website: https://www.klk.com.my/group-policies/ - Retrieved on 5th November 2021</p> <p>Both supplier's and contractors are required to sign the supplier's code of conduct.</p> <p>Pinang Estate Contractor Supplier Code Of Conduct was signed by Beche binti Soro (Syarikat Kekal Unggul) on 02/12/2022. Employment contract for Azman bin Moo @ Moolo which signed on 21/09/2020 was sighted.</p> <p>Sigalong Estate's Contractor Supplier Code of Conduct – Vui Kontraktor – 01/10/2022 – Chou Dack Khong (Manager)</p> <p>Employment contract for Chou Dack Wing which signed on 01/11/2021 was sighted.</p>	Yes

	<p>Pangeran Estate’s Contractor</p> <p>Supplier Code of Conduct – VK Machinery Sdn. Bhd. on 01/10/2022 by Mr. Liew Vui Kim. Employment contract for Sueleman bin Suetisna (Indonesian) which signed on 01/07/2022 was sighted.</p> <p>Under the supplier’s code of conduct, under point 3, Social – Workplace and Communities, point 6 and 7:</p> <p>Point 6: Prohibit the employment of child labour and set the minimum age for employment consistent with applicable laws.</p> <p>Point 7: Remedial actions with appropriate follow up actions shall be employed if any child labour case is uncovered to protect the welfare of the child. This includes access to comprehensive health and social protection measures, education opportunities relevant to their age and development.</p>	
6.4.2 (C)	<p>Based on workers’ master listing, there was no child or young workers were hired by the estates and mill as of time of the audit.</p> <p>Minimum working age is clearly defined in KLK’s recruitment policy, document name Buku Panduan Pekerjaan, both local and migrant worker’s employment SOP’s, the supplier code of conduct as well as KLK’s sustainability policy.</p> <p>During site visit, there were no children used for work and there are no young workers sighted during the onsite visit.</p>	Yes
6.4.3 (C)	<p>Not applicable since there was no young person employed by the estates and mill.</p>	Yes
6.4.4	<p>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. KLK established Sustainability Policy which has been revised on the 30th of August 2018. The sustainability covers the following: Social – Workplace and Communities.</p> <ul style="list-style-type: none"> a) Respect and recognise the rights in workplace <ul style="list-style-type: none"> i. Respect employees rights ii. No forced or bonded labour iii. No Child Labour iv. OSH v. Employment Contracts vi. Freedom of association and rights to collective bargaining vii. Minimum Wage standard viii. Working hours and record keeping ix. Harassment and violence x. Equal employment opportunities and diversity b) Respect the rights of indigenous and local communities c) Facilitate the inclusion of smallholders /farmers into the supply chain 	Yes

	<p>The sustainability policy is publicly available and downloadable via KLK’s website: https://www.klk.com.my/group-policies/ - Retrieved on 5th November 2021</p> <p>The policy have also been communicated to its workers both local and foreigners, as well as the stakeholders both internal and external as seen in the stakeholders consultation minutes of meeting and employees training.</p> <p>Both supplier’s and contractors are required to sign the supplier’s code of conduct.</p> <p>Pinang Estate’Contractor Supplier Code Of Conduct was signed by Beche binti Soro (Syarikat Kekal Unggul) on 02/12/2022. Employment contract for Azman bin Moo @ Moolo which signed on 21/09/2020 was sighted.</p> <p>Sigalong Estate’s Contractor Supplier Code of Conduct – Vui Kontraktor – 01/10/2022 – Chou Dack Khong (Manager) Employment contract for Chou Dack Wing which signed on 01/11/2021 was sighted.</p> <p>Pangeran Estate’s Contractor Supplier Code of Conduct – VK Machinery Sdn. Bhd. on 01/10/2022 by Mr. Liew Vui Kim. Employment contract for Sueleman bin Suetisna (Indonesian) which signed on 01/07/2022 was sighted.</p> <p>Under the supplier’s code of conduct, under point 3, Social – Workplace and Communities, point 6 and 7:</p> <p>Point 6: Prohibit the employment of child labour and set the minimum age for employment consistent with applicable laws.</p> <p>Point 7: Remedial actions with appropriate follow up actions shall be employed if any child labour case is uncovered to protect the welfare of the child. This includes access to comprehensive health and social protection measures, education opportunities relevant to their age and development.</p>	
6.5.1 (C)	<p>KLK established Sustainability Policy which has been revised on the 30th of August 2018. The sustainability covers the following:</p> <p>Social – Workplace and Communities</p> <p>d) Respect and recognise the rights in workplace</p> <ul style="list-style-type: none"> i. Respect employees rights ii. No forced or bonded labour iii. No Child Labour iv. OSH v. Employment Contracts 	Yes

	<ul style="list-style-type: none"> vi. Freedom of association and rights to collective bargaining vii. Minimum Wage standard viii. Working hours and record keeping ix. Harassment and violence x. Equal employment opportunities and diversity <p>Pinang Mill Complex The policy has been communicated to the external stakeholders during the Stakeholders' Meeting which conducted on 28/09/2022 at KDC Clubhouse and attended by 63 stakeholders (Ref. Doc.: Minit Mesyuarat Pihak Berkepentingan 2022 Bahagian Tawau).</p> <p>Pinang Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct for Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 158 employees on 20/5/2022 by Abdul Arif at Pinang Estate Office (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021)</p> <p>Pinang POM The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 82 employees on 22/04/2022 by Jamaluddin bin Saparuddin at Pinang POM Training Centre (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Jatika Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 87 employees on 10/08/2022 by Mohd Fazlan Nurdin at Jatika Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pangeran Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 178 employees on 05/01/2022 by Bhertson. R at Pangeran Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Sigalong Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 197 employees on 12/01/2022 by Augustine Willy at Sigalong Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p>	
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6.5.2 (C)	<p>A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce. KLK established Sustainability Policy which has been revised on the 30th of August 2018. The sustainability covers the following:</p> <p>(x) Equal Employment Opportunities and Diversity - Reproductive rights in line with the country's laws shall be respected.</p> <p>Pinang Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct for Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 158 employees on 20/5/2022 by Abdul Arif at Pinang Estate Office (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021)</p> <p>Pinang POM The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 82 employees on 22/04/2022 by Jamaluddin bin Saparuddin at Pinang POM Training Centre (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Jatika Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 87 employees on 10/08/2022 by Mohd Fazlan Nurdin at Jatika Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pangeran Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 178 employees on 05/01/2022 by Bhertson. R at Pangeran Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Sigalong Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 197 employees on 12/01/2022 by Augustine Willy at Sigalong Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p>	Yes
6.5.3	<p>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. New Mother Assessment as below:</p>	Yes

Estate	Name	Assessment conducted by	Date	Remarks
Jatika	PNC	Fireck Firwin Teo – Asst. Manager	03/08/2021	The employee delivered the baby on 06/04/2022 and payment of the maternity leave for 60 days sighted in the April, May and June 2022 payslips. Post delivery assessment was conducted on 13/9/2022 by Fireck Firwin Teo – Asst. Manager. Based on the assessment, the company provided adequate space and paid breaks to enable her to express and store breastmilk with privacy.
Pangeran	PNC	Mohd. Syarif – Asst. Manager	12/04/2022	Based on the assessment, she understands that the company provided adequate space and paid breaks to enable her to express and store breastmilk with privacy.
Pinang	PNC	Hj. Masuki Abu Bakar – Asst. Manager	08/04/2022	The employee delivered the baby on 17/09/2022 and payment of the maternity leave for 60 days sighted in the September, October and November 2022 payslips.

	Pinang POM	PNC	Pn. Hayatih Sinar	08/12/2021	<p>The employee delivered the baby on 21/03/2022 and payment of the maternity leave for 60 days sighted in the March, April and May 2022 payslips.</p> <p>Post delivery assessment was conducted on 20/5/2022 by Pn. Hayatih Sinar. Based on the assessment, the company provided adequate space and paid breaks to enable her to express and store breastmilk with privacy.</p>	
6.5.4	<p>The assessment of new mothers, which was conducted by the management is in a form of a survey, that contains the following:</p> <ul style="list-style-type: none"> • Status of New mothers: Pregnant/Gave birth • Are you familiar with the policy of reproductive rights? • Are you familiar that management does not allow pregnant workers and breastfeeding mothers to conduct work with exposure to chemicals? • Are you still breastfeeding? • Are you allowed to rest for breastfeeding? • Were you provided with a private room for breastfeeding purpose? • Is your workplace provides a place for you to keep your pumped breastmilk? 				Yes	
	<p>Grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce. The scope of the Grievance policy and mechanism is applicable to all employees of KLK, its subsidiaries and associate companies. The grievance policy contains guidelines for employees in raising grievance as well as the grievance process method. The grievance process method as stated in the procedure is as follows:</p> <p>Step 1</p>					

	<p>a. Employee to raise his grievance in writing using the prescribed grievance form to his immediate superior.</p> <p>b. Alternatively, instead of writing, and employee can also raise his grievance through hotlines set up in the respective operating countries as set out in paragraph 4.1 (i) of alternative method.</p> <p>c. The superior will take the necessary action within three (3) working days upon receiving grievance.</p> <p>d. If the matter remains unresolved, proceed to step 2.</p> <p>e. Should the grievance relate to his direct superior, proceed straight to step 2.</p> <p>Step 2</p> <p>a. Employee to raise grievance with his head of department (HOD)</p> <p>b. HOD to take necessary actions within 7 days</p> <p>c. If the matter remains unresolved, proceed to Step 3.</p> <p>Step 3</p> <p>a. Employee to report the grievance to head of human resource.</p> <p>b. Grievance should be addressed preferably within 10 working days or receipt of the grievance.</p> <p>Pinang Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct for Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 158 employees on 20/5/2022 by Abdul Arif at Pinang Estate Office (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021)</p> <p>Pinang POM The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 82 employees on 22/04/2022 by Jamaluddin bin Saparuddin at Pinang POM Training Centre (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Jatika Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 87 employees on 10/08/2022 by Mohd Fazlan Nurdin at Jatika Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Pangeran Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were</p>	
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	<p>briefed to the 178 employees on 05/01/2022 by Bherston. R at Pangeran Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Sigalong Estate The KLK Sustainability Policy, OSH Policy, Environmental Policy, Quality Policy, Code of Conduct For Employees, Complaint Procedure, Group Employee Grievance Redressal Policy and Group Policies KLK were briefed to the 197 employees on 12/01/2022 by Augustine Willy at Sigalong Estate Muster Ground (Ref. Doc.: Training Needs Analysis, Attendance & Evaluation Form SOP: 8.0 Appendix 2.0 Issue/Rev.: 4/3 Date: 01/01/2021).</p> <p>Based on the interview with the workers in mill and 4 estates, the workers were able to explain the process and procedures on how to submit a grievance should they have any grievances to submit to the management.</p>	
6.6.1 (C)	<p>All works in the estates and mill is voluntary and all migrant workers were legally recruited by the estate as verified in workers' working permit and passport. Auditor has sampled the work agreement which signed by both parties (employee and employer), in the contract has been clearly mentioned the working place and working condition. Workers' passport is kept by the workers itself. No retention of passport/identity documents. This was verified through interview with workers at each estate. No involuntary overtime imposed to the workers as verified during workers' interview. Based on the interview, no forced to do any overtime. All overtimes were voluntary, and they are happy if have more overtime. Based on interview, there is no recruitment fee paid by the workers.</p>	Yes
6.6.2 (C)	<p>The management has established Foreign Workers Employment. The procedure covers the process of recruitment of foreign workers. The recruitment procedures are stated under point 2.2 Recruitment Procedures (KL-Kepong (Sabah) Sdn. Bhd. Foreign Workers' Employment). Procedure also covers:</p> <ol style="list-style-type: none"> 1) Recruitment 2) Recruitment Procedures 3) Employment Contract 4) Recruitment Cost 5) Renewal of Passport and Extension of Work Permit 6) Repatriation 7) Termination of Employment Contract 8) Abscondment 9) Change of Employer Not Permitted <p>The management has also established Local Workers Employment. Procedure covers:</p> <ol style="list-style-type: none"> 1) Recruitment 2) Recruitment Procedures 3) Employment Contract 4) Resignation 5) Promotion 6) Retirement 7) Termination of Employment Contract 	Yes

	<p>SOPs for recruitment, selection, hiring, promotion, retirement and termination of workers established (Ref. Doc.: Employment of Workers/Staff SOP: 14.0 Issue/Rev.: 4/3 Date: 01/01/2021) where it mentions the following:</p> <ol style="list-style-type: none"> 1) Workers/staff should enter employment voluntarily and freely, without debt bondage and the threat of a penalty, and should have the freedom to terminate employment without penalty given reasonable notice or in line with the requirements stipulated in the employment SOP. 2) Where candidates for employment are of equal merit, preference will be given to local workers (positive discrimination). 3) There MUST be no discrimination against workers based on race, ethnic origin, caste national origin, religion, disability, gender, sexual orientation gender, identity, union membership, political affiliation or age. 4) Where migrant workers are employed, there MUST be no contract substitution and reasonable accommodation with basic amenities shall be provided. <p>Based on document review of workers personal file, there are no contract substitution observed for the mill and 4 estates. Furthermore, the workers contracts have clearly specified on the task of which the workers are tasked to do. Based on the interview with the Operating Centre (OC) personnel who is responsible on the recruitment of workers for Pinang Mill cluster (Including the 4 estates supplying FFB to Pinang Mill), all of the migrant workers were hired through a job application from the job ad that KLK published, normally in the newspaper, as seen in the recruitment file job ad copy. KLK Pinang Mill cluster does not use agents to recruit workers since many of the migrant workers are already staying in Sabah. If a migrant worker were to apply for the job, and if the migrant worker does not have a passport, the company will inform the consulate (Indonesia/Philippines) where the migrant workers are asked to process their passport from the consulate. Once the migrant workers have obtained their passport, the company will then process their permit with JTK. The company handles all recruitment related costs, such as medical check-up costs, permit costs and etc of the migrant worker.</p>							
<p>6.7.1 (C)</p>	<p>Person in charge for ESHS in the unit of certification is Mr Mohd Hafiz Syafiq. Registration Number HQ/21/SHO/00/03500 validity 19-01-2021 – 18-01-2024.</p> <p>There is evidence that safety meeting has been conducted at quarterly basis (every 3months). This has fulfilled the requirement of Safety regulation.</p> <p>In Pinang Complex, latest safety meeting was conducted as follows:</p> <table border="1" data-bbox="571 1783 1070 1861"> <thead> <tr> <th>Estate</th> <th>Date</th> <th>Attendance</th> </tr> </thead> <tbody> <tr> <td>Pinang</td> <td>17/10/2022</td> <td>25</td> </tr> </tbody> </table> <p>All the safety meeting chaired by respective estate manager and any new accident occurred during past 3 months time shall be discussed in the meeting.</p>	Estate	Date	Attendance	Pinang	17/10/2022	25	<p>Yes</p>
Estate	Date	Attendance						
Pinang	17/10/2022	25						

	<p>In Pinang estate, there is no fatal accident occur for the present year of 2022. Several minor accidents have been recorded:</p> <table border="1" data-bbox="445 333 1193 864"> <thead> <tr> <th>Month</th> <th>Today</th> <th>Todate</th> <th>Accident Type</th> <th>Actions</th> </tr> </thead> <tbody> <tr> <td>January</td> <td>1</td> <td>1</td> <td>Foreign particle infiltrate eye</td> <td rowspan="4">During morning muster, workers shall be reminded to be more cautious during working</td> </tr> <tr> <td>February</td> <td>1</td> <td>2</td> <td>Back Pain</td> </tr> <tr> <td>March</td> <td>2</td> <td>4</td> <td>Knock on eye by fronds and wood slab</td> </tr> <tr> <td>July</td> <td>1</td> <td>5</td> <td>Small wound at finger</td> </tr> </tbody> </table> <p>The safety meeting is prepared by Abdul Arif Arham Assistant Manager and verified by Mark Dayao Estate Manager.</p> <p>Workplace inspection has been conducted prior to the safety meeting. Any issues identified during the safety workplace inspection shall be communicated and discussed during the safety meeting.</p>	Month	Today	Todate	Accident Type	Actions	January	1	1	Foreign particle infiltrate eye	During morning muster, workers shall be reminded to be more cautious during working	February	1	2	Back Pain	March	2	4	Knock on eye by fronds and wood slab	July	1	5	Small wound at finger	
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6.7.2	<p>Accident procedures available in appropriate language of the workforce which is in Bahasa.</p> <p>SOP of emergency response plan is in place. The title is Injury and Illness Require Medical Attention. The ERP was established for handling any major or minor emergency involving injury or illness which requires medical attention.</p> <p>Injury may happen where related to the daily operations of the operating unit be it in the mill or estate.</p>	Yes																						
6.7.3 (C)	<p>The PPE issued to sprayers and manuring workers to cover all potentially hazardous operations. This includes rubber boots, apron, face mask (N95), nitrile glove and goggle.</p> <p>Sighted the sprayer gang which possess complete PPE to carry out the operation. All the sprayers have been given spraying training in September 2022 and have a good understanding regarding environmental aspect such as prohibition to spray within riparian zone.</p> <p>On the other hand, based on interview with manuring gang it was evidence that all the workers have a complete set of PPEs while carrying out the manuring work. This includes goggle, nitrile gloves, apron, rubber boots, R95 mask.</p>	Yes																						

	<p>All the workers have an excellent understanding of manuring work procedure and answerable when asked about environmental aspect such as RTE species identification and protection. They also explain regarding the riparian zone, and it is prohibited to cross the red mark to carry out the manuring work due to environmental adverse impact.</p> <p>Site visit to pesticide and fertilizer store evidence that all updated SDS is in place and well maintained.</p> <p>Based on interview conducted, PPE provided by the company is free of charge and replaced when damage.</p>																											
6.7.4	<p>Medical Surveillance has been conducted by DAB OH Sdn Bhd in October 2022 toward specific workers such as follow:</p> <ol style="list-style-type: none"> 1) Store Clerk 2) Kindergarten Teacher 3) Creche Ayah 4) Workshop 5) Probase 6) Chemical Pre-Mix 7) Sprayer <p>Name of Occupational Health Doctor is Dr Donny Cristanto (OHD) MMC No. 52601 DOSH Registration: HQ/19/DOC/00/00399.</p> <table border="1" data-bbox="421 1102 1216 1921"> <thead> <tr> <th>Estate</th> <th>Total Workers</th> <th>Post</th> <th>Date</th> <th>Result</th> </tr> </thead> <tbody> <tr> <td>Estate Pinang</td> <td>20</td> <td>Workshop – 3 Electrical – 1 Probase – 1 Chemical Pre-mix – 1 Sprayer 14</td> <td>26/07/2022</td> <td rowspan="5">Fit to work which may expose to pesticide/fertilizer Cadmium/manganese</td> </tr> <tr> <td>Estate Pangera n</td> <td>24</td> <td>Workshop – 2 Mandore – 2 Sprayer 20</td> <td>26/07/2022</td> </tr> <tr> <td>Estate Jatika</td> <td>30</td> <td>Storekeeper – 1 Sprayer - 29</td> <td>25/07/2022</td> </tr> <tr> <td>Estate Sigalong</td> <td>30</td> <td>Storekeeper -1 Genset Operator – 3 Sprayer - 26</td> <td>26/07/2022</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Estate	Total Workers	Post	Date	Result	Estate Pinang	20	Workshop – 3 Electrical – 1 Probase – 1 Chemical Pre-mix – 1 Sprayer 14	26/07/2022	Fit to work which may expose to pesticide/fertilizer Cadmium/manganese	Estate Pangera n	24	Workshop – 2 Mandore – 2 Sprayer 20	26/07/2022	Estate Jatika	30	Storekeeper – 1 Sprayer - 29	25/07/2022	Estate Sigalong	30	Storekeeper -1 Genset Operator – 3 Sprayer - 26	26/07/2022					Yes
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6.7.5	<u>Pinang Estate</u>	Yes																										

	<p>Sighted the “Akuan Penerimaan Pendaftaran JKPP 8” for Pinang Estate. Address as KL-Kepong Sdn Bhd (Ladang Pinang), Locked bag No 3, 91009 Tawau Sabah. The reference number is JKPP 8/112845/2021. For year 2021, there is total of 14 cases recorded in Pinang Estate where all the workers are Indonesian workers. Out of 14 workers, 1 is a sprayer which fell during spraying activity while all the other 13 is harvesters.</p> <p>Total LTA for Pinang estate year 2021 is 14 cases which resulted in 26 lost mandays.</p> <p><u>Jatika Estate</u> For year 2022, there are total of 5 case of minor accident which result in 12 lost mandays. All the cases involving harvesters.</p> <p><u>Pangeran Estate</u> For year 2022, there are total of 6 case of minor accident which result in 16 lost mandays. 1 accident involving weeder while the rest of cases involving harvesters.</p> <p><u>Sigalong Estate</u> For year 2022, there are total of 7 case of minor accident which result in 15 lost mandays. 1 accident involving weeder, 1 accident involving general worker while the rest of cases involving harvesters.</p>																						
Principle 7: Protect, conserve and enhance ecosystem and environment																							
Indicator	Summary of Findings	Compliance (Y/N) and NC#																					
7.1.1 (C)	<p>Integrated Management Plan has been in place within Pinang Complex. The pest cases in Pinang complex are within threshold level. Each estate has conducted routine monitoring of pest through census such as rats, caterpillars and Ganoderma.</p> <p>As per todate, the counter measure for pest is through biological control which is planting of beneficial plants to attract predators and parasitoid for bagworms and caterpillars attack.</p> <p>Planting of beneficial plant has been going on in all 4 estates, details is as follows:</p> <table border="1" data-bbox="461 1630 1179 1910" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: center;"><i>Turnera Subulata</i></th> </tr> <tr> <th>Estate</th> <th>Planting Program</th> <th>Realization</th> </tr> </thead> <tbody> <tr> <td>Pinang</td> <td>1,075</td> <td>1,075</td> </tr> <tr> <td>Pangeran</td> <td>1,013</td> <td>1,013</td> </tr> <tr> <td>Jatika</td> <td>1,225</td> <td>1,225</td> </tr> <tr> <td>Sigalong</td> <td>1,358</td> <td>541</td> </tr> <tr> <td>Total</td> <td></td> <td></td> </tr> </tbody> </table> <p style="text-align: center;"><i>Antigonan Leptopus</i></p>	<i>Turnera Subulata</i>			Estate	Planting Program	Realization	Pinang	1,075	1,075	Pangeran	1,013	1,013	Jatika	1,225	1,225	Sigalong	1,358	541	Total			Yes
<i>Turnera Subulata</i>																							
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Total																							

	Estate	Planting Program	Realization													
	Pinang															
	Pangeran	415	415													
	Jatika	169	169													
	Sigalong	1,358	541													
	Total															
7.1.2	<p>There are company personnel that is knowledgeable on the Global Invasive Species led by KLK Sustainability Department. There is no invasive species identified within the estates and verified thru CABI.org.</p> <p>Among species that has been listed inside Centre for Agriculture and Biosciences International (CABI) and Global Invasive Species Database, all species which exist in Pinang Complex has been assessed and all is found non-invasive species.</p> <p>Assessment was done by senior staff and recorded as follows:</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Estate</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Rahmatang</td> <td>Pinang</td> <td>30/09/2022</td> </tr> <tr> <td>Muslimin Mustaming</td> <td>Pangeran</td> <td>19/09/2022</td> </tr> <tr> <td>Tamrin Sundusing</td> <td>Sigalong</td> <td>24/09/2022</td> </tr> </tbody> </table>			Name	Estate	Date	Rahmatang	Pinang	30/09/2022	Muslimin Mustaming	Pangeran	19/09/2022	Tamrin Sundusing	Sigalong	24/09/2022	Yes
Name	Estate	Date														
Rahmatang	Pinang	30/09/2022														
Muslimin Mustaming	Pangeran	19/09/2022														
Tamrin Sundusing	Sigalong	24/09/2022														
7.1.3	There is no use of fire in dealing with pest, this is in line with the policy of KLK and internal SOP.			Yes												
7.2.1 (C)	<p>Estates</p> <p>All the pesticides used by KL-Kepong764 Sabah has been justified and recorded in SOP 6.0 Justification on Agrochemical used (Appdx: 2.0 Issue/Rev 3/2) before being applied by the workers in the estates. Some of the pesticides stated in the SOP are:</p> <p>Ally 20DF (Class IV)</p> <ul style="list-style-type: none"> Ai: Metsulfuron Methyl (20%) Justfication: Spot spray woof (20-3-g/20L) Clidemia sp, Hedyotis sp., Malastom sp. <p>Amine Class III</p> <ul style="list-style-type: none"> Ai: 2,4-D Amine (48%) Justification: Circle spray mature (30ml/20L) and Spot spray (40ml/20L) Asystasia sp. <p>Cypermethrin (Class III)</p> <ul style="list-style-type: none"> Ai: Cypermethrin (20%) Justification: P&D spray (300ml/20L) Rhino beetle, nettle caterpillar, bagworm, etc <p>Akira Glyphosate (Class III)</p>			Yes												

	<ul style="list-style-type: none"> Ai: Glyphosate Isopropylamine (41%) Justification: Mature circle spray (600ml/20L) Soft grass, Mucuna sp., etc. <p>All the pesticides listed above have been applied in the estate and the records of application can be seen in Pesticide Usage Monitoring Record for FY 20/21 for all estate and it contains information such as quantity of pesticides applied, amount of active ingredient, total area covered and the ingredients applied per ha.</p>									
7.2.2 (C)	<p>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. As an example the LD50 monitoring of Alion.</p> <table border="1" data-bbox="635 712 1002 853"> <thead> <tr> <th>Herbicide</th> <th>Ai /ha</th> </tr> </thead> <tbody> <tr> <td>Alion</td> <td>0.02346</td> </tr> <tr> <td>Supresate41</td> <td>0.000031</td> </tr> <tr> <td>Kenterex</td> <td>0.000001</td> </tr> </tbody> </table>	Herbicide	Ai /ha	Alion	0.02346	Supresate41	0.000031	Kenterex	0.000001	Yes
Herbicide	Ai /ha									
Alion	0.02346									
Supresate41	0.000031									
Kenterex	0.000001									
7.2.3 (C)	<p>The population of pest & disease is under control and the usage or is still minimal. The establishment of beneficial plant is an example method of minimizing the pesticide usage against insecticide.</p> <p>Their plan was include using of both chemical and beneficial plan for controlling the pest and disease. For using chemical, monitoring on the attack and threshold was setup. Therefore, beneficial plant was established as per their IPM plan. Evidence implementation was observed on area of all main road of Pinang Estate Complex.</p>	Yes								
7.2.4	<p>There is no prophylactic use of pesticides, however the estate is using a pre-emergence pesticide used in the mature fields which are Alion.</p> <p>Preemergence herbicide is categorized as common and are applied to the soil and prevent germination or early growth of weed seeds cited in the MPOB oil Palm Buletin May 2007 – Pesticide Application in the Oil Palm Plantation.</p> <p>In order to ensure no prophylactic use of pesticides, the company has established the plan to reduce the usage of pesticide and oil palm nursery practice procedure.</p> <p>6. No Prophylactic spraying Prophylactic spraying is not allowed as it will cause unnecessary (wastage) use of agrochemical that could harm the environment.</p> <p>Oil Palm Nursery practice procedure 3.13.2. Prophylactic spraying should be undertaken against diseases and not insect pests.</p> <p>Although prophylactic use of pesticides is not recognized as the environmentally friendly method, based on Oil Palm Cultivation & Management, by PD turner and RA Gillbanks prophylactic spray is a common practice in Malaysia.</p>	Yes								

7.2.5	<p>Pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, the highest class sighted were kenterex class 2 which used in the nursery.</p> <p>Base on their chemical register (REGISTER OF CHEMICALS HAZARDOUS TO HEALTH-DOSH) and list on their stock from 3 store at the estate. It documented in "Chemical Stock List 2022". Among the stores stock review was:</p> <ol style="list-style-type: none"> 1. Pinang Chemical Store 2. Pangeran Chemical Store 3. Jatika Chemical Store. 4. Sigalong Chemical Store <p>The commitment for non-use of banned chemical also shown in their NDPE policy, where it stated that "Pesticide that are categorize as WHO Class 1A or 1B and listed by the Stockholm or Rotterdam Conventions are not used, except in specific urgent situation. The use of Paraquat is strictly prohibited" (clause 3 of the policy, bullet point iv, regarding the safety of their workers, page 5)</p>	Yes									
7.2.6 (C)	<p>SOP for chemical / pesticides handling is available which was published by KLK Pinang Complex. The SOPs consists of:</p> <ul style="list-style-type: none"> • Relevant in-house training been given to spraying worker on safe chemical handling & mixing. • Most training been conducted using national (Malay) language. • Pesticide handling is only permitted for those who has been given a proper training. • Safety Data Sheet (SDS) is available & kept inside chemical store for reference. • Appropriate & sufficient PPE has been provided to the workers who are highly exposed with hazardous chemical. • Damaged PPEs will be replaced with new unit. 	Yes									
7.2.7 (C)	<p>SOP for pesticides storage is available which was published by WAGS for all grower to implement. The SOPs consists of:</p> <ul style="list-style-type: none"> • All pesticides issued out to the field has been recorded accordingly. • Pesticides are kept inside dedicated store & locked. • Warning signage has been placed on the store door / wall to notify the workers or unauthorized personnel to keep away from this area. <p>Used empty chemical containers are marked with "X" label & filled with recycled water for the purpose of spraying work.</p>	Yes									
7.2.8	<p>Pesticide containers were triple rinsed and sold to the recycle vendor G-Planter Sdn. Bhd.</p> <p>Sighted the used container General Delivery Note Number 83756 collection from Pang Burong Estate which act as the center collection of empty pesticide container. The details is as follows:</p> <table border="1" data-bbox="421 1899 1198 1998"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>Quantity</th> </tr> </thead> <tbody> <tr> <td>14/10/2022</td> <td>20 Litre Container</td> <td>80</td> </tr> <tr> <td></td> <td>20 Litre Tin</td> <td>42</td> </tr> </tbody> </table>	Date	Particulars	Quantity	14/10/2022	20 Litre Container	80		20 Litre Tin	42	Yes
Date	Particulars	Quantity									
14/10/2022	20 Litre Container	80									
	20 Litre Tin	42									

		10 Litre Container	161		
		1 Litre Bottle	28		
		Ally 500grm Bottle	85		
		Alion 1 Litre	227		
	The collection has been acknowledged by Pinang Estate Manager dated 14/10/2022 and carried by lorry number SYC 7008 dated 28/10/2022.				
7.2.9 (C)	There is no aerial spraying practised in KLK Pinang Complex				Yes
7.2.10 (C)	Specific annual medical surveillance is conducted for specific workers recommended by CHRA Assessor conducted by Klinik DAB OH Sdn Bhd ;				Yes
	Mill	Total Workers	Post	Date	Result
	Pinang POM	41	Storekeeper – 2 Lab Assistant – 1 Laboratory – 7 Fitter – 1 Workshop – 20 Electrical – 4 Kernel Plant – 4 Fogging Operator – 2	26/07/2022	Fit to work may expose to chemical, Cadmium, manganese
	Estate	Total Workers	Post	Date	Result
	Estate Pinang	20	Workshop – 3 Electrical – 1 Probase – 1 Chemical Pre-mix – 1 Sprayer 14	26/07/2022	Fit to work which may expose to pesticide/fertilizer Cadmium/manganese
	Estate Pangernan	24	Workshop – 2 Mandore – 2 Sprayer 20	26/07/2022	
	Estate Jatika	30	Storekeeper – 1 Sprayer - 29	25/07/2022	
	Estate Sigalong	30	Storekeeper -1 Genset Operator – 3 Sprayer - 26	26/07/2022	

7.2.11 (C)	There is no work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.	Yes																																		
7.3.1	<p>Mill and Estate</p> <p>All the waste generated from each activity conducted or storage area in the mill and estate can be seen in Waste Management Plan (SOP 10: Appendix 1) and includes process/Area where the waste generated, activity that caused the waste generated, type of waste generated, method of management, management plan, person in charge (PIC), and status of the implementation on site. The plan also is incorporated Environmental Aspect & Impact Assessment (EAIA) and Environmental Management Plan (EMP). Some of the waste management plan that has been implemented are shown below:</p> <p style="text-align: center;">Pinang POM</p> <table border="1" data-bbox="576 741 1067 1341"> <tr> <td>Process/Area</td> <td>Workshop</td> </tr> <tr> <td>Major Activity</td> <td>Vehicle Maintenance</td> </tr> <tr> <td>Waste</td> <td>Lubricant drum</td> </tr> <tr> <td>Methods</td> <td>Reuse/Disposed off to Schedule waste collector</td> </tr> <tr> <td>Management Plan</td> <td> <ul style="list-style-type: none"> Lubricant drum used as road barrier Modified to be used as drip tray during vehicle maintenance Disposed to schedule waste collector. </td> </tr> <tr> <td>PIC</td> <td>Foreman and Asstn Foreman</td> </tr> <tr> <td>Status</td> <td>Continuous Implementation</td> </tr> </table> <table border="1" data-bbox="576 1375 1067 1809"> <tr> <td>Process/Area</td> <td>Genset Room</td> </tr> <tr> <td>Major Activity</td> <td>Diesel usage for power generation</td> </tr> <tr> <td>Waste</td> <td>GHG, CO2,</td> </tr> <tr> <td>Methods</td> <td>Maintenance</td> </tr> <tr> <td>Management Plan</td> <td> <ul style="list-style-type: none"> Periodically service/repair of genset fuel pump and fuel injector </td> </tr> <tr> <td>PIC</td> <td>Foreman and Asstn Foreman</td> </tr> <tr> <td>Status</td> <td>Continuous Implementation</td> </tr> </table> <table border="1" data-bbox="576 1843 1067 2004"> <tr> <td>Process/Area</td> <td>Boiler</td> </tr> <tr> <td>Major Activity</td> <td>Air particulate pollution from mill</td> </tr> <tr> <td>Waste</td> <td>Dust and particle</td> </tr> </table>	Process/Area	Workshop	Major Activity	Vehicle Maintenance	Waste	Lubricant drum	Methods	Reuse/Disposed off to Schedule waste collector	Management Plan	<ul style="list-style-type: none"> Lubricant drum used as road barrier Modified to be used as drip tray during vehicle maintenance Disposed to schedule waste collector. 	PIC	Foreman and Asstn Foreman	Status	Continuous Implementation	Process/Area	Genset Room	Major Activity	Diesel usage for power generation	Waste	GHG, CO2,	Methods	Maintenance	Management Plan	<ul style="list-style-type: none"> Periodically service/repair of genset fuel pump and fuel injector 	PIC	Foreman and Asstn Foreman	Status	Continuous Implementation	Process/Area	Boiler	Major Activity	Air particulate pollution from mill	Waste	Dust and particle	OFI
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	<p>Scheduled waste under Pinang Mill cluster will be collected at Pinang Palm Oil Mill and the authorized collector from Lagenda Bumimas will collect all the SW on the time that has been set. Approval has been given by DOE Sabah to the cluster to make PIPOM as collection point. This was evident from a letter from DOE Sabah, ASSH(B)31/152/000/015 Jilid. 10 (11) dated 13/11/2007.</p>																		

	<p>The estates practice sending it collected SW to the mill on monthly basis. Samples of records of SW Inventory and SW sent to mill from estates were reviewed. The estates practice sending it collected SW on monthly basis. This was evident from General Delivery Note and Weighbridge Ticket. Samples as below:</p> <p>Pinang Estate DN: 83747, WB: A696527 & A696532, Date 11/10/2022 1. SW 410 – Used oil filter - 30 kg 2. SW 305 – Used lubricant – 110 kg</p> <p>Pengeran Estate DN: 74151, WB: A698669 & A698670, Date 2/11/2022 1. SW 410 – Used oil filter - 20 kg 2. SW 305 – Used lubricant – 130 kg</p> <p>Jatika Estate DN: 66817, WB: A696676, A696681 & A696683, Date 12/10/2022 1. SW 410 – Used oil filter - 130 kg 2. SW 305 – Used lubricant – 490 kg 3. SW 102 – Used battery – 140 kg</p> <p>Sigalong Estate DN: 87993, WB: A696636, A696635 & A696641, Date 12/10/2022 1. SW 410 – Used oil filter - 10 kg 2. SW 305 – Used lubricant – 70 kg 3. SW 102 – Used battery – 190 kg</p> <p><u>Consignment Notes for Scheduled Waste</u></p> <p>No: 2022110715LX1D23</p> <ul style="list-style-type: none"> • Name of waste: Used Batteries • Waste category: SW102 • Quantity: 0.39 mt • Date: 27/11/2022 <p>No: 2022110716VL3QBZ</p> <ul style="list-style-type: none"> • Name of waste: Used rags, plastics, papers or filters contaminated with SW • Waste category: SW410 • Quantity: 0.59 mt • Date: 7/11/2022 <p>No: 2022110716GRV2QN</p> <ul style="list-style-type: none"> • Name of waste: Spent lubricant oil • Waste category: SW305 • Quantity: 2.94 mt • Date: 7/11/2022 <p>No: 20221107160RYBXI</p> <ul style="list-style-type: none"> • Name of waste: Waste containing mercury • Waste category: SW105 • Quantity: 0.026 mt • Date: 7/11/2022 	
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	<p>No: 2022110716SOE49M</p> <ul style="list-style-type: none"> Name of waste: Spent hydraulic oil Waste category: SW306 Quantity: 0.2 mt Date: 7/11/2022 <p>No: 2022110716FHLWJB</p> <ul style="list-style-type: none"> Name of waste: Disposed containers, bags, equipment contaminated with pesticides Waste category: SW409 Quantity: 0.12 mt Date: 7/11/2022 <p>For the recycling of empty chemical/ pesticide container, G-Planter has been appointed by KL-Kepong (Sabah) as an authorized collector to collect the empty container that can be recycle. The records of collection are shown below:</p> <p>Pinang POM</p> <ul style="list-style-type: none"> Date of collection: 28/10/2022 Total Empty container: 13 <p>Sigalong Estate</p> <ul style="list-style-type: none"> Date of collection: 20/10/2022 Total Empty container: 338 <p>Pangeran Estate</p> <ul style="list-style-type: none"> Date of collection: 28/10/2022 Total Empty container: 333 <p>Pinang Estate</p> <ul style="list-style-type: none"> Date of collection: 14/10/2022 Total Empty container: 623 <p>Also sighted Scrap iron record that has been disposed on 10th February 2021 with total amount of 12.4 mt to Tong Shen Scrap Metal Sdn. Bhd.</p> <p>Waste management plan and procedure on waste management (SOP 12.0: Waste Management and Energy Use) is available during the document review. Improvement can be done by communicating the plan effectively to all workers (including the executives and staffs) for better understanding on the material that can be reused and recycled especially at the line site and landfill area and monitoring on the implementation of the waste management plan onsite.</p>	
7.3.2	<p>The certification unit has established 2 related procedures for waste management and disposal such as:</p> <p>SOP No OSH 13: Schedule Waste Management Policy issued out on 1st October 2020.</p> <p>Consist of the flow of SW disposed according to their type such as</p> <ul style="list-style-type: none"> Engine oil, gear box oil, brake oil, hydraulic oil Empty chemical containers 	No

	<ul style="list-style-type: none"> Clinical wastes <p>SOP 12 Waste Management & Energy Use dated on 1st January 2021.</p> <ul style="list-style-type: none"> Identify the location of wastes generated Determine the type and classification of SW and Non-SW. Promote recycling activities by providing recycling bins General waste are collected periodically and disposed in landfill EPC must be triple rinsed and pierced before being disposed. <p>From the procedure that has been established by the certification unit, the workers are trained according by the executives in the mill/estates or PIC that has been appointed as the trainer. The mill and estates have conducted the related training according to the training plan and the record that verified are shown below:</p> <ul style="list-style-type: none"> Domestic Waste Handling, Disposal and Recycle Training has been conducted by Mr. Abdul Arif on 15/8/2022 and attended by 157 participants at Pinang estate Handling Spillage and Schedule waste Training has been conducted by Mr. Abdul Arif on 14/3/2022 and attended by 8 participants at Pinang estate Briefing on Store and Chemical Handling has been conducted by Mr. Mohd Irfan M. on 10/6/2022 and attended by 14 participants at PIPOM. Schedule waste Training has been conducted by Mr. M Ali on 4th February 2021 and attended by 28 participants at Pangeran estate Schedule waste Training has been conducted by Mr. Fazlan on 9th March 2021 and attended by 12 participants at Sigalong estate Domestic Waste Handling & Disposal and Recycle Training has been conducted by Mr. Mohd H on 10/8/2022 and attended by 127 participants at Sigalong estate Domestic waste handling and recycling Training has been conducted by Mr. Bhertson on 30th August 2021 and attended by 182 participants at Pangeran estate <p>The location of the landfills (Pangeran and Sigalong) is far from any watercourse or residential area as verified during the onsite visit. The landfills only used for domestic waste and the management has provided segregation station at the linesite area where the workers can separate between the recycle material and domestic waste before disposing them to the suitable place. The landfills also installed with signage to show the date open and the date close for each landfills that have been used.</p>	
7.3.3	<p>The certification unit does not dispose any waste by using open fire as the company implementing No Open Burning or Zero burning application in the estate as in line with the company policy (KL-Kepong Sustainability Policy). The procedure established by the certification unit also stated that burning of waste is strictly not allowed unless it is prescribed by the Guidelines for the implementation of the ASEAN Policy on Zero Burning 2003 in SOP 12 Waste Management & Energy Use dated on 1st January 2021.</p>	Yes

	As verified through site visit at the linesite and landfill area, no indication of open fire has been used to dispose any waste on site. The wastes are managed and disposed according to the waste management plan mentioned above and based on the record of waste disposal and recycling.																															
7.4.1	<p>SOP for GAP is followed by the estate Management to manage soil fertility such as:</p> <ol style="list-style-type: none"> 1. EFB Mulching and Decanter Cake application. 2. POME Land Application 3. Planting of Cover crop to avoid surface runoff in immature planting. 4. Application of Inorganic fertilizer as recommended by agronomist. <p><u>Pinang Estate</u> Estate yield in 2019/2020 at 23.30Mt/Ha was slightly lower compared to financial year before (23.94Mt/Ha). The estate has committed to mulch around 1,072Ha, 813Ha and 353Ha of DDC, EFB and BPC.</p> <p><u>Sigalong Estate</u> Estate yield decreased significantly by about 21% to 17.15% in 2019/2020. The old mature palms showed drastic reduction in yields, possibly due to aggressive Ganoderma palm removal in anticipation of felling for replanting, and systematic withdrawal of fertilizers for dated fields.</p> <p><u>Pangeran Estate</u> Selective application of magnesium fertilizer (Kieserite) has also been recommended in plots showing magnesium deficiency symptoms (Orange fronds symptom).</p> <p>Mean estate achieved for the first 11months of 2021/2022 at 16.9Mt/Ha was marginally higher by 4.5% compared to same corresponding last year. The slight improvement however, still much lower than the expected yield of 23Mt/Ha for this estate.</p>	Yes																														
7.4.2	<p>Soil sampling has been conducted by AAR lead by Cassandra Chong Yi Wen Agronomist Executive dated 13/02/2021 and being tested at 08/03/2021. Soil analysis is being conducted annually to recommend the fertilizer application dosage.</p> <p>Sample result of soil analysis from Pinang Estate:</p> <table border="1"> <thead> <tr> <th>Lab. Reference</th> <th>Sample/Block</th> <th>pH in water (2:5)</th> <th>N%</th> <th>Org. C %</th> <th>Acid Fluoride Soluble (ppm)</th> </tr> </thead> <tbody> <tr> <td>SC21/PNG 1</td> <td>1 PM2009B 1</td> <td>ML 4.10</td> <td>M 0.15</td> <td>-</td> <td>VL 17.1</td> </tr> <tr> <td>SC21/PNG 2</td> <td>1 PM2009B 1</td> <td>ML 4.00</td> <td>M 0.16</td> <td>-</td> <td>VL 16.5</td> </tr> <tr> <td>SC21/PNG 6</td> <td>3 PM2006A 1</td> <td>VL 3.5</td> <td>VL 0.09</td> <td>-</td> <td>M 45.7</td> </tr> <tr> <td>SC21/PNG 12</td> <td>3 PM2006B 1</td> <td>L 3.8</td> <td>ML 0.12</td> <td>XL 0.75</td> <td>VL 8.1</td> </tr> </tbody> </table>	Lab. Reference	Sample/Block	pH in water (2:5)	N%	Org. C %	Acid Fluoride Soluble (ppm)	SC21/PNG 1	1 PM2009B 1	ML 4.10	M 0.15	-	VL 17.1	SC21/PNG 2	1 PM2009B 1	ML 4.00	M 0.16	-	VL 16.5	SC21/PNG 6	3 PM2006A 1	VL 3.5	VL 0.09	-	M 45.7	SC21/PNG 12	3 PM2006B 1	L 3.8	ML 0.12	XL 0.75	VL 8.1	Yes
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	Reference: H -High, M -Medium, ML – Marginal, L – Low, VL – Very Low, XL – Ext Low																																												
7.4.3	<p>Nutrient recycling strategy is in place within Pinang Complex Estate. All the side product coming from palm oil mill such as decanter cake, Belt Press Cake, POME final Discharge and Empty fruit bunch.</p> <p>As per November 2022, there is 32,767.69Mt of EFB has been applied at Pinang Complex estate. Distribution of application as per following:</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Ha todate</th> <th>Record Prepared by</th> </tr> </thead> <tbody> <tr> <td>Pinang Estate</td> <td>566.59Ha</td> <td>Nur Syafiqah Anis Sustainability Incharge</td> </tr> <tr> <td>Pangeran Estate</td> <td>602.00Ha</td> <td>Nurlaeli Anwar Sustainability Incharge</td> </tr> <tr> <td>Jatika Estate</td> <td>316.25Ha</td> <td>Ruhaidah Rasif Sustainability Incharge</td> </tr> <tr> <td>Sigalong Estate</td> <td>208.03Ha</td> <td>Augustine Willy Sustainability Incharge</td> </tr> <tr> <td>Total</td> <td>1,692.87Ha</td> <td></td> </tr> </tbody> </table> <p>*Standard application volume is 20Mt/Ha.</p> <p>For Decanter cake, record has been showing the waste product has been applied to the Pinang Complex field.</p> <table border="1"> <thead> <tr> <th rowspan="2">Estate</th> <th>Decanter Cake</th> <th>Belt Press Cake</th> </tr> <tr> <th colspan="2">Tonnage</th> </tr> </thead> <tbody> <tr> <td>Pinang Estate</td> <td>2,742.23Mt</td> <td>3,928.03Mt</td> </tr> <tr> <td>Pangeran Estate</td> <td>0Mt</td> <td>1,665Mt</td> </tr> <tr> <td>Jatika Estate</td> <td>2,054.98Mt</td> <td>0Mt</td> </tr> <tr> <td>Sigalong Estate</td> <td>0Mt</td> <td>0Mt</td> </tr> </tbody> </table> <p>POME application to Pinang Estate has been recorded by Pinang palm Oil mill:</p> <table border="1"> <thead> <tr> <th></th> <th>POME Final Discharge</th> <th>Cooling Pond</th> <th>Boiler Ash</th> </tr> </thead> <tbody> <tr> <td>Oct 2021 – September 2022</td> <td>157,791.00 Litre</td> <td>76,414.00Mt</td> <td>836.03Mt</td> </tr> </tbody> </table>	Estate	Ha todate	Record Prepared by	Pinang Estate	566.59Ha	Nur Syafiqah Anis Sustainability Incharge	Pangeran Estate	602.00Ha	Nurlaeli Anwar Sustainability Incharge	Jatika Estate	316.25Ha	Ruhaidah Rasif Sustainability Incharge	Sigalong Estate	208.03Ha	Augustine Willy Sustainability Incharge	Total	1,692.87Ha		Estate	Decanter Cake	Belt Press Cake	Tonnage		Pinang Estate	2,742.23Mt	3,928.03Mt	Pangeran Estate	0Mt	1,665Mt	Jatika Estate	2,054.98Mt	0Mt	Sigalong Estate	0Mt	0Mt		POME Final Discharge	Cooling Pond	Boiler Ash	Oct 2021 – September 2022	157,791.00 Litre	76,414.00Mt	836.03Mt	Yes
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7.4.4	<p>Record of fertilizer input has been in place. Based on Pinang Complex Fertilizer Summary as at year 2022:</p> <p style="text-align: center;">Jatika Estate</p> <table border="1" data-bbox="571 483 1069 1267"> <thead> <tr> <th>Fertilizer</th> <th>Tonnage</th> </tr> </thead> <tbody> <tr><td>AC</td><td>0.05</td></tr> <tr><td>SOA</td><td>795.85</td></tr> <tr><td>AN</td><td>0</td></tr> <tr><td>Urea</td><td>0</td></tr> <tr><td>GML</td><td>0</td></tr> <tr><td>Kieserite</td><td>1,013.45</td></tr> <tr><td>MOP</td><td>338.70</td></tr> <tr><td>BRP</td><td>27.25</td></tr> <tr><td>DAP</td><td>0.7</td></tr> <tr><td>CCM45</td><td>0</td></tr> <tr><td>Borate</td><td>1.05</td></tr> <tr><td>AABN 20</td><td>652.95</td></tr> <tr><td>Op Com 32</td><td>829.20</td></tr> <tr><td>Op Com 65</td><td>0</td></tr> <tr><td>Calcium Carbonate</td><td>289.70</td></tr> <tr><td>ERP</td><td>185.65</td></tr> <tr><td>NKB</td><td>782.60</td></tr> </tbody> </table> <p style="text-align: center;">Pangeran Estate</p> <table border="1" data-bbox="571 1348 1069 1975"> <thead> <tr> <th>Fertilizer</th> <th>Tonnage</th> </tr> </thead> <tbody> <tr><td>AC</td><td>0.0</td></tr> <tr><td>SOA</td><td>338.05</td></tr> <tr><td>AN</td><td>0</td></tr> <tr><td>Urea</td><td>0</td></tr> <tr><td>GML</td><td>0</td></tr> <tr><td>Kieserite</td><td>20.75</td></tr> <tr><td>MOP</td><td>50.35</td></tr> <tr><td>BRP</td><td>234.05</td></tr> <tr><td>DAP</td><td>0</td></tr> <tr><td>CCM45</td><td>0</td></tr> <tr><td>Borate</td><td>0</td></tr> <tr><td>AABN 20</td><td>1.25</td></tr> <tr><td>Op Com 32</td><td>1,086.35</td></tr> <tr><td>Op Com 65</td><td>0</td></tr> </tbody> </table>				Fertilizer	Tonnage	AC	0.05	SOA	795.85	AN	0	Urea	0	GML	0	Kieserite	1,013.45	MOP	338.70	BRP	27.25	DAP	0.7	CCM45	0	Borate	1.05	AABN 20	652.95	Op Com 32	829.20	Op Com 65	0	Calcium Carbonate	289.70	ERP	185.65	NKB	782.60	Fertilizer	Tonnage	AC	0.0	SOA	338.05	AN	0	Urea	0	GML	0	Kieserite	20.75	MOP	50.35	BRP	234.05	DAP	0	CCM45	0	Borate	0	AABN 20	1.25	Op Com 32	1,086.35	Op Com 65	0	Yes
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Calcium Carbonate	0
ERP	1.45
NKB	648.15
Pinang Estate	
Fertilizer	Tonnage
AC	0
SOA	326.70
AN	0
Urea	0
GML	0
Kieserite	169.40
MOP	115.05
BRP	133.35
DAP	0
CCM45	0
Borate	0
AABN 20	150.40
Op Com 32	715.25
Op Com 65	505.10
Calcium Carbonate	0.05
ERP	0
NKB	0
Sigalong Estate	
Fertilizer	Tonnage
AC	0
SOA	726.80
AN	0
Urea	0
GML	0
Kieserite	30.65
MOP	439.05
BRP	19.30
DAP	0.80
CCM45	0
Borate	0
AABN 20	807.20
Op Com 32	20
Op Com 65	0.55

		Calcium Carbonate	633.90		
		ERP	313.45		
		NKB	137		
7.5.1 (C)	<p>All the estates within Pinang complex possessed their own maps. The soil maps has distribution of soil types indicating there is no marginal and fragile soils within all the estate in Pinang complex.</p> <p>Current moment, there is no planting at any inappropriate area based on maps and interviewed with Estate Manager.</p> <p>During audit visit, there is no discovery of any peat soil or fragile soil within all estate in Pinang Complex.</p>				Yes
7.5.2	<p>Only Jatika estate possessed steep area of more than 25 degree which is marked as unplatable. 160Ha of steep area was taken out from planting area and left as it is without any interruption.</p> <p>In addition, the area is adjacent to Kalumpang Forest Reserve.</p>				Yes
7.5.3	There is no new planting.				Yes
7.6.1 (C)	<p><u>Estates</u> No new planting has been conducted in the estates under KL-Kepong (Sabah). However, the soil maps and topography maps that showing the hilly area within the estates are available. Also, no peat soils available within the estate area as verified from the site visit and the maps below.</p> <ul style="list-style-type: none"> • Topography maps for Pinang estate (Division A, B and C) with scale of 1:37500 last update on 01/2017 (AAR/17/2017) • Topography maps for Pangeran estate with scale of 1:32500 last update on 08/2018(AAR25/08/2018) • Topography maps for Jatika estate with scale of 1:42500 last update on 02/2020(AAR24/08/2020) • Topography maps for Sigalong estate with scale of 1:25000 last update on 03/2012(AAR12/01/2017) <p>Pinang estate soil map (AAR/17/2017) last update on 1/2017 with scale of 1:37500</p> <p>Type of soil available:</p> <ul style="list-style-type: none"> • Gading (Shallow Sandy layer) • Gading (Moderate Deep Sandy Layer) • Kumansi • Local Alluvium • Pallu • Sipit <p>Pangeran estate soil map (AAR25/08/2018) last update on 08/2012 with scale of 1:32500</p> <p>Type of soils:</p> <ul style="list-style-type: none"> • Batang (Mudstone) • Apas • Kumansi (Mudstone/ Sandstone) 				Yes

	<ul style="list-style-type: none"> Local Alluvium (mainly riverine alluvium) Tanjung (sandy) <p>Jatika estate (Home Division) soil map (AAR24/08/2020) last update on 02/2020 with scale of 1:50000</p> <p>Type of soils:</p> <ul style="list-style-type: none"> Batang (Deep) Kobovan (Basic igneous rock) Kumansi (Flat to rolling) Mensuli Kobovan <p>Sigalong estate (Home Division) soil map (AAR26/05/2016) last update on 03/2012 with scale of 1:37500</p> <ul style="list-style-type: none"> Batang (Mudstone) Gading (Deep Sandy Layer) Kumansi (Mudstone/Sandstone) Soil type A (Planosols) Local Alluvium (mainly riverine alluvium) Kinabutan <p>From the statement from the managers of the estate, the record available (hectarage statement) in the office and site visit conducted, no new planting has been done on steep area.</p> <p>The Environmental Impact Assessment (EIA) report done by Kiwiheng Environmental Consultants Sdn. Bhd. on May 2020 also available where it was done for the replanting that conducted in Sigalong estate. The report also consists information data on topography of the estates and soil information of the area. The report will be used to plan the replanting for the next few years such as plan for drainage, road construction, terracing and other facilities.</p>	
7.6.2	<p>All the estates within Pinang complex possessed their own maps. The soil maps has distribution of soil types indicating there is no marginal and fragile soils within all the estate in Pinang complex.</p> <p>Current moment, there is no planting at any inappropriate area based on maps and interviewed with Estate Manager.</p> <p>During audit visit, there is no discovery of any peat soil or fragile soil within all estate in Pinang Complex.</p>	Yes
7.6.3	<p>No new planting has been conducted in the estates under KL-Kepong (Sabah). However, the soil maps and topography maps that showing the hilly area within the estates are available.</p>	Yes
7.7.1 (C)	<p>Estate</p> <p>As verified from the site visit conducted to the estate and the soil maps provided for each estate, there are no oil palm planted on peat and peat soil also not available within the estate area.</p>	Yes

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7.7.2	As verified from the site visit conducted to the estate and the soil maps provided for each estate, there are no oil palm planted on peat and peat soil also not available within the estate area.	Yes
7.7.3 (C)		Yes
7.7.4 (C)		Yes
	<p>However, the certification unit has established the SOP 4.0 Peat Soil Management Plan (Issue/Rev 3/2) issued out on 1st January 2021 if the peat soil available. The subsidence of peat will be monitored as stated in the SOP:</p> <ul style="list-style-type: none"> • Subsidence of peat soils is minimized by maintaining water table at average of 50cm (between 40-60cm) below ground surface measured with ground water piezometer readings, or an average of 60cm (50-70cm) below ground surface as measured in water collection drains, through a network of appropriate water control structures. 	
7.7.5 (C)	The certification unit has established the SOP 4.0 Peat Soil Management Plan (Issue/Rev 3/2) issued out on 1 st January 2021 if the peat soil available. The drainability assessment will be done as stated in the SOP:	Yes

	<ul style="list-style-type: none"> Existing peatlands cultivated with oil palm is evaluated using drainability Assessment Guidelines or other RSPO recognised methods, at least 5 years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out oil palm cultivation at least 40 years, or 2 cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. 															
7.7.6 (C)	The certification unit has established the SOP 4.0 Peat Soil Management Plan (Issue/Rev 3/2) issued out on 1 st January 2021 if the peat soil available. The existing plantings on peat will be managed according to Best Management practices (BMP) which includes periodic monitoring of water table level and subsidence rate.	Yes														
7.7.7 (C)	All the 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.	Yes														
7.8.1	<p>The mill and estate have established the procedures regarding the surface and ground water management which included the establishment of water management plan</p> <p>SOP No.5: Surface and Ground Water Management (Issue/Rev: 3/2) which issued out on 1st January 2021 and the procedures consist as follows:</p> <ul style="list-style-type: none"> Appendix 1: Water sampling programme (Issue/Rev: 4/3) Appendix 2: Water usage (Issue/Rev: 2/1) Attachment 1: Water Management Plan (Issue/Rev: 4/3) Attachment 3: Water Sampling Procedure (Issue/Rev: 3/2) Attachment 4: ERP on Water Pollution (Issue/Rev: 3/2) <p>The water management plan that has been established contain the subject of the management plan, person responsible, details of the plan and target date/status of the implementation as sampled below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;">Pinang POM</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Subject</td> <td>Identification of water source, construction of water reservoir and water harvesting.</td> </tr> <tr> <td style="text-align: center;">Person responsible</td> <td>Manager/Assistant</td> </tr> <tr> <td style="text-align: center;">Details</td> <td> <ul style="list-style-type: none"> Ensure the water source is pollution free. Ensure adequate sizing of the capacity of water reservoir including that for emergency use. </td> </tr> <tr> <td style="text-align: center;">Status</td> <td>Done</td> </tr> <tr> <td style="text-align: center;">Subject</td> <td>Monitoring water quality and usage</td> </tr> <tr> <td style="text-align: center;">Person responsible</td> <td>Manager/Assistant</td> </tr> </tbody> </table>	Pinang POM		Subject	Identification of water source, construction of water reservoir and water harvesting.	Person responsible	Manager/Assistant	Details	<ul style="list-style-type: none"> Ensure the water source is pollution free. Ensure adequate sizing of the capacity of water reservoir including that for emergency use. 	Status	Done	Subject	Monitoring water quality and usage	Person responsible	Manager/Assistant	Yes
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		<p>Details</p> <ul style="list-style-type: none"> • Incoming and outgoing water quality should be monitored as per the water sampling program • Treated water should be checked for microbial analysis as per the water sampling program 	<p>Status</p> <p>Done (refer to water analysis record)</p>								
Estates Water Management Plan											
<table border="1"> <tr> <td data-bbox="572 875 820 978">Subject</td> <td data-bbox="820 875 1067 978">Protection of water courses and wetlands</td> </tr> <tr> <td data-bbox="572 978 820 1014">Person responsible</td> <td data-bbox="820 978 1067 1014">Manager/Assistant</td> </tr> </table>						Subject	Protection of water courses and wetlands	Person responsible	Manager/Assistant		
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<table border="1"> <tr> <td data-bbox="572 1014 820 1603">Details</td> <td data-bbox="820 1014 1067 1603"> <ul style="list-style-type: none"> • To maintain riparian buffer zones along the main rivers and streams shown on estate map. • To ensure proper waste disposal including domestic waste • Erect warning signage • Construction of Irish bridge is to provide passage without obstructing the river flow. </td> </tr> <tr> <td data-bbox="572 1603 820 1639">Status</td> <td data-bbox="820 1603 1067 1639">Ongoing</td> </tr> </table>						Details	<ul style="list-style-type: none"> • To maintain riparian buffer zones along the main rivers and streams shown on estate map. • To ensure proper waste disposal including domestic waste • Erect warning signage • Construction of Irish bridge is to provide passage without obstructing the river flow. 	Status	Ongoing		
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Details	<ul style="list-style-type: none"> • Incoming and outgoing water quality should be monitored. • Treated water should be checked for 										

			microbial analysis as per the water sampling program	
		Status	Ongoing	
	<p>From the plan that has been established, sighted the water test report for mill and estates that has been conducted every 4 months. All the results shown quality index more than 80 (clean) and the water test was conducted for the incoming and outgoing water for each estate and the treated water at the mill.</p> <ul style="list-style-type: none"> • Pinang estate latest report was issued out on 8/11/2022 for water water sampling Point No. 1 (upstream), water sampling Point No. 2 (upstream), water sampling Point No. 3 (downstream), and water sampling Point No. 4 (upstream) with results of water quality index more than 80 (clean) • Sigalong estate latest report was issued out on 29/8/2022 for water sampling Point No. 1 (upstream), water sampling Point No. 3 (downstream), water sampling Point No. 4 (upstream), and water sampling Point No. 5 (downstream) with results of water quality index more than 80 (clean) • Pangeran estate latest report was issued out on 12/11/2022 for water water sampling Point No. 1 (upstream), water sampling Point No. 2 (downstream), water water sampling Point No. 3 (upstream), and water sampling Point No. 4 (downstream) with results of water quality index more than 80 (clean) • Jatika estate latest report was issued out on 5/9/2022 for water catchment, water sampling Point No. 2 (downstream), Point No. 3 (upstream) and Point No. 4 (Downstream) <p>As sighted at the linesite area, all the workers in the estate have been provided with clean water to their houses directly through the pipes installed by the management from the water source (water treatment plan)</p>			
7.8.2 (C)	<p>Estate maps and soil maps for each estate clearly shows the water course/river that flow across the estate which are the branches from two main river which is Kalumpang river. The management of the certification unit has established SOP 11.0 High Conservation Value (HCV) Management issued on 1st January 2021 (Issue/Rev: 5/4) which includes the management of the riparian area according to BMPs</p> <p>HCV areas stated in the SOP:</p> <ul style="list-style-type: none"> • Gazetted riverbanks • Water catchment ponds (WCP) • Wetlands <p>The management stated in the SOP for the maintaining and rehabilitation of the riparian area are</p> <ul style="list-style-type: none"> • To set minimum of 20 m riparian zone unless specified in the HCV Assessment report. • To erect proper signboards at strategic points along the boundary to riparian zone to prevent illegal activities. 			Yes

	<ul style="list-style-type: none"> • Frond butt of oil palm tree are painted with band of red and white paint alternately • Spraying and manuring activities are not allowed <p>In water management plan for all estates it also stated the management plan on the protection of water courses and wetlands as shown below:</p> <table border="1" data-bbox="572 450 1067 1144"> <tr> <td>Subject</td> <td>Protection of water courses and wetlands.</td> </tr> <tr> <td>Person responsible</td> <td>Manager/Assistant</td> </tr> <tr> <td>Details</td> <td> <ul style="list-style-type: none"> • To maintain riparian buffer zones along main rivers and streams shown on estate map • To ensure proper waste disposal including domestic waste • Erect warning signs • Construction of field drains to mitigate water logging condition • Construction of foot bridge is to provide passage without obstructing the river flow. </td> </tr> <tr> <td>Status</td> <td>Ongoing</td> </tr> </table> <p>From the site visit conducted at the riparian area of the estate (Pinang and Pangeran), all the palm oil tree located at the riverbanks have been painted with a band of red and white paint within the distance of 20 m both sides of the water course (2-3 palm). All these palm oil that located within the range of area along the watercourse will be marked clearly with white and red paint along the water course. The riparian area signage also installed at the strategic point where it can be seen clearly by the workers/outsideers.</p> <p>As informed by the workers (sprayer ad manurer), they are not allowed to enter the area or apply any chemicals at the riparian area as mentioned by their management through training.</p> <p>Riparian monitoring also has been conducted and the record can be seen in Riparian zone/HCV/Conservation Area checklist where it stated the observation or presence of chemical application, manuring application, soil erosion, encroachment and other pollution at the area. Below is the date of the latest monitoring conducted for each estate:</p> <ul style="list-style-type: none"> • Pangeran estate latest monitoring was conducted on 7/11/2022 without any issues. • Jatika estate latest monitoring was conducted on 16/11/2022. • PIPOM latest monitoring was conducted on 28/11/2022 • Sigalong estate latest monitoring was conducted on 27/10/2022. 	Subject	Protection of water courses and wetlands.	Person responsible	Manager/Assistant	Details	<ul style="list-style-type: none"> • To maintain riparian buffer zones along main rivers and streams shown on estate map • To ensure proper waste disposal including domestic waste • Erect warning signs • Construction of field drains to mitigate water logging condition • Construction of foot bridge is to provide passage without obstructing the river flow. 	Status	Ongoing	
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Status	Ongoing									
7.8.3	The mill effluent treatment process is in place where the effluent will be treated first in the mill before being discharge into the water flow. The	Yes								

quality of the effluent that will be discharge will be tested and monitored before being released. The parameter of the test is shown below in the Effluent test report:

Effluent Test Report (River)

Date Sampled: 8/11/2022

Date of reports: 15/11/2022

Sample: Upstream (Sg. Lipat)

Test Parameters	Results
pH values	6.8
BOD (mg/l)	3
COD (mg/l)	47
Total Nitrogen (mg/l)	3
Ammoniacal Nitrogen (mg/l)	<1
Total Solids (mg/l)	200
Suspended solid	9
Oil & Grease	1
Volatile fatty acids (mg/l Acetic Acid)	-
Total Alkalinity (mg/l CaCO ₃)	-
VFA/TA	-

Date Sampled: 8/11/2022

Date of reports: 15/11/2022

Sample: Downstream (Sg. Lipat)

Test Parameters	Results
pH values	6.8
BOD (mg/l)	3
COD (mg/l)	47
Total Nitrogen (mg/l)	4
Ammoniacal Nitrogen (mg/l)	<1
Total Solids (mg/l)	214
Suspended solid	18
Oil & Grease	2
Volatile fatty acids (mg/l Acetic Acid)	-
Total Alkalinity (mg/l CaCO ₃)	-
VFA/TA	-

Date Sampled: 8/11/2022

Date of reports: 15/11/2022


Sample: Upstream (Sg. Pinang Kecil)

Test Parameters	Results
pH values	6.5
BOD (mg/l)	3
COD (mg/l)	43
Total Nitrogen (mg/l)	4
Ammoniacal Nitrogen (mg/l)	<1
Total Solids (mg/l)	278
Suspended solid	6

	<table border="1" data-bbox="576 219 1067 387"> <tr> <td>Oil & Grease</td> <td>2</td> </tr> <tr> <td>Volatile fatty acids (mg/l Acetic Acid)</td> <td>-</td> </tr> <tr> <td>Total Alkalinity (mg/l CaCO₃)</td> <td>-</td> </tr> <tr> <td>VFA/TA</td> <td>-</td> </tr> </table> <p data-bbox="421 427 847 521">Date Sampled: 8/11/2022 Date of reports: 15/11/2022 Sample: Downstream (Sg. Pinang Kecil)</p> <table border="1" data-bbox="576 551 1067 990"> <thead> <tr> <th>Test Parameters</th> <th>Results</th> </tr> </thead> <tbody> <tr> <td>pH values</td> <td>6.5</td> </tr> <tr> <td>BOD (mg/l)</td> <td>3</td> </tr> <tr> <td>COD (mg/l)</td> <td>51</td> </tr> <tr> <td>Total Nitrogen (mg/l)</td> <td>4</td> </tr> <tr> <td>Ammoniacal Nitrogen (mg/l)</td> <td><1</td> </tr> <tr> <td>Total Solids (mg/l)</td> <td>268</td> </tr> <tr> <td>Suspended solid</td> <td>13</td> </tr> <tr> <td>Oil & Grease</td> <td>2</td> </tr> <tr> <td>Volatile fatty acids (mg/l Acetic Acid)</td> <td>-</td> </tr> <tr> <td>Total Alkalinity (mg/l CaCO₃)</td> <td>-</td> </tr> <tr> <td>VFA/TA</td> <td>-</td> </tr> </tbody> </table> <p data-bbox="421 1025 836 1055">Effluent Test Report (Final Discharge)</p> <p data-bbox="421 1061 738 1155">Date Sampled: 8/11/2022 Date of reports: 15/11/2022 Sample: Upstream (Sg. Lipat)</p> <table border="1" data-bbox="576 1184 1067 1657"> <thead> <tr> <th>Test Parameters</th> <th>Results</th> </tr> </thead> <tbody> <tr> <td>pH values</td> <td>8.0</td> </tr> <tr> <td>BOD (mg/l)</td> <td>18</td> </tr> <tr> <td>COD (mg/l)</td> <td>540</td> </tr> <tr> <td>Total Nitrogen (mg/l)</td> <td>115</td> </tr> <tr> <td>Ammoniacal Nitrogen (mg/l)</td> <td>54</td> </tr> <tr> <td>Total Solids (mg/l)</td> <td>2754</td> </tr> <tr> <td>Suspended solid</td> <td>162</td> </tr> <tr> <td>Oil & Grease</td> <td>10</td> </tr> <tr> <td>Dissolved Oxygen %</td> <td>1.96</td> </tr> <tr> <td>Volatile fatty acids (mg/l Acetic Acid)</td> <td>187</td> </tr> <tr> <td>Total Alkalinity (mg/l CaCO₃)</td> <td>1353</td> </tr> <tr> <td>VFA/TA</td> <td>0.14</td> </tr> </tbody> </table> <p data-bbox="421 1695 1222 1917">The mill has the license for Effluent Final Discharge (License No: 004524) issued out by Department of Environmental valid from 1st July 2022 until 30th June 2023 where it clearly stated the limitation or the condition of the effluent before being discharge to the water flow. From the test reports above, the effluent discharge quality is within the national regulations where the limitation of the quality to be discharged are not more than the value as stated below:</p> <ul data-bbox="469 1955 691 1984" style="list-style-type: none"> • BOD: <100 mg/l 	Oil & Grease	2	Volatile fatty acids (mg/l Acetic Acid)	-	Total Alkalinity (mg/l CaCO ₃)	-	VFA/TA	-	Test Parameters	Results	pH values	6.5	BOD (mg/l)	3	COD (mg/l)	51	Total Nitrogen (mg/l)	4	Ammoniacal Nitrogen (mg/l)	<1	Total Solids (mg/l)	268	Suspended solid	13	Oil & Grease	2	Volatile fatty acids (mg/l Acetic Acid)	-	Total Alkalinity (mg/l CaCO ₃)	-	VFA/TA	-	Test Parameters	Results	pH values	8.0	BOD (mg/l)	18	COD (mg/l)	540	Total Nitrogen (mg/l)	115	Ammoniacal Nitrogen (mg/l)	54	Total Solids (mg/l)	2754	Suspended solid	162	Oil & Grease	10	Dissolved Oxygen %	1.96	Volatile fatty acids (mg/l Acetic Acid)	187	Total Alkalinity (mg/l CaCO ₃)	1353	VFA/TA	0.14	
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	<ul style="list-style-type: none"> • Suspended solids: < 400 mg/l • Oil and Grease: <50mg/l • Ammoniacal nitrogen: <150 mg/l • Total Nitrogen: <200 mg/l • pH value: Between 5.0 to 9.0 																																																																																																					
7.8.4	<p>The procedure of the water usage has been established and implemented by the mill as mentioned below:</p> <p>SOP No.5: Surface and Ground Water Management (Issue/Rev: 3/2) which issued out on 1st January 2021 and the procedures consist as follows:</p> <ul style="list-style-type: none"> • Appendix 2: Water usage (Issue/Rev: 2/1) <p>The records of Water usage for mill also available on monthly basis (October 2021 – September 2022) where the amount of water usage (m3), FFB processed (mt) and water usage per tonne of FFB are recorded.</p> <table border="1" data-bbox="571 748 1070 1323"> <thead> <tr> <th>Month</th> <th>Usage (m3)</th> <th>FFB Processed (mt)</th> <th>m3/mt</th> </tr> </thead> <tbody> <tr><td>Oct 21</td><td>14424</td><td>15156.16</td><td>0.95</td></tr> <tr><td>Nov 21</td><td>15051</td><td>15640.38</td><td>0.96</td></tr> <tr><td>Dec 21</td><td>13080</td><td>10791.37</td><td>1.21</td></tr> <tr><td>Jan 22</td><td>13599</td><td>18994.58</td><td>0.72</td></tr> <tr><td>Feb 22</td><td>12428</td><td>11888.33</td><td>1.05</td></tr> <tr><td>Mar 22</td><td>14769</td><td>13490.28</td><td>1.09</td></tr> <tr><td>Apr 22</td><td>14016</td><td>13559.78</td><td>1.03</td></tr> <tr><td>May 22</td><td>13705</td><td>11568.23</td><td>1.18</td></tr> <tr><td>June 22</td><td>14694</td><td>11477.42</td><td>1.28</td></tr> <tr><td>Jul 22</td><td>14797</td><td>11494.15</td><td>1.29</td></tr> <tr><td>Aug 22</td><td>12100</td><td>12984.90</td><td>0.93</td></tr> <tr><td>Sep 22</td><td>14324</td><td>14009.96</td><td>1.02</td></tr> <tr><td>Total</td><td>166987</td><td>161055.54</td><td>1.04</td></tr> <tr><td>Baseline</td><td></td><td></td><td>1.0</td></tr> </tbody> </table> <p>According to the management, the high ratio was due to low crop received processed.</p> <p>Apart from the mill, the estates also practice water usage monitoring. evident from the monitoring records made available during the audit.</p> <p style="text-align: center;">Sigalong Estate</p> <table border="1" data-bbox="571 1581 1070 1982"> <thead> <tr> <th>Month</th> <th>Usage (m3)</th> <th>FFB Produced (mt)</th> <th>m3/mt</th> </tr> </thead> <tbody> <tr><td>Jan 22</td><td>9080</td><td>3061.00</td><td>2.97</td></tr> <tr><td>Feb 22</td><td>9046</td><td>2457.36</td><td>3.68</td></tr> <tr><td>Mar 22</td><td>9100</td><td>2727.53</td><td>3.34</td></tr> <tr><td>Apr 22</td><td>9360</td><td>2747.19</td><td>3.41</td></tr> <tr><td>May 22</td><td>7742</td><td>2159.13</td><td>3.59</td></tr> <tr><td>June 22</td><td>7402</td><td>2306.10</td><td>3.21</td></tr> <tr><td>Jul 22</td><td>6721</td><td>2094.35</td><td>3.21</td></tr> <tr><td>Aug 22</td><td>9689</td><td>2084.43</td><td>4.65</td></tr> <tr><td>Sep 22</td><td>9400</td><td>2286.40</td><td>4.11</td></tr> </tbody> </table>	Month	Usage (m3)	FFB Processed (mt)	m3/mt	Oct 21	14424	15156.16	0.95	Nov 21	15051	15640.38	0.96	Dec 21	13080	10791.37	1.21	Jan 22	13599	18994.58	0.72	Feb 22	12428	11888.33	1.05	Mar 22	14769	13490.28	1.09	Apr 22	14016	13559.78	1.03	May 22	13705	11568.23	1.18	June 22	14694	11477.42	1.28	Jul 22	14797	11494.15	1.29	Aug 22	12100	12984.90	0.93	Sep 22	14324	14009.96	1.02	Total	166987	161055.54	1.04	Baseline			1.0	Month	Usage (m3)	FFB Produced (mt)	m3/mt	Jan 22	9080	3061.00	2.97	Feb 22	9046	2457.36	3.68	Mar 22	9100	2727.53	3.34	Apr 22	9360	2747.19	3.41	May 22	7742	2159.13	3.59	June 22	7402	2306.10	3.21	Jul 22	6721	2094.35	3.21	Aug 22	9689	2084.43	4.65	Sep 22	9400	2286.40	4.11	Yes
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		Pangeran Estate				
		Month	Usage (m3)	FFB Produced (mt)	m3/mt	
		Jan 22	2982	4390.68	0.68	
		Feb 22	2717	3671.34	0.74	
		Mar 22	2817	4023.35	0.70	
		Apr 22	3060	3993.68	0.77	
		May 22	2919	3027.44	0.96	
		June 22	3171	2840.71	1.12	
		Jul 22	3726	3222.63	1.16	
		Aug 22	3867	3766.00	1.02	
		Sep 22	2939	4268.89	0.69	
7.9.1	<p>For mill and estates, SOP 12 Waste Management & Energy Use dated on 1st January 2021 already available to guide the certification unit in managing the use of fossil fuel. The objective of the SOP is to monitor the efficiency and optimal usage of fossil fuel and renewable energy. From the SOP, the Energy management plan has been established and available for the year of 2022 for the operating unit where it emphasizes on the management plan for Annual Diesel Consumption monitoring, Regular maintenance of generators and vehicles, linesite wiring system, and genset wiring system.</p> <p>Some of the details of the management plan as sighted from the documents are listed below:</p> <ul style="list-style-type: none"> • Power generation training • Maintenance of the generator and vehicle done regularly • Ensure no fuel leaking from gensets • No authorized wiring is carried out <p>Pinang Estate Sighted the record of Fuel Usage for Transportation for Pinang estate for the period of October 2021 until September 2022 Total Estimate Fuel usage: 180000 Litre Estimated FFB transported: 56450 mt Actual Fuel usage: 133670 Litre Actual FFB transported: 3791.75 mt Actual litre/FFB: 3.52 litre/mt</p> <p>Pinang POM Record of Fuel Usage for Transportation for Pinang POM for the period of October 2021 until September 2022 Estimate Diesel Consumption for Genset: 180000 Litre Estimate FFB processed: 199060 mt Estimate kWh generated: 480000 kWh Actual Diesel Consumption for Genset: 88365 Litre Actual FFB processed: 161055.54 mt Actual kWh generated: 274284 kWh Actual litre/FFB: 0.55 litre/mt</p> <p>Sigalong Estate Sighted the record of Fuel Usage for Transportation for Sigalong estate for the period of October 2021 until September 2022</p>	Yes				

	<p>Total Estimate Fuel usage: 144000 Litre Estimated FFB transported: 38391 mt Actual Fuel usage: 74670 Litre Actual FFB transported: 29846.60 mt Actual litre/FFB: 2.51 litre/mt</p> <p>Pangeran Estate Sighted the record of Fuel Usage for Transportation for Pangeran estate for the period of October 2021 until September 2022 Total Estimate Fuel usage: 186048 Litre Estimated FFB transported: 56676 mt Actual Fuel usage: 179748 Litre Actual FFB transported: 47930.08 mt Actual litre/FFB: 3.75 litre/mt</p> <p>Jatika Estate Sighted the record of Fuel Usage for Transportation for Jatika estate for the period of October 2021 until September 2022 Total Estimate Fuel usage: 219000 Litre Estimated FFB transported: 51308 mt Actual Fuel usage: 196162 Litre Actual FFB transported: 41362.58 mt Actual litre/FFB: 4.73 litre/mt</p>																																																				
7.10.1 (C)	<p>The management has made assessment report summary 2021 for mill emissions as below via Palm GHG.</p> <div data-bbox="421 1084 1219 1534" style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">KLK (S) TAWAU PINANG POM - 2022 Summary</p> <p>Summary Emission</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Product</th> <th>tCO₂e / tProduct</th> <th>Action</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>0.79</td> <td></td> </tr> <tr> <td>PK</td> <td>0.79</td> <td></td> </tr> <tr> <td>PKO</td> <td>0.00</td> <td></td> </tr> <tr> <td>PKE</td> <td>0.00</td> <td></td> </tr> </tbody> </table> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="font-size: 8px;"> <p>Legend:</p> <ul style="list-style-type: none"> ■ FieldEmissionOwnCrop ■ FieldEmissionThirdParty ■ MIEmission ■ FieldEmissionGroup </div>  </div> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th>Description</th> <th>Unit</th> <th>Value</th> <th>Action</th> </tr> </thead> <tbody> <tr> <td>Oil palm planted on mineral soil</td> <td>Ha</td> <td>19347.00</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Oil palm planted area on peat</td> <td>Ha</td> <td>0.00</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Total oil palm planted area</td> <td>Ha</td> <td>19347.00</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Conservation area (Forested)</td> <td>Ha</td> <td>0.00</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Conservation area (Non-Forested)</td> <td>Ha</td> <td>356.99</td> <td><input type="checkbox"/></td> </tr> <tr> <td>FFB Production per hectare</td> <td>t/ha</td> <td>16.40</td> <td><input type="checkbox"/></td> </tr> <tr> <td>OER</td> <td>%</td> <td>22.18</td> <td><input type="checkbox"/></td> </tr> <tr> <td>KER</td> <td>%</td> <td>3.16</td> <td><input type="checkbox"/></td> </tr> </tbody> </table> </div>	Product	tCO ₂ e / tProduct	Action	CPO	0.79		PK	0.79		PKO	0.00		PKE	0.00		Description	Unit	Value	Action	Oil palm planted on mineral soil	Ha	19347.00	<input type="checkbox"/>	Oil palm planted area on peat	Ha	0.00	<input type="checkbox"/>	Total oil palm planted area	Ha	19347.00	<input type="checkbox"/>	Conservation area (Forested)	Ha	0.00	<input type="checkbox"/>	Conservation area (Non-Forested)	Ha	356.99	<input type="checkbox"/>	FFB Production per hectare	t/ha	16.40	<input type="checkbox"/>	OER	%	22.18	<input type="checkbox"/>	KER	%	3.16	<input type="checkbox"/>	Yes
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7.10.2 (C)	Not applicable due to there is no proposed development area for the certification unit.	Yes																																																			
7.10.3 (C)	<p>The units have developed environmental management plan which covers the aspects of pollution. All possible source of pollutions and type of pollutants have been identified and incorporated in the plan.</p> <p>Pinang POM The mill has conducted Boiler Stack Emission Monitoring as required by the DOE (Jadual Pematuhan). The mill is required to do the monitoring twice a year throughout the license period. The monitoring report dated 4/11/2022 was evident during the audit. The assessment was done by Chemsain Konsultant Sdn Bhd. Results reported as below:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th>Parameter</th> <th>Result</th> <th>Stack Emission</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Parameter	Result	Stack Emission				Yes																																													
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		Standard	
	Dust	299.434 mg/m ³ , CO ₂	150 mg/m ³
	Total Dust Emitted	6.27 kg/hr	>2.5 kg/hr
	CO	188 mg/m ³ , 12% CO ₂	1000 mg/m ³
	<p>According to the results the mill did not comply with the dust requirement. However, the mill has granted an excuse by the DOE should the parameter could not be met. The approval (JPLP/PBU/12/005169) was evident during the audit.</p> <p>Allowable limit by DOE: Dust: <400 mg/m³</p> <p>The mill has recently installed ESP as required by DOE to reduce the number of non-complying parameter.</p>		
7.11.1 (C)	<p>As stated in KL-Kepong Sustainability Policy under clause 1.3 No Burning, the company is practicing a strict No Burning policy in all KLK operations including new planting and replanting.</p> <p>In Good Agriculture Policy (GP/AGRIC/OP7) for replanting, it is clearly stated in the procedure that no burning involves in the replanting process that will be conducted and the method implemented is palm chipping and pulverizing.</p> <p>From the site visit conducted to the estate field, no sign of fire used during the replanting process.</p>		Yes
7.11.2	<p>As stated in KL-Kepong Sustainability Policy under clause 1.3 No Burning, the company is practicing a strict No Burning policy in all KLK operations including new planting and replanting.</p> <p>However, the certification unit has established the Emergency Response Plan (ERP) for Fire prevention and the equipment such as fire extinguishers are available at the strategic point within the estate area.</p>		Yes
7.11.3	<p>As stated in KL-Kepong Sustainability Policy under clause 1.3 No Burning, the company is practicing a strict No Burning policy in all KLK operations including new planting and replanting.</p>		Yes
7.12.1 (C)	<p><u>Pinang POM & Estates</u> No land clearing has been done by the certification unit since 2005 until now that have any effect to the primary forest or any HCV area that required for maintenance or enhancement.</p>		Yes
7.12.2 (C)	<p><u>PIPOM and Estates</u> High Conservation Value (HCV) Assessment for KL-Kepong (Sabah) Sdn. Bhd. (Tawau Region) has been conducted by Mr. Thien Jing Wen, KLK Internal Assessor in July 2020. Mr. Thien has attended the HCV Assessor training conducted by Wild Asia on September 2016 (HCV Assessor Licensing Scheme - Cert. No: ALS2015-116).</p> <p>The HCV assessment conducted based on the guidance provided by HCV Resources Network and RSPO Principles and Criteria which covers the</p>		Yes

	<p>assessment for HCV 1 until 6. The area of assessment cover in total of 20,954 Ha (planted landbank: 19,755 Ha) consist of 8 oil palm estates (including Pinang, Jatika, Pangeran and Sigalong Estate) and 2 palm oil mills (Mill 2 and Pinang POM) in Tawau region.</p> <p>The result of the assessment shows the present of HCV 4 and HCV 5 located in the estates which related to the water catchment within the estate area and water course (riparian area). From the mapped HCV area and information given by Mrs. Hazriani and Mr. Zamri in total 283 Ha has been identified as HCV area within the mentioned estate above. The allocation of the area for each estate are shown below:</p> <table border="1" data-bbox="577 609 1062 779"> <thead> <tr> <th>Estate</th> <th>HCV Area</th> </tr> </thead> <tbody> <tr> <td>Pinang estate</td> <td>33</td> </tr> <tr> <td>Jatika estate</td> <td>189</td> </tr> <tr> <td>Pangeran estate</td> <td>42</td> </tr> <tr> <td>Sigalong estate</td> <td>19</td> </tr> </tbody> </table> <p>The records meeting with the stakeholders also available in the report which includes the workers of the estates to get information on the flora and fauna that have been seen in the estate or neighbouring area by them.</p>	Estate	HCV Area	Pinang estate	33	Jatika estate	189	Pangeran estate	42	Sigalong estate	19	
Estate	HCV Area											
Pinang estate	33											
Jatika estate	189											
Pangeran estate	42											
Sigalong estate	19											
7.12.3 (C)	<p>Pinang POM and Estates Not applicable for Malaysia.</p>	NA										
7.12.4 (C)	<p>No peatland available within the estate area as verified from the HCV Assessment report and soil maps.</p> <p>The HCVs within the estates area have identified through the HCV Assessment for KL-Kepong (Sabah) Tawau region conducted in July 2020. The HCV identified mainly the riparian area and the water catchment that serve the purpose as the water resources to be used by the workers in the estate.</p> <p>The management and monitoring plan has been stated in section 2.5 (HCV Management and Monitoring) in the report. The management and monitoring from the HCV assessment report already been incorporated into the SOP 10.0 Environmental Aspect & Impact Assessment Management Plan (EMP)& Waste Management Plan (WMP), and SOP No.5: Surface and Ground Water Management (Attachment 1: Water Management Plan).</p> <p>The specific HCV management SOP also developed by the certification unit to guide the management of the HCV.</p> <p>SOP 11.0 High Conservation Value (HCV) Management issued on 1st January 2021 (Issue/Rev: 5/4) which includes the management of the riparian area according to BMPs</p> <p>HCV areas stated in the SOP:</p> <ul style="list-style-type: none"> ● Gazetted riverbanks ● Water catchment ponds (WCP) ● Wetlands ● Reserved forest/Area set aside for conservation ● Cemetery ● Endangered Rare, and Threatened (ERT) Species) 	Yes										

	<p>The management stated in the SOP for the maintaining and rehabilitation of the riparian and RTE species:</p> <ul style="list-style-type: none"> To set minimum of 20 m riparian zone unless specified in the HCV Assessment report. To erect proper signboards at strategic points along the boundary to riparian zone to prevent illegal activities. Spraying agrochemical and manuring activities are not allowed Monitoring of the areas on monthly basis for soil erosion, pollution, signs of illegal activities. <p>Management for Endangered Rare, and Threatened (ERT) Species)</p> <ul style="list-style-type: none"> To implement the monitoring system that has been developed and to take immediate actions if non-conformance is detected. – ERT To provide measure to prevent illegal activities To provide training to respective personnel Immediate consultation with the relevant party if ERT species exist for advice and further action. 																						
7.12.5	<p>From the HCV assessment conducted, HCV 5 has been identified within the estate area which related to the local community necessities, and it refers to the workers within the estate area. Therefore, FPIC procedure not applicable</p>	Yes																					
7.12.6	<p>The policy related to the protection of RTE species can be seen in KL-Kepong Sustainability Policy under section 1.4 Protecting High Conservation Values Area. This section clearly stated:</p> <ul style="list-style-type: none"> Conservation of biodiversity by identifying, protecting, and maintaining HCV areas. Ensuring the protection and survival of all rare, threatened, or endangered species within concession lands and work to make the positive contributions to their survival in areas beyond the concession. <p>Samples of identified specie in the concession area:</p> <p style="text-align: center;">Flora</p> <table border="1" data-bbox="576 1424 1062 1888"> <thead> <tr> <th>Local Name</th> <th>Scientific Name</th> <th>IUCN status</th> </tr> </thead> <tbody> <tr> <td>Vegetable Fern</td> <td>Diplazium Esculentum</td> <td>LC</td> </tr> <tr> <td>Bird's Nest Fern</td> <td>Asplenium Nidus</td> <td>LC</td> </tr> <tr> <td>Wild Taro Plants</td> <td>Alocasia sp.</td> <td>LC</td> </tr> <tr> <td>Dumb Cane</td> <td>Dieffenbachia sp.</td> <td>LC</td> </tr> <tr> <td>Squirrel's Foot Fern</td> <td>Davalliaceae sp</td> <td>LC</td> </tr> <tr> <td>Parasol Leaf Tree</td> <td>Macaranga Tanarius</td> <td>LC</td> </tr> </tbody> </table> <p style="text-align: center;">All identified flora is classified as LC</p> <p style="text-align: center;">Fauna</p>	Local Name	Scientific Name	IUCN status	Vegetable Fern	Diplazium Esculentum	LC	Bird's Nest Fern	Asplenium Nidus	LC	Wild Taro Plants	Alocasia sp.	LC	Dumb Cane	Dieffenbachia sp.	LC	Squirrel's Foot Fern	Davalliaceae sp	LC	Parasol Leaf Tree	Macaranga Tanarius	LC	Yes
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Squirrel's Foot Fern	Davalliaceae sp	LC																					
Parasol Leaf Tree	Macaranga Tanarius	LC																					

Local Name	Scientific Name	IUCN status
Bearded Pig	Sus Barbatus	VU
Monitor Lizard	Varanus Salvator	LC
Stork Billed Kingfisher	Pelargopsis Capensis	LC
Ular Sawa	Phyton sp	LC
Malay Civet	Vibera Tangalunga	LC
Whiskered Bat	Myotis Mystycinnus	LC

Other identified faunas are classified as LC

As part of the commitment to implement the policy state above and raise awareness among the workers, the management unit has conducted training for all their workers regarding RTE species that can be found in the estate and what they should when they found the RTE species. The training conducted on annual basis for all the estate and the record for the training available and well documented in the estate office. Sighted the following training record related to educate the workers regarding RTE species:

- HCV Training has been conducted by Mr. Abdul Arif on 20/6/2022 and attended by 15 participants at Pinang estate
- Latihan Pengenalpastian Kawasan Riparian has been conducted by Mr. Ridwansyah on 17/6/2022 and attended by 85 participants at Jatika estate
- Riparian Buffer Zone Training has been conducted by Assistant Manager on 10/8/2022 and attended by 193 participants at Jatika estate
- HCV/ERT/Riparian Training has been conducted by Mr. Bherston on 12/5/2022 and attended by 101 participants at Pangeran estate
- HCV/CV/ERT/Riparian Training has been conducted by Mr. Mohd H on 15th February 2021 and attended by 208 participants at Sigalong estate
- Latihan Pengenalpastian dan Pengurusan Kawasan Riparian has been conducted by Mr. Robert Jaimin Kimin on 17/5/2022 and attended by 194 participants at Sigalong estate

SOP 11.0 High Conservation Value (HCV) Management has stated for implementation the monitoring for Endangered, Rare, and Threatened (ERT) Species) within the estates area. The record of monitoring area available below:

- Pangeran estate latest monitoring was conducted on 7/11/2022 without any issues.
- Jatika estate latest monitoring was conducted on 16/11/2022.
- PIPOM latest monitoring was conducted on 28/11/2022
- Sigalong estate latest monitoring was conducted on 27/10/2022.
- Pinang estate latest monitoring was conducted on 26/11/2022.

7.12.7	<p>HCV area monitoring also has been conducted on monthly basis and the records can be seen in Riparian zone/HCV/Conservation Area checklist where it stated the observation or presence of chemical application, manuring application, soil erosion, encroachment, presence of flora and fauna (including ERT) and other pollution at the area.</p> <ul style="list-style-type: none"> • Pangeran estate latest monitoring was conducted on 7/11/2022 without any issues. • Jatika estate latest monitoring was conducted on 16/11/2022. • PIPOM latest monitoring was conducted on 28/11/2022 • Sigalong estate latest monitoring was conducted on 27/10/2022. • Pinang estate latest monitoring was conducted on 26/11/2022. 	Yes
7.12.8 (C)	<p>Mill and Estates</p> <p>No land clearing has been conducted by the certification unit within their areas or newly acquired land. The land own by the certification has been developed for oil palm planting before 2005 as confirmed from the hectareage statement record (year planting) and the land titles available for each estates.</p>	Yes

4.3 Non-conformity Raised During this Audit and Any from the Previous Year, if applicable

This section gives an over view of new or revised non-conformities raised during this audit and of action taken to close out non-conformities raised during the previous audits, if applicable

- If a minor-non-conformity raised at the last audit, is not closed out, then this will be raised to Major status and the company given 90 days to close this out.
- The NC number is comprised of 2 parts to include the year in which the NC was raised as well as a sequential number.

4.3.1 Non-Conformities Identified during this Audit

Following is NC raised for this audit.

NC number:	RSPO-2022-KLKPIPOM-Critical-01		
Client name:	Pinang POM		
Date raised:	9 th December 2022		
NC Status:	Critical	Site:	Pinang POM Complex
Raised by:	Yugeswaran Muthaiah	Deadline:	3 months from closing meeting
<p>Indicator RSPO P&C 6.2.3</p> <p>There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.</p>			
<p>Finding of Non-conformance:</p> <p>Payslips for the month August, September and October 2022 for the following workers sampled: Pinang Estate</p> <ol style="list-style-type: none"> 1) Worker A – Indonesian – Weeders 2) Worker B – Indonesian – Weeders 3) Worker C – Philippines – Harvester 4) Worker D – Philippines – Harvester 5) Worker E – Indonesian – Harvester 6) Worker F – Malaysian – Harvester <p>Pangeran Estate</p> <ol style="list-style-type: none"> 1) Hairuddin Namma (Male) – Indonesian – Employee No.: 00068 – Harvester 2) Salleh Arapa (Male) – Indonesian – Employee No.: 30597 – Harvester 3) Elnah Sali Gabel (Female) – Philippines – Employee No.: 30225 – Weeder 			

- 4) Fadli Ahmad – Indonesian – Employee No.: 30204 – Weeder
5) Fitriani Binti Amiruddin (Female) – Indonesian – Employee No.: 01117 – Weeder

Jatika Estate

- 1) Aslina binti Jumadi (Female) – Indonesian – Employee No.: 10399 – General Worker
2) Mohammad bin KooH (Male) – Malaysian – Employee No.: 10105 – General Worker
3) Syamsinar binti Tampa (Male) – Indonesian – Employee No.: 10391 – Weeder

Pinang POM

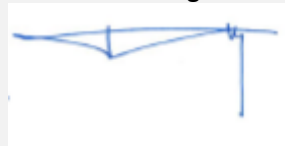
- 1) Nasir Waling Boklao (Male) – Philippines – Employee No.: G00295 – Mechanical Apprentice
2) Hamblin Jumdanu Tupasan (Male) – Philippines – Employee No.: G00332 – Mechanical Apprentice
3) Jumari Binti Sinje (Female) – Indonesian – Employee No.: G00317 – Cleaning Compound
4) Hasanuddin bin Nure (Male) – Indonesian – Employee No.: G00356 – Mechanical Apprentice
5) Rizal bin Sidik (Male) – Malaysian – Employee No.: G80135 – Electrical Apprentice
6) Muhammad Sakir bin Sahadan (Male) – Employee No.: G80157 – General Worker

During the review of the employees’ payslips, it was found that the daily rated and piece-rated employees’ paid public holiday in the month of August, September, October 2022 were not paid based on the **ordinary rate of pay**.

The employees sampled were only paid on a fixed rate of **RM 57.69** not as per calculated ordinary rate of pay. Based on the **Sabah Labour Ordinance Chapter 67, under section Holidays 103. (1) Every employee shall be entitled to a paid holiday at his ordinary rate of pay... Under Sabah Labour Ordinance Chapter 67 – Interpretation Section 2. (3) Where an employee is employed on –**

*(c) a daily rate of pay or on piece rates, the ordinary rate of pay shall be calculated by dividing the total wages earned by such employee during the **preceding wage period** (excluding any payment made under an approved incentive payment scheme or for work done on any rest day, any gazetted public holiday granted by the employer under the contract of service or any day substituted for the gazetted public holiday) by the actual number of days the employee had worked during that wage period (excluding any rest day, any gazetted public holiday or any paid holiday substituted for the gazetted public holiday).*

Lead Assessor signature:



Date: 9th December 2022

Root Cause Analysis and extent: (To be filled by Auditee)

Harvester’s public holiday paid is not according to the ordinary rate of pay which divides the total wages earned by such employee during the preceding wage period.

Corrective/Preventive Actions: (To be filled by Auditee)

The calculation was reviewed and amended.

Evidence of Conformity:

Public holiday of harvesters is being paid accordingly based on the ordinary rate of pay (refer Attachments for the latest payslip).

Review of evidences submitted to CUC:


Pay slips for all workers involved at the estates within the Pinang Complex

Conclusion by CUC:

NC Closed

NC Status: Yes (CLOSED) No (OPEN)


ON SITE VERIFICATION REQUIRED Yes No In next surveillance audit.


Lead Assessor signature: 	Date: 14 th February 2023
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4.3.2 Non-Conformity Identified during the last ASA, not applicable for MA

No non critical NC's were raised during the last audit.

4.3.3 Opportunity for Improvements Raised During this Audit

Observation	RSPO-2022-KLKPiPOM-OBS-01		
Client name:	Pinang POM		
Date raised:	9 th December 2022		
Raised by:	Yugeswaran Muthaiah		
Criterion & Indicator:	6.2.2 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.		
	The JTK approval is obtained by the company. Induction has been briefed to new workers prior to deduction. Workers are aware of the deduction. However the company could consider including the deduction into the contract.		
Assessors Signature		Date	9 th December 2022

Observation number:	RSPO-2022-KLKPiPOM-OBS-02		
Client name:	Pinang POM		
Date raised:	9 th December 2022		
Raised by:	Afiq Othman		
Aspect of standard	Indicator RSPO: 3.6.2 The effectiveness of the H&S plan to address health and safety risks to people is monitored.		
Sigalong Estate	Upon visiting Sigalong Estate's housing area, it was found that the number of fire extinguisher provided was lacking. Some rows of houses were not equipped with fire extinguisher. The estate management has included in its continuous improvement plan to add another 6 units of fire extinguisher in the area within Dec 2022 and Jan 2023. The implementation will be followed up during the next audit.		
Assessors Signature		Date	9 th December 2022

4.4 Issues that were raised during the Stakeholder Consultation, if any

Stakeholders that are likely to have information relevant for the evaluation was identified during the evaluation planning process.

- For Main and Re-Assessments, a 30 day Stakeholder consultation announcement is published on the RSPO

website prior to the audit. The same announcement is circulated by the client and independently by the Control Union prior to the audit.

- For subsequent Annual Assessments, it is based on stakeholders reading the approved public summary reports available on the RSPO website, the client’s procedures in receiving on-going feedback or if feedback was sent directly to Control Union prior to an audit or thorough RSPO complaints procedures.

Prior to and during all assessments (Main and annual), the audit team will seek to gather evidence about all relevant principles and criteria directly from stakeholders including statutory bodies, indigenous peoples, local communities (including displaced communities, if any), workers and workers’ organizations [including migrant workers], smallholders, and local and national NGOs.

During each assessment the audit team will review the company’s implemented procedures in receiving feedback and will execute field visits and interviews. Not limited to the following questions, any feedback received is reviewed and summarized in this summary report for either Part 2 – Partial Certification or Part 4 – Assessment Findings above or noted below, if applicable:

1. Do you have any remarks on the RSPO standard?
2. What is your relation with the applicant?
3. Are there any plantation or mill management practices that affect you?
4. Do you consider any management is in conflict with the RSPO principles and criteria?
5. Do you have any suggestions for management?
6. Are you aware of any HCV in the plantations or in adjacent land?
7. Are you aware of any endangered or rare species?
8. Are there any adverse (or positive) effects on local communities?
9. Additional comments?
11. Do you have any comments about the assessment team and would you like to meet with them?
12. Do you have any comments for the client’s management of any other plantations?

RSPO Principle	Stakeholder comment	CUC response
1 – Behave ethically and transparently	Pinang POM (1 representative) Supplier Powerco Trading Sdn. Bhd. <ul style="list-style-type: none"> - Having good relationship with the mill. - There is no delay in making the payment. - Understands and aware of complaint procedure - Understands and able to explain the company’s policies - No requests from the stakeholder 	For noted. There is no issue leading to non-conformity
2 - Operate legally and respect rights		
3 - Optimise productivity, efficiency, positive impacts and resilience		

<p>4 - Respect community and human rights and deliver benefits</p>	<p>Jatika, Pangeran & Pinang Estate (1 representative)</p> <p>Contractor Syarikat Kekal Unggul</p> <p>Positive feedback</p> <ul style="list-style-type: none"> - Having good relationship with the mill. - There is no delay in making the payment. - Understands and aware of complaint procedure - Understands and able to explain the company's policies - Attended the stakeholder meeting - No requests from the stakeholder <p>Pangeran Estate (1 representative) (Internal Stakeholder) Tadika</p> <p>Positive feedback</p> <ul style="list-style-type: none"> - There are no students working at the estate after schooling or during school break as per her knowledge and no report has been received regarding the child labour. - There is no occurrence of sexual harassment for the students as per her knowledge and no report has been received regarding any harassment. - All complaints, requests or any issue will be discussed with the representative. Currently, there is no issue occur among the kindergarten and estate since they have good relationship 	
<p>5 - Support smallholder inclusion</p>		
<p>6 – Respect workers' rights and conditions</p>		
<p>7 - Protect, conserve and enhance ecosystems and the environment</p>	<p>Pinang POM (1 representative) (Government agency) Suruhanjaya Tenaga</p> <p>Positive feedback</p> <ul style="list-style-type: none"> - Having good relationship with the mill. - Involve in licensing and enforcement - Mill complies with all regulations - No complaints or requests to mill <p>Pinang POM Complex (1 representative) (Government agency) MPOB</p> <p>Positive feedback</p> <ul style="list-style-type: none"> - Having good relationship with the complex. 	

	<ul style="list-style-type: none"> - Involve in licensing and enforcement - The complex complies with all regulations - No complaints or requests to the complex <p>Pinang Estate (School)</p> <p>SK Kalumpang (Headmaster)</p> <p><u>Positive feedback</u></p> <ul style="list-style-type: none"> - There are no students working at the estate after schooling or during school break as per his knowledge and no report has been received regarding the child labour. - There is no occurrence of sexual harassment for the students as per his knowledge and no report has been received regarding any harassment. - All complaints or any issues will be discussed with the representative. Currently, there is no issue occur among the school and estate since they have good relationship. - Estate was very supportive in providing donation or contribution whenever the school request such as gravel. - Provides transport to the students - Requesting for “Pintu Gerbang”, rubbish collection and some chairs <p>Pinang POM Complex (2 representatives)</p> <p>Shops – Toko Suka Ramai, Toko Maria</p> <p><u>Positive feedback</u></p> <ul style="list-style-type: none"> - Good relation and positive support received from estates - Communication & consultation procedure and complaint & grievances procedure are made available and understood by the shop owners. Positive comments, estates will brief the said procedure to them and ensure they understand it annually. - Shop owners aware and know who to refer in case there is issue or complaints, as of audit date there is no complaint. - There is no issue with estate’s workers as well, no complaints received from workers with regards to the shop pricing. - During the Covid-19 lockdown pandemic, shop provide food supply to workers. <p>Pinang POM</p>	
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	<p>(1 representative)</p> <p><u>Positive feedback</u></p> <ul style="list-style-type: none"> - Good relationship with mill, mill was very supportive to gender committee activities. - There is no issue pertaining to sexual harassment made by the mill's workers to surrounding communities or inside mill's compound. <p>Gender Committee Chairman</p> <ul style="list-style-type: none"> - There is no child labour or children working in the mill - Understood on the communication flow or lodging a complaint related to sexual harassment. In case there is complaint lodge, the employees will either directly contact with the Chairman of the committee or Mill Manager. - The committee is providing new-mother assessment once they received a report of new baby delivered in the mill. - The committee also conducted briefing relates to no sexual harassment, new-mothers monitoring, no child labour, no gender discrimination, and complaint & grievance procedure annually. <p>Pinang Mill Complex</p> <p>(3 representatives)</p> <p>Workers Representatives</p> <p><u>Positive feedback</u></p> <ul style="list-style-type: none"> - There were no negative comments - No issue pertaining to worker's wages, all payment is made accordingly and timely manners. As of audit date, there is no delay in wage payment - Whenever there is amended/changes on the Minimum Wages Order, Mill Manager and assistants will give briefing and provide details explanation on the changes made. - Workers understood there is deduction pertaining to their electricity charges usage, and that will only subject to usage above 20kwh. Worker consented through a signed consent letter for such deduction. <p>Pangeran Estate</p> <p>(1 representative)</p> <p>(Internal Stakeholder)</p> <p>Crèche</p>	
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	<p>Positive feedback</p> <ul style="list-style-type: none"> - Estate was very supportive, they also very concern on the needs of creche or request made by the creche takers relates to their job responsibility' - Welfare of the creche is taken care well by the estate management - There is no issue on child labour or children working in the estate. - Estate management are strictly prohibiting any child labour, all workers are informed if they have children below the school age, they all should be send to creche shall both parent are working. - The estate also provides milk powder for kids 	
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PART 5: RSPO SUPPLY CHAIN CERTIFICATION

The palm mill mentioned in the scope of the audit was audited against the requirements of the RSPO P&C 2018

5.1 POM Included In The Scope Of The Audit

PRU	Name Palm Oil Mill	Mill Capacity	Location	Supply Chain Model
	(POM)	MT/Hour	Address	(IP or MB)
POM 1	KLK (S) PINANG MILL	45	MILE 45, TAWAU – SEMPORNA HIGHWAY, TAWAU, SABAH.	IP

5.2 Confirmation Of The Company's Summary Of Annual Certified Volume Of RSPO Certified Palm Oil And Palm Kernel Over A Specified Period

Product CU Code	CPO (MT)	PK (MT)	Specified 12 month period
POM 1	34,787.27	5,148.88	Actual volumes between 01/11/2021 to 31/10/2022
	42,508	6,612	Forecasted volumes between 01/10/2022 to 30/9/2023

5.3 Monthly Records of Certified and Uncertified FFB Received Since the Last Audit – 12 months back In case of Main Assessment, it shall be the last 12 month figure.

Figure are actual FFB production on monthly basis

No	MONTH-YEAR	Certified Supply Bases (MT)	Uncertified Supply Bases (MT), if any	Total (MT)
1	Nov'21	15,640.38	-	15,640.38
2	Dec'21	10,791.37	-	10,791.37
3	Jan'22	18,994.58	-	18,994.58
4	Feb'22	11,888.33	-	11,888.33
5	Mac'22	13,490.28	-	13,490.28
6	Apr'22	13,559.78	-	13,559.78
7	May'22	11,568.23	-	11,568.23
8	Jun'22	11,477.42	-	11,477.42
9	Jul'22	11,494.15	-	11,494.15
10	Aug'22	12,984.90	-	12,984.9
11	Sep'22	14,009.96	-	14,009.96
12	Oct'22	13,038.06	-	13,038.06
TOTAL		158,937.44	-	155,526.51

5.4 Monthly Records of Certified CPO and PK Since the Last Audit – 12 months back

In case of Main Assessment, it shall be the last 12 month figure.

Figure are actual CPO and PK production on monthly basis

No	MONTH-YEAR	Certified CPO (MT)	Certified PK (MT)
1	Nov'21	3,393.55	499.78
2	Dec'21	2,375.83	329.48
3	Jan'22	4,304.49	583.06
4	Feb'22	2,600.35	367.14
5	Mac'22	2,894.70	432.84
6	Apr'22	2,935.13	459.13
7	May'22	2,475.75	405.23
8	Jun'22	2,505.56	381.23
9	Jul'22	2,523.93	375.85
10	Aug'22	2,911.07	420.48
11	Sep'22	3,101.89	458.96
12	Oct'22	2,765.04	435.70
TOTAL		34,787.29	5,148.88

5.5 Records of Certified CPO & PK Sold under Credit to Buyers since the Last Audit, if Any – 12 months back

In case of Main Assessment, it shall be the last 12 month figure.

Figure are actual Certified CPO & PK Sold under Credit to Buyers on monthly basis

No	Credit Trading ID	Certified CPO (MT) Sold	Certified PK (MT) Sold
POM 1: Pinang Mill			
1	-Nil-		
Total			

5.6 Records of Certified CPO & PK Sold under UTZ PalmTrace to Buyers since the Last Audit, if Any – 12 months back

In case of Main Assessment, it shall be the last 12-month figure.

If this is an Annual Surveillance Assessment, the figures used are since the last audit.

The transactions were sighted form the clients registered UTZ PalmTrace Account.

No	UTZ PalmTrace Trading ID	Certified CPO (MT) Sold	Certified PK (MT) Sold
POM 1: Pinang POM			
No	UTZ PalmTrace Trading No	Certified CPO (MT) Sold	Certified PK (MT) Sold
1	TR-facd7382-5a9d	500.00	-
2	TR-4da13902-4c92	250.00	-
3	TR-c15c360a-714a	250.00	-
4	TR-5b303701-ebf0	250.00	-
5	TR-f4fbc5dc-83fc	1,000.00	-
6	TR-0b3affb0-5cb5	999.96	-
7	TR-e8a56370-7c23	500.83	-
8	TR-6f5aa868-f75d	701.05	-
9	TR-b69e6e76-7669	101.27	-
10	TR-e252f228-6e29	250.00	-
11	TR-e54253e8-1276	250.00	-
12	TR-4dfaad6a-fa9a	500.00	-
13	TR-ab88b35b-0226	150.00	-
14	TR-ee98156f-0b7a	250.00	-
15	TR-b340cfa7-26a4	250.00	-
16	TR-c7ce6418-380a	250.00	-
17	TR-4c3439b6-9e83	250.00	-

18	TR-11177f56-46ac	1,000.00	-
19	TR-ce7daa6c-b98d	1,000.00	-
20	TR-1e22c4d5-f9f8	250.00	-
21	TR-f04a5e42-a14f	500.00	-
22	TR-b42f0d10-5d73	150.00	-
23	TR-45169f53-6e99	250.00	-
24	TR-23bd7b12-2fe9	502.57	-
25	TR-999b67ac-882f	250.00	-
26	TR-a330757c-2a51	250.00	-
27	TR-30a57c5c-ca2d	250.00	-
28	TR-786dece7-6fee	250.00	-
29	TR-326e09bd-2c90	250.00	-
30	TR-614dde00-7940	250.00	-
31	TR-c54760ba-0a54	250.00	-
32	TR-69d2062f-6743	250.00	-
33	TR-c0025b9a-5a42	250.00	-
34	TR-0641f31e-4b94	501.44	-
35	TR-1dd0886e-b04c	236.00	-
36	TR-ded0d271-f20c	250.00	-
37	TR-2f1bb81f-8ab4	250.00	-
38	TR-57f0eef4-8143	250.00	-
39	TR-2923a77f-5eaa	250.00	-
40	TR-7a681915-461a	250.00	-
41	TR-b110c637-88e2	500.00	-
42	TR-404ab300-d3bc	250.00	-
43	TR-d1df0d2a-38aa	250.00	-
44	TR-931600ef-9caf	1,054.91	-
45	TR-0d7861d7-4a9f	1,500.00	-
46	TR-e9c25f6b-36bd	250.00	-
47	TR-148ca629-920c	250.00	-
48	TR-4dcbc3b8-00b3	250.00	-
49	TR-0e13da21-ffc1	250.00	-
50	TR-38cdf3a1-2753	250.00	-
51	TR-d7d15c7a-6c18	14.00	-
52	TR-d8a8d664-7ac7	253.05	-
53	TR-2aeb4917-5ced	500.00	-
54	TR-83947e4a-b4aa	500.00	-
55	TR-efa1d36b-681a	500.00	-
56	TR-1f61bdb1-da3c	1,000.00	-
57	TR-4e01255a-a07e	500.00	-
58	TR-7299f92a-4492	500.00	-
59	TR-3b66597e-c117	1,000.00	-
60	TR-ffaed6fd-c7e0	835.07	-
61	TR-c330d7b9-61d2	250.00	-
62	TR-ef857f62-000a	250.00	-
63	TR-2218e10f-d9c2	500.00	-
64	TR-be6c7e4b-3597	500.00	-
65	TR-8a14ecd1-275a	500.00	-
66	TR-42273501-1ac2	501.66	-
67	TR-4a90e7d7-21d9	454.98	-
68	TR-c8dd2f7f-276e	252.27	-
69	TR-78128d72-eee1	200.00	-
70	TR-ff9f6d7a-d649	503.91	-

71	TR-f7497bb4-73c5	250.00	-
72	TR-05df8321-4c27	200.00	-
73	TR-c411be7f-d5ea	250.00	-
74	TR-cdf0a4f4-f885	250.00	-
75	TR-5113d5d9-5ee0	250.00	-
76	TR-bf079cd1-322e	250.00	-
77	TR-88bf4945-dd16	250.00	-
78	TR-c2bcf411-a084	250.00	-
79	TR-e3f11ecd-c908	250.00	-
80	TR-8983ec65-7217	250.00	-
81	TR-5f3f2e08-2b1d	200.00	-
82	TR-417c3f22-6352	514.16	-
83	TR-17b65052-24aa	200.00	-
84	TR-17729dc8-10ea	250.00	-
85	TR-0fb8cddc-bd6c	250.00	-
86	TR-3240dd57-4289	250.00	-
87	TR-b87081aa-b84a	250.00	-
88	TR-fb123e4a-ac1b	250.00	-
89	TR-3ca7c79e-a1de	250.00	-
90	TR-0714dfa5-906a	250.00	-
91	TR-720bd624-a9ac	-	80.00
92	TR-b81fb6d4-2fbf	-	160.00
93	TR-b65f076c-4b67	-	100.00
94	TR-7c9d3af5-e25a	-	100.00
95	TR-e5fae1e9-b134	-	100.00
96	TR-080dac8e-a2f5	-	100.00
97	TR-b75ccf84-b466	-	100.00
98	TR-606beb6f-5f63	-	100.00
99	TR-26fcd4f-c235	-	100.00
100	TR-ce3e4dd6-0c3b	-	100.00
101	TR-457c99a4-6422	-	100.00
102	TR-95451ea7-21cf	-	100.00
103	TR-9d5e4101-940a	-	300.00
104	TR-6b698d5a-a611	-	100.00
105	TR-bd34ec6d-e853	-	100.00
106	TR-2677db42-6be8	-	100.00
107	TR-639de827-bab8	-	100.00
108	TR-2a6adabf-2ee7	-	110.00
109	TR-9da45c16-8790	-	100.00
110	TR-70c8639c-30ce	-	480.00
111	TR-a6fa36b7-8407	-	200.00
112	TR-43dff278-6f13	-	300.00
113	TR-c30b5c44-fc1f	-	200.00
114	TR-2923ef0f-229f	-	100.00
115	TR-3d11299f-03bd	-	300.00
116	TR-ac992965-5024	-	300.00
117	TR-9f525559-73bc	-	150.00
118	TR-00a203a5-a93d	-	300.00
119	TR-871a542a-962e	-	300.00
120	TR-cf24c153-4827	-	195.46
121	TR-b0c93bfc-0389	-	250.00
Total		33,027.13	5,225.46
Sold as other certified scheme (eg: ISCC)		-	-

Sold/downgrade as conventional	-	-
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PART 6: CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

6.1 Date of next ASA

The provisional date for the next ASA is: December 2023

6.2 Date for Closure of Non-Conformities

See sections above for details of NC's, if any

- All major NCs to be closed by: 9th March 2023
- All minor NCs to be closed by: No minor NC

6.3 Signing by the Client

I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document.

I also confirm:

- Acceptance of liability in execution of the instructions given.
- That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of Control Union Certifications.
- That during the closing meeting all agenda items was covered by the Lead Auditor.

Acknowledged by:

Name: Shia Bee Gek
Position: Manager
Date: 19th May 2023



Signature

6.4 Signing by the Lead Auditor

I the undersigned, being the Lead Auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.

Acknowledged by:

Name: Fadly Ahmad
Position: Lead Auditor
Date: 28th Feb 2023



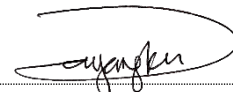
Signature

6.5 Signing by the Certifier

I the undersigned, being the Certifier, confirm that the information and conclusions included in this report have been prepared in good faith and that the certification decision has been based upon this information.

Acknowledged by:

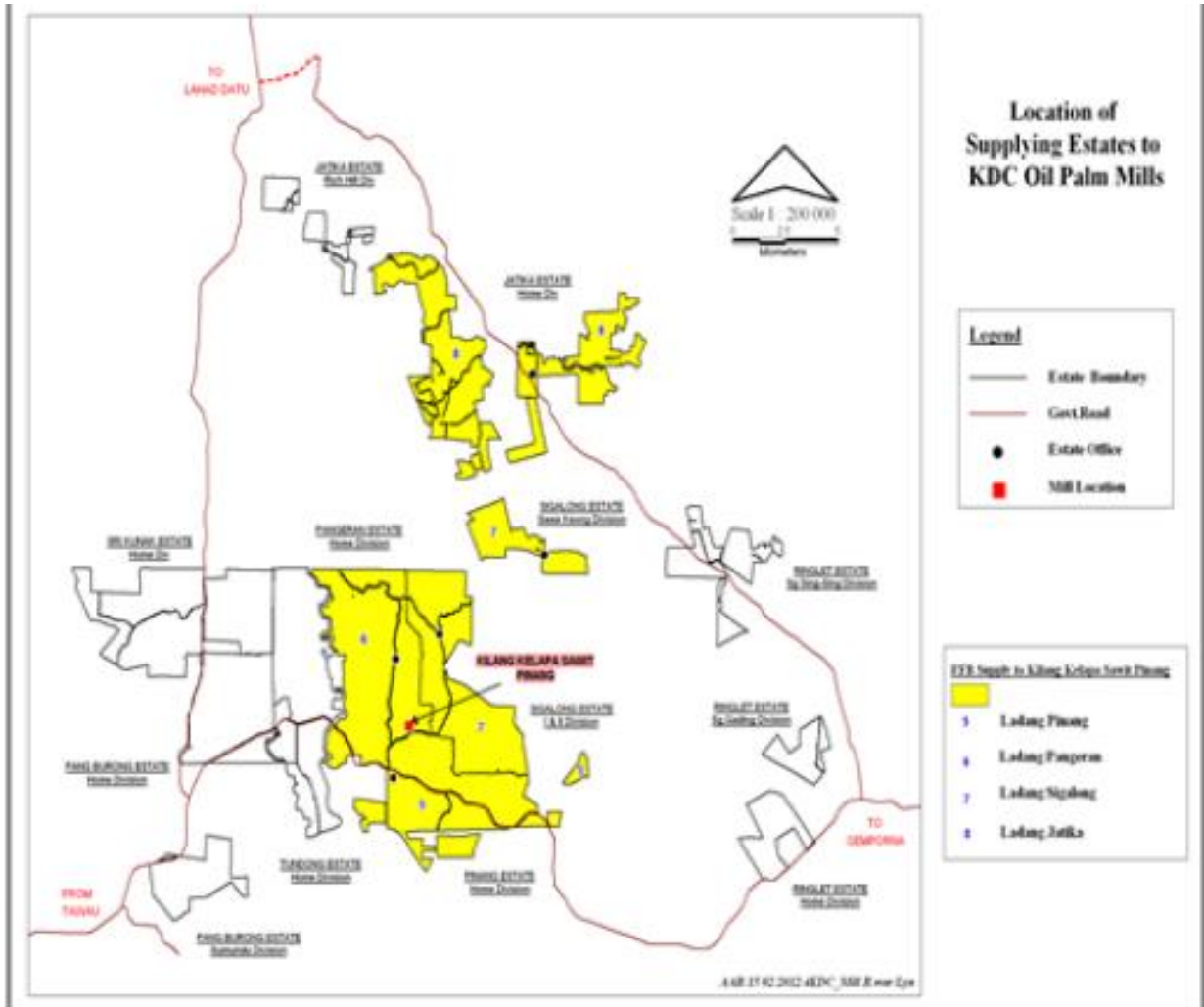
Name: Dayangku Mazrianah
Position: Certifier
Date: 2nd June 2023



Signature

PART 7: APPENDICES

Appendix 1: Location Map for this Certification Unit
From 1.9, the location map(s)



Appendix 2: Summary of GHG Emissions

All data inputs and the use of RSPO PalmGHG Calculator (include the version number) have been verified with the final summary of the net GHG emissions (tCO₂e/tCPO) figure in relation to C5.6

Calculation option applied for the reporting: Full Version

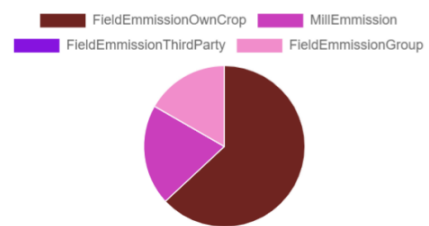
All information and data below can be retrieved from the summary report generated through PalmGHG Calculator.

POM 1: Pinang POM
Summary of Net GHG Emissions

KLK (S) TAWAU PINANG POM - 2022 Summary

Summary Emission

Product	tCO ₂ e / tProduct	Action
CPO	0.79	
PK	0.79	
PKO	0.00	
PKE	0.00	

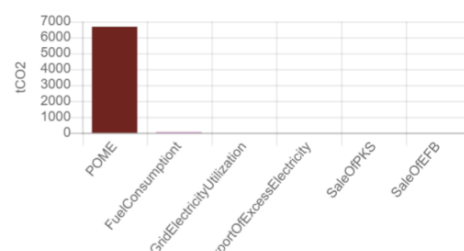


Description	Unit	Value	Action
Oil palm planted on mineral soil	Ha	19347.00	<input type="checkbox"/>
Oil palm planted area on peat	Ha	0.00	<input type="checkbox"/>
Total oil palm planted area	Ha	19347.00	<input type="checkbox"/>
Conservation area (Forested)	Ha	0.00	<input type="checkbox"/>
Conservation area (Non-Forested)	Ha	356.99	<input type="checkbox"/>
FFB Production per hectare	t/ha	16.40	<input type="checkbox"/>
OER	%	22.18	<input type="checkbox"/>
KER	%	3.16	<input type="checkbox"/>

Mill Emissions and Credits

Description	tCO ₂	tCO ₂ e/t FFB	Action
Emission Sources			
POME	6702.83	0.04	
Fuel Consumption	65.68	0.00	
Grid Electricity Utilisation	0.00	0.00	
Credits			
Export of Excess Electricity to Housing & Grid	0.00	0.00	
Sale of PKS	0.00	0.00	
Sale of EFB	0.00	0.00	
Total	6768.51	0.04	

Emission Source/Credit



Estate/Plantation field emissions and sinks

Description	Own			Group			3rd Party			Total
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	
Emission Source										
Land Conversion	79830.54	7.41	0.50	19985.34	2.33	3.24	0.00	0.00	0.00	99815.89
CO ₂ Emissions from Fertiliser	8733.44	0.81	0.05	1843.71	0.21	0.30	0.00	0.00	0.00	10577.15
N ₂ O Emissions from Peat	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
N ₂ O Emissions from Fertiliser	6888.33	0.64	0.04	1394.44	0.16	0.23	0.00	0.00	0.00	8282.77
Fuel Consumption	1105.67	0.10	0.01	291.57	0.03	0.05	0.00	0.00	0.00	1397.24
Peat Oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sinks										
Crop Sequestration	-75447.03	-7.01	-0.47	-17925.73	-2.09	-2.91	0.00	0.00	0.00	-93372.76
Sequestration in Conservation Area	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	21110.95	1.96	0.13	5589.34	0.65	0.91	0.00	0.00	0.00	26700.29

Appendix 3: GHG assessment for new plantings

GHG assessment report for new plantings developed as per 'Chapter 6 – Reporting of GHG assessment for new plantings' within RSPO GHG Assessment Procedure for New Plantings Version 3 was verified by the auditors as part of this evaluation in relation to C7.8

Note: Extract the GHG assessment for new plantings developed by the client under 'Chapter 6 – Reporting of GHG assessment for new plantings' in RSPO GHG Assessment Procedure for New Plantings Version 3 and list below.

For MALAYSIA only. Delete if this audit was done in another country

Appendix 4: List of Abbreviations

BRC	British Retail Consortium
CHRA	Chemical Health Risk Assessment
CoC	Chain of Custody
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
CU	Control Union
CUC	Control Union Certifications
DOE	Department of Environment
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
ERT	Endangered Rare or Threatened species
EU	European Union
FFB	Fresh Fruit Bunch
FSC	Forest Stewardship Council
FSC COC	Forest Stewardship Council Chain of Custody
FSC FM	Forest Stewardship Council Forest Management
GGL	Green Gold Label
GMP	Good Manufacturing Practice
GOTS	Global Organic Textile Standard
GTP	Good Trading Practice
GPS	Global Positioning System
HACCP	Hazard Analysis and Critical Control Point
HCV	High Conservation Value
HCVF	High Conservation Value Forest
IPM	Integrated Pest Management
JAS	Japanese Agricultural Standard
MDC	MDC Publishers Sdn Bhd (Company Name)
MSDS	Material Safety Data Sheet
NC	Non Conformity
OE	Organic Exchange
OSH	Occupational Safety and Health
OSHAS	Occupational Safety and Health Assessment Scheme
P&C	Principle and Criteria
PEFC	Programme for the Endorsement of Forest Certification
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
RSPO NI	Roundtable on Sustainable Palm Oil National Interpretation
SA8000	Social Accountability 8000
Sdn Bhd	Sendirian Berhad
SIA	Social Impact Assessment

SOCSO	Social Security Organisation
SOP	Standard Operating Procedure
USDA/NOP	United States Department of Agriculture – National Organic Program
MT	Metric Tonnes
WHO	World Health Organization

