**Hap Seng Plantation Holdings Bhd**

**Total score:** 73.7%

**Latest update:** November 2020  
**Next scheduled:** November 2021

### About this company:
Established in 2007, Hap Seng Plantations Holdings Berhad is a Malaysia-based investment holding company, which carries out marketing and trading activities for its plantation subsidiaries. The company is engaged in oil palm cultivation and processing of fresh fruit bunches into crude palm oil and palm kernel. Hap Seng's oil palm plantation estates are located in Malaysia.

### Parent company:
Hap Seng Consolidated Bhd

### Landbank (oil palm):
40,179 hectares

### Market cap:
272,471,513 USD

### Thomson Reuters ticker:
HAPP.KL

### Bloomberg ticker:
HAPL MK

### ISIN:
MYL51380O002

### Sedol:
B28VNR6

### RSPO member?
Yes

### Other initiatives:
Malaysian Sustainable Palm Oil (MSPO), International Sustainability and Carbon Certification (ISCC)

### Activities:
Oil palm cultivation, milling

### Locations:
Malaysia (Sabah)

### Headquarters:
Malaysia

### Parent website:

### Website:
https://www.hapsengplantations.com.my/


### Sustainability policy and leadership

#### 8.5 / 11  77.3%

1. **Sustainable palm oil policy or commitment for all its operations?**
The company meets this indicator through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years. It also makes this commitment in its 2019 Sustainability Report and Sustainability Statement.

#### 2. **Sustainable palm oil policy or commitment applies to all suppliers?**
The company's policy only states it will strive to commit its business partners to its policy, including suppliers. The company's sustainability report states it has asked its independent local outgrowers and smallholders "to commit to our policies covering no planting on peat soil, zero burning, deforestation, human rights, Free, Prior and Informed Consent (FPIC), and the protection of HCV areas," seven of which have committed and will be audited twice a year by the company to gauge compliance.
3. High-level position of responsibility for sustainability?
CSR & Sustainability Committee chaired by the Chief Executive - Group Plantations.

4. One or more members within the board of the company have responsibility for sustainability?
The Chief Executive responsible for the Sustainability Committee sits on the board of directors.

5. Percentage or number of women in senior management team?
1 (8.3%) - The company website and 2019 Sustainability Report report one woman in a Senior Management Team of 12 people.

6. Percentage or number of women board members?
1 (11%) - The company website and 2019 Sustainability Report report one woman on the Board of Directors (9 people).

7. Member of multiple industry schemes or other external initiatives to reduce negative environmental or social outcomes associated with palm oil production?

8. Collaboration with stakeholders to reduce negative environmental or social outcomes associated with palm oil production?
The company engages with the government on riparian areas to protect waterways, is working with NGOs to help smallholders achieve RSPO certification and provides jobs, health services and education to local communities.

9. Sustainability report published within last two years?

10. Reports through standardised reporting systems?
The 2019 Sustainability Report is produced in the GRI reporting system. The 2019 report is on the GRI database and noted as 'In Accordance-Comprehensive'.

11. Verification report on compliance with POIG Charter, if a POIG member?
This indicator is disabled as the company is not a POIG member.

12. Climate risks assessment available?

13. Total land area managed/controlled for oil palm (ha)?
40,178.8 - The company reports 40,178.8 ha in the 2018 ACOP, and approximately 41,000 ha in the 2019 Sustainability Report.

14. Total oil palm planted area (ha)?
38,776.8 - The company reports 38,776.84 ha in the 2018 ACOP, and approximately 36,000 ha in the 2019 Sustainability Report.
<table>
<thead>
<tr>
<th>Question</th>
<th>Score</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. Plasma/scheme smallholders planted area (ha)?</td>
<td>✔ 0.5</td>
<td>Source</td>
</tr>
<tr>
<td>This indicator is disabled as the company does not source from scheme/plasma smallholders.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16. Unplanted (areas designated for future planting) (ha)?</td>
<td>✔ 1</td>
<td>Source</td>
</tr>
<tr>
<td>36.8 - The company reports a figure of &quot;Reserve-plantable&quot; area of 36.8 ha within its 2019 sustainability report, however it reports a figure of 0 ha in its 2018 ACOP.</td>
<td></td>
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<tr>
<td>17. Conservation set-aside area, including HCV area (ha)?</td>
<td>✔ 1</td>
<td>Source</td>
</tr>
<tr>
<td>1,401.98 - The company reports this figure in the 2019 ACOP and 2019 Sustainability Report.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Maps of estates/management units?</td>
<td>✔ 1</td>
<td>Source</td>
</tr>
<tr>
<td>Concession boundaries have been made available to the RSPO in 2019 and the company declares these represent 100% of its concession sites.</td>
<td></td>
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</tr>
<tr>
<td>19. Maps of scheme/plasma smallholders?</td>
<td>✔ 1</td>
<td>Source</td>
</tr>
<tr>
<td>This indicator is disabled as the company does not source from scheme/plasma smallholders.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Names and locations of all third-party supplying plantations?</td>
<td>✔ 1</td>
<td>Source</td>
</tr>
<tr>
<td>The company reports the coordinates of its suppliers for two of its mills, however this does not cover all of the company's suppliers and no estate boundaries are given.</td>
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<tr>
<td>21. Number of company-owned mills?</td>
<td>✔ 1</td>
<td>Source</td>
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<tr>
<td>4 - The company discloses the number of mills in its 2019 Sustainability Report and the 2019 ACOP.</td>
<td></td>
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<tr>
<td>22. Names and locations of company-owned mills?</td>
<td>✔ 1</td>
<td>Source</td>
</tr>
<tr>
<td>23. Number (or percentage) of company-owned mills that source from company-owned operations and/or third parties?</td>
<td>✔ 1</td>
<td>Source</td>
</tr>
<tr>
<td>The company reports that its two mass balance mills in 2019 sourced from 11 external independent local outgrowers and smallholders. It is unclear where the company's other two mills source from.</td>
<td></td>
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</tr>
<tr>
<td>24. Reports total volumes (or percentages) sourced by company-owned mills that come from company-owned operations and/or third-parties?</td>
<td>✔ 1</td>
<td>Source</td>
</tr>
<tr>
<td>25. Number of third party supplying mills?</td>
<td>✔ 1</td>
<td>Source</td>
</tr>
<tr>
<td>This indicator is disabled as the company does not source from third-party supplying mills.</td>
<td></td>
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</tr>
<tr>
<td>26. Names and locations of all third-party supplying mills?</td>
<td>✔ 1</td>
<td>Source</td>
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<tr>
<td>This indicator is disabled as the company does not source from third-party supplying mills.</td>
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</tr>
<tr>
<td>27. Number (or percentage) of third party supplying mills that source from their own plantations and/or third party plantations?</td>
<td>✔ 1</td>
<td>Source</td>
</tr>
<tr>
<td>This indicator is disabled as the company does not source from third-party supplying mills.</td>
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</tr>
</tbody>
</table>
28. Reports total volume (or percentages) sourced from third-party supplying mills that come from the supplying mills' own operations and/or third parties?
This indicator is disabled as the company does not source from third-party supplying mills.

29. Total volume (or percentage) sourced for refineries that comes from intermediary traders and/or refiners rather than directly from mills?
This indicator is disabled as the company does not own refineries.

30. Time-bound commitment to achieve 100% traceability to mill level?
This indicator is disabled as the company does not source from third-party supplying mills.

31. Percentage of supply traceable to mill level?
This indicator is disabled as the company does not source from third-party supplying mills.

32. Time-bound commitment to achieve 100% traceability to plantation level?
The company commits to 100% traceability by 2022.

33. Percentage of fresh fruit bunches (FFB) supply to own mills traceable to plantation level?
The company achieved 83% traceability of FFB in 2019.

34. Percentage of supply from third-party mills traceable to plantation level?
This indicator is disabled as the company does not source from third-party supplying mills.

35. Publishes traceability data at refinery level?
This indicator is disabled as the company does not own refineries.

36. Publishes traceability data at crusher level?
This indicator is disabled as the company does not own palm kernel crushing facilities.

37. Member of the Roundtable on Sustainable Palm Oil (RSPO)?
2005 - The company has been a member since 2005.

38. RSPO-certified within three years of joining the RSPO or by November 2010, for companies joining prior to finalisation of the RSPO certification systems in November 2007?
2012 - The company was first certified in 2012.

39. Submitted most recent RSPO Annual Communication of Progress (ACOP)?
Submitted 2019 ACOP.
<table>
<thead>
<tr>
<th>40. Listed all countries and regions in which operates in most recent RSPO Annual Communication of Progress (ACOP)?</th>
<th>✔</th>
<th>1 / 1</th>
<th>The company operates in Sabah, Malaysia.</th>
</tr>
</thead>
<tbody>
<tr>
<td>41. Percentage of area (ha) RSPO-certified?</td>
<td>☐</td>
<td>0.81</td>
<td>1 / 1</td>
</tr>
<tr>
<td>42. Percentage of mills RSPO-certified?</td>
<td>✔</td>
<td>1 / 1</td>
<td>100% - All 4 mills are certified.</td>
</tr>
<tr>
<td>43. Time-bound plan for achieving 100% RSPO certification of estates and mills within 5 years or achieved 100% RSPO-certification of estates?</td>
<td>✔</td>
<td>1 / 1</td>
<td>2022 - Plan to achieve 100% RSPO certification by 2022.</td>
</tr>
<tr>
<td>44. Year expected to achieve 100% RSPO certification of all palm product processing facilities?</td>
<td>☐</td>
<td>0.22</td>
<td>1 / 1</td>
</tr>
<tr>
<td>45. Percentage of scheme/plasma smallholders (ha) RSPO-certified?</td>
<td>☐</td>
<td>0.22</td>
<td>1 / 1</td>
</tr>
<tr>
<td>46. Time-bound plan for achieving 100% RSPO certification of scheme/plasma/associated smallholders and outgrowers within 5 years or target already achieved?</td>
<td>☐</td>
<td>0.22</td>
<td>1 / 1</td>
</tr>
<tr>
<td>47. Percentage of FFB supply (tonnes) from independent smallholders/outgrowers/third-party FFB suppliers that is RSPO-certified?</td>
<td>☐</td>
<td>0.22</td>
<td>1 / 1</td>
</tr>
<tr>
<td>48. Percentage of all palm oil and oil palm products handled/traded/processed (tonnes) that is RSPO-certified?</td>
<td>☐</td>
<td>0.22</td>
<td>1 / 1</td>
</tr>
<tr>
<td>49. Sells or processes/trades RSPO-certified palm oil through Segregated or Identity Preserved supply chains?</td>
<td>✔</td>
<td>1 / 1</td>
<td>Sells RSPO-certified palm oil through Segregated and Identity Preserved supply chains.</td>
</tr>
<tr>
<td>50. Indonesia Sustainable Palm Oil (ISPO) certified (100%)?</td>
<td>☐</td>
<td>1 / 1</td>
<td>This indicator is disabled as the company does not operate in Indonesia.</td>
</tr>
<tr>
<td>51. Malaysia Sustainable Palm Oil (MSPO) certified?</td>
<td>✔</td>
<td>1 / 1</td>
<td>The company reports that 100% of estates and mills have been certified since 2018. The MSPO database of certified growers shows that all 14 estates and four mills are certified.</td>
</tr>
<tr>
<td>52. Certified under voluntary sustainability certification scheme (e.g. ISCC, SAS, RSB)?</td>
<td>✔</td>
<td>1 / 1</td>
<td>100% (4/4) mills are ISCC certified.</td>
</tr>
</tbody>
</table>
53. Commitment to zero deforestation or zero conversion of natural ecosystems?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company’s RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

54. Commitment to zero deforestation or zero conversion of natural ecosystems applies to all suppliers?
The company’s policy only states it will strive to commit its business partners to its policy, including suppliers. The company’s sustainability report states it has asked its independent local outgrowers and smallholders “to commit to our policies covering no planting on peat soil, zero burning, deforestation, human rights, Free, Prior and Informed Consent (FPIC), and the protection of HCV areas,” seven of which have committed and will be audited twice a year by the company to gauge compliance.

55. Criteria for defining deforestation?
The company commits to no land clearing damaging primary forests or areas required to protect or enhance HCVs since November 2005, and no land clearing damaging HCVs or HCS forest since November 2018, through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company’s RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

56. Evidence of monitoring deforestation?
The company states that it regularly monitors its buffer zones and has not detected any evidence of deforestation within its boundaries. Also conducts patrolling to ensure no illegal encroachment takes place. Partial points have been awarded as the information is not externally verified.

57. Evidence of monitoring deforestation in supplier operations?
The company reports that seven out of 11 suppliers have agreed to policies on no deforestation, but it is unclear if this covers monitoring activities.

58. Amount of illegal/non-compliant deforestation recorded in own operations?
0 (0%) - The company reports that its monthly monitoring efforts have not detected any evidence of deforestation taking place within its boundaries.

59. Amount of illegal/non-compliant deforestation recorded in supplier operations?

60. Commitment to restoration of non-compliant deforestation/conversion?
The company commits to applying the RSPO Remediation and Compensation Procedure where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since November 2018, through the RSPO Principles and Criteria 2018. However, a commitment covering restoration of all non-compliant deforestation/conversion was not found. Partial points have therefore been awarded on the basis of the company’s RSPO-certified landbank (>75%) and a further commitment to be 100% certified within 5 years.

61. Commitment to restoration of non-compliant deforestation/conversion applies to all suppliers?

62. Implementing a landscape or jurisdictional level approach?
### Commitment to Biodiversity Conservation

The company commits to conserve biodiversity in its Sustainable Agriculture Policy and its 2019 Sustainability Report.

### Commitment to Biodiversity Conservation Applies to All Suppliers?

**X** 0 / 1

### Identified Species of Conservation Concern, Referencing International or National System of Species Classification?

Points for external verification have been awarded on the basis of the company's RSPO-certified landbank.  

**+** 0.82 / 1

### Examples of Species and/or Habitat Conservation Management?

Points for external verification have been awarded on the basis of the company's RSPO-certified landbank.

### Commitment to No Hunting or Only Sustainable Hunting of Species?

**X** 0 / 1

### Commitment to No Hunting or Only Sustainable Hunting of Species Applies to All Suppliers?

This indicator is disabled as the company has not undertaken any new planting since January 2015.

### Commitment to Conduct High Conservation Value (HCV) Assessments?

The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

### Commitment to Conduct High Conservation Value (HCV) Assessments Applies to All Suppliers?

The company reports that in 2019 it asked suppliers to comply with its commitment to HCV. As of the end of 2019, seven out of 11 suppliers had committed to comply with the company’s commitment to the protection of HCV areas.

### High Conservation Value (HCV) Assessments for Planting Undertaken Prior to January 2015, and Associated Management and Monitoring Plans?

**X** 0 / 1

### High Conservation Value (HCV) Assessments for All Estates Planted Since January 2015?

This indicator is disabled as the company has not undertaken any new planting since January 2015.

### High Conservation Value (HCV) Management and Monitoring Plans for All Estates Planted Since January 2015?

This indicator is disabled as the company has not undertaken any new planting since January 2015.
74. Commitment to only use licensed High Conservation Value (HCV) assessors accredited by the HCV Resource Network's Assessor Licensing Scheme (ALS)?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

75. Commitment to only use licensed High Conservation Value (HCV) assessors accredited by the HCV Resource Network's Assessor Licensing Scheme (ALS) applies to all suppliers?

76. Satisfactory review of all High Conservation Value (HCV) assessments undertaken since January 2015 by the HCV ALS Quality Panel?
This indicator is disabled as the company has not undertaken any new planting since January 2015.

77. Commitment to the High Carbon Stock (HCS) Approach?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

78. Commitment to the High Carbon Stock (HCS) Approach applies to all suppliers?

79. High Carbon Stock (HCS) assessments available?
This indicator is disabled as the company has not undertaken any new planting since January 2016.

80. Commitment to conduct social and environmental impact assessments (SEIAs)?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

81. Commitment to conduct social and environmental impact assessments (SEIAs) applies to all suppliers?
In 2019, seven out of 11 suppliers have committed to conducting social and environmental impact assessments (SEIA) in their plantations.

82. Social and environmental impact assessments (SEIAs) available, and associated management and monitoring plans?

83. Commitment to no planting on peat of any depth?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

84. Commitment to no planting on peat of any depth applies to all suppliers?
The company's policy only states it will strive to commit its business partners to its policy, including suppliers. The company's sustainability report states it has asked its independent local outgrowers and smallholders "to commit to our policies covering no planting on peat soil, zero burning, deforestation, human rights, Free, Prior and Informed Consent (FPIC), and the protection of HCV areas," seven of which have committed and will be audited twice a year by the company to gauge compliance.

### 85. Landbank or planted area on peat (ha)?

0 (0%) - The company reports 0 ha landbank on peat.

### 86. Implementation of commitment to no planting on peat of any depth?

This indicator is disabled as the company states it has no landbank on peat.

### 87. Commitment to best management practices for soils and peat?

The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

### 88. Commitment to best management practices for soils and peat applies to all suppliers?

At the end of 2019, seven out of 11 suppliers have committed to implementing best management practices for soil and peat.

### 89. Evidence of best management practices for soils and peat?

Points for external verification have been awarded on the basis of the company's RSPO-certified landbank.

### 90. Commitment to zero burning?

The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

### 91. Commitment to zero burning applies to all suppliers?

The company's policy only states it will strive to commit its business partners to its policy, including suppliers. The company's sustainability report states it has asked its independent local outgrowers and smallholders "to commit to our policies covering no planting on peat soil, zero burning, deforestation, human rights, Free, Prior and Informed Consent (FPIC), and the protection of HCV areas," seven of which have committed and will be audited twice a year by the company to gauge compliance.

### 92. Evidence of fire monitoring and management?

The company patrols boundaries of estates on a monthly basis, to monitor fire activity and subscribes to the Global Watch Fires Portal to monitor plantations for hot spots. Partial points have been awarded as the information is not externally verified.

### 93. Details/number of hotspots/fires in company estates?

Monthly fire hotspot monitoring reports available on company website.

### 94. Details/number of hotspots/fires within surrounding landscape/smallholders?

0 / 1
95. Time-bound commitment to reduce greenhouse gas (GHG) emissions intensity?
The company commits to reduce GHG emissions by 1.0 to 1.5 tonnes CO2e/tonnes CPO by 2021.

96. GHG emissions intensity?
The company reports 5.51 tCO2e/ha for all certified management units, and 1.08 tCO2e for all certified management units per tonne of CPO in its 2019 ACOP.

97. GHG emissions from land use change?
This indicator is disabled as the company has not undertaken any new planting since January 2015.

98. Progress towards commitment to reduce GHG emissions intensity?
The company reports that it has reduced GHG emissions intensity to 1.08 tonnes CO2e/tonne Crude Palm Oil, ahead of target timeline of 2021. Partial points have been awarded as the information is not externally verified.

99. Methodology used to calculate GHG emissions?
The RSPO requires companies to assess their GHG emissions through the Palm GHG calculator. Full points have therefore been awarded on the basis of the company’s RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

100. Percentage of mills with methane capture (100%)?
Three out of four company-owned oil mills have methane and biogas recapture.

101. Time-bound commitment to improve water use intensity?
The company commits to the target ‘to maintain or reduce water usage at 1.40 m3/tonne FFB’ by the end of 2020.

102. Water use intensity?
1.42 m3/tonne FFB.

103. Progress towards commitment on water use intensity?
The company reports a 0.02 m3/tonne increase in usage to 1.42 m3/tonne FFB, in 2019.

104. Time-bound commitment to improve water quality (BOD and COD)?
The company has a target to achieve BOD levels of 20ppm at all mills by 2020, and a 70% reduction in COD levels by 2020 for three mills and 2022 for one mill.

105. Progress towards commitment on water quality (BOD and COD)?
The company reports an increase in COD levels from 2018-2019, and a decrease in BOD levels from 2017-2019. Partial points have been awarded as the information is not externally verified.

106. Treatment of palm oil mill effluent (POME)?
Points for external verification have been awarded on the basis of the company’s RSPO-certified landbank.
107. Treatment of palm oil refinery effluent (PORE)?
This indicator is disabled as the company does not own refineries.

108. Commitment to protect natural waterways through buffer zones?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

109. Implementation of commitment to protect natural waterways through buffer zones?
Points for external verification have been awarded on the basis of the company's RSPO-certified landbank.

110. Commitment to minimise the use of chemicals, including pesticides and chemical fertilisers?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

111. Commitment to minimise the use of chemicals, including pesticides and chemical fertilisers, applies to all suppliers?

112. Commitment to no use of paraquat?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

113. Commitment to no use of paraquat applies to all suppliers?
By the end of 2019, 7 out of 11 suppliers have committed to adopt the company's "no use of paraquat policy".

114. Commitment to no use of World Health Organisation (WHO) Class 1A and 1B pesticides?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

115. Commitment to no use of World Health Organisation (WHO) Class 1A and 1B pesticides applies to all suppliers?

116. Commitment to no use of chemicals listed under the Stockholm Convention and Rotterdam Convention?
The company makes this commitment through the RSPO Principles and Criteria 2018, and reports that despite four chemicals listed in the convention still being used, it is searching for replacements. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years. The company's sustainability report states that it uses four chemicals listed as banned by the UN Rotterdam and Stockholm conventions, and that "Two of these chemicals are only used in the nursery, while the other two are used to target specific pests. We continue to search for ways to replace these chemicals, but have yet to find suitable alternatives.".
<table>
<thead>
<tr>
<th>Q.</th>
<th>Commitment to no use of chemicals listed under the Stockholm Convention and Rotterdam Convention applies to all suppliers?</th>
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<tr>
<td></td>
<td>✗ 0 / 1</td>
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<thead>
<tr>
<th>Q.</th>
<th>Chemical usage per ha or list of chemicals used?</th>
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<td>✔ 1 / 1 Source</td>
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<tr>
<th>Q.</th>
<th>Implementation of commitment to minimise inorganic fertiliser use?</th>
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<tbody>
<tr>
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<td>✗ 0.75 / 2 Source</td>
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<tr>
<th>Q.</th>
<th>Integrated Pest Management (IPM) approach?</th>
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<td>✔ 1 / 1 Source</td>
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<tr>
<th>Q.</th>
<th>Waste management system in place to avoid negative impacts?</th>
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<th>Q.</th>
<th>Commitment to human rights?</th>
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<th>Q.</th>
<th>Progress on human rights commitment?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✔ 1 / 1 Source</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q.</th>
<th>Commitment to respect indigenous and local communities' rights?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✔ 1 / 1 Source</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Q.</th>
<th>Commitment to indigenous and local communities' rights applies to all suppliers?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✗ 0.5 / 1 Source</td>
</tr>
</tbody>
</table>
At the end of 2019, seven out of 11 suppliers had made the commitment to indigenous and local communities' rights.

**127. Commitment to respect legal and customary land tenure rights?**
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

**128. Commitment to legal and customary land rights applies to all suppliers?**
At the end of 2019, seven out of 11 suppliers had made the commitment to legal and customary land rights.

**129. Commitment to free, prior and informed consent (FPIC)?**
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

**130. Commitment to free, prior and informed consent (FPIC) applies to all suppliers?**
The company's policy only states it will strive to commit its business partners to its policy, including suppliers. The company's sustainability report states it has asked its independent local outgrowers and smallholders “to commit to our policies covering no planting on peat soil, zero burning, deforestation, human rights, Free, Prior and Informed Consent (FPIC), and the protection of HCV areas,” seven of which have committed and will be audited twice a year by the company to gauge compliance.

**131. Details of free, prior and informed consent (FPIC) process available?**
The RSPO Principles and Criteria 2018 contain guidance and requirements on the process to conduct free, prior and informed consent (FPIC). Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

**132. Examples of local stakeholder engagement to prevent conflicts?**

**133. Details of process for addressing land conflicts available?**
The RSPO Principles and Criteria 2018 contain requirements for addressing land conflicts. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

**134. Supports the inclusion of women across palm oil operations, including addressing barriers faced?**

**135. Commitment to mitigate impacts on food security?**
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

**136. Commitment to mitigate impacts on food security applies to all suppliers?**

**137. Progress on commitment to mitigate impacts on food security?**
The company provided limited examples of progress, including providing an infrastructure for local communities to buy and sell their produce, and facilitating easy access to local communities to buy and sell produce at plantations workers' weekly and monthly fair. The information is not externally verified.

**138. Commitment to provide essential community services and facilities?**
139. Progress on commitment to provide essential community services and facilities?
Points for external verification have been awarded on the basis of the company's RSPO-certified landbank.

140. Commitment to provide business/work opportunities for local communities?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

141. Commitment to Fundamental ILO Conventions or Free and Fair Labour Principles?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

142. Commitment to Fundamental ILO Conventions or Free and Fair Labour Principles applies to all suppliers?
The company's Sustainable Agriculture Policy commits its suppliers to complying with some of the core ILO conventions.

143. Progress on commitment to respect all workers' rights?
Points for external verification have been awarded on the basis of the company's RSPO-certified landbank.

144. Commitment to eliminate gender related discrimination with regards to employment?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

145. Commitment to eliminate gender related discrimination with regards to employment applies to all suppliers?
The company commits its suppliers to equal opportunities in regards to employment, including on gender.

146. Progress on commitment to eliminate gender related discrimination with regards to employment?
Points for external verification have been awarded on the basis of the company's RSPO-certified landbank.

147. Percentage or number of temporary employees?
This indicator is disabled as the company has no temporary employees.

148. Percentage or number of women employees?
2,881 (38.5%) - The company reports that 2,881 of 7,479 employees are female.

149. Commitment to pay at least minimum wage?
The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

150. Commitment to pay at least minimum wage applies to all suppliers?
Points for external verification have been awarded on the basis of the company's RSPO-certified landbank.

1. Progress on commitment to pay at least minimum wage?

The company reports salaries by gender and by position.

2. Reporting of salary by gender?

The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

3. Commitment to address occupational health and safety?

The company also reports that providing employees with PPE is a part of the induction process.

4. Provision of personal protective equipment and related training?

1.4 - The company reports a severity rate of 1.4 hrs per 200,000 hrs worked.

5. Time lost due to work-based injuries?

0 - 0 fatalities were recorded in 2019.

6. Number of fatalities as a result of work-based accidents?

The company makes this commitment through the RSPO Principles and Criteria 2018. Full points have therefore been awarded on the basis of the company's RSPO-certified landbank (>75%) and a further commitment to be 100% certified within five years.

7. Commitment to support smallholders?

This indicator is disabled as the company does not source from scheme/plasma smallholders.

8. Programme to support scheme/plasma smallholders?

This indicator is disabled as the company does not source from scheme/plasma smallholders.

9. Percentage of scheme/plasma smallholders involved in programme?

Points for external verification have been awarded on the basis of the company's RSPO-certified landbank.
<table>
<thead>
<tr>
<th>162. Percentage of independent smallholders/outgrowers involved in programme?</th>
<th>P 0.75 / 1 Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Externally verified] 7 (63.6%) - The company reports seven out of its 11 independent local outgrowers and smallholders (55%) have participated in activities towards RSPO and MSPO certifications.</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>163. Process used to prioritise, assess and/or engage suppliers on compliance with company's policy and/or legal requirements?</th>
<th>P 0.5 / 1 Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company reports that it will conduct independent internal audits of the independent local outgrowers and smallholders in the programme twice a year to gauge their compliance to its policies. Limited details of assessment method are given.</td>
<td></td>
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</table>

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<thead>
<tr>
<th>164. Number or percentage of suppliers assessed and/or engaged on compliance with company's policy and/or legal requirements?</th>
<th>P 0.75 / 1 Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 (63.6%) - Seven out of 11 suppliers have agreed to be compliant with company's policies. All seven of these have been audited by the company twice in the last year. Partial points have been awarded as the information is not externally verified.</td>
<td></td>
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</table>

| 165. Suspension or exclusion criteria for suppliers? | X 0 / 1 |

<table>
<thead>
<tr>
<th>166. Time-bound action plans (including Key Performance Indicators) for suppliers to be in compliance with palm oil sourcing commitments?</th>
<th>P 0.5 / 1 Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company reports a target to have nine out of 11 suppliers compliant with sourcing commitments by 2021.</td>
<td></td>
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<table>
<thead>
<tr>
<th>167. Proportion of direct and indirect supply that comes from palm oil plantations which are compliant with palm oil sourcing policies?</th>
<th>X 0 / 1</th>
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<tbody>
<tr>
<td>This is unclear in the company's reporting.</td>
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<thead>
<tr>
<th>168. Time-bound plan to engage with all high risk mills within 3 years?</th>
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<tr>
<td>This indicator is disabled as the company does not source from mills.</td>
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<thead>
<tr>
<th>169. Programme to support high risk mills to become compliant with sourcing policies?</th>
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<tbody>
<tr>
<td>This indicator is disabled as the company does not source from mills.</td>
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<thead>
<tr>
<th>170. Regularly engages with a subset of high risk mills?</th>
<th></th>
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<tr>
<td>This indicator is disabled as the company does not source from mills.</td>
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<thead>
<tr>
<th>171. Procedures in place to assess all own and third party supplying palm oil mills for risk level?</th>
<th></th>
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<tbody>
<tr>
<td>This indicator is disabled as the company does not source from mills.</td>
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<thead>
<tr>
<th>172. Regularly assesses and categorises the risk level of all their own and third party supplying mills?</th>
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<tbody>
<tr>
<td>This indicator is disabled as the company does not source from mills.</td>
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<thead>
<tr>
<th>173. Regularly reports the risk level of all own and third party supplying mills identified in its supply chain?</th>
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<tbody>
<tr>
<td>This indicator is disabled as the company does not source from mills.</td>
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</table>
### Governance and grievances

<table>
<thead>
<tr>
<th>ID</th>
<th>Question</th>
<th>Score</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>174</td>
<td>Commitment to ethical conduct and prohibition of corruption?</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>175</td>
<td>Commitment to ethical conduct and prohibition of corruption applies to all suppliers?</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>176</td>
<td>Progress on commitment to ethical conduct and prohibition of corruption?</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>177</td>
<td>Disclosure of the company's management approach to tax and payments to governments?</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>178</td>
<td>Whistleblowing procedure?</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>179</td>
<td>Own grievance or complaints system open to all stakeholders?</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>180</td>
<td>Details of complaints and grievances disclosed?</td>
<td>✗</td>
<td></td>
</tr>
</tbody>
</table>

### Media monitor: Hap Seng Plantation Holdings Bhd

SPOTT monitors global media sources for coverage of assessed companies. The media monitor gathers reports about specific activities related to the assessment indicator categories. ZSL does not assess or score the validity of media coverage, but users can explore the media monitor to provide context on implementation, and infer risks associated with reported operations on the ground.

**Last media reports:**

- **July 2016**
  - *Are You Invested in Exploitation? Why US investment firms should quit financing conflict palm oil and commit to human rights*

**Palm oil media reports (4)**
<table>
<thead>
<tr>
<th>All media reports</th>
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<tbody>
<tr>
<td>1</td>
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<td>0</td>
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