



**PUBLIC SUMMARY
3RD RSPO SURVEILLANCE ASSESSMENT**

AUDIT DATE : 3RD – 6TH DECEMBER 2013

**SIME DARBY PLANTATION SDN BHD
TENNAMARAM CERTIFICATION UNIT
BESTARI JAYA, SELANGOR, MALAYSIA**

Prepared by:

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Malaysia.

File Ref. : ES 10170011

RSPO SURVEILLANCE AUDIT REPORT

CLIENT : SIME DARBY PLANTATION SDN BHD, TENNAMARAM PALM OIL MILL

Tenamaram Palm Oil Mill, 45600 Bestari Jaya, Selangor Darul Ehsan
Ladang Tennamaram, K/B No.207, 45600 Batang Berjuntai, Selangor
Ladang Bukit Talang, P.O. Box 1, 45000 Kuala Selangor, Selangor
Ladang Sungai Buloh, K/B No.5, 45709 Bukit Rokan, Selangor

LOCATION (MAP AND GPS), MILL AND/OR HECTARAGE:

(In the case of multisite certification, list additional sites in attachments) :

Certification Unit	Estate/Mill	*GPS Location		Total Area (ha)
		Latitude	Longitude	
SOU 06 – Tennamaram	Tenamaram POM	3°23'44.30"N	101°25'03.41"E	-
	Tenamaram Estate	3°24'11.35"N	101°23'59.24"E	1648.8
	Bukit Talang Estate	3°24'09.15"N	101°18'35.72"E	3509.22
	Sungai Buloh Estate	3°18'32.27"N	101°19'7.23"E	4848.90

AUDIT DATE : 3rd – 6th December 2013

STANDARD : MALAYSIAN NATIONAL INTERPRETATION WORKING GROUP (MY-NIWG) : NOV 2010 OF RSPO PRINCIPLE AND CRITERIA ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
RSPO SUPPLY CHAIN CERTIFICATION, NOVEMBER 2011

SCOPE OF REGISTRATION : PRODUCTION OF CRUDE PALM OIL AND PALM KERNEL USING SEGREGATION MODEL

The following attachments form part of this report:

Non-conformity Report(s) ☐

List of additional site(s) ☐

Report by Audit Team Leader

Name : Mohamed Hidir Zainal Abidin

Signature :

Date : 7/5/2014

Acknowledgement by Client's Representative

Name :

Signature :
ZALI BIN MOHD TAHIR
PENGURUS KILANG

Date : 8.5.14

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Abbreviations:

ARM	Agriculture Reference Manual
BOD	Biochemical Oxygen Demand
B.Sc.	Bachelor of Science
CA	Collective Agreement
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CUs	Certification Units
DID	Drainage and Irrigation Department, Malaysia
DOE	Department of Environment
DOSH	Department of Occupational Safety and Health
EAI	Environmental Aspect Identification
EARA	Environmental Auditors Registration Association
EB	Executive Board
EFB	Empty Fruit Bunch
EIA	Environmental Impact Assessment
EIE	Environmental Impact Evaluation
EMP	Environmental Management Plan
EPF	Employees Provident Fund
EQA	Environmental Quality Act
ERT	Endangered, Rare and Threatened Species
FFB	Fresh Fruit Bunch
FMA	Factory Machineries Act
FSC	Forest Stewardship Council
GAP	Good Agricultural Practice
GPS	Global Positioning System
Ha	Hectares
HCV	High Conservation Value
HIRARC	Hazard Identification, Risk Assessment and Risk Control
IEMA	Institute for Environmental Management and Assessment
IPM	Integrated Pest Management
ISO	International Organization for Standardization
IRCA	International Register of Certificated Auditors
JCC	Joint Consultative Committee
MSDS	Material Safety Data Sheet
MOA	Memorandum of Alliance or Agreement
MPOA	Malaysian Palm Oil Association
MPOB	Malaysia Palm Oil Board
MYNI – WG	Malaysia National Interpretation – Working Group
NADOPOD	Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease
NCR	Non-Conformity Report
NGO	Non Governmental Organisation
OER	Oil Extraction Rate
OG	Oil & Grease
OSH	Occupational Safety and Health
OSHA	Occupational Safety and Health Act
OHSAS	Occupational Health and Safety Assessment Series
Ph.D.	Doctor of Philosophy
PIC	Person-In-Charge
PK	Palm Kernel
PMM	Proposal of Mitigation Measure
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
PTW	Permit To Work
QMS	Quality Management System
RSPO	Roundtable on Sustainable Palm Oil
SIA	Social Impact Assessment
SDPSB	Sime Darby Plantation Sdn. Bhd.
SOCISO	Social Security Organization
SOP	Standard Operating Procedure
SPIEU	Sabah Plantation Industry Employees Union
TQEM	Total Quality Environment Management
UNFCCC	United Nations Framework Convention for Climate Change
UKAS	United Kingdom Accreditation Services
USA	United States of America
USECHH	Use and Standards of Exposure of Chemicals Hazardous to Health

SUMMARY REPORT

1.0 Scope of the Certification Assessment

1.1 Introduction

This surveillance assessment report described one certification unit of Sime Darby Plantation Sdn. Bhd. (SDPSB) strategic operating unit (SOU) namely SOU 06 – Tennamaram. SOU Tennamaram was certified by other certification body (Control Union Certification) in 3rd March 2011. This assessment is the second surveillance assessment.

An SOU is equivalent to a certification unit as defined in the RSPO Certification Systems Document. Each SOU consists of one mill and its supply bases. The supply bases are made up of estates owned by SDPSB and small holders' plantations located near the oil mill.

This assessment covered a management unit and its supply bases as detailed in Table 1. The supply bases assessed were confined to estates owned by SDPSB. There are three main estates supplying to Tennamaram Palm Oil Mill (POM) i.e. Tennamaram Estate, Bukit Talang Estate, and Sungai Buloh Estate.

The focus of the assessment team was to determine SOU Tennamaram conformance against the RSPO P&C MYNI as well as to verify the actions taken on the previous assessment findings.

Details of the SOUs are described in Table 1:

Table 1: Certification units covered in the assessment

No.	Certification Unit	Palm Oil Mill	FFB Supplying Estates owned by SDPSB
1.	SOU 06	Tennamaram Oil Mill	Tennamaram Estate, Bukit Talang Estate, and Sungai Buloh Estate

1.2 Location of Mills and Estates

SOU 06 is located in Kuala Selangor District, Selangor, Malaysia. The locations of the SOUs are shown in Attachment 1.

Location details of the SOU which includes palm oil mill and supplying estates are shown in Table 2.

Table 2: Location and addresses of mills and estates

Certification Unit	Estate/Mill	*GPS Location		Location Address
		Latitude	Longitude	
SOU 06 – Tennamaram	Tennamaram POM	3°23'44.30"N	101°25'03.41"E	Tennamaram POM 45600 Bestari Jaya Selangor Darul Ehsan
	Tennamaram Estate	3°24'11.35"N	101°23'59.24"E	Ladang Tennamaram, K/B No.207, 45600 Batang Berjuntai, Selangor
	Bukit Talang Estate	3°24'09.15"N	101°18'35.72"E	Ladang Bukit Talang, P.O. Box 1, 45000 Kuala Selangor, Selangor
	Sungai Buloh Estate	3°18'32.27"N	101°19'7.23"E	Ladang Sungai Buloh, K/B No.5, 45709 Bukit Rokan, Selangor

**The GPS coordinate is the location of the administration offices.*

1.3 Production Volume for All Certified Products

Table 3: Actual CPO and PK tonnage since date of last reporting period (December 2012 to November 2013)

FFB Received (mt)	232,365.88
FFB Processed (mt)	230,142.18
Total CPO Production (mt)	48,306.62
Total PK Production (mt)	12,011.38
CPO (mt) sold as Certified Segregation	Nil
PK (mt) sold as Certified Segregation	Nil
CPO (mt) sold as non-Certified	47,831.26
PK (mt) sold as non-Certified	11,877.33

Table 4: Estimated certified CPO and PK tonnage (December 2013 to November 2014)

FFB Received (mt)	252,655
FFB Processed (mt)	252,655
Total CPO Production (mt)	53,138.64
Total PK Production (mt)	13,593.51
Certified CPO (mt) to be claimed as Segregation	53,138.64
Certified PK (mt) to be claimed as Segregation	13,593.51
Non-Certified CPO (mt)	Nil
Non-Certified PK (mt)	Nil

1.4 Certification Details

The name of the certified Unit and its RSPO identification are as follows:

Parent company: Sime Darby Plantations Sdn. Bhd.

Certificate no: C819143CU-RSPO-01.2011 – Tennamaram POM.

The date of certification was the date of the RSPO approval which is 3rd March 2011.

The certification for SOU 06 – Tennamaram covers production from Tennamaram Oil Mill with FFB supplied by the following company owned estates: Tennamaram, Bukit Talang and Sungai Buloh Estates. Crop from third party is not accepted by Tennamaram Oil Mill.

1.5 Description of The Supply Base

Details of the FFB contribution from each source to the SOU are shown in Table 5:

Table 5: SOU 06 Tennamaram - Actual FFB production since date of last reporting period (January 2012 to December 2012)

Estates	FFB Production		Certified by
	Tonnes	Percentage (%)	
Tennamaram	41,135.75	17	SIRIM
Sungai Buloh	106,764.92	46	SIRIM
Bukit Talang	72,670.22	31	SIRIM
Elmina	7,328.52	3.5	BSI
BukitLagong	950.08	0.4	BSI
BukitKerayong	1421..93	0.6	BSI
BukitCherakah	1597.08	0.7	BSI
Bukit Rajah	486.53	0.8	BSI
Total	232,365.88	100	

1.6 Date of Planting and Replanting Cycle

The planting profiles for each estate is detailed in the following tables:

Table 6: Planting profile for Tennamaram Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1984	"	mature	22.20	1.3
1985	"	mature	62.08	3.8
1987	"	mature	28.55	1.7
1988	"	mature	90.80	5.5
1990	3rd	mature	61.10	3.7
1991	"	mature	118.8	7.2
1992	"	mature	106.50	6.5
1993	"	mature	9	0.5
1996	"	mature	141.6	8.6
1997	"	mature	72.97	4.4
1999	"	mature	103.60	6.3
2002	2nd	mature	34.90	2.1
2003	"	mature	60.20	3.7
2004	"	mature	51.10	3.1
2006	"	mature	171.8	10.4
2007	"	mature	62.48	3.8
2008	"	mature	78.40	4.8
2009	"	mature	48.70	3.0
2010	"	mature	97.80	5.9
2010	"	immature	104.6	6.4
2011	"	immature	26.00	1.6
2013	"	immature	93.62	5.7
Total			1646.80	100.00

Table 7: Planting profile for Sungai Buloh Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2009S	2nd	Mature	97.80	2.02
2010A	"	Immature	72.60	1.50
2010B	"	Immature	61.90	1.28
2010C	"	Immature	78.60	1.62
2010D	"	Immature	49.70	1.02
2010S	"	Immature	67.60	1.39
2011A	"	Immature	77.50	1.60
P08SR	"	Immature	123.90	2.56
06S	"	Mature	127.90	2.64
2012A [1980B]	2nd	Immature	47.30	0.98
2012B	2nd	Immature	50.00	1.03
1994	rubber to oil palm "	"	67.50	1.39
1983S	"	"	43.50	0.90
1988A	"	"	76.70	1.58
1989	"	"	102.20	2.11
1990	"	"	101.10	2.09
1990A	"	"	32.40	0.67
1991A	"	"	39.80	0.82
1991B	"	"	47.70	0.98
1991S	"	"	69.10	1.43
1992A	3rd generation	"	60.70	1.25
1992A1	rubber-cocoa to oil palm	"	59.20	1.22
1992A2	"	"	59.20	1.22
1992A3	"	"	45.60	0.94
1992B	"	"	77.70	1.60
1992S	"	"	118.00	2.43
1993A	"	"	120.20	2.48
1993B	"	"	54.10	1.12
1993B1	"	"	86.50	1.78
1993B2	"	"	78.60	1.62
1993C	"	"	55.70	1.15
1993D	"	"	77.20	1.59
1993D1	"	"	62.80	1.30
1995A	2nd generation	"	53.60	1.11
1995B	-oil palm to	"	37.10	0.77
1995C	oil palm	"	90.60	1.87
1995C1	"	"	63.60	1.31
1996	"	"	120.40	2.48
1996S	"	"	77.80	1.60
1996S1	"	"	68.80	1.42
1996S2	"	"	49.90	1.03
1997A	"	"	46.10	0.95
1997B	"	"	72.10	1.49
1997S	"	"	46.70	0.96
1997S1	"	"	55.50	1.14
1997S2	"	"	73.60	1.52
1998A	"	"	124.10	2.56
1998B	"	"	42.80	0.88
1998S	"	"	97.00	2.00
1998S1	"	"	65.10	1.34
2000S	"	"	68.50	1.41
2001	"	"	129.10	2.66
2002	"	"	55.20	1.14
2002S	"	"	70.60	1.46
2003	"	"	84.70	1.75
2004	2 nd generation	"	74.90	1.54
2007	"	"	88.30	1.82
2007A	"	"	85.00	1.75

2008A	“	“	74.00	1.53
2008B	“	“	58.80	1.21
2012C (83S)	3 rd generation	“	58.10	1.20
85	2 nd generation	“	99.90	2.06
88	“	“	60.70	1.25
90	“	“	137.40	2.83
P02	“	“	128.60	2.65
Total			4848.90	100.00

Table 8: Planting profile for Bukit Talang Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1987	2nd	mature	51.00	1.42
1989	“	mature	48.40	1.35
1990	“	mature	116.8	3.26
1991	“	mature	13.1	0.36
1992	“	mature	126.1	3.52
1993	“	mature	421.74	11.78
1994	“	mature	59	1.65
1995	“	mature	171.76	4.80
1996	“	mature	183.38	5.14
1997	“	mature	211.72	5.91
1998	3rd	mature	271.91	7.60
1999	“	mature	174.5	4.87
2000	“	mature	219.5	6.13
2001	“	mature	401.51	11.22
2002	“	mature	205.91	5.75
2003	“	mature	298	8.33
2004	“	mature	47.53	1.33
2007	“	mature	94.2	2.63
2008	“	mature	50	1.39
2009	“	Mature	45.1	1.26
2011	“	immature	46.91	1.31
2012	“	immature	320.15	8.94
Total			3578.22	100%

1.7 Organizational Information/Contact Person

The details of the contact persons for SOU 06 are as shown below:

Name : Zalizan Mohd Tahir
 Designation : Mill Manager
 Address : Sime Darby Plantation Sdn. Bhd.
 (Company No. 647766-V)
 Kilang Kelapa Sawit Tennamaram
 K/B No : 211
 45600 Bestari Jaya
 Selangor Darul Ehsan
 Phone # : +603 32719062
 Fax # : +603 32719557

1.8 Time Bound Plan for Other Management Units

Initially, there were a total of 65 certification units under Sime Darby Plantation Sdn. Bhd. located in Peninsular Malaysia, Sabah & Sarawak in Malaysia and in Kalimantan, Sumatera & Sulawesi in Indonesia. 42 units in Malaysia and 23 units in Indonesia. At the point of this surveillance

assessment, there were 58 palm oil mills (58 SOUs) and a total of 230 oil palm estates. The variance was due to in Malaysia, 3 palm oil mills (Jeleta Bumi, Sungai Sama and Sungai Tawing) had been closed down and another 3 mills (Mostyn, Sepang and Bukit Talang) were assigned to receive crop solely from third parties. 1 mill (Tamiang) in Indonesia has ceased its operation.

Sime Darby Plantation Sdn. Bhd is committed to RSPO certification as announced in the earlier assessment. The certification assessments are being conducted as per their plan with the target for completion by December 2011. To date 39 of their SOUs in Malaysia and 16 SOUs in Indonesia are certified and the remaining 3 SOUs in Indonesia have undergone assessment and pending for certification approval.

2.0 Assessment Process

2.1 Certification Body

SIRIM QAS International Sdn. Bhd. is the oldest and leading certification, inspection and testing body in Malaysia. SIRIM QAS International provides a comprehensive range of certification, inspection and testing services which are carried out in accordance with internationally recognised standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS), the International Automotive Task Force (IATF), and the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC). SIRIM QAS International is a partner of IQNet, a network currently comprising of 36 leading certification bodies in Europe, North and South America, East Asia and Australia.

SIRIM QAS International has vast experience in conducting assessment related to RSPO assessment. We have certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001.

SIRIM QAS International was approved as a RSPO certification body on 21st March 2008.

2.2 Qualification of Lead Assessor and Assessment Team

The assessment team consisted of four assessors. None of the assessor has involved any auditing stage at Tennamaram certification unit since this assessment was conducted on transfer of certification body basis. The details of the assessors and their qualification are detailed below:

Assessment Team	Role/Area of RSPO Requirement	Qualification and Experience
Mohamed Hidir Zainal Abidin	Assessment Team Leader/ Occupational health & safety and environmental issues at mill and estate, legal related issues and supply chain certification system	<ul style="list-style-type: none"> experience in palm oil milling Collected more than 100 auditing days for OHSAS 18001, ISO14001 and ISO 9001 Successfully completed IRCA/RABQSA accredited Lead Assessor training for ISO 9001, ISO14001 & OHSAS 18001 in 2012 Successfully completed RSPO Lead Assessor Course in 2013 B.Sc. (Hons) Chemical Engineering, Universiti Kebangsaan Malaysia (UKM)
Selvasingam T. Kandiah	Assessor / Good Agricultural Practices (GAP) and safety & environmental issues	<ul style="list-style-type: none"> B. Sc. (Hons) Agriculture – University of Agricultural Sciences, Hebbal, Bangalore, India (1969-1973) A Planter with Kumpulan Guthrie Berhad (1995-2002 – retired) Inclusive of One year in Liberia and 2 years in Estate Department in Guthrie head quarters Experience in Managing: Nursery : Rubber and Cocoa Immature Area : Cocoa Replant, Rubber Replant, Oil Palm Replant & Oil Palm New Clearing, Mature Area: Cocoa, Rubber & Oil

		Palm.
Dr Zahid Emby	Assessor for social/workers' & community issues and related legal issues	<ul style="list-style-type: none"> • Peer reviewer for FSC Forest Management certification reports • Attended a training on RSPO P&C and certification requirements in 2008, November 2009 and February 2011 • Doctor of Philosophy • M.A. (Social Anthropology) • B.A. Hons (Social Anthropology/Sociology)
Prof Basri Mohd	Assessor / HCV habitat & ecology and related legal issues	<ul style="list-style-type: none"> • M.Sc (Australian National University), UPM sponsorship • B.Sc (Forestry) (Australian national University), Colombo Plan Scholar • B.Sc (Botany) (University of Western Australia), Colomba Plan Scholar • Attended Training on RSPO P&C

2.3 Assessment Methodology

The Surveillance Assessment 3 was conducted on 6th to 9th December 2013. The main objectives of this assessment were to

- determine conformance against the RSPO Principles & Criteria - MYNI and RSPO Supply Chain
- verify the effective implementation of corrective actions arising from the findings of main assessment
- make appropriate recommendations based on the current assessment findings.

Planning for the Surveillance 3 assessment was guided by the RSPO Certification Systems Document. The sampling formula of $0.8 \sqrt{y}$, where y is the number of estates in the SOU, was used. Nonetheless, all of the five estates and the mill (Tennamaram Palm Oil Mill) were visited and assessed, but the coverage of number of RSPO P&C indicators were selective for each estate.

The assessment was conducted by visiting the field, mill, HCV habitats, labour lines, chemical and waste storage areas and other workplaces. Interviews with management, employees, contractors and other relevant stakeholders were also conducted. Apart from the above, records as well as other related documentation were also evaluated. Details of the Surveillance 2 assessment programme are in Attachment 2.

The assessment non-conformity report was raised on site and all the major non-conformities have been closed-out based on the corrective action evidence submitted to the assessment team. Detail of the non-conformity report and corrective action are in F.

2.4 Date of Next Surveillance Visit

The next surveillance audit will be conducted within nine to twelve months from this audit.

A. AUDIT FINDINGS		
a) Changes to certified products in accordance to the production the previous year		
There was no changes to the total certified product production if compared to the certified product projection		
FFB Processed (tonne)	CPO Production (tonne)	PK Production (tonne)
230,142.18	48,306.62	12,011.38
Data since the last reporting period (December 2012 to November 2013)		

FFB Processed (tonne)	CPO Production (tonne)	PK Production (tonne)
236,711	48,526	13,019

Certified FFB and product projection from 2nd surveillance report. There was no overproduction and changes to the certified source and product.

b) Other changes (e.g. timebound plan, organizational structure, new contact person, addresses, etc.).

Initially, there were a total of 65 certification units under Sime Darby Plantation Sdn. Bhd. located in Peninsular Malaysia, Sabah & Sarawak in Malaysia and in Kalimantan, Sumatera & Sulawesi in Indonesia. 42 units in Malaysia and 23 units in Indonesia. At the point of this surveillance assessment, there were 58 palm oil mills (58 SOUs) and a total of 230 oil palm estates. The variance was due to in Malaysia, 3 palm oil mills (Jeleta Bumi, Sungai Sama and Sungai Tawing) had been closed down and another 3 mills (Mostyn, Sepang and Bukit Talang) were assigned to receive crop solely from third parties. 1 mill (Tamiang) in Indonesia has ceased its operation.

Sime Darby Plantation Sdn. Bhd is committed to RSPO certification as announced in the earlier assessment. The certification assessments are being conducted as per their plan with the target for completion by December 2011. To date 39 of their SOUs in Malaysia and 16 SOUs in Indonesia are certified and the remaining 3 SOUs in Indonesia have undergone assessment and pending for certification approval.

- c) All associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, are audited within 3 years from when their fruit was first included in the mill certification. ☐ Yes ☒ No
- d) Any new acquisition which has replaced primary forests or HCV areas ☐ Yes ☒ No
- e) Status of previous non conformity(ies) ☒ Closed ☐ Not closed*
- * If not closed, will be upgraded to major non conformity
Refer to attachment 3

f) Environmental / Social Issue

There were some environment issues sigthed during this assesment related to legal and also identification environmental aspect and impact (EAI) for the estates and mill operation. On the legal, lapse was found on the scheduled waste management for Tennamaram estate and mill. For the EAI, some of the new activities was not identified and evaluated in the EAI execise for biogas @ methane capturing plan and new sewage treatment plant at Tennamaram complex. The social component, particularly on the local community development still needs further enhancement. The programmes and activities only for the employee and yet to get involvement from nearby community.

g) Complaint received from stakeholder (if any)

Complaint from internal and external stakeholder was evident during the assessment by interviewing the respective group of stake holders. Complaint and grievance machanism was in place and was effectively implemented. As todate there was no unresolved issues with the stakeholders.

h) Specific findings during the surveillance in accordance to MYNI RSPO P & C .

Principle 1: Commitment to Transparency

Criterion 1.1: Oil palm growers and millers provide adequate information to other stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate language & forms to

allow for effective participation in decision making.

1.1.1	Records of requests and responses must be maintained.				Major
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Findings	In compliance:	Yes:	X	No:	
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Objective evidence: SOU 06 was still continuing to implement the procedure for responding to any communication as outlined in their Estate/Mill Quality Management System documents. The system required response to all communication within a certain time frame. Action may then be taken to fulfil the request or for decision to be made by relevant person-in-charge. All communications were logged and registered.

The estate also has established mechanism to channel such queries through regular meetings with stakeholders. For example, a meeting between the Tennamaram management with representatives of local stakeholders including local community, suppliers and contractors was held on 13 March 2013 and attended by 18 stakeholders. Among the attendees included representatives from the local school, the police, housing estate, adjacent *kampungs* and smallholders. Various issues and complaints were heard by the management and decisions made for subsequent action.

Criterion 1.2: Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

This concerns management documents relating to environmental, social and legal issues that are relevant to compliance with RSPO Criteria. Documents that must be publicly available include, but are not necessarily limited to:-

1.2.1	<p>Land titles / user rights (C 2.2)</p> <p>Safety and health plan (C 4.7)</p> <p>Plans and impact assessment relating to environmental and social impacts (C 5.1, 6.1, 7.1, 7.3)</p> <p>Pollution Prevention Plan (C 5.6)</p> <p>Details of complaints and Grievances (C 6.3)</p> <p>Negotiation procedures (C 6.4)</p> <p>Continuous improvement plan (C 8.1)</p>	
1.2.2		
1.2.3		
1.2.4		
1.2.5		
1.2.6		
1.2.7		

Findings	In compliance:	Yes:	X	No:	
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Objective evidence: There was no restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

SDPSB continued to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances were available through SDPSB website at <http://plantation.simedarby.com>.

Among the documents that were made available for viewing are:

- Good Agricultural Practices
- Social enhancement
- Sustainability initiatives
- Sustainability Management Programmes and;
- Complaint and grievances procedure.

These documents highlight current SDPSB practices and their continual improvement plans. Besides the above document SDPSB policy on the followings are also available at the same website:

- 1) Social
- 2) Quality
- 3) Food Safety
- 4) Occupational Safety & Health
- 5) Environment & Biodiversity
- 6) Slope Protection and Buffer Zone
- 7) Lean Six Sigma
- 8) Gender

In addition to the website, the policies were also displayed at various locations including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view.

To the point of this assessment, SOU 06 has not received any request pertaining Criterion 1.2.

Principle 2: Compliance with Applicable Laws and Regulation**Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.**

2.1.1	Evidence of compliance with legal requirements	Major
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Findings	In compliance:	Yes:	No:	X
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Objective evidence: SOU 06 had continued to comply with legal requirements as per indicator. Guided by the established procedure, the annual evaluation of compliance has been carried out concurrently with the review of legal register on 30 September 2013. The list of applicable legal and other requirement was made available during the assessment. The list covers legal requirements such as :

- a) **Factories and Machinery Act 1967** (Notification, Certificate of Fitness and Inspection Regulation 1970, Steam Boiler & Unfired Pressure Vessel Regulation 1970, Safety Health and Welfare 1970, Noise Exposure Regulation 1989, Person In Charge Regulation 1970 etc.
- b) **Occupational Safety and Health Act 1994** (NADOOPOD Regulation 2004, Safety Health Committee Regulation 1996, USECHH Regulation 2004) etc.
- c) **Environment Quality Act 1974** (Prescribed Premise (CPO) Regulations 1977, Clean Air Regulation 1978, Scheduled Waste Regulation 2005 etc.
- d) **Fire Services** (Fire Service Act 1984 & Fire Certificate Regulation 2001)
- e) **Housing and Amenities** (Worker's Minimum Standard of Housing and Amenities Act 1990)
- f) **Labour, EPF and SOCSO** (Employment Act 1955, Employee Provident Fund Act 1991, Employees Social Security Act 1969

SOU 06 has obtained and renewed license and permits as required by the law. Amongst the licences or permit viewed were :

- a) MPOB license
- b) DOE Licence/ *Jadual Pematuhan*
- c) Licenses for Steam Boilers , unfired pressure vessel (UPV) (sterilizers, back pressure receiver, steam separator, air receiver and found to be valid based on mill annual inspection by DOSH which has been conducted on 22nd October 2012. Boiler inspection for PMD 837 was last conducted on 7th February 2013.
- d) Calibration (weighbridge)
- e) Calibration (weighbridge)

It was found that SOU06 had on most instances fulfilled the legal requirement except for the following lapses and thus one Major non-conformity report (MH1) was raised for:

- i) **Factory & Machinery (Person In Charge) Regulation 1970 - Regulation 5(7)(ii)** ; Boiler heating surface > 25,000 ft²
- ii) **Factory & Machinery (Noise Exposure) Regulation 1989 - Section 12** ; to conduct additional monitoring within 6 month of such changes in production, process, equipment etc...**Section 27** ; shall institute a training programme (hearing conservation programme) for all employees **exposed** to noise level at or above action level and shall repeated at least once in every 2 years
- iii) **OSHA 1994 – USECHH Regulations 2000 – Section 18** : Design, construction and commissioning of LEV equipment
- iv) **Workers Minimum Standard of Housing and Amenities Act 1990** - Section 23(2) weekly line site inspection
- v) **Environment Quality Act 1967, Scheduled Waste Regulations 2005** - Regulation 11 : Accurate and updated inventory, Regulation 9(5) : Storage of scheduled waste < 180 days

2.1.2	A documented system, which includes written information on legal requirements	Minor
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Findings	In compliance:	Yes:	X	No:
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Objective evidence: List of applicable legal and other requirements was made available during the assessment and compiled in the QSHE/04/5.2.4 folder. Documented procedure has been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.

2.1.3	A mechanism for ensuring that they are implemented					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU33. PSQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. Refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.					
2.1.4	A system for tracking any changes in the law					Minor
Findings	In compliance:	Yes:		No:	X	
Objective evidence:	As stated in the Standard Operation Manual, PSQM Department will undertake the responsibility of identifying, managing, updating and tracking the legal requirements. However, some of other applicable legal and other requirements has yet to be identified and updated in the legal register which related to : i) Environment Quality Act 1974, 49A on competence person (amendment 2012) ii) Code of Practice Confined Space 2010 iii) Enakmen Lembaga Urus Air Selangor, 1999 iv) Estate Hospital Assistant (Registration) Act 1965 v) FMA 1967, Person In Charge Regulations, 1970 - Regulation 5(7)(ii) vi) Workers Minimum Standard of Housing and Amenities Act 1990 - Section 19(3) VMO visit every fortnightly & section 23(2) weekly line site inspection Therefore, Minor NCR MH2 was issued.					
Criterion 2.2: The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.						
2.2.1	Evidence of legal ownership of the land including history of land tenure					Major
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	SOU 6 has a large number of titles and they are in various Mukims. Tennamaram Estate in Mukim Batang Berjuntai, Mukim Ulu Tinggi and in Mukim Ijok, Bukit Talang Estate in Mukim Pasangan & Mukim Tanjung Karang while Sungai Buloh Estate is in Mukim Api-api, Mukim Pasangan & Mukim Ijok.. Land ownership has been changed from Consolidated Plantations Sdn. Bhd. to Sime Darby Sdn. Bhd. Land development for oil palm plantation by Sime Darby was legally authorised under land use condition, namely for agricultural cultivation. The original grants were kept in the company headquarters while the estates kept authenticated copies.					
2.2.2	Growers must show that they comply with the terms of the land title. [This indicator is to be read with Guidance 2]					Major
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	All 3 Estates in SOU6 comply with the terms and conditions stipulated in the land titles.					
2.2.3.1	Evidence that boundary stones along the perimeter adjacent to state land and other reserves are being located and visibly maintained					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	Estate boundaries were clearly mapped and demarcated on the ground. Sg. Buloh for example has hired a professional survey company (IGS Consultant) to remeasure the estate boundaries and produce a GPS map in July 2011. Likewise the GPS map for Tennamaram surveyed by RSGA in July 2013 was also seen. The boundaries were clearly marked on the ground by boundary .					
2.2.3.2	Where there are, or have been, disputes, proof of resolution or progress towards resolution by conflict resolution processes acceptable to all parties are implemented. (CF 2.3.3, 6.4.1 and 6.4.2)					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	It was also noted from records sighted, as well as through interviews with stakeholders, that there were no disputes on land rights within the area under management of Tennamaram SOU.					
Criterion 2.3: Use of the land for oil palm does not diminish the legal rights, or customary rights, of						

other users, without their free, prior and informed consent.				
2.3.1	Where lands are encumbered by customary rights, participatory mapping should be conducted to construct maps that show the extent of these rights.			Major
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Objective evidence:	Evidence of ownership of the SOU as indicated by their respective land titles, certified boundary maps and boundary markers on the ground was quite evident. It was also evident that there was no recorded dispute over this ownership by any parties including those related to customary rights.			
2.3.2	Map of appropriate scale showing extent of claims under dispute			Major
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Objective evidence:	There is no dispute reported at the time of audit.			
2.3.3	Copies of negotiated agreements detailing process of consent (C 2.2, 7.5, 7.6)			Minor
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Objective evidence:	There is no dispute reported at the time of audit. However, the procedure for negotiation is made publicly available in the company website at: http://www.simedarbyplantation.com/Boundary_Disputes_.aspx			

Principle 3: Commitment to Long-Term Economic and Financial Viability				
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability				
3.1.1	Annual budget with a minimum of 2 years of projection			Major
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Objective evidence:	<p>SOU6 too had annual budgets for the financial year 2013/2014 which is from July 2013 to June 2014. The budget in addition to FFB yield/Ha, OER and CPO it included Capital and Operating Expenditures for mill and estates The operating expenditure includes expenditure for Mature and Immature Oil Palm upkeep, Administration cost, Housing and Machinery upkeep, machinery and equipment upgrade and maintenance etc.</p> <p>SOU6 also had annual budget projections until the final year 2017/2018 were shown to the Auditors.</p>			
3.1.2	Annual replanting programme projected for a minimum 5 years with yearly review			Minor
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No: <input type="checkbox"/>
Objective evidence:	The replanting programmes until 2018/2019 were sighted for all three Estates. This programme is reviewed once a year and is incorporated in their annual financial budget. The programme was being implemented as scheduled			

Principle 4: Use of Appropriate Best Practices by Growers and Millers				
Criterion 4.1: Operating procedures are appropriately documented and consistently implemented and monitored.				
4.1.1	Documented Standard Operating Procedures (SOP) for estates and mills			Major
Findings	In compliance:	Yes:	<input type="checkbox"/>	No: <input checked="" type="checkbox"/>
Objective evidence:	<p>SOU6 had continued and adopted the SOPs established by Sime Darby Plantations Sdn Bhd in their daily operation. Estates and mill operations were guided by Sustainable Plantation Management Systems (SPMS), Estate Quality Management System (EQMS), Mill Quality Management System (MQMS) and complimented by technical guidelines in the Agricultural Reference Manual (ARM). Mill operations were also guided by EHS risk management procedures for environmental and safety operation in Tennamaram Mill. During this assessment, there was an additional operation sighted for the biogas @ methane capturing together with flaring operation. Standard Operating Procedure was not established for the required operation. Therefore, Major NCR MH4 was issued.</p> <p>Except for Sungai Buloh Estate other two estates in SOU6 had consistently implemented and monitored most good agricultural practices as per SOPs. Pruning of palms as per Section 9 in the ARM manual was not carried out in Field 2002 & 2004 in Sungai Buloh Estate and a NCR was issued. Refer to Major NCR MH3</p> <p>It was also noted that relevant SOP were displayed at various work station for easy reference, for</p>			

	example, at estate office and mill work station notice board. Random interview with the estate workers showed that they understand the requirement stated in the SOPs. For example, it was observed that ripeness standard and chemicals usage had been properly understood by the estate harvesters and sprayers respectively.				
4.1.2	Records of monitoring and the actions taken are maintained and kept for a minimum of 12 months				Minor
Findings	In compliance:	Yes:		No:	X
Objective evidence:	<p>Records of monitoring and the actions taken by the estates and mill continued to be maintained and kept for a minimum of 12 months. Some of the records sighted in the estates were Store Bin Cards and Programme sheets for Fertiliser Application, Field upkeep and Rat baiting etc.</p> <p>Mill operational records for instance were properly kept for reference. Daily and monthly production reports were sighted during audit. Refer to monthly production report for October 2013 (Z2501RMM). Verified the MPOB reports via MPOB (EL) MF4 and PX4-MF for mill efficiency and product quality reporting. The other monitoring records such as effluent analysis results, production log sheets for sterilizer, press and kernel plant operation were also available during audit.</p> <p>Some of other monitoring records related to biodiversity management plan were not made available during the assessment. Monitoring records on the maintenance of boundaries, catchments, cemeteries and tree biodiversity planting areas were not seen for auditor to verify. Therefore, minor NCR MBH1 was issued.</p>				
Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to a level that ensures optimal and sustained yield.					
4.2.1	Monitoring of fertilizer inputs through annual fertilizer recommendations				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	<p>Soil fertility had been maintained at optimum levels by empty fruit bunches (EFBs) mulching, proper frond stacking (biomass), POME application (only in Tennamaram Estate), water management, maintaining soft weeds within interlines regular and by annual application of inorganic fertilizers recommended by SDPSB's agronomists. The Annual Fertiliser recommendations are made based on annual foliar sampling. The fertilisers recommended and used in SOU6 are Ammonium Sulphate, Ammonium Chloride, MOP, CIRP, Borate, Kieserite and Bayfolan. The applications are monitored via programme sheets. Records sighted showed a total of 3934 tonnes in Sungai Buloh Estate & 1821 tonnes in Bukit Talang of fertilisers were applied during the financial year 2012/2013. For the current financial year 2084 tonnes, 1830 tonnes and 12,382Tonnes of fertilisers were applied respectively in Sungai Buloh, Bukit Talang & Tennamaram Estates.</p>				
4.2.2	Evidence of periodic tissue and soil sampling to monitor changes in nutrient status				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	<p>Periodic foliar and soil sampling to monitor changes in nutrient status are in place in all three estates. Annual foliar sampling had been carried out in all estates and the results formed the basis for the fertiliser recommendations. The latest foliar samplings for fertiliser recommendation for 2014/2015 were done in August 2013 on Sungai Buloh Estate & Tennamaram Estate and in May 2013 on Bukit Talang Estate.</p> <p>Soil sampling is carried out every 5 years as per requirement in the SPMS Manual for PH, Organic Carbon, Total N, Total & Available P and Exchangeable K, Mg and Ca. The last sampling was in 2010 on all 3 Estates.</p>				
4.2.3	Monitor the area on which EFB, POME and zero-burn replanting is applied				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	<p>EFB application was carried in all 3 estates. For EFB application priority was given to application in the replants. In the replants EFB was applied in the circles while in the mature palms it was applied in interlines on the stacked palm fronds. 6830 tonnes & 3268 tonnes of EFB at a rate of 40tones / Ha had been applied in Bukit Talang estate & in Tennamaram Estate respectively. In Sungai Buloh estate 2003 tonnes has been received for application in the 2013 replant.</p> <p>30,663 litres of POME was applied over 21.4 Ha on Tennamaram Estate from June to November 2013. POME from the mill was received into two (2) ponds and then pumped to the field. A full time worker monitors and controls the quantity of POME in the furrows. The quantity applied is monitored using a flow meter and records shown to the auditor. To cater for the quantity of POME produced by the mill, the estate will be extending the area for POME application to 110 Ha in 2014.</p> <p>The CU practiced Zero burning and this was evident in all the replant inspected in SOU6. Domestic waste in this SOU6 was totally removed by the Majlis Dareah at a frequency of 2 to 3 times per week and there was no evidence of open burning.</p>				

Criterion 4.3: Practices minimize and control erosion and degradation of soils.

4.3.1	Documented evidence of practices minimizing soil erosion and degradation (including maps)					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	SOU6 CU continued to have practices in place to minimise and control erosion and degradation of soils. These practices are water management programme, road maintenance programme, programs for cover crop & <i>Mucuna bracteata</i> planting in replant and stacking of pruned fronds, spraying of circle & noxious weeds as per ARM manual and programs for only grass cutting of harvesters paths.					
4.3.2	Avoid or minimize bare or exposed soil within estates					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	<p>SOU6 CU continued to have practices in place to minimise and control erosion and degradation of soils. The topography for the estates was mainly flat except for about 20% of Hopeful Division in Tennamaram Estate which is hilly. Pruned fronds were stacked along terraces in the hilly areas while in flat areas U shaped stacking was practiced.</p> <p>During the site visit, the estates endeavored to maintain soft vegetation such as <i>Nephrolepis bisserata</i> and soft grasses in interlines though patches of sporadic noxious weeds which were sprayed out were sighted at time of visit. In the replants <i>Mucuna bracteata</i> and cover crops were planted.</p> <p>SOU6 CU has implemented and will continue to only grass cut the harvester's path. Only Circles and noxious weeds are sprayed out. By grass cutting the paths, SOU6 not only prevent bare ground conditions but also aimed to reduce the growth of noxious weeds.</p> <p>Furthermore wild oil palm seedling (VPOs) are not sprayed, instead they are manually removed and left to dry out on roadsides thus further prevent the occurrence of bare grounds.</p> <p>The topography of SOU6 being mainly flat have large numbers of fields drains which help to collect road runoff waters to further minimize soil erosion.</p>					
4.3.3	Presence of road maintenance programme					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	During the field visit, it was noted road conditions were satisfactory and accessibility were made possible by regular maintenance guided by its road maintenance programmes which consist of road resurfacing, grading & compacting and culvert maintenance. Surface run off waters were drained off by the numerous field drains. The financial support for this operation could be seen in the annual budget. Records of this activity are adequately maintained. During the visit heaps of laterite (gravel) and crusher run stones stored at strategic areas were sighted; these were for road maintenance					
4.3.4	Subsidence of peat soils should be minimized through an effective and documented water management programme					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	Some peat soil areas in Bukit Talang Estate had been planted with oil palm. The management continues to carry out its best practice in maintaining the water table of this area according to its established procedure and programme. The network of drainage system was adequate and water table was monitored and maintained at 60 cm from the ground surface at all times by using pizometers, water level markers, sand bag stop bunds and water gates. In addition SOU6 CU had mobile and static water pumps to pump out and pump in as and when the need arose. The inlet and outlet of water through this area were controlled by water gates.					
4.3.5	Best management practices should be in place for other fragile and problem soils (e.g. sandy, low organic matter and acid sulphate soils)					Minor
Findings	In compliance:	Yes:		No:	X	
Objective evidence:	Though there are no fragile soils other than peat soil in Bukit Talang Estate SOU6 had mainly coastal soils where soil water management is of paramount importance. SOU6 CU managed well on soil water levels by having well established systems of drains. Water table was monitored and maintained at 60 cm from the ground surface at all times by using piezometers, water level markers, sand bag stop bunds and water gates. In addition all three (3) Estates Bukit had mobile and static water pumps to pump out and to pump in as and when the need arises. Strategic points had been prepared/constructed to place the mobile water pumps to pump out/in water. The inlet and outlet of water through this area were controlled by water gates.					
Criterion 4.4: Practices maintain the quality and availability of surface and ground water.						
4.4.1	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before replanting along all natural waterways within the estate.					Major

Findings	In compliance:	Yes:		No:	X	
Objective evidence:	<p>No natural water courses were found to be within the estates. Drainage canals built by Drainage and Irrigation Department (DID) were available and are being well maintained. Palms along the canals were not chemically sprayed to avoid contamination. Only manual weeding was allowed. The DID canal found in Sungai Buloh Estate was relatively large with some parts covered by secondary forest with some large trees.</p> <p>There were also water bodies in Tennamaram and Bkt. Talang. In the latter the catchment was no longer used and is fenced up for safety. The water catchment and swamp in P04 Hopeful Division was not seen by the auditor and was thus not assessed. Their presence should be made known to the auditor since it is included in the map. Verbal explanation was given on later query that the catchment, used earlier as water source, was later abandoned and not maintained. The swamp was presently non-existent having presumably dried up.</p>					
4.4.2	No construction of bunds/weirs/dams across the main rivers or waterways passing through an estate					Major
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	No construction of bunds/dams across DID canal in Sg Buloh and Tennamaram Estate.					
4.4.3	Outgoing water into main natural waterways should be monitored at a frequency that reflects the estates and mills current activities which may have negative impacts (Cross reference to 5.1 and 8.1)					Major
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	<p>Mill records of water monitoring for DOE submission in the 'Borang Penyata Suku Tahunan'. 1st quarter report until 3rd quarter reports were available for viewing. Tennamaram mill DOE licence is for land application and the requirement is for the BOD 3 days, 30°C to be less than 5000 mg/l. The latest quarter report from (July 2013-September 2013) was sampled. The BOD results was way below than the stipulated limit of 5000 mg/l. BOD result of 1st week of the quarter was 1735 mg/l, 5th week of the quarter 1868 mg/l and the 9th week was 430 mg/l.</p> <p>Outgoing water into natural waterways had been closely monitored. Water sampling analysis on quarterly basis as stipulated in the procedure (Sustainable Plantation Management System, Appendix 7, dated 1/4/2008 was conducted for the 3 identified outgoing water from monsoon drain discharge (RW1, RW2 and RW3). Among the parameters tested in the analysis were pH, BOD,COD, Suspended Solids(SS), Ammonical Nitrogen (AN) and Phosphate. Test report for October 2013 was verified.</p>					
4.4.4	Monitoring rainfall data for proper water management					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	All estates monitored rainfall days and rainfall in mm and were available from a period of ten years.					
4.4.5	Monitoring of water usage in mills (tonnage water use/tonne FFB processed)					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	SOU 06 had monitored the amount of water consumed by mill for its operation and activities. It was observed that the records of the mill water consumption (m ³ of water per ton of FFB) were being kept.					
4.4.6	Water drainage into protected areas is avoided wherever possible. Appropriate mitigating measures will be implemented following consultation with relevant stakeholders.					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	There is no protected area at the estates. All water usage and water quality in the estates is monitored by collecting water samples at the designated water sampling points. A water sampling map (Hydrology Map) is available for the auditors.					
4.4.7	Evidence of water management plans					Minor
Findings	In compliance:	Yes:		No:	X	
Objective evidence:	<p>The data of rain fall and rain days have been well maintained over the past ten years. SOU 06 had developed water management plans. The plans consist of data on demand and supply of water for mills and line site consumption as well as for the estates/fields. Among items in the plans are:</p> <ul style="list-style-type: none"> Action to reduce treated water usage at the mills, Intensification of coordination and communication activities to promote effective consumption goals, 					

	<ul style="list-style-type: none"> Details for investment on new infrastructure such as reservoir and HDPE tanks to facilitate rainwater harvesting Contingency plan for water shortage.
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Criterion 4.5: Pests, disease, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.

4.5.1	Documented IPM system	Minor
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
Objective evidence:	<p>SOU6 CU continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques as per SOP/SectionB13 Pest & diseases and ARM/Section 15/Plant Protection. In order to minimize use of Insecticides the estate has established nurseries for beneficial plants mainly <i>Tunera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i>. This was to establish continuity in the planting of beneficial plants in order to maintain low population of leaf eating caterpillars, hence reducing the need to use chemical treatment. Census records confirmed that there has been no major outbreak of leaf eating pest.</p> <p>However, some minor outbreak of Bagworm attack in Bukit Talang Estate was controlled using Methamidophos.</p> <p>SOU 06 has also provided barn boxes for owls (<i>Tyto alba</i>) in order to control the rat population thus aiming to reduce use of Rat Baits.</p>	
4.5.2	Monitoring extent of IPM implementation for major pests	Minor
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
Objective evidence:	<p>The monitoring of pest was by census and records of census on Stand per Hectare & <i>Ganoderma</i>, Bagworm and Barn Owl were sighted. <i>Ganoderma</i> infected palms have been identified. The disease was then mitigated by excavating the infected soil during replanting and exposing it to sunlight. This is in accordance with their Agricultural Reference Manual.</p> <p>The estates implemented calendar baiting and extend of infestation is monitored with rat bait acceptance records. Baiting was continued until the acceptance of baits fell to 20%.</p>	
4.5.3	Recording areas where pesticides have been used	Minor
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
Objective evidence:	All estates continued to record areas where pesticides had been used. Pesticides are used only when justified and areas used are recorded in Field Cost books, bin cards and in program sheets.	
4.5.4	Monitoring of pesticide usage units per hectare or per ton crop e.g. total quantity of active ingredients (a.i) used/tonne of oil	Minor
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
Objective evidence:	Records of both current and past years' usage of pesticides by area, quantity used, hectares applied and Ai/Ha were made available to auditors.	

Criterion 4.6: Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where agrochemicals are used that are categorized as World Health Organization Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives, and this is documented.

4.6.1	Written justification in Standard Operating Procedures (SOP) of all agrochemical use	Major
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
Objective evidence:	SOU6 continued to use agrochemicals as per the written justification in Standard Operating Procedure (SOP) of all agrochemical which are available in the Agricultural Reference Manual (ARM), SOP and in the Safety Pictorial Book prepared by Sime Darby.	
4.6.2	Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53); and in accordance with ESECHH Regulations (2000)	Major
Findings	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
Objective evidence:	All pesticides used are those officially registered under the Pesticide Act 1974, The estates had used mainly class III & class IV pesticides except for <i>methamidophos</i> (class 1) for treatment of bagworm attack. Both Bukit Talang Estate and Sungai Buloh Estate had stock in their stores. No illegal agrochemicals (stated by local and international laws) in particular paraquat were used or found. Paraquat was totally replaced by a systemic herbicide, glufosinate ammonium.	
4.6.3	Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders and Pesticides Act 1974 (Act 149) and Regulations	Major

Findings	In compliance:	Yes:		No:	X
Objective evidence:	All pesticides were stored in accordance with the legal requirement as well as recommendation by manufacturer inside the MSDS. Empty pesticides containers were found not triple rinsed and pierced in the schedule waste storage at all estate. Triple rinsing activities was continually implemented. Refer to DOE letter AS 91/110/619/161 Jld 19 (24) dated 5 March 2013 for the exception of empty chemical container as scheduled waste. Triple rinsed container has to be pierced and stored before disposed to the designated landfill.				
4.6.4	All information regarding the chemicals and its usage, hazards, trade and generic names must be available in language understood by workers or explained carefully to them by a plantation management official at operating unit level				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	All information regarding the chemicals and its usage, hazards, trade and generic names were available in both English & Bahasa Malaysia and understood by workers. The SDMS for all pesticides used including methamidophos were available in both English and Bahasa Malaysia. Relevant information of the agrochemical used by estate workers, largely via morning muster and the use of Safety Pictorial poster, were conveyed and understood by all interviewed during the spraying activities and fertilizer application. It was also verified in the training records that training in chemical handling especially to the sprayers, had been conducted with the aim of disseminating the correct information and ensuring understanding regarding the usage and hazards of the agrochemicals.				
4.6.5	Annual medical surveillance as per CHRA for plantation pesticide operators				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Annual medical surveillance was carried out for 104 workers inclusive of sprayers for the whole of SOU6 by a DOSH in May 2013.				
4.6.6	No work with pesticides for confirmed pregnant and breast feeding women				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	There was no evidence of pregnant women sprayers being used in SOU6 CU.				
4.6.7	Documentary evidence that use of chemical categorized as World Health Organization Type 1A or 1B, or listed by the Stockholm or Rotterdam Conventions and paraquat, is reduced and/or eliminated. Adoption of suitable economic alternative to paraquat as suggested by the EB pending outcome of the RSPO study on IWM				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Documentary evidence that use of chemical categorized as World Health Organization Type 1A or 1B, or listed by the Stockholm or Rotterdam Conventions and paraquat, is reduced and/or eliminated. Adoption of suitable economic alternative to paraquat as suggested by the EB pending outcome of the RSPO study on IWM				
4.6.8	Documented justification of any aerial application of agrochemicals. No aerial spraying unless approved by relevant authorities				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Documented justification of any aerial application of agrochemicals. No aerial spraying unless approved by relevant authorities				
4.6.9	Evidence of chemical residues in CPO testing, as requested and conducted by the buyers				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	No buyer requested for testing of chemical residues in CPO				
4.6.10	Records of pesticides use (including active ingredients used, area treated, amount applied per hectare and number of applications) are maintained for either minimum of 5 years or starting November 2007				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Records of both current and from financial year 2011/2012 on the usage of pesticides by area, quantity used, hectares applied and Ai/Ha were made available to auditors				
Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented					
4.7.1	Evidence of documented Occupational Safety Health (OSH) plan which is in compliance with OSH Act 1994 and Factory and Machinery Act 1967 (Act 139)				Major

Findings	In compliance:	Yes:	No:	X
Objective evidence:	<p>a) Sime Darby Plantation has developed an OSH Policy which has been signed by Executive Vice President on April 2011 and made available for auditors. The policy had been communicated to all levels of the organization through briefings and also being displayed prominently in Bahasa Malaysia and English on notice boards at mill and estate office and Muster Ground. Random interviewed with employees showed that they generally understood the basic requirements of the policy.</p> <p>Environment safety and health (ESH) management plan for each operating unit had been established. The ESH management plan sighted addressed issues related to hazards and risks, legal register and its requirements for compliance, OSH awareness and training programme, accident and emergency procedures, treatment of illness/injury during the job, use of PPE, OSH Committee meetings, etc. Generally, the OSH plans were acceptable. Among the ESH programme carried out were :</p> <p><u>Contractors Management</u></p> <p>Implementation of Permit To Work (PTW) was verified during the assessment. PTW issuance was evident for specific type of jobs such as working at height, confined space entry, electrical works etc. Sample of PTW for the mechanical jobs done by external contractor was verified. Interview with the contractor (SOLVETECH) appointed contractor for the sterilizer liner repair shows that all welders were certified. All suitable and appropriate PPE for the assigned task was made available during the visit. Refer PTW for Sterilizer no.2 liner repair.</p> <p><u>Health Surveillance Programme</u></p> <p>Annual programme for the chemically exposed workers has to be carried out as per requirement of USECHH 2000 especially for the Schedule 2 chemicals as well as pesticides operators. Based on the CHRA report dated July 2010 by competent person. The assessor has recommended the workers that exposed to N-hexane and pesticides (organophosphate) to undergo health surveillance programme carried out by OHD. Last check by OHD was conducted on 7th March 2013 which involved several workers at Tennamaram Estate. There was 1 case of abnormal cholinesterase result The affected worker has been transferred as general workers and medical removal protection has been carried out to avoid further exposure.</p> <p><u>Audiometric Testing & Noise Exposure Monitoring</u></p> <p>The latest audiometric testing was conducted on 1st of April 2013 which involved total of 6 workers. From the report, it was evident that all 6 workers were found to be affected with hearing impairment and 5 effected standard threshold shift result. All effected workers were referred to Hospital Sungai Buloh for further treatment. Prevention plan has yet to be initiated for all workers. Tennamaram POM has yet to institute a training programme called Hearing Conservation Programme as per legal requirement and yet to be repeated in every 2 years. Additional noise exposure has been carried out in October 2012 however as to date no positive noise exposure monitoring has been planned and conducted. Therefore, these issues were raised under indicator 2.1.1 as Major NCR MH1.</p> <p><u>LEV inspection and testing</u></p> <p>LEV testing an inspection has been carried out internally and externally as required by the regulation. Internal LEV inspection was carried out monthly by internal technician. Latest inspection was carried out on November 2013. External LEV inspection was carried out on 13th February 2013 by qualified industrial hygiene technician. Issues highlighted in the report still not rectified especially on the chimney design which was not accordance with MS 1596:2003 with improper design document. Therefore, these issues were raised under indicator 2.1.1 as Major NCR MH1.</p> <p>b) SOU 06 had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA records were verified during the assessment. At the estates, among the HIRARC carried out covered activities like chemical mixing and spraying, chemical storage, harvesting and FFB collection, machine maintenance and working in confined space. As for the mill, among the activities identified were FFB sterilization, kernel and oil extraction, oil clarification as well as maintenance activities Last updates for HIRARC in 29 June 2012 at Tennamaram mill and some of other related activities such as biogas @ methane capturing plant was not risk assessed and well as sewage treatment plant at Tennamaram new housing</p>			

complex. Therefore, Major NCR MH3 was issued

- c) Chemical hazards communication had been given through awareness and training programme to all workers involved in handling chemicals. The objective was to ensure all workers involved have been adequately trained in understanding MSDS, safe working practices and the correct use of PPE. Those trained included sprayers, manure spreaders, laboratory personnel, boilerman and store clerk. Field inspection and observation of spraying tasks confirmed chemicals being applied were in accordance with the product safety precautions. MSDS were made available at point of use – for example, at mill's water each estate treatment plant, boiler chemical dosing area and chemical mixing area and at the chemical store.
- d) Suitable PPE has been given to the workers appropriate for their daily routine task. The PPE includes safety boots, safety harness, helmets, goggles, ear plugs, rubber and cotton gloves, aprons and breathing masks (dusk mask and cartridge type respirator). Records of PPE issuance were maintained and were presented to assessor during the assessment. During the site tour, it was observed that signage (to remind workers to wear appropriate PPE) was posted at the appropriate places. Workers interviewed understood the reasons and importance why they were required to wear the PPE.
- e) Responsible person (s) has been identified for SOU 06. These are the samples of the appointed person at the visited site :
- Tennamaram POM
- New committee for FY2013 – new Mill Manager, new secretary, new Assistant Managers.
- Tennamaram Estate
- No changes of safety & health committee members.
- f) Regular safety meetings between the responsible persons and workers where concerns of workers about safety and health are conducted. Minutes of Safety and Health Committee (SHC) meetings was made available during assessment. Date of safety and health committee meeting as follows :
- Tennamaram Estate
- a) 1st meeting 2013 - 4/2/13
- b) 2nd meeting 2013 - 3/5/13
- c) 3rd meeting 2013 - 2/8/13
- d) 4th meeting 2013 – 9/11/13
- g) Each operating unit of SOU 06 has its own Emergency Response Team. They comprised of First Aiders, Fire Fighters and Search and Rescue Team. It also had basic emergency kit that include stretcher, First Aid box, emergency eye wash and shower station. Accident and emergency procedures exist. Information to response to emergencies had been disseminated. This included emergency contact number, site plan showing evacuation route to assembly point and location of firefighting equipment and action to be taken during emergency by staff and contractors. Instructions to respond to accident and emergency situation were tested and it was found to be clearly understood by all workers interviewed both at the mill and field. The first aid kit was also made available during site visit with the available trained first aid on site. To ensure the availability and readiness of first aid kit and also fire hydrant unit, periodic inspection was carried out. However emergency response plan (ERP) for biogas explosion was not developed at the point of audit. Major NCR MH3 was issued. Fire drill training was conducted on 21st February 2013. Post mortem report was sighted and area of improvements were identified from the drill exercise for improvement.
- Against the indicator 4.7.1, **Major NCR MH4** was issued based on the lapses of implementing and execution of the established ESH plan as per requirement of the indicator and also to comply with OSH Act 1994 and Factory and Machinery Act 1967 (Act 139). Among the lapses are :
- i) HIRARC for the new operation was not established. Methane capturing project @ biogas plant including the flaring unit at Tennamaram POM (operation and maintenance) and new sewage Treatment plant at Tennamaram estate complex.
- ii) No Emergency Response Plan (ERP) established for the explosion of biogas plant

4.7.2	Records should be kept of all accidents and periodically reviewed at quarterly intervals					Major																												
Findings	In compliance:	Yes:	X	No:																														
Objective evidence:	On-going monitoring of OSH performance was visible. They were monitored through Lost Time Accident (LTA). Accident scoreboard was prominently displayed in front of the mill and estates office. They were updated regularly to show the current OSH performance status. Records of all accident according to the categories of workers were kept and orderly maintained in the estate clinic and offices of the estate. Accident cases were reviewed at quarterly Safety & Health Committee meeting.																																	
4.7.3	Workers should be covered by accident insurance					Major																												
Findings	In compliance:	Yes:	X	No:																														
Objective evidence:	SOU 06 had continued to provide a group insurance for all workers as required under the Workmen Compensation Act 1992. The underwriter is RHB Insurance. Sighting of records and cross check with workers showed that they were covered with insurance policy and is found valid until 30 th June 2014. Refer to policy number FW055577.																																	
Criterion 4.8: All staffs, workers, smallholders and contractors are appropriately trained.																																		
4.8.1	A training programme (appropriate to the scale of the organization) that included regular assessment of training needs and documentation, including records of trading for employees are kept					Major																												
Findings	In compliance:	Yes:		No:	X																													
Objective evidence:	<p>A training Need identification matrix FY13/14 has been established with target dates for the training identified. The training program includes:</p> <ul style="list-style-type: none">• Foreign Workers Induction Training• Chemical Awareness• ESH Refresher Workshop• Chemical & Spraying Safety Training• Emergency Respond Plan Training• First Aid Training• Chemical Handling Training• Scheduled waste management• Harvesting Safety <p>Records of training conducted are available and kept in Training Card files. Training that has been conducted are as follow:</p> <table><tr><th>Date Training</th><th>Title</th><th>Trainer(s)</th><th>Participants</th></tr><tr><td>28/11/2013</td><td>Sprayers Training</td><td>G. Planter</td><td>Spraying Workers</td></tr><tr><td>4/10/2013</td><td>New Workers Safety Briefing</td><td>Management</td><td>Workers</td></tr><tr><td>11/09/2013</td><td>First Aid Training</td><td>JPAM</td><td>Workers</td></tr><tr><td>31/07/2013</td><td>Chemical Handling Management</td><td>Management</td><td>Workers</td></tr><tr><td>15 & 23 / 04/ 2013</td><td>Tractor Driver Competency Course</td><td>Management</td><td>Tractor Drivers</td></tr><tr><td>11/04/2013</td><td>Mock Evaluation and Fire Fighting Drill</td><td>Management</td><td>Workers</td></tr></table> <p>Training ' Evaluation Monitoring' records used to gauge the 'Training. Post Mortem record used to monitor the Fire Drill.</p> <p>Based on interviews held with staff and workers at Tennamaram SOU, it was evident that their understanding and and appreciation of HCV principles and management of identified areas were generally found insufficient.</p>						Date Training	Title	Trainer(s)	Participants	28/11/2013	Sprayers Training	G. Planter	Spraying Workers	4/10/2013	New Workers Safety Briefing	Management	Workers	11/09/2013	First Aid Training	JPAM	Workers	31/07/2013	Chemical Handling Management	Management	Workers	15 & 23 / 04/ 2013	Tractor Driver Competency Course	Management	Tractor Drivers	11/04/2013	Mock Evaluation and Fire Fighting Drill	Management	Workers
Date Training	Title	Trainer(s)	Participants																															
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31/07/2013	Chemical Handling Management	Management	Workers																															
15 & 23 / 04/ 2013	Tractor Driver Competency Course	Management	Tractor Drivers																															
11/04/2013	Mock Evaluation and Fire Fighting Drill	Management	Workers																															

	Therefore, Major NCR MBS2 was issued.
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Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity						
Criterion 5.1: Aspects of plantation and mill management, including replanting, that have environmental impacts are identified and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.						
5.1.1	Documented aspects and impacts risk assessment that is periodically reviewed and updated					Major
Findings	In compliance:	Yes:		No:	X	
Objective evidence:	SOU 06 had established its environmental aspects/impacts register associated with their activities. Environmental aspect and impact (EAI) which covers from upstream activities such as FFB reception until downstream processes was sighted during assessment. Identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the most significant environmental receptors are the boiler stack emission which associated with air emission, palm oil mill effluent (POME) discharge (water) and land contamination which related to managing the schedule waste and also general waste. For the estate operation, all activities from harvesting, pest and disease, upkeep programme until delivery to mill has been identified. As for the Tennamaram POM, the last review was on 1/10/13. However, environment aspect impact was not adequately reviewed and updated for the biogas @ methane capturing plant and new sewage treatment plant at Tennamaram new housing complex. Therefore, Major NCR MH5 was issued.					
5.1.2	Environmental improvement plan to mitigate the negative impacts and promote the positive ones, is developed, implemented and monitored					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	Significant environmental aspect and impact was derived from the environmental impact evaluation (EIE). Those activities evaluated as significant were then monitored using the mitigation measure established for each significant activities. Sighted waste water management plan and waste management plan FY2013/2014 developed for SOU 06. The management are periodically reviewed to assess the implementation and effectiveness of the established programme. For example the waste water management programme for Tennamaram Estate was last update on 4/1/13.					
Criterion 5.2: The status of rare, threatened or endangered species (ERTs) and highly conservation value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and their conservation taken into account in management plans and operations.						
5.2.1	Identification and assessment of HCV habitats and protected areas within land holdings and attempt assessments of HCV habitats and protected areas surrounding landholdings					Major
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	SOU 06 had compiled information about the status of High Conservation Value (HCV) within and adjacent to their oil palm plantation area. The HCV Assessment Report named Biodiversity Baseline Assessment Report was prepared in Jan 2009. The report compiled the documentation of HCV sites and activities from each of the visited estate; Tennamaram, Bukit Talang and Sungai Buloh estates. Sime Darby staff had identified protected area such as ponds, worships, graveyard, biodiversity area (tree planting area) for HCV sites. Also, there was no evidence existence of rare, threatened or endangered species in these areas during the assessment.					
5.2.2	Management plan for HCV habitats (including ERTs) and their conservation					Major
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	The SOU 06 has in place Biodiversity Plan to promote tree planting and maintenance. The Biodiversity Plan also included action plan as seen in Tennamaram (2013/2014) and Bkt. Talang (2013/2014). Information columns allow for commencement and completion dates and tracking date for budget and work progress. It was however noted that the columns for budget and progress were not filled for both estates and additionally for Tannamaram, the commencement/completion dates were also not included. The SOU 06 also espoused the Environmental and Biodiversity Policy which was prominently displayed. Nature conservation areas mainly comprised tree planting in special biodiversity areas, along roads and estate perimeters. Tree species included exotics, indigenous and fruit trees to encourage birds and wildlife. Sg. Buloh for example, planted trees in its green book area (400 trees), around its lilv pond 300 trees), interstate boundary with neighbouring Yuna Chun Estate					

	(1600 trees) and along bunds (1650 trees). Bkt. Talang has a GPS Field map (1:42,000) showing planted areas. Planting records showing planting date, inventory and survival were maintained by the SOU.				
5.2.3	Evidence of a commitment to discourage any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts				Minor
Findings	In compliance:	Yes:		No:	X
Objective evidence:	SOU 6 has continued on the commitment to the conservation of the habitat. Signages to prohibit illegal hunting of wildlife were clearly displayed within the estates. There were some signage installed in the estates to discourage illegal activities and thus protect wildlife. The number was however insufficient and did not cover strategic areas for clear sighting by any trespassing public. The management should request expert advice from PERHILITAN, as an important stakeholder, in designing and determining effective signage for wildlife protection. Therefore, Minor NCR MBH3 was issued.				
Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.					
5.3.1	Documented identification of all waste products and sources of pollution				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	<p>SOU 06 has documented identification of all waste product and sources of pollution. The environmental management plan (cross reference to 5.1.1 and 5.1.2) were then established to mitigate all identified waste product and source of pollution.</p> <p>The most significant environmental receptors for the estates and mill operations were:</p> <p>Air – Source from boiler stack (smoke and particulate), vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping – biogas emission) ,</p> <p>Water – Cleaning water/run-off/process station waters (hydrocyclone/claybath/sterilizer condensate/clarification waste) & boiler quenching water and blowdown.</p> <p>Land – Scheduled waste, domestic waste and industrial/process waste.</p>				
5.3.2	Having identified wastes and pollutants, an operational plan should be developed and implemented to avoid or reduce pollution				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	<p>For the identified waste and pollutants, there were SOP and guideline established as to guide the waste disposal activities and to reduce pollution on the routine operation.</p> <p>Domestic waste was totally removed by the “Majlis Daerah” @ Municipal Council at a frequency of 2 to 3 times per week and there was no landfill for domestic waste disposal. Industrial @ mill process wastes had been disposed as follows; EFB were sent for mulching in the field, while crop residue/biomass i.e. fibre and shell were used as fuel in the boiler. Records of EFB application (refer indicator 4.2.3) for details.</p> <p>On the monitoring of water and effluent discharge, monthly and quarterly report for final discharge were submitted in timely manner as stipulated in the written approval. Effluent quality monitoring was also done on the monthly basis. Sample taken at final discharge point was sent for analysis to Sime Darby owned laboratory in Pulau Carey. Result of analysis was found satisfactorily and below the stipulated limit. Laboratory results EP165/2013 and EP104/2013 dated 9/10/2013 and 4/9/2013 were referred to.</p> <p>On the scheduled waste management, the established SOP (section 1- Handling of Scheduled Waste) version:1, issue:1 dated 1/11/2008 was verified during audit. The SOP is aligned with the waste management plan for the scheduled waste. However, the following lapses were evident during the audit at Tennamaram POM and Tennamaram Estate :</p> <p>i) Scheduled waste inventory was not accurately recorded and updated at Tennamaram estate and Mill.</p> <p>ii) 2 type of Scheduled waste, SW 409 & 424 was not disposed in timely manner and exceeded the storage period of 180days at Tennamaram POM. Last disposal was made on 22/10/12 for both scheduled waste.</p> <p>Thus, major NCR MH1 was issued under indicator 2.1.1 for the said issues.</p>				
5.3.3	Evidence that crop residues/biomass are recycled (Cross reference C 4.2)				Minor
Findings	In compliance:	Yes:	X	No:	
Objective	Pruned Fronds are stacked in the field to decompose. Palms that were felled during replanting were shredded, windrowed and left to decompose in the field as evident in all the replants				

evidence:	inspected during the visit. In addition EFB mulching and POME application are carried out in order to recycle crop residues/biomass.				
Criterion 5.4: Efficiency of energy use and use of renewable energy is maximized.					
5.4.1	Monitoring of renewable energy use per ton of CPO or palm product in the mill				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Monthly monitoring of renewable energy (renewable energy/ ton CPO Processed) is available. Monthly biomass production has been recorded for fiber, shell and EFB. Fiber and shell will be used as the boiler fuel.				
5.4.2	Monitoring of direct fossil fuel use per ton of CPO or kW per ton palm product in the mill (of FFB where the growers has no mill)				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Tennamaram POM has no longer used diesel for electricity generation. Diesel was only used for prime movers and vehicle in the mill. Monitoring of kW per ton palm product are maintained.				
Criterion 5.5: Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN Guidance or other regional best practice.					
5.5.1	No evidence of open burning. Where controlled burning occurs, it is as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	There was no evidence of open burning in all the replants visited on SOU6. No fire was used for waste disposal and for replanting. All domestic waste was removed by the Majlis Daerah 2 to 3 times per week to government approved landfills.				
5.5.2	Previous crop should be felled/mowed down, chipped/shredded, windrowed or pulverized/ploughed and mulched.				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	The CU practiced Zero burning in all the replants visited during the surveillance and it was evident that all palms were felled, shredded, windrowed and left to decompose.				
5.5.3	No evidence of burning waste (including domestic waste)				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	There was no evidence of open burning of domestic waste. All domestic waste was removed by the Majlis Daerah 2 to 3 times per week to government approved landfills				
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases are developed, implemented and monitored.					
5.6.1	Documented plans to mitigate all polluting activities (Cross reference C 5.1)				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	The Environmental Improvement Plan/Pollution Prevention Plan has indicated all significant environmental issues and mitigating measures. Cross reference (C5.1)				
5.6.2	Plans are reviewed annually				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	The latest review for noted on 4/1/13 for Tennamaram estate. All plan was reviewed FY2013/2014. Cross reference (Indicator 5.1.2)				
5.6.3	Monitor and reduce peat subsidence rate through water table management (Within ranges specified in C 4.3)				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Refer to C 4.3				

Principle 6: Responsible Consideration of Employees and of Individuals and Communities by Growers and Millers

Criterion 6.1: Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored to demonstrate continuous improvement.

6.1.1	A documented social impact assessment including records of meetings				Major
Findings	In compliance:	Yes:	X	No:	

Objective evidence:	A Social Impact Assessment (SIA) for Sg Buloh and Bukit Talang estates and Tennamaram POM, which included records of meetings with their external and internal stakeholders, was sighted. The report will be revised every 5 years.				
6.1.2	Evidence that the assessment has been done with the participation of affected parties				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	An attendance list of stakeholders who attended the meetings and minutes of the meetings were attached to the SIA Report for the estates and POM audited.				
6.1.3	A timetable with the responsibilities for mitigation and monitoring is reviewed and updated as necessary				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	It was noted during the audit the Action Plans for 2013 for Sg Buloh and Bukit Talang estates and Tennamaram POM had reviewed and updated mitigation and monitoring program on social issues.				
Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.					
6.2.1	Documented consultation and communication procedures				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Tennamaram POM and the estates used the standard operation procedures (SOP) established by SDPSB for external communication as stated in their Procedure for External Communication. Besides the morning briefings which appeared to be the main channel through which the management communicated policies and information to the workers, meetings, notice boards, letters and memos (written and electronic) were the other means used for communicating with the mill and estate employees.				
6.2.2	A nominated plantation management official at the operating unit responsible for these issues				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Two senior assistant managers had been nominated by the managers of Sg Buloh and Bukit Talang estates and the Mill Engineer for Tennamaram POM to be responsible for these issues for Financial Year 2013/2014.				
6.2.3	Maintenance of a list of stakeholders, records of all communication and records of actions taken in response to input from stakeholders				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Sg Buloh and Bukit Talang estates and Tennamaram POM had maintained an updated list of stakeholders for 2013. Records of communication and actions taken in response to input from internal and external stakeholders were kept in the Communication and Social files and the Complaint Book.				
Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.					
6.3.1	Documentation of the process by which a dispute was resolved and the outcome				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	A standard of procedure for handling complaints and grievances namely the SOP 'Procedure for External Communication', 'Flowchart and Procedure on Handling Social Issues' and 'Flowchart and Procedures on Handling Land Disputes'.had been developed by SDPSB and documented in the Estate/Mill Quality Management Manual. These procedures were followed by the SOU in handling disputes arising from social as well as land issues. In Sg Buloh and Bukit Talang estates and Tennamaram POM complaint and dispute resolution and outcome was recorded in the Complaint Book. In the case of Sg Buloh Estate a Squatters Claim file was also maintained				
6.3.2	The system resolves disputes in an effective, timely and appropriate manner				Minor
Findings	In compliance:	Yes:	X	No:	
Objective	The records in Sg Buloh and Bukit Talang estates and Tennamaram POM showed that the				

evidence:	complaints/disputes were resolved in an effective, timely and appropriate manner. This was confirmed by workers and contractors consulted during the audit who expressed their satisfaction with the action taken by the management.				
6.3.3	The system is open to any affected parties				Minor
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
Objective evidence:	The records in Sg Buloh and Bukit Talang estates and Tennamaram POM showed that the system was open to all affected parties. The Complaint Book was open to all affected parties. An office employee recorded all complaints/grievances and actions taken to overcome them in the book.				

Criterion 6.4: Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

6.4.1	Establishment of a procedure for identifying legal and customary rights and a procedure for identifying people entitled to compensation				Major
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
Objective evidence:	Any legal and customary rights issues raised by neighboring estates and local communities would be assigned to the Land Management Department of SDPSB as stated in their procedures 'Flowchart and Procedures on Handling Land Disputes' and 'Flowchart and Procedure for Handling Boundaries Disputes'. This procedure was applicable to all SDPSB mills and estates. SDPSB had also developed an insurance/compensation scheme for foreign workers as they were not covered by SOCSO.				
6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) is established and implemented. This takes into account gender differences in the power to claim rights, ownership and access to land; and long-established communities; differences in ethnic groups' proof of legal versus communal ownership of land.				Minor
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
Objective evidence:	The compensation procedure had been described in their SOP 'Flowchart and Procedures on Handling Land Disputes' and 'Flowchart and Procedure for Handling Boundaries Disputes'. Compensation on loss of legal rights will be determined by SDPSB headquarters.				
6.4.3	The process and outcome of any compensation claims is documented and made publicly available				Minor
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
Objective evidence:	There was no claim raised against Bukit Talang Estate and Tennamaram POM. There was a squatter problem in Sg Buloh Estate. The action taken was recorded in the file Squatters on Lot 1259 Mukim Api Api.				

Criterion 6.5: Pay and conditions for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.

6.5.1	Documented of pay and conditions				Major
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
Objective evidence:	Pay and conditions were documented and available. Pay and condition for employees had been recorded in their employment contract which followed the CA with NUPW and AMESU. The contract showed basic pay, monthly salary and deductions, attendance incentive, afternoon work, transport allowance, phone allowance, wage rate, work benefits, overtime, annual leave and public holidays. These contracts were renewed every time a worker renewed his/her employment with the estate or mill.				
6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc) are available in the language understood by the workers or explained carefully to them by a plantation management official in the operating unit				Minor
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
Objective evidence:	Contracts of employment detailing payments and conditions of employment were in Bahasa Melayu (Malay). According to the workers consulted during the audit the pay and conditions were				

	explained to them by a member of the staff.				
6.5.3	Growers and millers provide adequate housing, water supplies, medical, educational and welfare amenities in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible (not applicable to smallholders)				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	The provision by SDPSB of housing with adequate water and electricity supplies, medical, educational and welfare amenities (such as the mosque, temple, creche, and playground/recreational facilities for the employees and their children) as in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) was confirmed by workers, staff and union representatives interviewed as well as by visits to the line sites and staff quarters in the estates and POM audited.				
Criterion 6.6: The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.					
6.6.1	Documented minutes of meetings with main trade unions or workers representatives				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Minutes of meetings with representatives of NUPW were recorded and filed in the estates and POM audited.				
6.6.2	A published statement in local languages recognizing freedom of association				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	The freedom of association statement in English and Bahasa Melayu was available in the files as well as displayed on the office notice boards.				
Criterion 6.7: Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education programmes. Children are not exposed to hazardous working conditions.					
6.7.1	Documented evidence that minimum age requirement is met				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	The minimum age requirement was stated in the Social Policy and the policy displayed on the office notice board. No under-aged person (under 18 years of age) was found on the employee master list of all estates and POM audited.				
Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation union membership, political affiliation or age is prohibited.					
6.8.1	A publicly available equal opportunities policy				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	The Social Policy which included a statement on equal opportunities was displayed on the office notice boards in all estates and POM assessed.				
6.8.2	Evidence that employees and groups including migrant workers have not been discriminated against				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	An examination of the contracts of employment detailing payments and conditions of employment showed that no employee or group (including migrant workers) was discriminated against. This was confirmed by workers (local and migrant), staff and union representatives interviewed during the audit.				
Criterion 6.9: A policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.					
6.9.1	A policy on sexual harassment and violence and records of implementation				Major
Findings	In compliance:	Yes:	X	No:	

Objective evidence:	SDPSB had developed a Gender Policy. Displayed on office notice boards and explained to employees, the policy's goal was to prevent sexual harassment and all forms of violence against the company's female employees. Every estate and POM audited had established a gender committee which held meetings twice a year. The committee organized social activities and talks on gender issues. All related records were kept in the Structure and Responsibility – Gender Committee file. As of the date of the audit, no complaints on sexual harassment had been submitted.					
6.9.2	A specific grievance mechanism is established					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	A specific grievance mechanism for handling sexual harassment had been developed by SDPSB and was sighted in the Structure and Responsibility – Gender Committee file. The workings of the mechanism was explained to female employees by members of the Gender Committee. Women interviewed during the audit were aware of the mechanism and they understood the procedures to be followed when submitting complaints related to sexual harassment and violence.					
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.						
6.10.1	Pricing mechanisms for FFB and inputs/services shall be documented					Major
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	Since there was no smallholder sending their FFB to Derawan POM, so this clause was not applicable to them. All FFB was came from Sime Darby's estate.					
6.10.2	Current and past prices paid for FFB shall be publicly available					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	Derawan POM is not sourcing any FFB from outside suppliers including smallholders.					
6.10.3	Evidence that all parties understand the contractual agreements they enter into and that contracts are fair, legal and transparent					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	Based on consultation with supplier/maintenance services company, they are understand on the contract agreement and agree with all the terms. Sample of contractual agreement between Derawan POM and contractors were sighted during audit.					
6.10.4	Agreed payments shall be made in a timely manner					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	The suppliers/contractors of Derawan POM's mentioned that they understand the contracts because they have been servicing the mill since 2008. They usually received their payments in the form of cheques the following month after the job was done usually on 20th day monthly and paid by cheque.					
Criterion 6.11: Growers and millers contribute to local sustainable development wherever appropriate.						
6.11.1	Demonstrable contributions to local development that are based on the results of consultation with local communities					Minor
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	There was no documented evidence to show that management has demonstrate contributions to local development based on the results of consultation with local communities and relevant stakeholders. During audit, auditee at the Derawan POM cannot show any evidence of documented consultation with relevant stakeholders. A Minor NCR MRS05 was raised due to non-conformity of this indicator					

Principle 7: Responsible Development of New Plantings

This whole Principle is not applicable to this assessment as there are no new plantings. The company is only involved in re-planting programme after felling of old palms and there is no plan for expansion.

Principle 8: Commitment to Continuous Improvement in Key Areas of Activity

Criterion 8.1: Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.

8.1.1	Minimize use of certain pesticides (C 4.6)				Major
Findings	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	
Objective	SOU6 CU continued to manage pests, disease, weeds and invasive introduced species using				

evidence:	<p>appropriate IPM techniques. In order to minimize use of Insecticides the estate has established nurseries for beneficial plants mainly <i>Tunera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i>. This was to establish continuity in the planting of beneficial plants</p> <p>The estates were committed to reduce using chemicals and now have implemented and will continue to only grass cut the harvester's path. Only Circles and noxious weeds are sprayed out. By grass cutting the paths, SOU6 not only minimise the use of chemicals but also aim to reduce the growth of noxious weeds. Soft weeds and <i>Nephrolepis bisserata</i> are maintained and encouraged in the interlines.</p> <p>Furthermore Wild oil palm seedling (VPOs) are not sprayed, instead they are manually removed and left to dry out on roadsides thus further reducing chemical usage.</p> <p>SOU6 is committed to continue maintaining soil fertility. POME application would be increase from the 21.4 Hectares to 110 Hectares in 2014. This also ensures that more residues/biomass is recycled in addition to the CU having the policy only to fell/mow down, chip and shred palms and the shredded palms are then , windrowed in the field.</p> <p>Erosion and degradation of soils continue to be minimised/prevented by SOU6. In the replants SOU6 is committed and continued to plant <i>Mucuna bracteata</i> and cover crops. Improvement to water management is in place by having program to increase the number of waters pumps and to construct more water gates and weirs. This is supported and evident in SOU6's CAPEX budget.</p>				
8.1.2	Environmental impacts (C 5.1)				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	The mill and estates reviewed the environmental aspect and impact based on different activity yearly. Each activity will be rated according different impact such as land contamination or water pollution.				
8.1.3	Maximizing recycling and minimizing waste or by-products generation				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Biomass production such as fibre, shell and empty fruit bunch is available in Derawan POM. Most of the fibre and shell will be used for the renewable energy generation-steam turbine for the CPO production while the EFB will send to their own estate used for mulching.				
8.1.4	Pollution prevention plans (C 5.6)				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Pollution prevention plan is available and been reviewed annually (cross reference C5.1) for the mill and both estates. Inspection on site show that the suggested action plan for the environmental issue have been carried out. Derawan POM has maintained the CEMS smoke stack monitoring as well as the other requirements in "Jadual Pematuhan".				
8.1.5	Social impacts (C 6.1)				Major
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	The estates are regularly having communication with their internal and external stakeholders through their regular meetings. Additionally, they have also documented meetings for the Gender committee, Joint consultative committee meeting that includes the Safety and Health meetings.				
8.1.6	A mechanism to capture the performance and expenditure in social and environmental aspects				Minor
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Before their yearly budget, meetings will be held among the staff and representatives to raised issues that need to be considered in the next financial year.				

Module D: Segregation

Module D.1: Documented Procedures
Criterion D.1.1: The facility shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements.

D.1.1.1	Complete and up to date procedures covering the implementation of all the elements in these requirements				
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Tennamaram POM has documented the up to date procedures- Standard Operating Procedures (SOP) for Traceability and RSPO Supply Chain Certification System Version : 1, Issue No : 1 e/d March 2013.				
D.1.1.2	The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements				
Verifiers and guidance:					
This person shall be able to demonstrate awareness of the facilities procedures for the implementation of this standard.					
Findings	In compliance:	Yes:		No:	
Objective evidence:	The appointed personnel for the monitoring of SCCS – Mill engineer				
Criterion D.1.2: The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.					
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	The procedures on 'Purchasing and Goods in', Processing, Sales and Good out and 'bulking Installations' states the controls to prevent the mixing and contamination of non-certified Palm oil and residue oil found in the tanker.				

Module D.2: Purchasing and Goods In						
Criterion D.2.1: The facility shall verify and document the volumes of certified and non-certified FFBs received.						
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	The Tennamaram mill receives supply from its own supplying Estates - Tennamaram, Sungai Buloh and Bukit Talang (which are all certified). The mill records all volumes of certified FFB received. Sighted records of FFB Tones received from respected supplying estates.					
Criterion D.2.2: The facility shall inform the CB immediately if there is a projected overproduction.						
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	There is no overproduction as they have the internal monitoring and reporting mechanism in place. CPO & PK oil production sheet sighted.					

Module D.3: Record Keeping						
Criterion D.3.1: The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements.						
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	The following Weighbridge Tickets, FFB Consignment Notes, FFB Receive Notes, CPO/PK Dispatch Notes, MPOB L3 forms, CPO / PK Dispatch Authorization notes. Records are retained for 5 years. Sighted evidence for Sept, Oct & Nov – 2013. Reviewed the practice.					
Criterion D.3.2: Retention times for all records and reports shall be at least five (5) years.						
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	All records and reports are achieved and stored for 5 years as indicated in the SOP. Sighted and checked the records archive room					
Criterion D.3.3: The facility shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO, PKO and palm kernel meal on a three-monthly basis.						
Findings	In compliance:	Yes:	X	No:		
Objective evidence:	The weighbridge ticket and delivery note record the sources and weight of all the RSPO certified FFB.FFB intake Monthly crop report indicates the source of estate, FFB, sighted for Sept, Oct & Nov, 2013. PO and PK production records for Sept, Oct & Nov – 2013 sighted. Receipts are all from certified estates and deliveries of CPO and PK are certified although no claim and sales are made					
Criterion D.3.4: The following trade names should be used and specified in relevant documents (e.g. purchase and sales contracts. *product name*/SG or Segregated). The supply chain model used should						

be clearly indicated.					
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	To date, there is no any sale of RSPO certified product yet.				

Module D.4: Sales and Good Out					
Criterion D.4.1: The facility shall ensure that all sales invoices issued for RSPO certified products delivered include the following information:					
a) The name and address of the buyer b) The date on which the invoice was issued c) A description of the product, including the applicable supply chain model (Segregated) d) The quantity of the products delivered e) Reference to related transport documentation					
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	To the date, there is no any transaction for RSPO certified material yet.				

Module D.5: Processing					
Criterion D.5.1: The facility shall assure and verify through clear procedures and record keeping that the RSPO certified palm oil is kept segregated from non-certified material including during transport and storage and be able to demonstrate that is has taken all reasonable measures to ensure that contamination is avoided. The objective is for 100% segregated material to be reached. The systems should guarantee the minimum standard of 95% segregated physical material; up to 5% contamination is allowed.					
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Tennamaram POM only receives FFB from the certified estates. CPO & PK processing and storage are maintained where RSPO integrity is maintained. Checking protocol for incoming tankers of residue oil which may jeopardize the RSPO integrity are in place.				
Criterion D.5.2: The facility shall provide documented proof that the RSPO certified palm oil can be traced back to only certified segregated material.					
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	As to date, there is no transaction of RSPO segregated certified products. The weight bridge ticket and monthly crop report able to trace back to certified (segregated) material.				
Criterion D.5.3: In cases where a mill outsource activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to separately certified. The mill has to ensure that:					
a) The crush operator conforms to these requirements for segregation					
b) The crush is covered through a signed and enforceable agreement					
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Tennamaram POM do not outsource their kernel crushing activities the Palm Kernel is sold as Kernels They sell their Palm Kernel to Kernel Crushing Plant				

Module D.6: Training					
Criterion D.6.1: The facility shall provide the training for all the staff as required to implement the requirements of the Supply Chain Certification System.					
Findings	In compliance:	Yes:	X	No:	
Objective evidence:	Supply Chain Certification System training provided on 1 st August, 2013 – Sighted Training Profile and Training Attendance records.				

Module D.7: Claims					
Criterion D.7.1: The facility shall only make claims regarding the use of or support of RSPO certified palm oil that are in compliance with the RSPO Rules for Communication and Claims.					

Findings	In compliance:	Yes:	X	No:	
Objective evidence:	SOU 6 Tennamaram POM has not made any claims yet. The RSPO Trademark License Number for Sime Darby Plantation Sdn Bhd is C819143CU-RSPO-01.2011				

i) Noteworthy Positive Observations

SOU 06 had improvement made to their RSPO implementation. This can be seen from physical improvement of housing and related amenities condition, use of cover crops instead of herbicides, as well as chemical and wastes storage area including the changing room for the sprayers.

With the new housing complex at Tennamaram CU shows the management of Sime Darby Plantation committed to contributes for the welfare and upgrading of their staff and workers accommodation.

The level of awareness among the workers on the RSPO implementation has also improved. They are able to explain not only the operating procedure related to their work but also the impact of its deviation, the consequence for not following them and the importance in achieving conformity to the RSPO requirements.

Commitment from top management on the RSPO implementation is also evident during the assessment.

B. DETAILS OF NON-CONFORMITY REPORT :

Total no. of minor NCR(s) : 4 List : MH2, ZE01, MBH1, MBH2

Total no. of major NCR(s) : 5 List : MH1, MH3, MH4, MH5, MBH3

RSPO P & C SURVEILLANCE AUDIT REPORT

D. AUDIT CONCLUSION

Tennamaram CU has progressively maintained the implementation of RSPO P&C certification in accordance with the requirements of the standard and also to the organization's documented procedures. Positive observation was also noted during the audit on the improvement of housing and related amenities condition, the use of cover crops instead of herbicides, as well as IPM implementation. Awareness on the RSPO generally has been improved since the last audit. However further improvements are required with regards to legal, environmental and social issues for the betterment of the RSPO P&C certification as highlighted in the NCR reports. Refer appendix F.

E. RECOMMENDATION

☐

No NCR recorded. Recommended to continue certification.

☒

Minor NCR(s) recorded. Recommended to continue certification conditional upon acceptance of corrective action plans within 1 month of the date of this audit.

Note: Minor NCRs raised in the audit which are not addressed in the subsequent audit shall be upgraded to major NCRs .

☒

Major NCR(s) recorded. Proposed corrective action and evidence of implementation within 2 months of the date of this audit to be submitted to SIRIM QAS International Verification on major NCRs is required :

☐

On-site audit of the following areas is recommended within 2 months (if applicable)

☒

On-site audit not required. Records of implementation of corrective action to be submitted for verification.

Note: The major NCRs raised during surveillance audit shall be addressed within 60 days or certificate shall be suspended. Major NCRs which are not addressed within a further 60 days shall result in the certificate being withdrawn.

F STATUS OF NON CONFORMITIES RAISED IN SURVEILLANCE AUDIT


Clause	Non conformity	Corrective Action Submitted	Status
Indicator 2.1.1 - Evidence of compliance with legal requirements (MAJOR) NCR# MH1	Evidence of compliance with legal requirements i) Factory & Machinery (Person In Charge) Regulation 1970 - Regulation 5(7)(ii) ; Boiler heating surface > 25,000 ft ²	i) Mill plan to submit the application letter for sitting the 1st Grade Boiler Driver by end of Jan 2014 and then waiting approval from DOSH for the exa	Evidence to be submitted : i) Application letter to DOSH for the 1 st grade boilerman examination with filled JKJ115 (application form) with DOSH acceptance Letter to DOSH dated 15/1/14 attached with JKJ115 form.

	<p>ii) Factory & Machinery (Noise Exposure) Regulation 1989 - Section 12 ; to conduct additional monitoring within 6 month of such changes in production, process, equipment etc...</p> <p>Section 27 ; shall institute a training programme (hearing conservation programme) for all employees exposed to noise level at or above action level and shall repeated at least once in every 2 years</p>	<p>ii)- There was positive noise exposure monitoring conducted on August 2011 done by Orang Yang Kompeten Cyril Prabahar A/L Gunasakaran (JKKP HIE 127/5/3-1(NO.85))</p> <p>- Mill will conducted own hearing conservation programme follow by the training from Doktor Kesihatan Pekerjaan</p>	<p>Verified DOSH acceptance.</p> <p>Status of corrective action taken will be verified in the next audit</p> <p>Status : Close</p> <p>ii) Latest additional exposure monitoring was last conducted in 2012. PO awarded to Exsolpro Sdn Bhd to conduct noise monitoring. Refer PO number 4300223589 dated 3/2/14.</p> <p>Internal training for hearing conservation programme was carried out on 29/1/14 by internal trainer from PSQMESH. Verified internal training module.</p> <p>PO awarded to Procoma Environmental (M) Sdn Bhd to conduct audiometric testing together with hearing conservation programme. Refer PO number 4300223591 dated 3/2/14.</p> <p>Full report of noise exposure and hearing conservation programme will be verified in the next audit.</p> <p>Status : Close</p> <p>iii) Re-designed of LEV stack by engineering consultant. Stack design in accordance to MS1596:2003. Refer PO no 4300223857 dated</p>
	<p>iii) OSHA 1994 – USECHH Regulations 2000 – Section 18 : Design, construction and commissioning of LEV equipment</p>	<p>iii) Mill will design back the LEV according to MS 1596:2003 and then will be approved by PE.</p>	
	<p>iv) Workers Minimum Standard of</p>	<p>iv) Linesite inspection will be</p>	

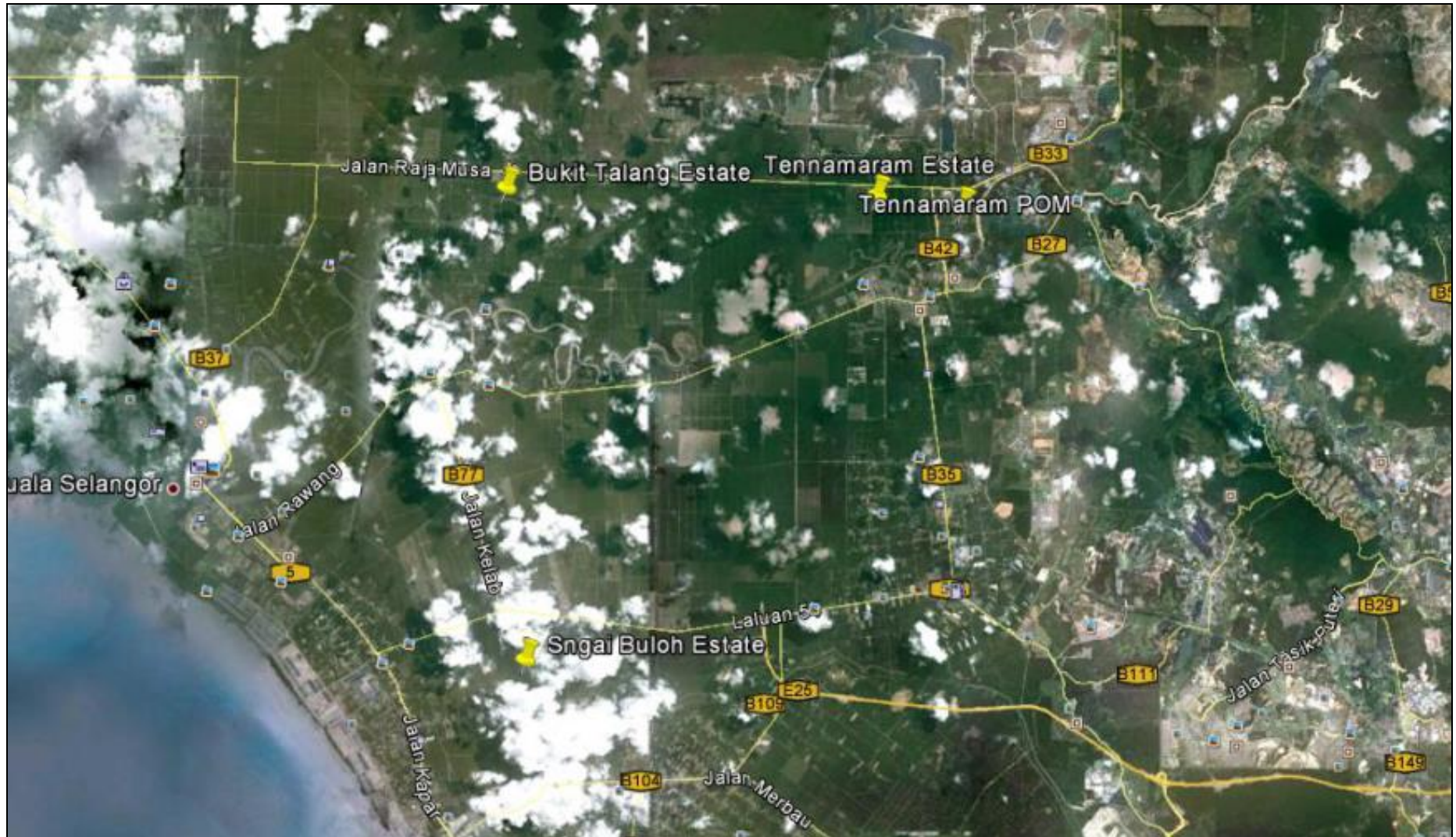
	<p>Housing and Amenities Act 1990 - Section 23(2) weekly line site inspection</p> <p>v) Environment Quality Act 1967, Scheduled Waste Regulations 2005 - Regulation 11 : Accurate and updated inventory, Regulation 9(5) : Storage of scheduled waste < 180 days</p>	<p>carried out on weekly basis.</p> <p>v) Scheduled waste inventory will be updated for all scheduled waste generated and recorded accordingly.</p> <p>vi) Scheduled waste inventory will be updated for all SW generated and recorded accordingly. Mill will dispose all SW within the storage period.</p>	<p>11/2/14.</p> <p>Complete LEV installation will be verified in the next assessment.</p> <p>Status : Close</p> <p>iv) Line inspection schedule and inspection records.</p> <p>Record of weekly inspection for month of January 2014 was verified with 2014 linesite inspection schedule.</p> <p>Status : Close</p> <p>v) Updated and latest inventory list. Inventory records (5th schedule) for January 2014 was verified.</p> <p>Status : Close</p> <p>vi) SW inventory with disposal records (5th, 6th and 7th schedule) was verified. The use of E-CN was sighted. Evidence found to be adequate.</p> <p>Status : Close</p>
<p>Indicator 2.1.4 – A system for tracking any changes in the law</p> <p>(MINOR)</p> <p>NCR# MH2</p>	<p>No changes and updates incorporated in the legal register QSHE/04/5.2.4 at all operating units.</p> <p>i) Environment Quality Act 1974, 49A on competence person (amendment 2012)</p> <p>ii) Code of Practice Confined Space 2010</p> <p>iii) Enakmen Lembaga Urus Air Selangor,</p> <p>iv) Estate Hospital Assistant (Registration) Act 1965</p> <p>v) FMA 1967, Person In Charge Regulations, 1970 - Regulation 5(7)(ii)</p> <p>vi) Workers Minimum Standard of Housing and Amenities Act 1990 - Section 19(3) VMO visit every fortnightly & section</p>	<p>PSQM will update the Legal & Other Requirement Register (LORR) with the latest legislation. Estates and Mill will check on the compliance status related to individual requirements.</p>	<p>Status of corrective action taken will be verified in the next audit.</p> <p>Status : Close</p>

	23(2) weekly line site inspection		
<p>Indicators 4.7.1 – Evidence of documented Occupational Safety and Health (OSH) plan which is in compliance with OSH Act 1994 and Factory and Machinery Act 1967(Act 139)</p> <p>(MAJOR)</p> <p>NCR #MH4</p>	<p>Evidence of documented Occupational Safety and Health (OSH) plan which is in compliance with OSH Act 1994 and Factory and Machinery Act 1967(Act 139)</p> <p>a) HIRARC for the new operation has yet to be established for - New methane capturing project @ biogas plant including the flaring unit at Tennamaram POM (operation and maintenance) - New sewage Treatment plant at Tennamaram estate complex.</p> <p>b) There was no Emergency Response Plan (ERP) established for the explosion of biogas plant.</p>	<p><u>Tennamaram Mill</u></p> <p>Mill will liaise with Engineering Department for the SOP and then come out with the HIRARC and ERP</p> <p><u>Tennamaram Estate</u></p> <p>TE will update the HIRARC for new sewage treatment plant at TE complex.</p>	<p>Corrective action is accepted.</p> <p>HIRARC for Biogas operation has been documented. HIRARC has covered about provision of hot work, working at height as well as operational condition at biogas plant.</p> <p>Emergency response plan for biogas plant has been established. ERP for Methane leakage, Biogas digester tank explosion and under fire.</p> <p>HIRARC for Sewage treatment has been established. Covered most of the activities.</p> <p>Status : Close</p>
<p>Criterion 4.1 & Indicator 4.1.1: Documented Standard Operating Procedures (SOP) for estates and mill.</p> <p>(MAJOR)</p> <p>NCR# MH3</p>	<p>Documented Standard Operating Procedures (SOP) for estates and mill.</p> <p>Finding :</p> <p>i) The mechanism for identifying the relevant SOPs for the new Biogas Plant is not effective.</p> <p>ii) Section 9, 3.1 of the Agricultural Reference Manual (ARM) on pruning of palms was not complied with.</p> <p>Objective evidence :</p> <p>i) SOP @ Safe working procedure for biogas @ methane capturing plant and flaring unit was not established.</p> <p>ii) Palms in Field 2002 & 2004 in Sungai Buloh Estate carried many fronds below the lowest fruit bunch. Fronds that were nicked were not pruned resulting in large numbers of hanging fronds.</p>	<p><u>Tennamaram Mill</u></p> <p>i) Mill will liaise with Engineering Department for the SOP</p> <p><u>Sg Buloh Estate</u></p> <p>ii) Pruning Operation in progress at field 2002</p>	<p>Corrective action is accepted.</p> <p>Draft SOP was verified . Biogas Plant Manual Operation, SOP version:1, issue:1 dated 31/12/11</p> <p>Complete SOP will be established after completion of the Biogas Project. Refer meeting minute of Biogas Kick-Off Meeting dated 28/1/14</p> <p>Status : Close</p> <p><u>Sg Buloh Estate</u></p> <p>Evidence of pruning operation at field 2002 and 2004.</p> <p>Pruning programme</p>

			and records were verified. Evidence found to be adequate. Status : Close
Indicator 5.1.1 : Documented aspects and impacts risk assessment that is periodically reviewed and updated NCR# MH5 MAJOR	The documented aspects and impacts risk assessment is not adequately reviewed and updated. Objective evidence: EAI was not adequately covered activities for: i) Biogas @ methane capturing plant at Tennamaram POM. ii) New sewage treatment plant at Tennamaram estate complex.	<u>Tennamaram Mill</u> Mill will liaise with Engineering Department for the SOP and then come out with the EAI <u>Tennamaram Estate</u> TE will update EAI for new sewage treatment plant at TE complex	Corrective action is accepted. EAI for Biogas Operation has been developed. Operation of biogas tank and flaring unit under normal situation, abnormal and emergency has been identified. EAI for sewage treatment plant has been established. Evidence found to be adequate. Status : Close
Indicator 6.11.1 : Demonstrable contributions to local development that are based on the results of consultation with local communities NCR# ZE01	There was no evidence of Tennamaram POM's contributions to local community development. Objective evidence: In 2013 , Tennamaram POM organized three social activities, but all of them were for its employees only.	Mill will communicate with Tennamaram Estate for the next CSR.	Corrective action is accepted. This will be verified in the next audit. Status : Close
Criterion 4.8: All staffs, workers, smallholders and contractors are appropriately trained Indicator 4.8.1 (MAJOR) NCR# MBH3	Understanding and appreciation of HCV principles and management of identified areas were generally found insufficient. Objective evidence : In-house training on biodiversity was conducted on 11 January 2013 with 11 company-wide attendance. There was no record of any repeat of such course to date	<u>Tennamaram Estate, Sg Buloh Estate, Bukit Talang Estate</u> Biodiversity training will be conducted by every estate in SOU 6 to create awareness among staff and workers on HCV areas. Email have already been sent to PSQM Department to request for training.	Corrective action is accepted. Pending for evidence submission. HCV training was carried out on 29/1/14 and trained by PSQM representative (Social and Environment Project Unit) Verified training module and records of training. Status : Close
Indicator 5.2.3 : Evidence of a commitment to	The number of signages to discourage illegal activities as however insufficient and did not cover strategic areas for	<u>Tennamaram Estate, Sg Buloh Estate, Bukit Talang Estate</u>	Corrective action is accepted. This will be verified in the next audit.

discourage any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts NCR# MBH2 MINOR	clear sighting by any trespassing public. Objective evidence : All operating unit has insufficient signages to discourage illegal activities and was not cover the strategic areas	All OUs will install sufficient signage at strategic location for clear sighting by any trespassing public.	Status : Closed
Indicator 4.1.2 : Records of monitoring and the actions taken are maintained and kept for a minimum of 12 months NCR# MBH1 MINOR	Monitoring on areas identified in the Biodiversity Management Plan was conducted but no reports were seen for auditors to verify Objective evidence : i) Maintenance of boundaries, catchments, cemeteries and tree biodiversity planting areas were not made available at time of assessment	<u>Tennamaram Estate, Sg Buloh Estate, Bukit Talang Estate</u> Biodiversity areas especially boundaries, catchments, cemeteries and tree biodiversity planting areas will be monitor and recorded in the file.	Corrective action is accepted. This will be verified in the next audit. Status : Closed
G. IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN HAVE BEEN SATISFACTORILY VERIFIED. RECOMMENDED FOR CERTIFICATION.			
<div> <div> Audit Team Leader : Mohamed Hidhir Zainal Abidin </div> <div>  </div> <div> 7/5/2014 </div> </div> <div> <div>(Name)</div> <div>(Signature)</div> <div>(Date)</div> </div>			

Location Map of Tennamaram CU in Selangor, Malaysia



RSPO SURVEILLANCE ASSESSMENT PLAN

1. Objectives

The objectives of the assessment are as follows:

- (i) To determine Sime Darby Plantation Sdn Bhd Certification Unit (SOU6) conformance against the RSPO Principles & Criteria Malaysian National Interpretation (MYNI) and RSPO Supply Chain Certification Standard
- (ii) To verify the effective implementation of corrective actions arising from the findings of last assessment.
- (iii) To make appropriate recommendations based on the assessment findings.

2. Date of assessment : 3rd to 6th December 2013

3. Site of assessment : Kilang Kelapa Sawit Tennamaram, K/B No. 211,
45600 Batang Berjuntai
Selangor Darul Ehsan, Malaysia

4. Reference Standard

- a. RSPO P&C MYNI:2008
- b. RSPO Supply Chain Standard (November 2011)
- c. Company's audit criteria including Company's Manual/Procedures

5. Assessment Team

- a. Lead Assessor : Mohamed Hidhir Zainal Abidin
- b. Assessor : Dr Zahid Emby
Prof Basri
Selvasingam T Kandiah
- c. Trainee auditor : Jagathesan S

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

7. Audit Method

Site audits including observation of practices, interviews with interested parties (employees, nearby population, etc.), documentation evaluation and evaluation of records.

9. Confidentiality Requirements

SIRIM QAS International shall not disclose any information concerning the company regarding all matters arising or coming to its attention with the conduct of the programme, which is of confidential in nature other than information, which is in the public domain.

In the event that there be any legal requirements for disclosing any information concerning the organization, SIRIM QAS International shall inform the organization of the information to be disclosed.

10. Working Language : English and Bahasa Malaysia

11. Reporting

- | | | | |
|----|------------------------|---|-----------------------------------------|
| a) | Language | : | English |
| b) | Format | : | Verbal and written |
| c) | Expected date of issue | : | Sixty days after the date of assessment |
| d) | Distribution list | : | client file |

12. Facilities Required

- a. Room for discussion
- b. Relevant documents and records
- c. Personnel protective equipment if required
- d. Photocopy facilities
- e. Amplifier facility should meeting be held in large audience
- f. A guide for each group

13. Assessment Programme Details : As follow:

Day One: 3rd December 2013 (Tuesday)

Activities /areas to be visited	Hidhir & Jagathesan	Dr Zahid	Selvasingam	Prof Basri	Auditee
0900-0915	Opening Meeting, audit team introduction and briefing on audit objectives, scope, methodology, criteria and programmes by audit team leader at Tennamaram POM .				Top mgmt & Committee Member
0930-1000	Briefing on the organization implementation of RSPO (including action taken to address main assessment findings) and update on time bound plan progress				Management Representative
1000-1300	<p>Site visit and assessment at Tennamaram POM relating to Good Milling Practices, environmental aspects and management plan and implementation of occupational safety and health</p> <ul style="list-style-type: none"> • Loading Ramp • Production area • Utilities e.g. engine room, boiler, WTP and ETP etc. • Laboratory • Workshop • Management of contractors • Interview with safety and health committee • Safety and health plan • Waste mangement (hazardous, domestic and biomass waste) • Pollution prevention plan • Energy and water consumption • Water management plan • Commitment to transparency • Laws and regulations • Commitment to long-term economic and financial viability • Continuous Improvement Plan • Verification of previous audit finding 	<p>Site visit and assessment at Sg Buloh Estate relating to, local community and workers issues. Verification of SIA and management plans</p> <ul style="list-style-type: none"> • Interviews with Administration staff Union representatives and FFB transporters. • Discussion with management (CSR, community affairs) • Consultation with relevant government agencies, if applicable • Facilities at workplace (rest area etc) • Visit line site and discussion with Workers and dependents • Facilities at living quarters (surau, provision shop, crèche, etc) • Visit and discussion with surrounding local community and contractors • Commitment to transparency • Laws and regulations • Commitment to long-term economic and financial viability • Continuous Improvement Plan • Verification of previous audit finding 	<p>Site visit and assessment at Bukit Talang Estate relating to Good Agricultural Practice including IPM</p> <ul style="list-style-type: none"> • Nursery (if any) • Good Agricultural Practice • Witness activities & assessment at site (weeding/ spraying/ harvesting/ other maintenance activities) • IPM programme • EFB mulching • Soil erosion management • Commitment to transparency • Laws and regulations • Commitment to long-term economic and financial viability • Continuous Improvement Plan • Verification of previous audit finding • Water management programme on peat areas. <p>Assessment on related Indicators of P1, P2,P3, P4, P5, P8</p>	<p>Site visit and assessment at Tennamaram Estate relating to estates boundary, HCV, and management plans</p> <ul style="list-style-type: none"> • Conservation area management • Riparian Buffer Zone • Water bodies and river system • Plantation on hilly and swampy area (if any) • Consultation with relevant government agencies, if applicable • Commitment to transparency • Verification of land title and boundary stone • Laws and regulations • Commitment to long-term economic and financial viability • Continuous Improvement Plan • Verification of previous audit finding <p>Assessment on related Indicators of P1, P2,P3, P4, P5, P8</p>	Guide/PIC

	Assessment on related Indicators of P1, P2, P3, P4, P5, P8	Assessment on related Indicators of P1, P2, P3, P6 & P8			
1300-1400	Lunch Break				
1400-1700	Continue assessment	Continue assessment	Continue assessment	Continue assessment	Relevant PIC

Day Two: 4th December 2013 (Wednesday)

Activities /areas to be visited	Hidhir & Jagathesan	Dr Zahid	Selvasingam	Prof Basri	Auditee
0900-1300	Continue on unfinished element	<p>Site visit and assessment at Bukit Talang Estate relating to, local community and workers issues. Verification of SIA and management plans</p> <ul style="list-style-type: none"> Interviews with Administration staff Union representatives and FFB transporters. Discussion with management (CSR, community affairs) Consultation with relevant government agencies, if applicable Facilities at workplace (rest area etc) Visit line site and discussion with Workers and dependents Facilities at living quarters (surau, provision shop, crèche, etc) Visit and discussion with surrounding local community and contractors Commitment to transparency 	<p>Site visit and assessment at Tennmaram Estate relating to Good Agricultural Practice including IPM</p> <ul style="list-style-type: none"> Nursery (if any) Good Agricultural Practice Witness activities & assessment at site (weeding/ spraying/ harvesting/ other maintenance activities) IPM programme EFB mulching Soil erosion management Commitment to transparency Laws and regulations Commitment to long-term economic and financial viability Continuous Improvement Plan Verification of previous audit finding <p>Assessment on related</p>	<p>Site visit and assessment at Sg Buloh Estate relating to estates boundary,HCV, and management plans</p> <ul style="list-style-type: none"> Conservation area management Riparian Buffer Zone Water bodies and river system Plantation on hilly and swampy area (if any) Consultation with relevant government agencies, if applicable Commitment to transparency Verification of land title and boundary stone Laws and regulations Commitment to long-term economic and financial viability Continuous Improvement Plan Verification of previous audit finding 	Guide/PIC

		<ul style="list-style-type: none"> • Laws and regulations • Commitment to long-term economic and financial viability Continuous Improvement Plan	Indicators of P1, P2,P3, P4, P5, P8	Assessment on related Indicators of P1, P2,P3, P4, P5, P8	
1300-1400	Lunch Break				
1400-1700	Site visit and assessment at Tennamaram POM relating to Supply Chain implementation including the model used <ul style="list-style-type: none"> • General Chain of Custody System Requirements for the supply chain • Documented procedures • Purchasing and goods in • Outsourcing activity • Sales and goods out • Processing • Records keeping • Registration • Training • Claims • Mass balance accounting 	Verification of previous audit finding Assessment on related Indicators of P1, P2, P3, P6 & P8	Continue assessment	Continue assessment	Guide/PIC

Day Three: 5th December 2013 (Thursday)

Activities /areas to be visited	Hidhir & Jagathesan	Dr Zahid	Selvasingam	Prof Basri	Auditee
0900-1300	<p>Site visit and assessment at Tennmaram Estate relating to environmental aspects and management plan</p> <ul style="list-style-type: none"> Water bodies River system Soil erosion management Interview with stakeholders and relevant government agencies, if applicable Waste management at field and line site including scheduled wastes Estate facilities such as agrochemical store, workshop, generator set, clinic, etc. Commitment to transparency Laws and regulations Commitment to long-term economic and financial viability Continuous Improvement Plan <p>Assessment on related Indicators of P1, P2,P3, P4, P5, P8</p>	<p>Site visit and assessment at Tennamram POM on responsible social considerations</p> <ul style="list-style-type: none"> Interviews with Administration staff , Safety Committee, FFB Suppliers, contractors and Union representatives Discussion with management (CSR, community affairs) SIA and management plan Facilities at workplace Consultation with relevant government agencies (if applicable) Pricing mechanism of FFB Continuous Improvement Plan Other areas identified during the assessment <p>Assessment on related indicators of P1, P2, P3, P6, P8</p>	<p>Site visit and assessment at Sg Buloh Estate relating to Good Agricultural Practice including IPM</p> <ul style="list-style-type: none"> Nursery (if any) Good Agricultural Practice Witness activities & assessment at site (weeding/ spraying/ harvesting/ other maintenance activities) IPM programme EFB mulching Soil erosion management Commitment to transparency Laws and regulations Commitment to long-term economic and financial viability Continuous Improvement Plan Verification of previous audit finding <p>Assessment on related Indicators of P1, P2,P3, P4, P5, P8</p>	<p>Site visit and assessment at Bkt Talang Estate relating to estates boundary,HCV, and management plans</p> <ul style="list-style-type: none"> Conservation area management Riparian Buffer Zone Water bodies and river system Plantation on hilly and swampy area (if any) Consultation with relevant government agencies, if applicable Commitment to transparency Verification of land title and boundary stone Laws and regulations Commitment to long-term economic and financial viability Continuous Improvement Plan Verification of previous audit finding <p>Assessment on related Indicators of P1, P2,P3, P4, P5, P8</p>	Guide/PIC
1300-1400	Lunch Break				
1400-1700	Continue assessment	Continue assessment	Continue assessment	Continue assessment	Guide/PIC

Day Four: 6th December 2013 (Friday)

Activities /areas to be visited	Hidhir & Jagathesan	Dr Zahid	Selvasingam	Prof Basri	Auditee
0830-930	Verification on outstanding issues for Tennamaram Certification Unit at Tennamaram POM				Guide/PIC
930-1030	Audit Team discussion, preparation on audit findings and issuance of NCR (if any)				Audit team member
1100-1230	Closing meeting at Tennamaram POM for SOU 32 & 33 – presentation of Tennamaram Certification Unit assessment findings				Top mgmt & Committee Member
1230	End of assessment				

VERIFICATION ON PREVIOUS ASSESSMENT

P & C, Indicator	Previous Assessment Findings	Verification by Assessor	Status
Indicator 2.1.1 NCR# VS01	Some evidence of compliance with requirements of Pesticides (Highly Toxic Pesticides) Regulations 1996 was not found. The following requirements of Pesticides (Highly Toxic Pesticides) Regulations 1996 have yet to be fulfilled: 1) Regulation 3. Prohibition (Bukit Talang) 2) Regulation 4. Maintenance of records (Bukit Talang & Sg. Buloh) Regulation 11. Medical examination (Bukit Talang)	Verification by GAP auditor to the respective site and estate. Implementation of the requirement was sighted at the visited site.	Closed
Criterion 6.1 NCR# ZE01	Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement. As pointed out in the last surveillance audit, Tennamaram POM and its relevant stakeholders were not included in the preparation of the SIA report for SOU 6 and thus the mill was not able to prepare a mitigation plan (NCR # RM 01). No action has been taken to remedy the situation.	Verified by the Social auditor at all visited site. Overall implementation has been improved.	Closed
Indicator 6.2.1 NCR # ZE02	No consultation and communication procedures were sighted at Tennamaram Estate.	Verified by the Social auditor at all visited site. Overall implementation has been improved.	Closed
Indicator 6.6.1 NCR # ZE03	A file containing minutes of meetings with trade union representatives is sighted. However in one estate the last meeting convened was in 2007. An OFI has already been raised on this issue in the last surveillance audit. The last meeting with union representatives in Tennamaram Estate was convened on 23 March 2007 as verified by the minutes of the meeting recorded.	Verified by the Social auditor at all visited site. Overall implementation has been improved.	Closed

P & C, Indicator	Previous Assessment Findings	Verification by Assessor	Status
Indicator 6.11.1 NCR# ZE04	No record of consultations with local communities was sighted at Tennamaram Estate, Sungai Buloh Estate and Tennamaram POM. The limited contributions to local communities are made on an ad-hoc basis.	Inconsistent implementation was sighted at Tennamaram POM however improved at the other visited estates.	Re-issue under minor indicator 6.11.1 specific for the Tennamaram POM