



SIRIM QAS INTERNATIONAL SDN. BHD.
Building 4, SIRIM Complex, No. 1, Persiaran Dato' Menteri,
Section 2, 40700 Shah Alam, Selangor, Malaysia.

File Ref. : ES10170013

**RSPO PUBLIC SUMMARY REPORT
RECERTIFICATION AUDIT**

CLIENT : SIME DARBY PLANTATION SDN. BHD. – SERI INTAN STRATEGIC OPERATING UNIT

TYPE (MILL, ESTATE AND MILL ETC): Estate and Mill

**LOCATION (MAP AND GPS), MILL AND/OR HECTARAGE: See Attachment 1
(In the case of multisite certification, list additional sites in attachments) :**

Certification Unit	Mill / Estate	Location		
		Latitude	Longitude	Address
SOU 5 – Seri Intan	Seri Intan POM	3°58'9.22"N	100°59'8.01"E	Kilang Kelapa Sawit Seri Intan, Bt.5 Jln. Maharaja Lela,36009 Teluk Intan, Perak
	Seri Intan Estate (Main Div.)	3°58'13.34"N	100°58'48.51"E	Seri Intan Estate, 36009 Teluk Intan, Perak
	Sabrang Estate	3°58'35.70"N	100°58'26.02"E	Sabrang Estate 36009, Teluk Intan, Perak.
	Sungai Wangi Estate	4°14'33.2"N	100°42'50.6"E	Ladang Sungei Wangi,32000 Sitiawan, Perak
	Sogomana Estate (Main Div.)	4°4'N	100°7'E	Ladang Sogomana, 32500, Changkat Kruing, Perak

AUDIT DATE : 19-22 January 2016

DURATION : 12 auditor days

STANDARD :

- (a) National Interpretation of RSPO Principles and Criteria For Sustainable Palm Oil Production, 2014.
- (b) RSPO Supply Chain Standard, 2014

SCOPE OF REGISTRATION (specify sites, tonnages and/or approved processes) :
Production of Crude Palm Oil and Palm Kernel Using Identity Preserved (IP) Model

NO. OF EMPLOYEES (Applicable to the scope of activities audited) : 1,110

The following attachments form part of this report:

Non-conformity Report(s)

List of additional site(s)

Report by Audit Team Leader

Name : Khairul Najwan Ahmad Jahari

Signature :

Date : 24 May 2016

Acknowledgement by Client's Representative

SIME DARBY PLANTATION SDN BHD
SERI INTAN PALM OIL MILL

Name :

Signature :

Date :

CHEOK SING CHIA
MILL MANAGER

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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
CU	Certification Unit
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 Organisation for Standardisation
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	Malaysia National Interpretation
MYNI – WG	Malaysia National Interpretation – Working Group
NADOOPOD	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

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PTW	Permit To Work
QMS	Quality Management System
RSPO	Roundtable on Sustainable Palm Oil
SDPSB	Sime Darby Plantation Sdn Bhd
SIA	Social Impact Assessment
SOCISO	Social Security Organisation
SOP	Standard Operating Procedure
SOU	Strategic Operating Unit
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
VOPS	Voluntary Oil Palm Seedlings
WWF	World Wide Fund for Nature

1.0 Description of the organisation

This report contained the information regarding the recertification audit which was conducted in one of the Strategic Operating Unit (SOU) of Sime Darby Plantation Sdn. Bhd. (SDPSB), i.e. Seri Intan Strategic Operating Unit (SOU) also known as SOU 5. Seri Intan certification unit (Seri Intan CU) was initially certified by Control Union Certification on 3rd March 2011. The certificate was transferred to SIRIM QAS International Sdn Bhd (hereafter referred to as SIRIM QAS Intl.) in 2012, and the certificate is valid until 2nd March 2016.

The Seri Intan CU comprises of the Seri Intan Palm Oil Mill (Seri Intan POM) and four supply base i.e. Sabrang Estate, Sungai Wangi Estate, Seri Intan Estate (Main Division) and Sogomana Estate (Main Division) which are all owned by SDPSB. The Seri Intan POM had a mill capacity of 60 mt/hr.

The focus of the audit team was to determine whether the Seri Intan SOU is maintaining its compliance to the RSPO P&C MYNI, as well as to verify the corrective actions taken on the previous audit findings. During this audit, it was found that the CU has requested for change in the supply chain model from mass balance to identity preserved (IP). It was verified that the FFB have been supplied from all SDPSB certified estates since the last reporting period.

1.1 Type (mill, estate and mill etc)

Estate and mill.

1.2 Location (map and GPS), mill and or hectarage statement

The Seri Intan Palm Oil Mill and the four estates are located in Teluk Intan, Sitiawan and Changkat Keruing in Perak, Malaysia. The locations are as shown in Table 1 below:

Table 1 : Location of Seri Intan CU's mill and estates

Certification Unit	Mill / Estate	Location		
		Latitude	Longitude	Address
SERI INTAN Strategic Operating Unit (SOU 5)	Seri Intan POM	3°58'9.22"N	100°59'8.01"E	Kilang Kelapa Sawit Seri Intan, Bt.5 Jln. Maharaja Lela,36009 Teluk Intan, Perak
	Seri Intan Estate (Main Div.)	3°58'13.34"N	100°58'48.51"E	Seri Intan Estate, 36009 Teluk Intan, Perak
	Sabrang Estate	3°58'35.70"N	100°58'26.02"E	Sabrang Estate 36009, Teluk Intan, Perak.
	Sungai Wangi Estate	4°14'33.2"N	100°42'50.6"E	Ladang Sungei Wangi,32000 Sitiawan, Perak
	Sogomana Estate (Main Div.)	4°4'N	100°7'E	Ladang Sogomana, 32500, Changkat Kruing, Perak

1.3 Description of supply base (fruit sources)

The FFB is sourced only from company owned estates that are certified. Details of the FFB actual and projected contribution from each source to the SOU are shown in the following tables:

Table 2: Actual FFB Contribution by each Estate and other sources to Seri Intan POM for the last reporting period (December 2014 to November 2015)

Estates	FFB Contribution	
	Tonnes	Percentage (%)
Sabrang Estate	69,313.82	34%
Sungai Wangi Estate	33,516.48	16%
Main Division of Seri Intan Estate	66,373.61	33%
Main Division of Sogomana Estate	24,467.94	12%
Smallholders	0.00	0%
Others Estate (Diversion from SDPSB owned estates)	9,874.89	5%
Total	203, 546.74	100%

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Other Supply Bases	FFB Contribution	
	Tonnes	Percentage (%)
Smallholder (outgrower)	0	0
Grand Total	0	0

Table 3: Projected FFB Contribution by each Estate and other sources to Seri Intan POM for the next reporting period (December 2015 to November 2016)

Estates	FFB Contribution	
	Tonnes	Percentage (%)
Sabrang Estate	80,171.31	38%
Sungai Wangi Estate	48,417.49	23%
Main Division of Seri Intan Estate	62,322.23	29%
Main Division of Sogomana Estate	21,454.48	10%
Smallholders	0.00	0%
Others	0.00	0%
Total	212,365.51	100%

Notes: Sogomana Estate (all division) crop to be fully processed by Seri Intan POM starting January 2016.

Table 4: Actual FFB received and CPO & PK dispatch by Seri Intan POM of the last reporting period (December 2014 – November 2015)

	Total (MT)
FFB Received	203,546.74
FFB Processed	203,571.32
Certified FFB	203,546.74
Non Certified FFB	0
CPO Production	43,272.58
PK Production	11,226.94
CPO delivered as Mass Balance	30,314.98
CPO delivered as non-RSPO certified	12,930.84
PK delivered as Mass Balance	4,679.05
PK delivered as non-RSPO certified	6,545.46

Table 5: Projected FFB received and CPO & PK dispatch by Seri Intan POM of the next reporting period (December 2015 – November 2016)

	Total (MT)
FFB Received	212,365.51
FFB Processed	212,365.51
Certified FFB	212,365.51
Non Certified FFB	0
CPO Production	50,108.27
PK Production	12,899.23
CPO delivered as Identity Preserved	50,108.27
CPO delivered as non-RSPO certified	0
PK delivered as Identity Preserved	12,899.23
PK delivered as non-RSPO certified	0

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1.4 Date of planting and cycle

The certified area and planting profiles for each of the estate is detailed in the following tables:

Table 6 Planted and certified area of Seri Intan CU

Estate	Planted (ha)	Certified (ha)
Sabrang Estate	3,703.74	3,844.22
Sungai Wangi Estate	1,721.95	2,258.99
Main Division of Seri Intan Estate	2,501.63	2,960.40
Main Division of Sogomana Estate	1,065.66	1,121.96
Total	8,992.98	10,185.57

Table 7 Planting profile for Sabrang Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1992	2nd	Mature	113.00	3.05
1995	2nd	Mature	262.09	7.08
1996	2nd	Mature	430.23	11.62
1997	2nd	Mature	163.54	4.42
1998	2nd	Mature	186.62	5.04
2000	2nd	Mature	388.73	10.49
2001	2nd	Mature	369.94	10.00
2002	2nd	Mature	417.89	11.28
2003	2nd	Mature	100.18	2.70
2005	3rd	Mature	121.31	3.27
2006	3rd	Mature	185.76	5.02
2008	3rd	Mature	134.14	3.62
2010	3rd	Mature	270.08	7.29
2011	3rd	Mature	98.11	2.65
2012	3rd	Immature	96.29	2.60
2013	3rd	Immature	238.3	6.43
2015	3rd	Immature	127.53	3.44
Total			3703.74	100.00

Table 8 Planting profile for Sungai Wangi Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1990	1st	Mature	130.42	7.57
1991	1st	Mature	37.27	2.17
1993	1st	Mature	99.22	5.77
1997	1st	Mature	346.10	20.1
1999	1st	Mature	512.18	29.74
2000	1st	Mature	268.28	15.58
2004	1st	Mature	17.72	1.03
2006	1st	Mature	32.76	1.90
2012	1st	Mature	278.00	16.14
Total			1,721.95	100

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Table 9 Planting profile for Main Division of Seri Intan Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1991B	2nd	Mature	56.38	2.25%
1992B	2nd	Mature	75.65	3.02%
1992A	2nd	Mature	66.82	2.67%
1992	2nd	Mature	58.71	2.35%
1993A	2nd	Mature	117.98	4.72%
1995B2	2nd	Mature	80.01	3.20%
1995B1	2nd	Mature	59.10	2.36%
1995B	2nd	Mature	58.71	2.35%
1995A2	2nd	Mature	46.58	1.86%
1995A1	2nd	Mature	91.88	3.67%
1995A	2nd	Mature	82.98	3.32%
1996A1	2nd	Mature	67.40	2.69%
1996A	2nd	Mature	60.41	2.41%
1996B2	2nd	Mature	65.83	2.63%
1996B1	2nd	Mature	34.77	1.39%
1996B	2nd	Mature	55.52	2.22%
1996A2	2nd	Mature	75.28	3.01%
1997A	2nd	Mature	97.22	3.89%
1997B	2nd	Mature	73.87	2.95%
1998A	2nd	Mature	85.42	3.41%
1998B	2nd	Mature	42.85	1.71%
2004B	2nd	Mature	66.21	2.65%
2004A	2nd	Mature	95.46	3.82%
2004	2nd	Mature	59.52	2.38%
2005B	2nd	Mature	74.48	2.98%
2005A	2nd	Mature	52.76	2.11%
2005	2nd	Mature	48.72	1.95%
2007A	2nd	Mature	99.67	3.98%
2007	2nd	Mature	74.20	2.97%
2009	2nd	Mature	142.35	5.69%
2013A	2nd	Immature	85.53	3.42%
2013B	2nd	Immature	79.90	3.19%
2015A	2nd	Immature-Replant	75.31	3.01%
2015B	2nd	Immature-Replant	94.15	3.76%
Total			2,501.63	100%

Table 10 Planting profile for Main Division of Sogomana Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2014A	2nd	Immature	46.60	4.37
1992	1st	Mature	89.05	8.35
1993	1st	Mature	35.82	3.36
1993A	1st	Mature	65.83	6.17
2015A	2nd	Immature	74.16	6.95
1997	1st	Mature	104.23	9.78
1998	1st	Mature	61.20	5.74
1998A	1st	Mature	55.34	5.19
1998B	1st	Mature	61.04	5.72
1998C	1st	Mature	50.06	4.69
1999A	1st	Mature	54.85	5.14
1999A1	1st	Mature	26.25	2.46

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1999A2	1st	Mature	32.58	3.05
1999A3	1st	Mature	28.80	2.70
1999A4	1st	Mature	79.10	7.42
1999B	1st	Mature	124.29	11.66
1999C	1st	Mature	76.46	7.25
Total			1,065.66	100

1.5 Other certification held (ISO, etc)

There is no other ISO certification held by the CU.

1.6 Organisational information / contact person

Certification Unit : Seri Intan Strategic Operating Unit (SOU 5)
 Parent company : Sime Darby Plantation Sdn. Bhd.
 RSPO membership number : 1-0008-04-000-00
 Certification date : 2 August 2013
 Name of contact person : Mr Balachandrun Madhavan
 Designation : General Manager, Perak South Zone
 Address : Perak South Zone Office, c/o Ladang Sungai Wangi, 32000 Sitiawan, Perak Darul Ridzuan
 Telephone no. : +605-6221477
 Fax no. : +605- 6222434

1.7 Tonnage certified

The projection certified CPO and PK dispatch for certification by Seri Intan Palm Oil Mill from January 2016 to December 2016, are as shown in **Table 11** as follows:

Table 11: Projection certified CPO and PK dispatch by Seri Intan Palm Oil Mill from December 2015 to November 2016

Certification Unit	Tonnage Claimed for Certification (MT)	
	CPO	PK
Seri Intan Palm Oil Mill CU	50,108.27	12,899.23

2.0 Audit Process

2.1 Audit methodology (program, site visits)

The RSPO Recertification Audit of Seri Intan CU was conducted from 19 to 22 February 2016. The main objective of the audit was to verify the CU's conformance to the requirements of certification standard, the RSPO P&C MYNI: 2014 and RSPO Supply Chain Certification System (SCCS) Requirements, 2014. The planning of the Recertification Audit was guided according to the RSPO Certification Systems Document.

The audit covered the Seri Intan palm oil mill and two of its supply base. The sampling of the number of the supply base was using the formula of $0.8\sqrt{y}$. The two supply base covered during the audit are Sabrang Estate and Sogomana Estate (Main Division). The audit included on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, relevant settlers, employees, contractors and other relevant stakeholders were also conducted during the audit.

Details of the audit programme are as in **Attachment 2** of this report.

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2.2 Date of next surveillance visit

The next surveillance audit will be conducted within 12 months but not sooner than 9 months from this audit.

2.3 Audit Team Members

Member of the Assessment Team	Role/area of RSPO requirements	Qualifications
Khairul Najwan Ahmad Jahari	Lead Auditor Social and Conservation scopes	<ul style="list-style-type: none"> • Possessed B.Sc. Forestry from Universiti Putra Malaysia with more than 16 years of working experience in the Forest Management, forest inventories, forest harvesting, Remote Sensing & GIS. He has been trained as a RSPO P&C lead auditor.
S. Jagathesan	Auditor, Good Milling Practices, Environmental & Occupational Health and Safety	<ul style="list-style-type: none"> • Possess a Bachelor of Chemical Science & Minor in Management (Hons). Had carried out audits for various scheme such as ISO 9001, ISO 13485, ISO 14001, OSHAS 18001 and GMP/FDA regulations for the past 15 years.
Zulkarnain Abdullah	Supply Chain	<ul style="list-style-type: none"> • Holds B. Sc. Forestry. Had more than 17 years of working experience related to wood related product. He has successfully completed the accredited Lead Assessor training for RSPO SC in 2014 and 2015
Selvasingam T. Kandiah	Auditor Good Agricultural Practices (GAP)	<ul style="list-style-type: none"> • Holds a B. Sc. (Hons) Agriculture. Had work as a planter with Kumpulan Guthrie Berhad for more than 10 years) including one year in Liberia and 2 years in Estate Department in Guthrie head quarters

2.4 Certification body

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

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International was approved by the RSPO as a RSPO certification body on 21 March 2008 and accredited by ASI on 27 September 2014.

2.5 Stakeholder consultation

SIRIM QAS International had initiated the stakeholder consultation by announcing the invitation in the RSPO and SIRIM QAS International's websites in January 2016. In addition, SIRIM QAS International had also sent invitations through letters to the relevant stakeholders, including government agencies and Non-Governmental Organisations (NGOs). This was followed-up by telephone calls.

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Meetings with the relevant stakeholders were arranged during the on-site audit. The consultation with the government agencies had involved meetings and discussions with the relevant departments mainly to solicit information as well as verification on the CU's compliance with the applicable laws and regulations related to its operations. The consultation with the NGOs were held to seek their comments mainly on the CU's compliance with those criteria related to the social and environmental issues.

The method of consultation with the settlers, contractors and the CU staffs were carried out through random sampling and included both the supply base and the mill. The interviews by the auditors with the local communities were held at two different venues, i.e. at the CU office and at the villages. The intention was to solicit their views on the impact of the mill and the estates operation on their economics and socio-cultural lives. During this recertification audit, there was no negative comments received from the stakeholders.

2.6 Progress and Changes

a) Changes to certified products in accordance to the production the previous year

The total FFB received by Seri Intan POM has decreased from 213,551.46 MT in 2014 to 203,546.74 MT in 2015. No changes on total planted areas and certified areas.

b) Progress and Changes of Time bound plan

i) Changes and reasons for the changes as below.

	Yes	No	<u>If yes, state reasons/justifications</u>
- acquisitions/disposals	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
- emergence/re-emergence of land disputes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
- labour conflicts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____

ii) Overall comment in terms of acceptance or non-acceptance on the changes in time bound plan (including details of non-adherence or the conditions justifying a time bound plan have changed)

Sime Darby Plantation Sdn Bhd (SDPSB) had established a time bound plan to certify all of its SOUs to be certified for the RSPO. To date 59 SOUs (in Malaysia and Indonesia) had been certified. There is one SOU in Indonesia which have yet to be certified due to pending social issue.

RSPO certification progress against time bound plan: Certification Units in Malaysia

No.	SOU	Location	Date of certification	Valid until	Certificate No./Remarks
1.	Sungai Dingin	Karangan Kedah	12/8/2010	11/8/2015	SPO 550179
2.	Chersonese	Kuala Kurau, Perak	5/10/2011	4/10/2016	SPO 590800
3.	Elphil	Sg. Siput, Perak	18/6/2011	17/6/2016	SPO 550180
4.	Flemington	Teluk Intan, Perak	5/10/2011	4/10/2016	SPO 590802
5.	Seri Intan	Teluk Intan, Perak	3/3/2011	2/3/2016	RSPO 0016
6.	Selaba	Teluk Intan, Perak	3/3/2011	2/3/2016	RSPO 0015
7.	Tennamaram	Bestari Jaya, Selangor	3/3/2011	2/3/2016	RSPO 0014
8.	Bukit Kerayong	Kapar, Selangor	15/4/2011	14/4/2016	SPO 550181
9.	East	Carey Island, Selangor	19/5/2010	18/5/2020	SPO 543543
10.	West	Carey Island, Selangor	19/5/2010	18/5/2020	SPO 543594

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No.	SOU	Location	Date of certification	Valid until	Certificate No./Remarks
11.	Bukit Puteri	Raub, Pahang	7/7/2011	6/7/2016	18502206 001
12.	Kerdau	Temerloh, Pahang	7/7/2011	6/7/2016	18502207 001
13.	Jabor	Kuantan, Pahang	7/7/2011	6/7/2016	RSPO 928288
14.	Labu	Nilai, Negeri Sembilan	30/12/2011	29/12/2016	SGS-RSPO/PM/MY13/01284
15.	Tanah Merah	Port Dickson, Negeri Sembilan	19/5/2010	18/5/2020	SPO 541905
16.	Sua Betong	Port Dickson, Negeri Sembilan	18/2/2014	17/2/2019	SGS-RSPOPM-MY14/01364
17.	Kok Foh	Bahau, Negeri Sembilan	7/11/2011	6/7/2016	RSPO 928188
18.	Kempas	Jasin, Melaka	19/5/2010	18/5/2020	RSPO 005
19.	Diamond Jubilee	Jasin, Melaka	5/10/2011	4/10/2016	SPO 591224
20.	Pagoh	Muar, Johor	28/1/2014	27/1/2020	SPO 600305
21.	Chaah	Chaah, Johor	18/11/2010	17/11/2020	SPO 548299
22.	Gunung Mas	Kluang, Johor	19/5/2010	18/5/2020	RSPO 901888
23.	Bukit Benut	Kluang, Johor	5/10/2011	4/10/2016	SPO 591229
24.	Ulu Remis	Layang-layang, Johor	12/4/2011	11/4/2016	SGS-RSPO /PM 00722
25.	Hadapan	Layang-layang, Johor	29/3/2011	28/11/2016	SGS-RSPO/PM00715
26.	Sandakan Bay	Sandakan, Sabah	1/10/2008	30/9/2018	SPO 537872
27.	Melalap	Tenom, Sabah	21/1/2011	20/1/2021	SPO 547124
28.	Binuang	Kunak, Sabah	16/1/2009	12/7/2020	RSPO 001
29.	Giram	Kunak, Sabah	16/1/2009	12/7/2020	RSPO 002
30.	Merotai	Tawau, Sabah	16/1/2009	12/7/2020	RSPO 004
31.	Lavang	Bintulu, Sarawak	30/12/2011	29/12/2016	CU-RSPO-819166
32.	Rajawali	Bintulu, Sarawak	30/12/2011	29/12/2016	RSPO 0020
33.	Derawan	Bintulu, Sarawak	30/12/2011	29/12/2016	RSPO 0019
34.	Pekaka	Bintulu, Sarawak	30/12/2011	29/12/2016	MUTU-RSPO/054

Certification Progress against Time-bound Plan:
Certification Units in Indonesia

No.	SOU	Location	Date of certification	Valid until	Certificate No./Remarks
1.	Alur Damai	Bagan Sinembah/ Tanah Putih, Pujud, Rokan Hilir, Riau	16/01/2012	16/01/2017	MUTU-RSPO/011
2.	Angsana Mini	Sebamban, Indonesia	06/07/2011	06/07/2016	MUTU-RSPO/006b
3.	Mustika Oil Mill	Sebamban, Indonesia	03/07/2013	03/07/2018	MUTU-RSPO/027
4.	Angsana	Sebamban, Indonesia	06/07/2011	06/07/2016	MUTU-RSPO/006a
5.	Bebunga	Pamakan Utara, Tanah Grogot, Kotabaru/ Pasir, Kalimantan Selatan/ Kalimantan Timur	16/03/2012	16/03/2017	MUTU-RSPO/014
6.	Sukamandang	Seruyan Tengah, Sampit, Seruyan, Kalimantan Tengah	05/07/2011	05/07/2016	MUTU-RSPO/003
7.	Ladang Panjang	Kumpeh Ulu, Jambi, Muaro	09/07/2012	09/07/2017	MUTU-RSPO/019

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8.	Mangala	Riau, Indonesia	25/11/2010	24/11/2015	MUTU-RSPO/002
9.	Pondok Labu	Pamakan Selatan, Tanah Grogot, Kotabaru, Kalimantan Selatan	16/03/2012	16/03/2017	MUTU-RSPO/016
10.	Gunung Aru	Sebamban, Indonesia	05/07/2011	05/07/2016	MUTU-RSPO/005
11.	Rantau Panjang	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	16/03/2012	16/03/2017	MUTU-RSPO/017
12.	Rantau	Sungai Durian, Kotabaru, Kalimantan Selatan	30/12/2011	30/12/2016	MUTU-RSPO/009
13.	Betung Oil Mill	Sungai Durian, Kotabaru, Kalimantan Selatan	01/04/2014	01/04/2019	MUTU-RSPO/009
14.	Sekunyir	Kalimantan Tengah, Indonesia	23/11/2010	22/11/2015	MUTU-RSPO/001
15.	Selabak	Sungai Durian, Kotabaru, Kalimantan Selatan	16/03/2012	16/03/2017	MUTU-RSPO/015
16.	Sg. Pinang	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	11/09/2012	11/09/2017	MUTU-RSPO/020
17.	Pematang	Kuala Kuayan, Sampit, Kotawaringin Timur, Kalimantan Tengah	05/07/2011	05/07/2016	MUTU-RSPO/004
18.	Teluk Bakau	Pelangiran, Sg. Guntung, Indragiri Ilir, Riau	11/10/2011	11/10/2016	MUTU-RSPO/008
19.	Mandah Oil Mill	Pelangiran, Sg. Guntung, Indragiri Ilir, Riau	01/04/2014	01/04/2019	MUTU-RSPO/008
20.	Teluk Siak	Tualang, Perawang, Siak, Riau	11/10/2011	11/10/2016	MUTU-RSPO/007
21.	Ungkaya	Witaponda, Kolonodale, Morowali, Sulawesi Tengah	10/07/2012	10/07/2017	MUTU-RSPO/018
22.	BK Ajong	Kalimantan Barat, Indonesia	18/08/2010	17/08/2015	SPO 541399
23.	Blang Simpo	Karang Baru, Kuala Simpang, Aceh Tamiang, Nangroe Aceh Darussalam	03/05/2013	03/05/2018	MUTU-RSPO/026
24.	Lembiru	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	03/07/2014	02/07/2019	MUTU-RSPO/044
25.	Mas Mill	Desa Rahayu Kec. Parindu Kab. Sanggau, Kalimantan Barat	NA	NA	Undergone RSPO Main Assessment. Delayed due to some disputes

c) Progress of all associated smallholders certification

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

If no, please state reasons No associated smallholders

d) New acquisition

Any new acquisition which has replaced primary forests or HCV areas?

Yes No

e) Other changes (e.g. organisational structure, new contact person, addresses, etc.)

There were no significant changes observed during the audit except for the rotation of few key personnel among the operating unit.

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3.0 Assessment Findings

The findings of the assessment were highlighted and discussed during the on-site assessment. A total of four (4) nonconformity reports (NCR) were raised on the Seri Intan CU against the requirements of the RSPO P&C MYNI: 2014 and no nonconformity was found against RSPO Supply Chain Certification System (SCCS) Requirements, 2014. One was categorised as Major and three as Minor non-conformities. Details of the non-conformities raised and corrective actions taken by the CU are as in **Attachment 3**. Evidences of the actions taken had been submitted to the assessment team.

Principle 1: COMMITMENT TO TRANSPARENCY

Clause	Indicators	Comply Yes/No	Findings
C 1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision-making.	1.1.1 There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.	YES	Seri Intan CU continued to implement the procedure for responding to any communication as outlined in their Estate / Mill Quality Management System documents. The records of communication were identified and maintained. Among the records sighted were correspondences with the authorities, local communities and employees. This is including internal HCV assessment
	1.1.2 Records of requests for information and responses shall be maintained. Major Compliance	YES	There was no request of information received by the Seri Intan CU on environmental, social and legal issues from stakeholders
C 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.	1.2.1 Land titles/user rights (Criterion 2.2);	YES	Information relating to land titles are available at the SDPSB website at http://plantation.simedarby.com . The auditor had verified the land titles for SOU 5 and confirmed that SDPSB owned the SOU.
	Occupational health and safety plans (Criterion 4.7);	YES	SDPSB continued to use internet for disseminating public information. Information relating to safety and health plans maintained available through SDPSB website at http://plantation.simedarby.com Safety & Health Management Policy has been established in January, 2015, endorsed by Datuk Franki Anthony Dass , the Managing Director. Environmental, Safety, Health Program has been established for FY 2015 / 2016.
	Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8)	YES	Social and environmental impact assessments and its relevant plans continued made available. Cross-refer to Criterion 5.1 and 6.1.

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		HCV documentation summary (Criteria 5.2 and 7.3);	YES	HCV documentation summary is available in the 'HCV Re-Assessment for strategic operating unit (SOU) 5 Seri Intan/Selaba – Table 8 Summary of HCV tasks'
		Pollution prevention and reduction plans (Criterion 5.6);	YES	Environmental Improvement Plan / Pollution Prevention Plan FY 2015 / 2016 has been established.
		Details of complaints and grievances (Criterion 6.3);	YES	Details of grievances, complaints and actions taken to solve them were recorded in the Complaints Book
		Negotiation procedures (Criterion 6.4);	YES	There were no claim against the CU by any party
		Continual improvement plans (Criterion 8.1);	YES	Sime Darby Plantation Sdn. Bhd. has committed to utilise the established system to regularly monitor and review their key activities at the mill and estates. Relevant action plans were initiated for continuous improvement in its key areas of operations on environmental, safety, health and welfare of the workers as well as social contribution to the community. Details of the CU continual improvement plans has been reported in the indicator 8.1.
		Public summary of certification assessment report;	YES	Public summary for RSPO certification assessment report can be assessed at the link below: http://www.sirim-gas.com.my/attachments/article/364/RSPO%20CU%20Seri%20Intan%20Public%20Summary-ASA4-110715%20(1st%20Submit).pdf
		Human Rights Policy (Criterion 6.13).	YES	In January 2015 SDPSB developed a Social & Humanity Management Policy. The policy is signed by the SDPSB's Managing Director and was displayed on various notice boards at the mill and the estates' offices.
C 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.	1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	YES	A written policy committing to a code of ethical conduct and integrity in all operations and transactions has been established and signed by the Managing Director in January 2015. On top of that, there were also specific policies on social and humanity management, gender, and children's rights. These policies demonstrated the company's respect for fair conduct of business, prohibition of all forms of corruption, bribery and fraudulent use of funds and resources. These policies have been communicated to all level of the workforce through display on notice boards at the mill and estates, memos, morning briefings and trainings (as evident in the training files). The policies were also made accessible to the public. This showed the company's commitment to a proper disclosure of information in accordance with applicable regulations and accepted industry practices. Training on Safety Townhall / COBC (Code of Business Conduct) was conducted on 18.1.2016

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Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

Clause	Indicators		Comply Yes/No	Findings
<p>C 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.</p>	<p>2.1.1</p>	<p>Evidence of compliance with relevant legal requirements shall be available. Major Compliance</p>	<p>YES</p>	<p>CU 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 updated by PSQM eff 2nd Nov, 2015. The list of applicable legal and other requirement was made available during the assessment. The following legal requirements were reviewed :</p> <ul style="list-style-type: none"> 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 (NADDOPOD 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 <p>CU has obtained and renewed license and permits as required by the law. Amongst the licences or permit reviewed were :</p> <ul style="list-style-type: none"> a) MPOB license: 508431104000 (validity period 1/03/2015 – 29/02/2016) b) DOE Licence/ <i>Jadual Pematuhan</i> : dated 24th April, 2015 for 60 Mt/hr, allowing the treated effluent to be discharge into 'water ways' , submission of quarterly reports. Reports for the 3rd & 4th quarter were reviewed. Results of monitoring revealed that all monitoring requirements were within the regulatory limit. Among the parameters for final discharge that were monitored include pH, BOD, COD, TS, SS, Oil & Grease, Ammonical Nitrogen & Total Nitrogen. <p>DOSH License: The following were reviewed and found to be satisfactorily maintained.</p> <ul style="list-style-type: none"> i) Steam boiler – PK PMD 399, valid until 11th May 2016 ii) Pressure Vessel (Air Compressor) – PMT 31924, valid until : 11th May 2016 iii) Pressure Vessel (Vertical Water Pressure) – PMT 21039 iv) Pressure Vessel (Pressure Filter) – PMT 91063

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				<p>Scheduled wastes management was carried out in a satisfactory manner. The following were verified :</p> <ul style="list-style-type: none"> i) The container had been closed, stored and labeled accordingly. ii) Inventory has been updated accordingly. iii) The latest disposal of scheduled wastes was carried out on 6th Jan, 2016. <p>Verified valid diesel storage permit at:</p> <ul style="list-style-type: none"> a) Sabarang Estate : Diesel Permit TI/SK/010(02), volume approved 13 500 liters. Valid from 21st Aug 2015 to 20th Aug, 2016 b) Rubana Estate : Diesel Permit TI/SK/025(02), volume approved 13 600 liters. Valid from 17th Aug 2015 to 16th Aug 2016 c) Sungai Wangi Estate : Diesel Permit MJG/SK/D/030, volume approved 35 100 liters. Valid from 19th Jan 2015 to 18th Jan, 2016 <p>Hence, the major NCR MM01 raised during last surveillance audit was satisfactorily closed</p>
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained Minor Compliance	YES	<p>Seri Intan CU continued to implement and maintain the established documented system for identifying, accessing, tracking and monitoring of compliance with the legal requirements that are applicable to the CU operations. Each office of the mill and supply bases has its own Legal and Other Requirements Register (LORR) and were being evaluated individually annually for compliance. The latest review was carried out by the Quality Management Officer, on 2nd Nov, 2015.</p>
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	YES	<p>The mechanism to ensure compliance to legal and other requirement maintained implemented, as documented in EQMS & MQMS (Estate / Mill Quality Management System) under Standard Operation Manual. The documents were distributed to all operating units under Seri Intan CU. PSQM Department and the respective operating units are responsible for identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance [ref.: Estate / Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008].</p> <p>The Legal and Other Requirements Register (LORR) for Seri Intan Mill, Sabrang Estate and Sogomana Estate have been reviewed for the 2015 / 2016. The review was carried out during the period from 3rd to 11th Nov, 2015. The LORR was prepared by the Quality Management Officer (QMO), checked by the Assistant Manager (AM) and approved by Manager of respective unit.</p>

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	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	The PSQM Department which is based in Kuala Lumpur responsible in tracking the changes to the Acts and Regulations. The tracking was carried out by direct communication with the publisher of the documents. This mechanism was outlined in Sime Darby procedure. The review of the legal register were carried out from time to time. Any update were communicated to the respective Sime Darby's certification units.
C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal,customary or user rights	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised Native Customary Right (NCR) land) and the actual legal use of the land shall be available. Major Compliance	YES	Copy of legal ownership of the lands for the audited supply base were available. All original copies of ownership documents are kept at the Sime Darby Headquarters in Kuala Lumpur. For the others it was noted the transfer of ownership from previous owners to Sime Darby is still ongoing. Copy of the letter addressed to the Lembaga Tanah Ladang, Negeri Perak, pertaining to the application for transfer of land ownership from Golden Hope Plantations Sdn Bhd to Sime Darby Plantation Sdn Bhd was sighted. Some of the grants/titles are for cultivation of rubber, orchard and sugar cane. In the letter to Lembaga Tanah Ladang, Negeri Perak, it was noted that the conversion of the land to oil palm had been included.
	2.2.2	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves. Minor Compliance	YES	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to the surrounding villages at Sabrang and Sogomana (Main Div) Estates. Site visit to Kg Sarang Tiong and Kg 40 Rantai and also Bukit Tunggul Forest Reserved found the markers are available and maintained. The markers has also been confirmed during the consultation with all the interviewed village heads and Kinta/Manjong District Forest Officer (DFO)
	2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). Minor Compliance	YES	There is no dispute in Seri Intan CU. It was confirmed with the village head of Kg. Batak Rabit (POM), Kg Sg. Durian/Selat Masjid and Kg. Sarang Tiong (Sabrang Estate), Kg Lubuk Pusing, Kg 40 Rantai, and District Forest Officer (DFO) of Kinta/Manjong (Sogomana Estate (Main Div)
	2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved.	YES	There is no land conflict sighted during the audit, as explained in indicator 2.2.3

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		Major Compliance		
	2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities and relevant authorities where applicable). Minor Compliance	YES	There is no land conflict sighted during the audit, as explained in indicator 2.2.3
	2.2.6	To avoid escalation of conflict, there shall be no evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations. Major Compliance	YES	Site visits to Seri Intan CU found no any evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations.
C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.	2.3.1	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). Major Compliance	YES	There was no record of disputes since the previous surveillance audit. It was confirmed during the consultation with village heads of Kg. Batak Rabit (POM), Kg Sg. Durian/Selat Masjid and Kg. Sarang Tiong (Sabrang Estate), and Kg Lubuk Pusing, Kg 40 Rantai (Sogomana Estate (Main Div) and Kinta/Manjong District Forest Officer (DFO)
	2.3.2	Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps	YES	There was no record of disputes since the previous surveillance audit, as explained in indicator 2.3.1

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	<p>that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>Minor Compliance</p>		
2.3.3	<p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>Minor Compliance</p>	YES	There was no record of disputes since the previous surveillance audit, as explained in indicator 2.3.1
2.3.4	<p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>Major Compliance</p>	YES	There was no record of disputes since the previous surveillance audit, as explained in indicator 2.3.1

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Principle 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY

Clause	Indicators	Comply Yes/No	Findings																																																																																																
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. Major Compliance	YES	<p>Both estates continued to make commitment to long-term economic and financial viability. The annual budgets for 2015/16 to 2019/2020 were sighted. The budget provisions cover activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO compliance etc. The budget included projections on yield/ha, and total cost of production per metric tonnes & per ha.</p> <p>Some of the parameters provided are:</p> <p>Sogomana Estate</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2015/2016</th> <th>2016/2017</th> <th>2017/2018</th> <th>2018/2019</th> <th>2019/2020</th> </tr> </thead> <tbody> <tr> <td>Mature Ha</td> <td>944.90</td> <td>790.02</td> <td>696.57</td> <td>770.76</td> <td>543.12</td> </tr> <tr> <td>Immature Ha</td> <td>120.76</td> <td>275.64</td> <td>369.09</td> <td>294.90</td> <td>522.54</td> </tr> <tr> <td>Total Planted Ha</td> <td>1,065.66</td> <td>1,065.66</td> <td>1,065.66</td> <td>1,065.66</td> <td>1,065.66</td> </tr> <tr> <td>FFB Tons</td> <td>26,929.65</td> <td>21,646.55</td> <td>19,308.92</td> <td>21,257.56</td> <td>14,338.36</td> </tr> <tr> <td>Yld/Ha</td> <td>28.50</td> <td>27.40</td> <td>27.72</td> <td>27.58</td> <td>26.40</td> </tr> <tr> <td>Cost/Ton FFB</td> <td>245.34</td> <td>255.19</td> <td>252.25</td> <td>253.53</td> <td>264.86</td> </tr> <tr> <td>Cost/Ha</td> <td>6,199.90</td> <td>5,183.67</td> <td>4,570.50</td> <td>5,057.29</td> <td>3,563.65</td> </tr> </tbody> </table> <p>Sabrang Estate</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2015/2016</th> <th>2016/2017</th> <th>2017/2018</th> <th>2018/2019</th> <th>2019/2020</th> </tr> </thead> <tbody> <tr> <td>Mature Ha</td> <td>3,011.72</td> <td>2,841.96</td> <td>2,766.93</td> <td>2,797.14</td> <td>2,851.46</td> </tr> <tr> <td>Immature Ha</td> <td>692.02</td> <td>861.78</td> <td>936.81</td> <td>906.60</td> <td>852.28</td> </tr> <tr> <td>Total Planted Ha</td> <td>3,703.74</td> <td>3,703.74</td> <td>3,703.74</td> <td>3,703.74</td> <td>3,703.74</td> </tr> <tr> <td>FFB Tons</td> <td>79,345.51</td> <td>78,170.79</td> <td>79,527.92</td> <td>83,501.88</td> <td>88,388.79</td> </tr> <tr> <td>Yld/Ha</td> <td>26.35</td> <td>27.51</td> <td>28.74</td> <td>29.85</td> <td>31.00</td> </tr> <tr> <td>Cost/Ton FFB</td> <td>342.39</td> <td>313.01</td> <td>296.25</td> <td>282.01</td> <td>251.45</td> </tr> <tr> <td>Cost/Ha</td> <td>7,334.98</td> <td>6,606.39</td> <td>6,360.73</td> <td>6,358.05</td> <td>6,000.73</td> </tr> </tbody> </table>	Year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	Mature Ha	944.90	790.02	696.57	770.76	543.12	Immature Ha	120.76	275.64	369.09	294.90	522.54	Total Planted Ha	1,065.66	1,065.66	1,065.66	1,065.66	1,065.66	FFB Tons	26,929.65	21,646.55	19,308.92	21,257.56	14,338.36	Yld/Ha	28.50	27.40	27.72	27.58	26.40	Cost/Ton FFB	245.34	255.19	252.25	253.53	264.86	Cost/Ha	6,199.90	5,183.67	4,570.50	5,057.29	3,563.65	Year	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	Mature Ha	3,011.72	2,841.96	2,766.93	2,797.14	2,851.46	Immature Ha	692.02	861.78	936.81	906.60	852.28	Total Planted Ha	3,703.74	3,703.74	3,703.74	3,703.74	3,703.74	FFB Tons	79,345.51	78,170.79	79,527.92	83,501.88	88,388.79	Yld/Ha	26.35	27.51	28.74	29.85	31.00	Cost/Ton FFB	342.39	313.01	296.25	282.01	251.45	Cost/Ha	7,334.98	6,606.39	6,360.73	6,358.05	6,000.73
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Total Planted Ha	3,703.74	3,703.74	3,703.74	3,703.74	3,703.74																																																																																														
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Yld/Ha	26.35	27.51	28.74	29.85	31.00																																																																																														
Cost/Ton FFB	342.39	313.01	296.25	282.01	251.45																																																																																														
Cost/Ha	7,334.98	6,606.39	6,360.73	6,358.05	6,000.73																																																																																														

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	3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. Minor Compliance	YES	<p>The replanting programme for the next five years had been prepared as sighted in the Long Range Replanting Programme (LRRP) 2015/16 to 2036/37. This programme is reviewed once a year and is incorporated in their annual financial budget. The five year replanting programmes in hectares are as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Sogomana Estate</th> <th>Sabrang Estate</th> </tr> </thead> <tbody> <tr> <td>2015/2016</td> <td>NIL</td> <td>229.90</td> </tr> <tr> <td>2016/2017</td> <td>154.88</td> <td>266.05</td> </tr> <tr> <td>2017/2018</td> <td>140.05</td> <td>313.33</td> </tr> <tr> <td>2018/2019</td> <td>Nil</td> <td>212.27</td> </tr> <tr> <td>2019/2020</td> <td>227.64</td> <td>193.66</td> </tr> </tbody> </table>	Year	Sogomana Estate	Sabrang Estate	2015/2016	NIL	229.90	2016/2017	154.88	266.05	2017/2018	140.05	313.33	2018/2019	Nil	212.27	2019/2020	227.64	193.66
Year	Sogomana Estate	Sabrang Estate																				
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Principle 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS

Clause	Indicators	Comply Yes/No	Findings
C 4.1 Operating procedures are appropriately documented, consistently implemented and monitored	4.1.1 Standard Operating Procedures (SOPs) for estates and mills shall be documented. Major Compliance	YES	<p>The Seri Intan CU continued to practice as per the established documented procedures. Among the procedures are Plantations / Mill Quality Management System (PQMS / MQMS). Manual, PQMS / MQMS Standard Operating Manual and Procedures (SOP) and Sustainable Plantation Management System (SPMS) Manual, RSPO Supply Chain Manual, ESH Management System Manual, Occupational Safety and Health Manual, Pictorial Safety Standards, Laboratory Process Control Manual and Security Guidelines. Generally, the documents include operation activities, good practices, OSH, environmental and social aspects in the estates and mill, i.e. covering:</p> <ul style="list-style-type: none"> • Estates: from seedlings in nursery to planting of young palms, plantation upkeep to harvesting and despatch of FFB. • Mill: FFB receipt, grading, processing, quality analysis and despatch of CPO, PK and PKO. • Both Estate & Mill: security of the SOU. <p>As for the estates, on top of the PQMS, technical guidelines as listed in the Agricultural Reference Manual were also referred. Briefing on the SOPs and related documents were conducted and workers were frequently reminded during the morning muster. The reference documents were kept in the administration office for reference. It was also seen that relevant SOPs, were displayed at various workstations, e.g. at estate office notice board and mill workstation notice board for easy reference.</p>

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				<p>Through random interviews held with workers, it was found that the workers were generally understood the requirements of these documents and their level of understanding on the contents of the SOP was found acceptable</p> <p><u>Seri Intan – POM</u></p> <p>Mill Capacity – throughput - 60 mt/ hr</p> <ul style="list-style-type: none"> • OER target 2015 – 22 % to date 2015 Average – 21.18% (slightly below target) • KER target 2015 – 5.80 % to date 2015 Average – 5.68% (slightly above target) <p>The following documented procedures reviewed, and the Implementation were noted to be satisfactory.</p> <ol style="list-style-type: none"> 1. Reception Station 2. Sterilization Operating Station 3. Kernel Recovery Station 4. Chemical Handling Procedure 5. Effluent Treatment Operation <p>Safety Procedures are in place</p> <ol style="list-style-type: none"> 1) Confine Space Procedure – SIM / SOP 30 – e/d : 1st July, 2013 2) SOP Chemical Safety Management - SD/ SDP/PSQM(ESH)/202-OH4 – e/d : 26th Feb, 2015 3) SOP Health Surveillance - SD/ SDP/PSQM(ESH)/202-OH8 – e/d : 26th Feb, 2015 4) SOP Hearing Conservation - SD/ SDP/PSQM(ESH)/202-OH9 – e/d : 26th Feb, 2015 5) SOP Stop Work Order - SD/ SDP/PSQM(ESH)/201-OS20 – e/d : 26th Feb, 2015
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	YES	<p>Both estates had a list of SOPs in the EQMS and Agriculture Reference Manual (ARM). Both estates monitored good agricultural practices as per SOPs. The implementation of the procedures is monitored through the field visits by management, inspections and discussions with relevant personnel and by conducting audits including Internal Audits, PA visits, Agronomist visits and by RSPO Audits.</p> <p>Generally both estates had well established the <i>Nephrolepis biserrata</i> fern and soft vegetation in the inter rows of mature palm. Palms were well pruned and cut fronds stacked as per SOP. Palms in the 2013, 2014 and 2015 replants were healthy and well maintained. Cover crop were well established and its establishment in the 2015A, B & C replants was commendable.</p>

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				<p>The 26 ha of oil palm nursery in Sabrang Estate was well maintained. Palm seedling was healthy. There were no palms older than 12 months. At time of visit loading of seedling for replanting was observed. This central nursery catered for supplying seedlings for Cluny, Seri Intan, Bikam, Flemington, Bagan Datoh, Sabak Bernam & Sungai Wangi Estates. At time of the audit, there were 190,336 seedlings in the main nursery and 15,000 plus seedlings in the pre-nursery. Records showed the culling rate varied between 18 to 25%.</p> <p>The nursery for nectariferous beneficial plants was also sighted in the oil palm nursery with <i>Cassia cobanensis</i>, <i>Antigonon leptopus</i> and <i>Turnera sublata</i>. Also sighted was <i>Mucuna bracteata</i> seedlings.</p> <p>Random interview with the estate workers showed that they understand the requirement stated in the SOPs. For example, it was observed that harvesting standards and chemicals usage had been properly understood by the estate harvesters and sprayers respectively.</p>
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	YES	<p>Records of monitoring and the actions taken by both Sogomana Estate and Sabrang Estate were maintained and kept for a minimum of 12 months. Monthly Costing and Annual Reports on monitoring of all activities were made available to the audit team. Among those records sighted at the estates included Work Program Sheets, Field cost books for harvesting, weeding, Bin cards, Monthly Progress & Report Account, rainfall data, pest census, etc.</p> <p>Records on FFB quality control for individual harvesters, the action taken on them and corrective action records were sighted. Harvesting rounds were monitored using harvesting interval records.</p>
	4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). Major Compliance	YES	<p>Seri Intan POM receives fruits from the following supply estates:</p> <ul style="list-style-type: none"> • Sogomana Estate (main division), • Sabrang Estate, • Seri Intan Estate, • Sq Wangi Estate. <p>Since 2014 there was no FFB sourced from third party FFB suppliers.</p>
C 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	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	YES	<p>Both estates practised the maintenance of long-term soil fertility by annual application of fertilisers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB and compost application.</p> <p>Maintaining soil fertility is guided by the following:</p> <ol style="list-style-type: none"> i) OPAP Chapter 5 – Establishment and Maintenance of Legume Covers ii) OPAP Chapter 11 – Manuring iii) OPAP Chapter 12 – EFB Application

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				<p>iv) EOMS chapter B8 – Leguminous Cover Crops v) EOMS chapter B14– Manuring vi) ARM Section 8, Etc.</p> <p>Fertiliser application, which was of paramount importance for maintenance of soil fertility, was carried based on the recommendation made by the Agronomist (Mr. U.T. Pupathy from the Sime Darby Research Sdn. Bhd., Carey Island). Annual Fertiliser recommendations are made based on annual foliar sampling and 5 yearly soil sampling. The main fertilisers recommended for 2015/2016 were AS, MOP, RP, and HG Borate. The rate of fertilisers per palm recommended varied between 8.0 to 9.25 kg per palm per year. Fertiliser application program was monitored using records like program sheets.</p>
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	YES	<p>Fertiliser application program was monitored using records like program sheets, bin cards, field cost book, Summary Fertiliser Application & Sign Off forms, etc. Records of programs and applications of fertilisers were made available to auditors. Records sighted showed that actual applied in 2014/2015 was in line with program. 1,099.04 tons and 3,981.52 tons of fertilisers had been applied in the mature areas of Sogomana Estate and Sabrang Estate respectively. In the immature areas, fertiliser was applied as per the immature schedule comprising of CCM 25, CCM 65 and CCM 44.</p> <p>Fertiliser application for 2015/2016 was on going in both estates</p>
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	NO	<p>From the Agronomist reports, it was established that both estates carried out periodic foliar sampling for the nutrients N, P, K, Mg, Ca & B had been carried out in and the results formed the basis for the fertiliser recommendations to maintain and to improve soil fertility. The latest foliar sampling in Sogomana Estate and Sabrang Estate were carried out in June 2015 which formed the basis for formulation of the fertiliser recommendation for 2016.</p> <p>Soil maps were made available to the auditors. Analysis for soil T-N, Av-P, Ex-K. Ex-Ca and Ex-Mg was carried at 5 yearly intervals as per ISCC & RSPO requirement in Sabrang Estate. The latest analysis was done in June 2014.</p> <p>In Sogomana Estate records showed that soil sampling/analysis was only done in May 2010. This was found to be not in compliance with the SDP Plantation Quality Management System, Sustainable Plantation Management System, Appendix 11, clause 4.3. Hence, a Minor NCR STK 1-2016 was issued.</p>
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB),	YES	Both estates had a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose and by EFB application. There is no specific program for EFB

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		Palm Oil Mill Effluent (POME), and palm residues. Minor Compliance		<p>mulching and compost application at the estates for mature oil palm areas. EFB application was carried in the Immature areas.</p> <p>In 2014/2015, a total of 1398.00 and 2376.21 tons of EFB had been applied in Sogomana Estate and Sabrang Estate respectively. EFB was applied at 40 tons/ha in the mature oil palm areas and at 30 tons/ha in the immature areas. Currently, for year 2015/2016, 2,224.80 tons had been applied in Sogomana Estate and 5,176.26 tons in Sabrang Estate.</p> <p>In addition, compost was applied in the mature areas in Sabrang Estate. In 2014/2015 14,180.46 tons was applied and in 2015/2016 it was on going and 4,704.00 tons had been applied.</p> <p>There was no POME land application in both estates.</p>
C 4.3 Practices minimise and control erosion and degradation of soils.	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance	YES	Based on the soil maps provided, there was no fragile/marginal soils in both estates visited. In Sogomana Estate the soils series were Rengam, Sagomana, Setiawan and unclassified while in Sabrang Estate they were Briah, Jawa, Sedu and Selangor series.
	4.3.2	A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. Minor Compliance	YES	<p>Seri Intan CU had a management strategy in place for planting on slopes and to minimise and control erosion and degradation of soils. The strategy in place for plantings on slopes between 9 and 25 degrees was in;</p> <ul style="list-style-type: none"> • Slope & River Protection Policy – Buffer Zone & 25 degree slope • Item 8 Section 4 – Land Preparation for Terracing in ARM Manual. <p>Though SDPSB had the strategy in place, 90 % of Sogomana Estate was flat with the rest undulating while Sabrang was 100% flat. There were no terraces planting in both estates.</p> <p>Cover crop was observed planted in the replants and management had generally encouraged the establishment of soft growth and large areas with <i>Neprolepis biserrata</i> were sighted during the visit. No bare ground was sighted during the visit.</p>
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	YES	<p>During the field visit, it was noted road conditions was well maintained in both estates. Accessibility was made possible by regular maintenance, guided by its road maintenance programmes. The program had been supported by adequate provisions in the budgets. For road maintenance both estates had used motor graders and tractor drawn rollers, back hoes, tractors with back buckets and excavators. For resurfacing crusher run was purchased.</p> <p>Surface run off water from roads is well directed into fields and drains with well cambered roads and road sided drains. Desilting of drains was carried out with excavators.</p>

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	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance	N/A	There were no peat soils in both estates visited.
	4.3.5	Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance	N/A	Not applicable as there were no peat soils in both estates visited.
	4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils). Minor Compliance	N/A	There is no fragile soils in both estates. Sabrang Estate had mainly coastal soils where soil water management is of paramount importance. Sabrang Estate had well managed 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, sand bag stop bunds and 13 operational water gates. The inlet and outlet of water through the whole of Sabrang Estate were controlled by water gates. In addition Sabrang Estate had 3 mobile water pumps to pump out and to pump in as and when the need arises.
C 4.4 Practices maintain the quality and availability of surface and ground water.	4.4.1	An implemented water management plan shall be in place. Minor Compliance	YES	Both estates had implemented their water management plans. Plans for 2015/2016 were sighted. The water management plans was more towards pollution prevention and domestic use. The management plan covered dry spell/shortage and in case of water pollution. Workers were advised to conserve water by giving weekly briefings. Water for domestic use/potable water is supplied by Lembaga Air Perak. The water management plan also focused on desilting of field drain to maintain the right amount of moisture in the field. Rainwater harvesting was also implement in the oil palm nursery, workshop and store and the water was used for washing and chemical missing. Rainfall records based on rain gauge reading were available on site. Records of rainfall data, for the last 10 years, to assist in the water management plans were sighted.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated	YES	There are no water ways or rivers passing through the estates. The Perak River passed along some boundaries of Sabrang Estate, and the estate had constructed bunds along it to prevent over flow of waters from the river. Some areas between the bunds and river was left as buffer zones.

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		Major Compliance																							
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations (Criteria 2.1 and 5.6). Minor Compliance	YES	<p>The following were adhered to :</p> <ul style="list-style-type: none"> i. Effluent discharge quantity : $\geq 1,440 \text{ m}^3 / \text{day}$ ii. Monthly report on 'effluent discharge' – Sighted monthly reports for the months of December, November & October 2015 iii. Quarterly report to DOE – Sighted for October – Dec 2015, July – Sept 2015. <p>Effluent discharge sampling analysis on quarterly basis monitors the pH, BOD,COD, Suspended Solids(SS), Ammonical Nitrogen (AN), Total Nitrogen and Oil & Grease. Parameters of effluent discharge were within the regulatory limit set by the DOE.</p>																					
	4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. Minor Compliance	YES	<p>The water usage in the mill is monitored. The following was sighted :</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Year</th> <th colspan="6">2015</th> </tr> <tr> <th>Month</th> <th>July</th> <th>Aug</th> <th>Sept</th> <th>Oct</th> <th>Nov</th> <th>Dec</th> </tr> </thead> <tbody> <tr> <td>Water consumption m^3 / FFB processed</td> <td>1.15</td> <td>1.20</td> <td>1.06</td> <td>1.30</td> <td>1.24</td> <td>1.22</td> </tr> </tbody> </table> <p>It can be noted that, in general the trend of water consumption is consistent through the month.</p>	Year	2015						Month	July	Aug	Sept	Oct	Nov	Dec	Water consumption m^3 / FFB processed	1.15	1.20	1.06	1.30	1.24	1.22
Year	2015																								
Month	July	Aug	Sept	Oct	Nov	Dec																			
Water consumption m^3 / FFB processed	1.15	1.20	1.06	1.30	1.24	1.22																			
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.	4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance	YES	<p>As for all SDPSB estates, both Sogomana and Sabrang Estates had documented integrated pest management (IPM) systems in place. The procedure referred was in the Agricultural Reference Manual (ARM) Section 15 -Plant Protection. The IPM program among others includes pest management of rats, bagworms, nettle caterpillars, rhinoceros beetles and ganoderma. The IPM technique for rats includes rearing barn owls (<i>tyto alba</i>), bagworm control includes the planting of beneficial plants such as <i>Cassia cobanensis</i>, <i>Antigonon leptopus</i> and <i>Turnera subblata</i> and for rhino beetles is by using pheromone trap. There were 83 barn owl boxes in Sogomana Estate and another 233 in Sabrang Estate.</p> <p>Both estates carried out monthly detection and observation of leaf eating pests and rat damage. These detection and observations were carried by the assigned staffs. When damaged/disease was observed, proper census is then carried out. Review of records showed that there was no outbreaks taken place. In was noted that both estates had carried census on Barn Owl population and Ganoderma.</p> <p>Rat baiting was by calendar baiting at 2 campaigns per year. Baiting was continued until bait acceptance fell below 20%.</p> <p>Records showed that beneficial plants were continuously planted in by both estates visited. Total planted in DM are as follows:</p>																					

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				Estate	2014/2015	2015/2016
				Sogomana	1039	1322
				Sabrang	615	1273
				During the visited it was observed a number of beneficial plants had been planted and both estates had plants in polybags, ready for planting, in the nurseries.		
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	YES	Both estates had carried out training for all staffs and workers on all aspects related to IPM implementation. Records showed that the latest training was conducted in September 2015, November 2015 and January 2016.		
C 4.6 Pesticides are used in ways that do not endanger health or the environment	4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance	YES	The written justification in Standard Operating Procedure (SOP) of all agrochemical was available in the Agricultural Reference Manual issue: 1 version: 3 dated 1/7/2011, SOP and in the Safety Pictorial Book prepared by the Sime Darby Plantation Sdn Bhd. The use of selective products that are specific to the target pest, weed or disease were demonstrated in the Agricultural Reference Manual.		
	4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. Major Compliance	YES	Both estates had documented programs for spraying pesticides and for rat baiting. Both units visited had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and Ai/Ha. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, field cost books and in-progress reports.		
	4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in industry's Best Practice. Major Compliance	YES	<p>As part of the IPM plans, management of both estates had established nectariferous beneficial plants (<i>Cassia cobanensis</i>, <i>Antigonon leptopus</i> and <i>Turnera sublata</i>) nurseries for continuous planting in order to attract natural predators and thus to reduce use of insecticides.</p> <p>As mentioned in 4.5.1, during the visit it was observed a number of beneficial plants had been planted. Nurseries at both estates had plants ready for planting.</p> <p>In both estates, as per the SOP, prophylactic spraying using diluted cypermethrim for immature palms in zero burning of oil palm to oil palm replanting was carried out against rhinoceros beetles. In some replants, pheromone traps were used and cypermrthrin is sprayed only when the beetle numbers trapped were high.</p>		

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	<p>4.6.4</p>	<p>Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). Minor Compliance</p>	<p>YES</p>	<p>Both estates only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). The list of class I chemicals was available in the Pesticide Act manual made available in both estates.</p> <p>There was no evidence of pesticides that were categorised by World Health Organisation as Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, had been used in 2014/2015. The use of paraquat had been banned in all SDPSB estates.</p> <p>All pesticides used were class III & class IV. The following pesticides usage was reviewed :</p> <table border="1" data-bbox="1093 523 1953 667"> <thead> <tr> <th>No</th> <th>Name</th> <th>Class</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Glufosinate</td> <td>III</td> </tr> <tr> <td>2</td> <td>Glyphosate</td> <td>III</td> </tr> <tr> <td>3</td> <td>Garlon 250</td> <td>III</td> </tr> </tbody> </table>	No	Name	Class	1	Glufosinate	III	2	Glyphosate	III	3	Garlon 250	III
No	Name	Class														
1	Glufosinate	III														
2	Glyphosate	III														
3	Garlon 250	III														
	<p>4.6.5</p>	<p>Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). Major Compliance</p>	<p>YES</p>	<p>The estates had a new SOP for chemical/pesticide handling dated 26.02.15: Chemical Safety Management – SD/SDP/PSQM/(ESH)/202-OH4. The SOP is addressing the need to follow MSDS/CSDS on handling, chemical storage and related training. In addition, the estates had a local SOP “Prosedur Kerja Selamat”.</p> <p>Records showed that pesticides were handled, used and applied by trained persons and as per the MSDS of the pesticide. The staffs and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involved and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to the workers through the MSDS/CSDS training. It was also noted that MSDS/CSDS are available at all sites during the audit.</p> <p>Appropriate safety and application equipment were provided and used as per the CHRA report .</p> <p>Training on pesticide handling was last done in December 2015 and in January 2016 by the respective Managers and Sustainability Officer. The training included the safety aspects and usage of PPE when handling with pesticides. Record of training was available for verification</p>												

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4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major Compliance	YES	<p>All pesticides were stored in accordance with the legal requirement i.e. as stipulated in the MSDS. The stores are equipped with showers, wash area and a PPE storage area. Adequate 'Safety Signage' were in placed at the store. Triple rinsing activities was continually implemented for empty pesticide containers. The rinsed containers were pierced and stored prior disposing.</p> <p>All information regarding the chemicals and its usage, hazards, trade and generic names were available in both English & Bahasa Malaysia and understood by workers.</p> <p>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.</p>												
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	YES	<p>The following SOPs have been established for application of pesticides</p> <table border="1" data-bbox="1093 726 1975 845"> <thead> <tr> <th>No.</th> <th>Document Title</th> <th>Issue Date</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Weeding / Spraying - Mature</td> <td>1st Nov, 2008</td> </tr> <tr> <td>2</td> <td>Weeding / Spraying Immature</td> <td>1st Nov, 2008</td> </tr> <tr> <td>3.</td> <td>Chemical Safety Management</td> <td>17th March, 2015</td> </tr> </tbody> </table>	No.	Document Title	Issue Date	1.	Weeding / Spraying - Mature	1 st Nov, 2008	2	Weeding / Spraying Immature	1 st Nov, 2008	3.	Chemical Safety Management	17 th March, 2015
No.	Document Title	Issue Date													
1.	Weeding / Spraying - Mature	1 st Nov, 2008													
2	Weeding / Spraying Immature	1 st Nov, 2008													
3.	Chemical Safety Management	17 th March, 2015													
4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. Major Compliance	YES	<p>Aerial spraying was not practiced at all SDPSB estates. There was no evidence to show that it had been carried out in both Sogomana Estate and Sabrang Estate.</p>												
4.6.9	Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. (see Criterion 4.8). Minor Compliance	YES	<p>The staffs and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involved and how the chemicals should be used in a safe manner.</p> <p>Records showed that training had been carried out, to cite some of the latest were:</p> <ol style="list-style-type: none"> 1. P&D census 7 Safety - 02.11 2015 2. PPE use - 02.11.2015 3. Chemical Handling - 07.01..2016 4. Spraying - 02.12.2015 												

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	4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). Minor Compliance	YES	Disposal of waste materials related to pesticide containers is being carried out as per established procedures. Triple rinsing activities was continually implemented for Empty pesticide container. The rinsed containers were pierced and stored prior disposing.
	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance	YES	Verified the pesticide handling operators have been subjected to Medical Surveillance. : by – Dr. Tan Kim Soon – Occupational Health Doctor Reg : HQ / 08 DOC /00 / 660. Checked for Cholinesterase – to detect organo – phosphate poisoning. Pesticide handling operators were certified fit to work. Sogomana Estate Verified the pesticide handling operators have been subjected to Medical Surveillance. Examination Date : 19 th June, 2015 at Kumpulan Poliklinik Manjung Sd. Bhd by an Occupational Health Doctor. Checked for Cholinesterase – to detect organo – phosphate poisoning. Pesticide handling operators were certified fit to work.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women Major Compliance	YES	The estates had Inter Office Memos stating “No work with pesticides shall be undertaken by pregnant or breast-feeding women”. There was no evidence that work with pesticides was undertaken by pregnant or breast-feeding women. This was confirmed through interview the Medical Assistants and workers during the site visits.
C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented. The occupational health and safety plan shall cover the following:	4.7.1	An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. Major Compliance	YES	i) Safety & Health Management Policy, has been established on January, 2015. The policy was endorsed by Datuk Franki Anthony Dass, the Managing Director. ii) Environment, Safety and Health Manual (SD/ SDP / SQM (ESH) / 001-1 rev 0– d/d : 1/07/, 2012 – in place endorsed by Datuk. Franki Anthony Dass (no changes from the previous) The policy had been communicated to all levels of the organization through briefings. The policy with both English and Bahasa Malaysia is also being displayed at prominent areas at the mill and estate office, and Muster Ground. Random interviewed with employees showed that they generally understood the basic requirements of the policy. Environment, Safety & Health Program - e/d: July, 2015 for the POM has been established. The OHS management plan sighted addressed issues related to hazards and risks, legal register and its requirements for compliance, OSH awareness and training program, accident and emergency procedures, treatment of illness/injury during

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				the job, use of PPE, OSH Committee meetings, etc. Generally, the ESH program noted to be satisfactory at Sri Intan POM.
	4.7.2	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. Major Compliance	YES	<p>Sabrang Estate - HIRARC has been established with the latest review carried out on 3rd Nov, 2015 by A.S. Devanthero – Quality Officer, Reviewed by Estate Assistant. The HIRARC was approved by the Estate Manager, Mr. Mohd Amri bin Baharudin. Operations have been risk assessed and documented. The latest identified Hazards have been updated into the HIRARC.</p> <p>Sogomana Estate - HIRARC has been established with the latest review carried out in Nov, 2015 . by the Quality Officer Devanthero. The record was reviewed by the Estate Assistant, approved by the Estate Manager, Mr.Chong Kok Swee Operations have been risk assessed and documented. The latest identified Hazards have been updated into the HIRARC.</p> <p>Seri Intan POM - HIRARC has been established with the latest review carried out in 1st Nov, 2015 rev : 1 by Mr. Sauri (Safety Officer). The record was approved by the Mill Manager, Mr. Cheok Sing Chia. Operations have been risk assessed and documented. The latest reviews which have been updated into the HIRARC.</p> <p>The following health and safety related actions undertaken by the CU were reviewed :</p> <ul style="list-style-type: none"> • CHRA was conducted on 15th – 16th April, 2015 auditor from PSQM ESH. CHRA recommendation report was reviewed on a periodic basis taking into consideration the progress made in implementing the recommendation. mitigating actions have been identified and Implemented. Followed through with Timeline, Person in charge, status of completion and additional action to be taken. • Chemical Exposure Monitoring Report in compliance with regulation 26 under Occupational Safety and Health USECHH Regulation 2000 by Procoma Environmental (M) Sdn. Bhd. Last carried out on 14th Dec, 2015, awaiting results. • Medical Surveillance Report inclusive of USECHH 1, USECHH 2, USECHH 3, USECHH 4, USECHH 5i and 5ii, NADOPOOD 7 dated 19th May, 2015 carried out by Klinik K.S Tan • Lab operators exposed to the following chemicals checked for the following excretion <ul style="list-style-type: none"> i) n – Hexane – checked for Urine 2,5-Hexanedione, Urine Creatinine ii) Acetone Exposure – Urine Acetone <p>Medical Surveillance Report Recommendation report is being reviewed as to their completion status – review sighted d/d : 25th May, 2015</p> <p>Annual & Baseline – Audiometric Testing Report (under Factories and Machinery (Noise Exposure) Regulation, 1989 was carried out by Procoma Environmental (M)</p>

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				<p>Sdn. Bhd. Report Ref No: PRO /SEP/15 (SIPOM/ 72) dated 9th Sept, 2015. Recommendations provided were acted upon. Audiometry Testing Programme (under Factories and Machinery (Noise Exposure) Regulation, 1989) was carried out by Dr. Zaharah binti Zainuddin, an Occupational Safety Health Doctor : JKPP KES 127 / 669 / 1 (641). Frequency : yearly basis Recommendation is being monitored with respect to their current status of completion: Latest review carried out and next testing is being planned on 8th Sept, 2016. Hearing Conservative Programme Committee (HCP) has been established and list of workers working in areas where the noise level is > 85 dB has been identified and informed accordingly.</p>					
4.7.3	<p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning. Major Compliance</p>	YES	<p>Workers have been provided with the necessary training. Appropriate PPEs have been identified through the HIRARC exercise and have been provided for accordingly to the concerned workers. PPE issuance records are being maintained.</p>						
4.7.4	<p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. Major Compliance</p>	YES	<p>Seri Intan – POM :</p> <p>Safety & Health Management Policy dated January, 2015 endorsed by Datuk Franki Anthony Dass</p> <p>Safety & Health Committee has been established. The OSH safety committee org chart for 2015 / 2016 has been provided to the auditor for verification. The Safety Officer is Mr. Sahuri Saari ,Sr Asst, and the Committee Secretary, Mr.Muhammad Ashman. Periodic meetings related to Health and Safety are being carried out. Relevant records related to Health and Safety are being maintained. The meeting was chaired by the Mill Manager.</p> <p>The following Safety & Health Committee meeting minutes reviewed, satisfactorily carried</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>23rd Sept, 2015</td> <td>Satisfactory</td> </tr> <tr> <td>4th June, 2015</td> <td>Satisfactory</td> </tr> </tbody> </table>	Date	Status	23 rd Sept, 2015	Satisfactory	4 th June, 2015	Satisfactory
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4.7.5	<p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>Minor Compliance</p>	YES	<p><u>Seri Intan - POM</u></p> <p>Accident and Emergency procedures have been established, the following were reviewed :</p> <ul style="list-style-type: none"> i. Emergency preparedness response team has been established – with the Mill Manager as the Emergency Commander ii. SOM Appendix 5.5.3.3 Emergency Preparedness & Response Procedure has been established , which included the following steps : <ul style="list-style-type: none"> a) responses to an environmental and OSH emergencies including accident / incident b) Emergency action plan in the event of fire. c) Emergency action plan in the event of an explosion d) Emergency action plan in the event of oil spillage. <p>The following drills were conducted and found to be satisfactory</p> <ul style="list-style-type: none"> i) Chemical spill drill cum training – conducted by Cheme Advance on 11th Feb, 2015 ii) Fire drill / consequences of fire and fire survival, conducted by the Malaysian Fire Prevention Centre on 01 /2014 and 3rd May, 2014 <p>A two days training on first aid had been conducted in Seri Intan POM. The training included first aid treatment and CPR. Competency certificate from 'St. John First Aid Course', conducted on 9th Feb, 2015 for the following were reviewed :</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th style="width: 5%;">No.</th> <th style="width: 60%;">Participant</th> <th style="width: 35%;">Station</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">Kamaruddin Muhammad</td> <td style="text-align: center;">Boiler house Chargeman</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">Samsudin B. Mohd Kushari</td> <td style="text-align: center;">Lab - Analyst</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">Zamzuri b. Husain</td> <td style="text-align: center;">Mill Supervisor</td> </tr> <tr> <td style="text-align: center;">4</td> <td style="text-align: center;">Sumithadevi</td> <td style="text-align: center;">Office - Clerk</td> </tr> <tr> <td style="text-align: center;">5</td> <td style="text-align: center;">Roslan b. Harun</td> <td style="text-align: center;">Engine Driver</td> </tr> </tbody> </table> <p>The first aid kits at the stations were checked and found to be satisfactorily maintained. Eight stations were visited during the on-site as follow :</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th style="width: 60%;">First Aid Box Station</th> <th style="width: 40%;">Custodian</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Auxiliary Police</td> <td style="text-align: center;">KPL Ishak bin Ismail</td> </tr> <tr> <td style="text-align: center;">Laboratory</td> <td style="text-align: center;">Sasikumar A/L Maruthamuthu</td> </tr> <tr> <td style="text-align: center;">Workshop</td> <td style="text-align: center;">Zainal bin Kamarudin</td> </tr> <tr> <td style="text-align: center;">Office</td> <td style="text-align: center;">Noor Hazlina bt Zakaria.</td> </tr> </tbody> </table>	No.	Participant	Station	1	Kamaruddin Muhammad	Boiler house Chargeman	2	Samsudin B. Mohd Kushari	Lab - Analyst	3	Zamzuri b. Husain	Mill Supervisor	4	Sumithadevi	Office - Clerk	5	Roslan b. Harun	Engine Driver	First Aid Box Station	Custodian	Auxiliary Police	KPL Ishak bin Ismail	Laboratory	Sasikumar A/L Maruthamuthu	Workshop	Zainal bin Kamarudin	Office	Noor Hazlina bt Zakaria.
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				<p>At Sogomana Estate :</p> <p>The following drill were reviewed and found to be satisfactory :</p> <p>i) Fire fighting / fire drill, conducted by Fire Brigade of Pantai Remis on 3rd April, 2015. The drill had involved the estate workers.</p> <p>A 2 days first aid training had been conducted at Sogomana Estate by JPAM. Competency Certificate from 'Jabatan pertahanan Awam Malaysia ' dated 7th Feb, 2014 were reviewed :</p> <table border="1" data-bbox="1140 443 1973 523"> <thead> <tr> <th>No.</th> <th>Participant</th> <th>Station</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Norsalina binti Samsudin</td> <td>General Worker</td> </tr> <tr> <td>2</td> <td>Govindasamy. S</td> <td>Hospital Assistant</td> </tr> </tbody> </table> <p>The first aid kits at eleven stations were checked and found to be satisfactorily. There are 16 items in the First Aid Box, which are checked and refilled on a monthly basis</p> <p>The following reviewed :</p> <table border="1" data-bbox="1095 660 1957 826"> <tbody> <tr> <td>First Aid Box Station</td> <td>Custodian</td> </tr> <tr> <td>AP Guard House</td> <td>Sargen Jamal</td> </tr> <tr> <td>Poison Store</td> <td>Ramlah – Store Clerk</td> </tr> <tr> <td>Workshop</td> <td>Dollah - Foreman</td> </tr> <tr> <td>Main Office</td> <td>Azizah – 2nd Clerk.</td> </tr> </tbody> </table>	No.	Participant	Station	1	Norsalina binti Samsudin	General Worker	2	Govindasamy. S	Hospital Assistant	First Aid Box Station	Custodian	AP Guard House	Sargen Jamal	Poison Store	Ramlah – Store Clerk	Workshop	Dollah - Foreman	Main Office	Azizah – 2nd Clerk.
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	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	YES	<p>The CU provides medical care to the mill and estates workers with clinics established within the premises. Serious cases are referred to the Teluk Intan Hospital which is about 7 km from the site.</p> <p>The CU also continued to provide group insurance for all workers as required under the Workmen Compensation Act 1992. Sighting of records and cross check with workers showed that they were covered with valid insurance policy. Local workers are covered by SOCSO. This was verified through the 'Jadual Caruman Bulanan' Oct, Nov, and Dec 2015 for mill workers.</p> <p>For foreign workers, they are covered by Workmen Compensation as per the Compensation Act 1952. A RHB Insurance Berhad, Policy No : FW 149537 with period covers from 1st Jul, 2015 to 30th June, 2016.</p>																			
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	YES	<p><u>Seri Intan - POM</u></p> <p>Accident statistics are being maintained and periodically reviewed (quarterly basis) during 'Health and Safety' committee meeting. This was evident in the minutes of the meeting.</p> <p>The following was reviewed :</p>																			

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				<p>Accident statistic being maintained. Pie chart representation maintained – 67% Class 3 (MC more than 5 days) 16% Class 4 (1-4 days MC) 17% Class 6 (First Aid Case).</p> <p>JKKP 8 for 2015 was submitted to DOSH on 6th Jan, 2016. Six accidents were recorded for 2015 which resulted in more than 4 days MC. Accident statistics are being maintained in a satisfactory manner.</p> <p><u>Sabrang Estate</u> Accident statistics are being maintained and periodically reviewed (quarterly basis) during 'Health and Safety' committee meeting. This was evident in the minutes of the meeting. There were six accident recorded for 2015. JKKP 8 for 2015 is ready waiting for submission to JKKP. Accident Statistics are being maintained in a satisfactory manner.</p> <p><u>Sogomana Estate</u> Interview with Hospital Assistant</p> <p>Accident statistics are being maintained and periodically reviewed (quarterly basis) during 'Health and Safety' committee meeting. JKKP 8 for 2015 was submitted to JKKP on the 6th Jan, 2016. Nine accidents were recorded in 2015. Accident Statistics are being maintained in a satisfactory Manner.</p> <p>No poisoning cases recorded for 2015. No JKKP 7 was reported. Injury record are being maintained using Lost Time Accident (LTA) metrics.</p>
<p>C 4.8</p> <p>All staff, workers, smallholders and contract workers are appropriately trained.</p>	<p>4.8.1</p>	<p>A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. Major Compliance</p>	<p>YES</p>	<p>Seri Intan - POM</p> <p>At the mill, training plan for 15/16 had been established. A training needs identification matrix has been established with target dates for the training identified. The training program includes :</p> <ul style="list-style-type: none"> • OSH Act & Regulations 1994 • Environmental , Safety & Health Policy • Use & Standard Exposure of Chemical Hazardous to Health (USECHH) 2000 • Accident Investigation Techniques • Emergency Respond Plan Training (e.g Chemical spill, poisoning, Fire. Lightening) • First Aid Training • Scheduled waste management • Safe Work Procedure for All Stations. <p>The following training has been conducted and appropriate records were maintained :</p>

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	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	YES	Training records were available and maintained accordingly.																								

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Principle 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY

Clause	Indicators		Comply Yes/No	Findings
<p>C 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 continual improvement.</p>	<p>5.1.1</p>	<p>An environmental impact assessment (EIA) shall be documented. Major Compliance</p>	<p>YES</p>	<p>CU has established its environmental aspects/impacts register associated with their activities. Environmental aspect and impact (EAI) covers all upstream activities such as FFB reception until downstream processes. The identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the significant environmental receptors are the boiler stack emission, palm oil mill effluent (POME) discharge and land contamination which related to managing the scheduled wastes and also general wastes. For the estate operation, all activities from harvesting, pest and disease, upkeep programme until delivery to mill has been identified.</p> <p><u>Air pollution:</u></p> <p><u>Boiler Operation</u></p> <p>1) Dark smoke from boiler. Mitigation: proper usage of burning fuel i.e. shell & fibre, boiler preventive maintenance. During the assessment, it was found that the dark smoke emission of boiler's chimney had exceeded the regulated limit in several times. The mill has identified and established an action plan which included, even distribution of burning fuels into the boiler, reduce the usage of wet shell, install roofing to prevent fibre get wet from rain water and regular maintenance, checking and cleaning of the smoke density meter. Smoke Density Meter - V6 275 / 07 – Calibration on 23rd Sept, 2015. - Due Date : 22nd March, 2016, 2016</p> <p>i) Stack Sampling reports – carried out 2 times a year as per Malaysian Standard (MS 1596 : 2003)</p> <p>ii) Measurement of dust particulate concentration Ref No : L- PG-AC 1510CSD – 0523 – carried out by Environmental Science (M) Sdn. Bhd – Monitoring Date : 28th October, 2015, Reporting Date : 3rd November, 2015</p> <p>2) Smoke from generator set. Mitigation: preventive maintenance on engine room</p> <p>3) GHG emission from ETP. Monitoring mechanism in place.</p> <p><u>Water pollution:</u></p>

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				<p>1) Scheduled wastes generation from accidental spillage like machinery 2) Leachate from EFB stockyard. Mitigation: construction of bund (retention wall). 3) Wastewater discharge from ETP</p> <p><u>Soil contamination:</u> Scheduled wastes generation – Mitigation: to be handled in accordance with EQA Scheduled Wastes regulations. The following Schedule Waste being generated and disposed : SW 305 – 0.37 MT, SW 322 – 251.1 lit, SW 410 – 0.38 MT, SW 424 – 34 lit, SW 427 – 104.6 lit. The following disposal verified – disposal on 6th Jan, 2016 – related Consignment Note – 5th 6th & 7th schedule were satisfactorily handled.</p>
	5.1.2	<p>Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/persons. Minor Compliance</p>	YES	<p>Significant environmental aspect and impact was derived from the environmental impact evaluation (EIE) and captured in the 'Pollution Identification Environmental improvement action Plan'. Those activities evaluated as significant were then monitored using the mitigation measure established for each significant activities. Sighted wastewater management plan and waste management plan developed for CU.</p> <p>i) Environmental Aspect Identification Summary FY 2015 / 2016 reviewed on 1st Dec, 2015. ii) Environmental Impact Evaluation Summary FY 2015 / 2016 reviewed on 1st Dec, 2015.</p> <p>The management has reviewed the implementation and effectiveness of the established program on a periodically basis. For the mill the responsible person is the Assistant Mill Manager and for the estates are by the Assistant Managers.</p>
	5.1.3	<p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. Minor Compliance</p>	YES	<p>Pollution Identification Environmental improvement action plan' to monitor the effectiveness of the mitigation measures taken, was in place. The following parameters were being monitored :</p> <p>i) BOD final discharge ii) Reduce water consumption. iii) Reduce electricity consumption.</p> <p>Y2015 performance verified.</p>

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<p>C 5.2 The status of rare, threatened or endangered species other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>	5.2.1	<p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). Major Compliance</p>	YES	<p>Information was collated in a High Conservation Value (HCV) Assessment dated December 2015, which included both the planted area itself and relevant wider landscape-level considerations with villages and forest reserved.</p> <p>HVC Re-assessment for Strategic Operating Unit (SOU) 5 – Seri Intan/Selaba.</p>
	5.2.2	<p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan. Major Compliance</p>	YES	<p>The HCV Assessment report indicated that there is no threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations. There is only common bird sighted.</p> <p>The appropriate measures that are expected to maintain and/or enhance them were implemented through an action plan dated 2.10.2015, and made available in Sabrang Estate. Action plan to protect estate from flooded due to high tide. To maintain soft grasses on the bund to control erosion at block OP2002, OP2008 and OP1996D. Site visit found the bund was maintained as scheduled.</p>
	5.2.3	<p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. Minor Compliance</p>	YES	<p>Training program 2015/2016 at Sogomana Estate (Main Div) and Seri Intan POM was verified. The training records at Sogomana Estate (Main Div) dated 14.6.2015 and 10.8.2015 (during the muster ground) were verified.</p>
	5.2.4	<p>Where an action plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the action plan. <p>Minor Compliance</p>	YES	<p>An action plan was made available in Sabrang Estate dated 2.10.2015 and was documented and reported. The outcomes of monitoring was included in the HCV report.</p> <p>Monitoring at Sogomana Estate (Main Div) was conducted at boundaries of Gunung Tunggal Permanent Forest Reserved and worship area.</p>

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	5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. Minor Compliance	YES	There is no HCV set-asides with existing right of local communities in Seri Intan CU
C 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	YES	The Seri Intan CU had identified all wastes and sources of pollution. The environmental management plan was established to mitigate applicable identified waste and source of pollution. Among the significant environmental receptors for the estates and mill operations were: Air emissions from the boiler stack (smoke and particulate), vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping – biogas emission). For water – cleaning water/run-off/process station (hydro cyclone /sterilizer condensate/clarification waste) & boiler quenching water and blowdown. As for land, scheduled wastes, domestic waste and industrial/process waste.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	YES	Chemical containers are triple rinsed, punched with holes and disposed through approved DOE licensed contractors.
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented Minor Compliance	YES	For the identified waste and pollutants, procedures and guideline were established to guide the waste disposal activities and to reduce pollution on the routine operation. Mill wastes had been disposed as follows; EFBs were sent for mulching in the field, while crop residue/biomass i.e. fiber and shell were used as fuel in the boiler. On the monitoring of water and effluent discharge, monthly and quarterly report for final discharge were submitted to DOE on timely manner. This was as required by the written approval. Effluent quality monitoring was also done on a monthly basis. Sample taken at final discharge was sent for analysis. There are 18 treatment ponds in place to treat the POME. The final discharge was seen to be flowing to the Perak River. Result of analysis was found satisfactorily and within the regulatory limit. . On the scheduled waste management, a procedure “Handling of Scheduled Waste. Schedule Waste” has been established. The wastes were disposed through DOE’s licensed contractors. The storage, management and disposal of the following scheduled waste were reviewed, noted to be satisfactory SW 305 – Spent Lubricant Oil SW 306 – Spent Hydraulic Oil SW 410 – Mixed Schedule waste. SW 322 – Hexane IPA SW 402 – Chromic Acid

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				SW 424 - Silica
C 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.	5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. Minor Compliance	YES	A plan for improving the efficiency of the use of fossil fuels has been incorporated into the Environmental Aspect and Impact activities report for 2015. The following were reviewed : i) Environmental Aspect Identification Summary FY 2015 / 2016 reviewed on 1 st Dec, 2015 ii) Environmental Impact Evaluation Summary FY 2015 / 2016 reviewed on 1 st Dec, 2015
C 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice	5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Major Compliance	YES	SDPSB had a policy of no open burning. It was in <ul style="list-style-type: none"> • EQMS-SOP-Section B2 - Under felling/clearing & land preparation • Local Procedure - "safe working" • Carbon Policy As advocated, both estates practiced zero burning. The 2013, 2014 and 2015 replants were visited during the surveillance in both estates, it was evident that all palms were felled, shredded, windrowed in 'Close Ended Conservation Trenches' (CECT) and left to decompose.
	5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Minor Compliance	YES	As per SDPSB policy on zero burning during land preparation for replanting, both estate had adhered to this policy.
C 5.6 Preamble Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).	YES	An assessment of identified polluting activities is being conducted and monitored. These include gaseous emissions, particulate / soot emissions, effluent discharge and the scheduled wastes and domestic wastes. 'Pollution Identification Environmental improvement action plan' – is used to identify the waste products and sources of pollution – is in place and is being reviewed accordingly. The most significant environmental receptors for the estates and mill operations were: Air emission from boiler stack (smoke and particulate), vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping – biogas emission) , Wastewater discharges from cleaning water/run-off/process station waters (hydro cyclone / claybath /sterilizer condensate/clarification waste) & boiler quenching water and blowdown. As for land, scheduled waste, domestic waste and industrial/process waste.

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<p>methodology. It is also recognised that it is not always feasible or practical to reduce or minimise these emissions.</p> <p>Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO. Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>				
	5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	YES	'Pollution Identification Environmental improvement action plan' – is used to identify the waste products and sources of pollution – is in place and is being reviewed accordingly Greenhouse gas – sources were identified through 'Carbon Inventory Calculation. The information had been reported in the sustainability report. Reviewed 2015 Sustainability Report.
	5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from	YES	GHG emission calculation and monitoring is available at CU level, using the GHG Protocol. However, the endorsement of SOP GHG calculator is still pending and still waiting for technical advice by RSPO Emission Reduction Working Group.

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estate and mill operations, using appropriate tools.
Minor Compliance

Principle 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES BY GROWERS AND MILLERS

Clause	Indicators		Comply Yes/No	Findings
C 6.1 Aspects of plantation and mill management that have social impacts, including replanting, 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 continual improvement.	6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. Major Compliance	YES	A Social Impact Assessment (SIA) report and records of meetings were maintained by Seri Intan CU. The report was prepared in 2014 by the Social and Environment Projects Unit, PSQM Department, SDPSB. The assessment covered all estates under SOU 5. A separate assessment was carried out for the Seri Intan POM. It was carried out in April 2013. The reports highlighted various issues raised by the stakeholders of the respective estates and mill. Stakeholders' complaints, requests and comments were documented in the report, and in minutes of meetings. While in Sabrang estates, the SIA was reviewed on 24.2.2014 – 4.3.2014. Records of meeting including attendance list dated 26.2.2014 was verified.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	YES	The assessment was carried out with the participation of affected parties during Monday briefing, complaint, Union Meeting dated July 2015 at POM. At Sabrang Estate meeting with villagers, school head masters, workers, contractors was conducted on 26.2.2014 At Sogomana, the stakeholder meeting conducted 19.5.2014 with Ketua Kampong 40 Rantai, Beting Luas, Lubuk Pusing, Gunung Tunggal and Changkat Keruing
	6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. Major Compliance	YES	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, was developed in consultation with the affected parties (workers, orang kampongs Sg Durian and Kg Selat Masjid, AP, carpenters), documented and timetabled, including responsibilities for implementation available in Sabrang Estates, reviewed on October 2015, and Action Plan Seri Intan POM was reviewed on July 2015 respectively. Therefore previous Minor NCR MM01 was closed

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	6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties Minor Compliance	YES	Reviewed once a year i.e. every month of July. Action plan for Sogomana Estate (Main Div) was reviewed FY 2015/2016
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). Minor Compliance	YES	There is no smallholder schemes in Seri Intan CU
C 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	Consultation and communication procedures shall be documented. Major Compliance	YES	The CU maintained its consultation and communication procedures established by HQ. Flowchart and procedure on handling social Issues Version 1, 1.11.2008 and Internal Communication (SOM) 5.5.3 and Procedure for external Communication Appendix 5.5.3.2 were available at site.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	YES	Observed that the CU maintained to have nominated management officials at respective operating units for responsible of social issues.
	6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. Minor Compliance	NO	<p>A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, was maintained at Seri Intan POM and Sabrang Estate. The list of stakeholder at Sabrang Estate dated December 2015 was reviewed by the auditor.</p> <p>For Sogomana Estate, during consultation with village head of Kampong Gunung Tunggal/Changkat Keruing/Lubuk Pusing it was confirmed that there was a request made by the village head in January 2015 which was not responded to by the Sogomana Estate. The village head had requested assistance to use tractor to repair the road. However, Sogomana Estate (Main Div) did not responded formally to this request and there was no meetings held with the village in 2015.</p>

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				The confirmation of receipt and that efforts made to ensure understanding by surrounding kampong's, and records of actions taken in response to input from stakeholders was not evident. Therefore a minor NCR KN01/2016 was raised
C 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistle-blowers, where requested. Major Compliance	NO	<p>The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. It was confirmed during consultation with Ketua Kampung Batak Rabit (Seri Intan POM) and Ketua Kampong Sg. Durian (Sabrang Estate)</p> <p>However, the complaint on line-site was not resolved in an effective, timely and appropriate manner, and affected parties were not informed the status of repairing work in the complaint book.</p> <p>It was confirmed during the consultation with workers (Harvesters, Sprayers, Stacking) the complaints were not resolved in an effective, timely and appropriate manner in Seri Intan POM and Sogomana Estate (Main Div)</p> <p>The complaints on 'living quarters' were not resolved in an effective, timely and appropriate manner. Therefore Major NCR KN02/2016 was raised</p>
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	YES	<p>There was no dispute in Seri Intan CU. It was confirmed during the consultation with village head of Batak Rabit, and records in complaint book.</p> <p>The complaints from communities of Kg Sg Durian to the workers has been resolved. It was confirm during the consultation with Ketua Kampong, Kg Sg Durian at the time of audit.</p>
C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own	6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. Major Compliance	YES	The CU maintained its documented procedures for identifying legal and customary right and for identifying people entitled to compensation, which covered either by Procedures for Handling Boundaries Dispute or Procedures for Handling Squatters Dispute or Procedures for Handling Social Disputes (SPMS), depending on type of issues and stakeholders.
	6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.	YES	The CU maintained its documented procedures for calculating and distributing fair compensation, which covered either by Procedures for Handling Boundaries Dispute or Procedures for Handling Squatters Dispute or Procedures for Handling Social Disputes, depending on type of issues and stakeholders. According to the procedure, the calculation and distribution of compensation to be carried out at the company level not at the estate/mill level. Nevertheless, no case of compensation related to loss of legal or customary rights of indigenous peoples, local communities or external stakeholders was observed.

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representative institutions.		This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. Minor Compliance		
	6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. Major Compliance	YES	There was no land disputes in Seri Intan CU. It was confirmed during the consultation with the village head of Batak Rabit (POM), Kg Sg. Durian/Selat Masjid and Kg. Sarang Tiong (Sabrang Estate), Kg Lubuk Pusing/Kg 40 Rantai, and District Forest Officer (DFO) of Kinta/Manjong (Sogomana Estate (Main Div)
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	YES	Pay and conditions for workers were spelled out in the Collective Agreement (CA) reached between the Malaysian Agriculture Producers Association (MAPA) and the National Union of Plantation Workers (NUPW) while pay and conditions for the administrative staff were laid out in the CA between MAPA and the staff union (AMESU). MAPA and NUPW reached an agreement on 22 May 2015 while MAPA and AMESU came to an agreement in 2014. Both CA will run for a three year period. Documentation of pay and conditions for workers (Harvesters, Sprayers, Stacking) were available in Sabrang and Sogomana Estate (Main Div), including Seri Intan POM operator.
	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.) shall be available in the languages understood by the workers or explained carefully to them by a management official.	YES	The CA (as explained in Indicator 6.5.1) and the job offer letter detailed the payments and conditions of employment. The agreement had been translated into Bahasa Malaysia. According to the workers and staffs interviewed, when the current CA was first enforced the content of the agreement was also explained to them by the plantation management as well as union representatives. [Refer also to File 11(OER Daily Rated) and File 12 (OER Harvesting) for EPF, SOCSO, etc. deductions and the Communication File for worker consent to the deductions]. The ccontracts agreement were made available for workers in Sabrang and Sogomana Estates (Main Div) and Seri Intan POM

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		Major Compliance		
	6.5.3	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, 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).</p> <p>Minor Compliance</p>	YES	Line-site inspection was conducted on weekly basis at Sabrang and Sogomana Estate (Main Div). Subsidised water supply from Lembaga Air Perak and electricity from TNB were provided to the workers quarters. Free medical, educational and other basic amenities such as Muslim prayer houses (Surau), Hindu temples, sundry shops and kindergartens were also provided.
	6.5.4	<p>Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food.</p> <p>Minor Compliance</p>	NO	The efforts to monitor and ability to, improve workers' access to adequate, sufficient and affordable food were not sufficient at Sabrang Estate (2 shops), Sogomana Estate (Main Div) (1 shops) and Seri Intan POM (1 canteen). Thus, Minor NCR KN03/2016 was raised
C 6.6 The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel	6.6.1	<p>A published statement in local languages recognising freedom of association shall be available.</p> <p>Major Compliance</p>	YES	The freedom of association statement incorporated in the company Social Policy (dated January 2015) statement together with other policy statements were maintained and sighted on notice boards in the estate and mill. It was confirmed during the consultation with workers during the site inspection

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means of independent and free association and bargaining for all such personnel.				
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	YES	Minutes of meetings with main trade unions or workers representatives were verified and documented as below; <ul style="list-style-type: none"> • Seri Intan POM dated 7.12.2015 and 17.11.2015 • Sabrang Estate dated 2.11.2015, and • Sogomana Estate (Main Div) dated 27.10.2015.
C 6.7 Children are not employed or exploited.	6.7.1	There shall be documentary evidence that minimum age requirements are met. Major Compliance	YES	Check roll employee Listing Jan 2016 at Seri Intan POM and Employee Masters Details Listing at Sabrang Estate was verified. It was also observed during the consultation with workers during the site visit. The minimum age requirements are met.
C 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 including identification of relevant/affected groups in the local environment shall be documented. Major Compliance	YES	The freedom of association statement incorporated in the company Social and Humanity Management Policy statement together with other policy statements (dated January 2015) were maintained and sighted on notice boards in the estate and mill.
	6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance	YES	An inspection of the employment offer letters revealed no case of discrimination based on race, religion, gender, national origin or any other form of discrimination as stated in Criterion 6.8. The payments and conditions of employment for foreign or local, male or female employees, were based on the MAPA-NUPW and MAPA-AMESU agreements and not decided arbitrarily by the estate/mill management. All workers, regardless of their socio-cultural and political backgrounds, were provided with the same housing and amenities as required by the law. Interviews with administration staff and workers, (foreign and local, male and female) confirmed the absence of any form of discrimination in the CU.
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance	YES	An inspection of job advertisements and records of hiring and promotion showed that they were based on skills, capabilities, qualities and medical fitness. It was confirmed during interview with the employees.

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C 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.	6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. Major Compliance	YES	The freedom of association statement incorporated in the company Social Policy and Social & Humanity Management Policy statement together with other policy statements were maintained and sighted on notice boards in the estate and mill.
	6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. Major Compliance	YES	The freedom of association statement incorporated in the company Social Policy and Social & Humanity Management Policy statement dated January 2015 together with other policy statements were maintained and sighted on notice boards in the Sogomana Estate (Main Div) including Sabrang Estate and Seri Intan POM
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	YES	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented in GPA (Group Policies and Authorities) No. B5-Whistleblowing dated 27 February 2014 and the staff were aware on this mechanism at Sogomana Estate (Main Div)
C 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. Minor Compliance	YES	No OCP (Outside Crop) since May 2014 with Perniagaan Sinaran Mewah. There is no any outside crops after stated date. Monthly crop report dated May 2015 was verified and confirmed there was no FFB supply from outsiders
	6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). Major Compliance	YES	The FFB was fully supplied by Sime Darby Estates. The pricing was controlled by the HQ
	6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. Minor Compliance	YES	Interview with contractor McCain and K Fong at Seri Intan POM and contractor Yoganayagi Enterprise at Sabrang Estate confirmed they understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.

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	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	YES	Interview with contractor McCain and K Fong at Seri Intan POM and contractor Yoganayagi Enterprise at Sabrang Estate confirmed the payments were made in a timely manner.
C 6.11 Growers and millers contribute to local Sustainable development where appropriate.	6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor Compliance	YES	Sekolah Jenis Kebangsaan Tamil requesting for new store building, dated 23.4.2014 and the store was built in 2014. Payment voucher to the contractor dated 14.6.2014 was verified. Sogomana Estate (Main Div) had made donation to Indian Temple for festival on 18 March and 8 August 2015.
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor Compliance	YES	There is no scheme small holder in Seri Intan CU
C 6.12 No forms of forced or trafficked labour are used.	6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. Major Compliance	YES	Foreign workers Passport List (foreign workers from Indonesia, India, Bangladesh and Nepal) was verified at Sogomana Estate (Main Div)
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	YES	Consultation with contractors at Seri Intan POM, Sogomana Estate and Sabrang Estate found there is no contract substitution has occurred in Seri Intan CU
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	YES	The labour policy statement was embodied in the company Social Policy and Humanity Management Policy. Company labour policy required that all foreign workers hired by the company to attend a one-week post-arrival orientation course, <i>Kursus Induksi untuk Pekerja Asing</i> (Induction Course for Foreign Workers) before commencing work. Through this course the workers are exposed among other things to various relevant laws of the country (such as labour and immigration laws), health and safety, work contract, sourcing process of foreign workers and language and cultures of Malaysia
C 6.13 Growers and millers respect human rights	6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). Major Compliance	YES	The SDPSB Social Policy and Social & Humanity Management Policy have included statement on freedom of association. The policies were displayed at the notice boards at the estates and mill.
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the	YES	Not applicable since the Seri Intan CU is located at Peninsular Malaysia. All the children were schooling at Sekolah Jenis Kebangsaan Tamil Ladang Rebana at Sabrang Estate, and Sekolah Jenis Kebangsaan Tamil Ladang Sogomana and Sekolah Kebangsaan Ladang Huntly at Sogomana (Main Div)

RSPO RECERTIFICATION AUDIT REPORT

	plantation companies should engage in a process to secure these children access to education as a moral obligation. Minor Compliance		
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Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

No new planting was observed. Thus, this principle is not applicable.

Principle 8: COMMITMENT TO CONTINUOUS IMPROVEMENT IN KEY AREAS OF ACTIVITY

Clause	Indicators		Comply Yes/No	Findings
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1	The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance		
	a)	Reduction in use of pesticides(Criterion 4.6);	YES	Both Sogomana Estate and Sabrang Estate continued to manage pests, disease and weeds using appropriate IPM techniques. In order to minimize use of insecticides the estates have established nurseries for beneficial plants mainly <i>Tunera subulata</i> , <i>Cassia cobanensis</i> , <i>Antigonon leptopus</i> and <i>Mucuna bracteata</i> (for replants to cover chipped palm material). This was to ensure continuity in the planting of beneficial plants The estates were committed to reduce using chemicals and now have implemented and will continue to only spray Circles (Strip) and noxious weeds. Soft weeds and <i>Nephrolepis bisserata</i> are maintained and encouraged in the inter rows. Harvesters' paths are grass. This also suppresses growth of noxious weeds and thus reduce use of pesticides for selective weeding too.

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				During replanting chipped palm material are put into Close Ended Conservation Trenches (CECT) preventing/suppressing Rhinoceros Beetle from breeding. The chipped material is further covered by planting <i>Mucuna bracteata</i> .
b)	Environmental impacts (Criteria 4.3, 5.1 and 5.2);	YES	<p>An environmental aspect and impact assessment has been carried out and the significant environmental impacts have been identified.</p> <ul style="list-style-type: none"> • Environmental Aspect Identification Summary FY 2015 / 2016 reviewed on 1st Dec, 2015 • Environmental Impact Evaluation Summary FY 2015 / 2016 reviewed on 1st Dec, 2015 <p>Pollution Identification Environmental improvement action plan' has been established and is being monitored.</p>	
c)	Waste reduction (Criterion 5.3);	YES	<p>Waste products and source of pollution has been identified.</p> <p>'Pollution Identification Environmental improvement action plan' – is used to identify the waste products and sources of pollution – is in place and is being reviewed accordingly</p>	
d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	YES	<p>'Pollution Identification Environmental improvement action plan' – is used to identify the waste products and sources of pollution – is in place and is being reviewed accordingly</p> <p>Green House Gaseous – Potential sources are being identified using 'Carbon Inventory Calculation Methodology and reported in the sustainability report. Reviewed 2015 Sustainability Report.</p>	
e)	Social impacts (Criterion 6.1);	YES	<p>Capex 2016/2017 – Proposal of new residential workers 12 houses at Sabrang Estate</p> <p>Capex Social Family Day/Sports at Sogomana Estate (Main Div)</p> <p>Capex Residential workers Housing for year 2015/2016 at Seri Intan POM</p>	
f)	Encourage optimising the yield of the supply base	YES	<p>Both estate are committed to implement best agricultural practices, inclusive of</p> <ul style="list-style-type: none"> • timely and proper fertilizer, EFB & Compost application; • maintain/conserves water by water management, • Improve on accessibility to maximise crop evacuation • In field mechanised collection of FFB. • Reduce surface run off to prevent leaching of fertilisers <p>Harvester are also paid incentive allowance</p>	

RSPO RECERTIFICATION AUDIT REPORT

RSPO Supply Chain at the palm oil mill – Identity Preserved Model –Module D

Item No	Requirement NOV 2014	Findings Standard Nov 2014																								
<p>D.1</p> <p>D.1.1</p>	<p>Defination</p> <p>A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p> <p>To verify :</p> <p>a) the volume of certified FFB entering the mill b) the volume sales of RSPO certified</p> <p>The claim only the volume of oil palm products produced from processing of the certified FFB as IP</p>	<p>Since last audit, all FFB received by Seri Intan POM came from its own estates. During this audit, the organization have decided to change from MB model to IP model.</p> <p>Actual FFB received from November 2014 to December 2015</p> <table border="1"> <thead> <tr> <th></th> <th>FFB (Mt)</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>RSPO Certified FFB</td> <td>203,546.74</td> <td>100.00</td> </tr> <tr> <td>Non-RSPO Certified FFB</td> <td>-</td> <td>-</td> </tr> <tr> <td>TOTAL</td> <td>203,546.74</td> <td>100.00</td> </tr> </tbody> </table> <p>Total production for RSPO products from November 2014 to December 2015</p> <table border="1"> <thead> <tr> <th></th> <th>(Mt)</th> </tr> </thead> <tbody> <tr> <td>RSPO Certified CPO</td> <td>43,272.58</td> </tr> <tr> <td>RSPO Certified PK</td> <td>11,226.94</td> </tr> </tbody> </table> <p>Actual Volume despatch RSPO products under MB model from November 2014 to December 2015</p> <table border="1"> <thead> <tr> <th></th> <th>(Mt)</th> </tr> </thead> <tbody> <tr> <td>RSPO Certified CPO</td> <td>30,314.98</td> </tr> <tr> <td>RSPO Certified PK</td> <td>4,679.05</td> </tr> </tbody> </table>		FFB (Mt)	%	RSPO Certified FFB	203,546.74	100.00	Non-RSPO Certified FFB	-	-	TOTAL	203,546.74	100.00		(Mt)	RSPO Certified CPO	43,272.58	RSPO Certified PK	11,226.94		(Mt)	RSPO Certified CPO	30,314.98	RSPO Certified PK	4,679.05
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<p>D 2</p> <p>D..2.1</p>	<p>Explanation</p> <p>Estimate total tonnage of CPO and PK potentially produce in a year</p>	<p>Based on “MPLAN 2015 (Mill M008 – SERI INTAN)”, approximation total tonnage potential to be produced for year 2015/2016:</p> <table border="1"> <thead> <tr> <th></th> <th>(MT)</th> </tr> </thead> <tbody> <tr> <td>CPO Production projection for certification for 2015/2016</td> <td>50,108.27</td> </tr> <tr> <td>PK Production projection for certification for 2015/2016</td> <td>12,899.23</td> </tr> </tbody> </table> <p>Tonnage of crude palm oil (CPO) and palm kernel (PK) covered by the certification of Seri Intan Palm Oil Mill complex certification unit from March 2013 until February 2014</p> <table border="1"> <thead> <tr> <th></th> <th>(MT)</th> </tr> </thead> <tbody> <tr> <td>CPO production claimed for certification</td> <td>60,824.00</td> </tr> <tr> <td>PK production claimed for certification</td> <td>15,403.00</td> </tr> </tbody> </table>		(MT)	CPO Production projection for certification for 2015/2016	50,108.27	PK Production projection for certification for 2015/2016	12,899.23		(MT)	CPO production claimed for certification	60,824.00	PK production claimed for certification	15,403.00												
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<p>D. 2 D 2.2</p>	<p>Explanation The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	<p>Seri Intan POM has a registered RSPO e-Trace. The member ID is RSPO_PO1000000193 Sample of registration was sighted:</p> <p>Contract Information Transaction ID # TR-0317580d-8487 Seller Contract # S/AGC/0914/CPO27078P Announcement date 6/7/2015 Transport Medium Tanker (lorry) Shipment date 13/5/2015 Product name CPO Mass Balance Certified volume 500 MT Seller Seri Intan Oil Mill Buyer <i>Sime Darby Plantation Sdn Bhd – Nuri Refinery</i> <i>Member ID RSPO_PO1000000309</i></p> <p>Contract Information Transaction ID # TR-da30ff04-5fa5 Seller Contract # S/C-PSD/1411/CPO27314P Announcement date 6/7/2015 Transport Medium Tanker (lorry) Shipment date 13/5/2015 Product name CPO Mass Balance Certified volume 500 MT Seller Seri Intan Oil Mill Buyer <i>Sime Darby Plantation Sdn Bhd – Nuri Refinery</i> <i>Member ID RSPO_PO1000000309</i></p>
<p>D 3 D 3.1</p>	<p>Documented procedures The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: a) Complete and up to date procedures covering the implementation of all the elements in these requirements b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person</p>	<p>a) Seri Intan POM SOP dated November 27, 2015 describing the procedures on the following activities related on its supply chain certification standard required by the RSPO. The Procedure was sighted and found all elements were covered which included</p> <ul style="list-style-type: none"> • Responsibilities • Receiving FFB • Process monitoring • Logistic of raw material and finished product • Storage (raw material and finished product) • Production process from raw material(s) to finished product(s) • Management of contamination from non-certified products at the identified critical points

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	shall be able to demonstrate awareness of the facilities procedures for the implementation of this standard.	<ul style="list-style-type: none"> • Sales of finished product, including the identification of SCC model used • Method to check the RSPO certification validity of the suppliers • Control of non-conforming products/documents <p>Retention period of keeping the SCC related records such as contract document, purchasing records, delivery records, etc.</p> <p>b) The head of operating unit who have overall responsibility and authority over the implementation of the standard requirements and compliance.</p>
D 3.2	The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.	Receiving of certified and non-certified FFB procedure is stated in section 6.0 and 7.0 of SD/SDP/PSQM/001 dated 27/11/2015.
D.4 D.4.1	Purchasing and goods in The site shall verify and document the volumes of certified and non-certified FFBs received.	<p>All certified FFB came from Seri Intan SOU's estates and other estates owned by SDPSB (which are also certified to RSPO). All delivery documents of certified FFB were verified to ensure the certified status of the FFB. Volumes of certified FFBs received by the mill had been properly recorded and monitored. Refer to table attached.</p> <p>All purchasing activities was done by Global Trade Marketing (HQ)</p> <p>Seri Intan POM has received 203,546.74 MT of RSPO FFB from own estates for their processing activities.</p> <p>A Delivery Note # 53232 (dated 27/10/2015) with FFB ticket # 142254 referring to Seri Intan Estate was sighted. Quantity delivered – 9,170 kg of RSPO FFB</p> <p>A Delivery Note # 42759 (dated 18/12/2015) with FFB ticket # 144921 referring to Sabrang Estate was sighted. Quantity delivered – 10.840 kg of RSPO FFB</p> <p>A Delivery Note # 13719 (dated 5/11/2015) with FFB ticket # 142768 referring to Seri Wangi Estate was sighted. Quantity delivered – 11,740 kg of RSPO FFB</p>
D 4.2	The site shall inform the CB immediately if there is a projected overproduction.	There was no overproduction observed. Procedure stated in section 16 of SD/SDP/PSQM/001 dated 27/11/2015
D.5 D.5.1	Record keeping The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	For year 2015, Seri Intan POM monitored their incoming of FFB and outgoing of certified CPO product on three monthly basis. This records contain information about certified FFB received, process, CPO & PK production and todate balance stock (refer attached record).

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<p>D 6</p> <p>D.6.1</p> <p>D 6.2</p>	<p>Processing</p> <p>The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non- certified material including during transport and storage.</p> <p>The objective is for 100% segregated material to be reached.</p>	<p>Since last audit, Seri Intan POM only received RSPO certified FFB.</p>
	<p>Sales and good out</p> <p>The facility shall ensure that all sales invoices issued for RSPO certified products delivered include the following information:</p> <p>a) The name and address of the buyer;</p> <p>b) The date on which the invoice was issued;</p> <p>c) A description of the product, including the applicable supply chain model (Segregated or Mass Balance)</p> <p>d) The quantity of the products delivered;</p> <p>e) Reference to related transport documentation.</p>	<p>All purchasing and sales activities were handled by Global Trading Marketing (HQ). RSPO certified CPO transaction happened only internally within the upstream and downstream facilities of SIME DARBY Group. Hence, commercial invoice is not necessary. Relevant documents during transportation are:</p> <p>Seri Intan POM has despatched 30,314.98 MT of RSPO certified CPO under MB model for year 2015. Sample of sales document were sighted during the audit and it was found all related information were adequate.</p> <p>Despatch Ticket # 012992 dated 15/8/2015 issued by SERI INTAN POM to Sime Darby Plantation Sdn Bhd - Nuri Edible Oils was sighted:</p> <ul style="list-style-type: none"> • Sales contract # - S/C-PSD/1508/CPO0935D • Products – CPO MB • Quantity – 34,180 kg. • Borang MPOB – A789723 <p>Despatch Ticket # 013465 dated 15/10/2015 issued by SERI INTAN POM to Sime Darby Plantation Sdn Bhd - Jomalina Refinery was sighted:</p> <ul style="list-style-type: none"> • Sales contract # - S/C-PSD/1510/CPO 1221 • Products – CPO MB • Quantity – 40,000 kg. • Borang MPOB – A922031 <p>Despatch Ticket # 013756 dated 30/11/2015 issued by SERI INTAN POM to Sime Darby Plantation Sdn Bhd – Nuri Edible Oils was sighted:</p> <ul style="list-style-type: none"> • Sales contract # - S/C-PSD/1510/CPO 1471 • Products – CPO MB • Quantity – 40,120 kg. <p>Despatch Ticket # 013180 dated 30/11/2015 issued by SERI INTAN POM to Sime Darby Plantation Sdn Bhd – Kernel Crushing Plant was sighted:</p> <ul style="list-style-type: none"> • Sales contract # - S/C-PSD/1809/PK 1010 • Products – PK MB • Quantity – 35,640 kg.

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	<p>Training The facility shall provide the training for all staff as required to implement the requirements of the Supply Chain Certification Systems.</p>	<p>Seri Intan POM has conducted RSPO awareness training for its key personnel to familiarize them on the RSPO new standard. The latest training was conducted on 9 – 10 March 2015 by Sime Darby's HQ (PSQM) which was attended by the company's staff whose works were related to the company's RSPO supply chain system. An attendance list on the training was sighted during the audit.</p> <p>Based on interviewed with Mr. Syed Mohd Farhan (Assistant Engineer), Ms. Halimah (Weighbridge Clerk) and Ms. Fartini (PSQM), it was found their understanding of their RSPO-job related were acceptable.</p>
	<p>Claims The facility shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules for Communications and Claims.</p>	<p>Not applicable. RSPO Trade Logo is not in used.</p>

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4.0 Details of Non-conformities raised

Total no. of minor NCR(s) : 3	List : STK1/2016 (Indicator 4.2.3), KN01/2016 (Indicator 6.2.3), KN03/2016 (Indicator 6.5.4)
Total no. of major NCR(s) : 1	List : KN02/2016 (Indicator 6.3.1)

Details of non-conformities provided in the **Attachment 3**.

4.1 Status of Non-conformities Previously Identified

Previous nonconformities were verified for the corrective actions effectiveness. Corrective actions had been taken, verified and closed by the assessors. Details of non-conformities provided in the **Attachment 4**.

4.2 Issues Raised by Stakeholders

There were various stakeholders interviewed during this assessment comprising of workers, surrounding villagers and contractors / suppliers. Generally, all of the stakeholders had given positive feedback towards Seri Intan CU. The stakeholders mostly understands and aware regarding the RSPO certifications. The workers were consulted during the audit. The surrounding Kampongs has also confirmed the cooperation between estates or miller with the village heads. Suppliers and contractors consulted satisfied with payment and the condition. The Forest District Officers (DFO) also has been consulted to ensure Seri Intan CU have no disputes with Gunung Tunggul Permanent Forest Reserved (FR), which is bordering with the Sogomana Estate (Main Div). The feedback shows they are satisfied with the Seri Intan CU. However, some significant issues related to workers complaint and response to Ketua Kampong at Gunung Tunggul/Changkat Keruing/Lubuk Pusing at Sogomana Estate (Main Div) has been raised as NCR as required by the RSPO Standards

4.3 Noteworthy Positive and Negative Observation

The level of awareness among the workers on the RSPO implementation was found to be improving. 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. However, there are areas which require action for improvement as raised in the non-conformity reports.

4.4 Date of Next Audit

The next surveillance audit will be conducted within 12 months but not sooner than 9 months after this audit.

5.0 Audit Conclusion

Generally, Seri Intan CU continues maintained the implementation of RSPO P&C certification in accordance with the requirements of the standard as well as the organisation's documented procedures. Positive observation was also noted during the audit generally on the social aspects, the practices of IPM, as well as environmental and safety and health management. Awareness on the RSPO generally has been improved since the last audit. However further actions are required with regards to housing complaint and stakeholders issues with surrounding kampongs as highlighted in the NCRs report.

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6.0 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 :

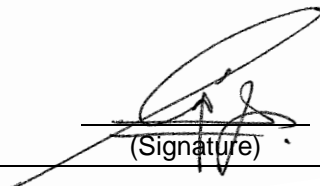
On-site audit of the following areas is recommended within 2 months (if applicable)

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.

IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN ON MAJOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED, ACCEPTED AND VERIFIED AND ALL CORRECTIVE ACTIONS PLANS PROVIDED ON MINOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED AND ACCEPTED. RECOMMENDED FOR CONTINUATION OF RSPO P & C CERTIFICATION.

Audit Team Leader : Khairul Najwan Ahmad Jahari
(Name)



(Signature)

14/03/2016
(Date)

Map of SOU 5 – Seri Intan CU



SIRIM QAS INTERNATIONAL SDN. BHD.

RSPO RECERTIFICATION ASSESSMENT PLAN

1. Objectives

The objectives of the assessment are as follows:

- (i) To determine Certification Unit conformance against the RSPO Principles & Criteria Malaysian National Interpretation (MYNI)
- (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 : 19th to 22nd January 2016

3. Site of assessment : Seri Intan POM
Sabrang Estate
Sogomana Estate (Main Div.)

4. Reference Standard:

- RSPO P&C MYNI: 20014
- RSPO Supply Chain Certification Standard, 2014
- Company's audit criteria including Company's Manual/Procedures

5. Assessment Team

a) Lead Assessor : Khairul Najwan Ahmad Jahari
b) Assessor : Selvasingam T. Kandiah
Jagathesan
Zulkarnain Abdullah

(If there is any objection to the proposed audit team, the organisation is required to inform the Lead Assessor/RSPO Section Manager.)

6. Audit Method

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

7. Audit Findings

Audit findings shall be classified as major and/or minor. Major non conformities shall be addressed by submitting corrective action plans within 1 month. Another 2 months to submit evidence of implementation. In any event, the evidence of implementation shall be submitted prior to the expiry of the RSPO certificate. Failure to submit satisfactory corrective actions to resolve the major non conformity(ies) raised before the expiry of the RSPO certification will result in non-renewal of the certificate. A new application for RSPO certification will be required.

For minor non conformities raised, 1 month is given to submit corrective action plans to minor non-conformity. The timeframe for submitting the corrective action plans may be extended up to the period of the expiry date of RSPO certification. If corrective action plans to address the minor non-conformity(ies) are not submitted before the expiry of the RSPO certification, a recommendation for non-renewal of RSPO certification will be made.

8. 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.

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

9. Working Language : English and Bahasa Malaysia

10. Reporting

- a) Language : English
- b) Format : Verbal and written
- c) Expected date of issue : Tentative date of issue of report not more than 30 days after the completion of the peer review process.
- d) Distribution list : Client file

11. Facilities Required

- a) Room for discussion
- b) Relevant document and record
- c) Personnel protective equipment if required
- d) Photocopy and printing facilities
- e) A guide for each assessor

12. Assessment Programme Details: As shown below:

RSPO RECERTIFICATION AUDIT REPORT

Day 1: 19 January 2016 (Tuesday)			
Time	Najwan	Jagathesan	Auditee
0930-1000	Opening at Meeting Kilang Sawit Seri Intan. audit team introduction and briefing on audit objectives, scope, methodology, criteria and programmes by audit team leader		Top mgmt & Committee Member
1000-1030	Briefing on the organization implementation of RSPO (including action taken to address main assessment findings)		Management Representative
1030-1300	<p>Site visit and assessment at Seri Intan POM relating to estates boundary and HCVs</p> <p>Coverage of assessment: P2, P6</p> <p>Discussion with relevant management (CSR, community affairs) and view documentation such as EIA, SIA, assessment and management plans.</p> <ul style="list-style-type: none"> • Follow up from last surveillance assessment findings. • Laws and regulations • Land titles user rights • Interview with Local communities and stakeholders • Interview with Union representatives • Workers Issues • Facilities at workplace (rest area, etc) • Line site • Facilities provided at line site (i.e. mosque, surau, community center, GPW, Tadika, provision shop & etc) • Continuous improvement <p>Other area identified during the assessment</p>	<p>Site visit and assessment at Seri Intan POM relating to occupational safety, management plan and environmental issues</p> <p>Coverage of assessment: P1, P2,(C2.1), P3, P4 (C4.1, C4.7, C4.8), P8</p> <ul style="list-style-type: none"> • Follow up from last surveillance findings. • Commitments to transparency • Laws and regulations • Commitment to long-term economic and financial viability • Safety & Health practice – witness activities at site • Hazard identification and Risk Management • Chemical management • Chemical/ fertilizer store, workshop • Interview with workers , safety committee and contractors • Facilities at workplace (water treatment plant, clinic & etc) • Training and skill development programmes • Local sustainable development • Continuous improvement <p>Other area identified during the assessment</p>	Guide/PIC
1300-1400	Lunch Break		
1400-1700	Continue assessment	Continue assessment	Guide/PIC
17.00	End of Day 1 audit		

Day 2: 20 January 2016 (Wednesday)				
Time	Najwan	Selva	Jagathesan	Auditee
0900-1300	<p>Site visit and assessment at Sabrang Estate relating to local community issues such as SIA and estates boundary, HCVs</p> <p>Discussion with relevant management (CSR, community affairs) and view documentation such as EIA, SIA, assessment and management plans.</p> <p>Coverage of assessment: P2 (C2.1, I2.2.3), P3, P4 (C4.1, C4.3, C4.4, C4.8), C5.2, P7 (C7.2 -C7.4), P8</p>	<p>Site visit and assessment at Sogomana Estate (Main Div) relating to Time Bound and Good Agricultural Practice</p> <p>Coverage of assessment: P2 (C2.2.2), P3, P4 (C4.1 -C4.6, C4.8), P5 (C5.1), P7 (C7.2, C7.4, C7.7), P8</p> <ul style="list-style-type: none"> • Follow up from last surveillance assessment findings. • Laws and regulations 	<p>Site visit and assessment at Seri Intan POM relating to occupational safety, management plan and environmental issues</p> <p>Coverage of assessment: P1, P2,(C2.1), P3, P4 (C4.1, C4.7, C4.8), P8</p> <ul style="list-style-type: none"> • Follow up from last surveillance findings. • Commitments to transparency • Laws and regulations 	Guide/PIC

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	<ul style="list-style-type: none"> Follow up from last surveillance assessment findings Inspection of protected sites with HCV attributes Forested area Plantation Boundary, adjacent and neighbouring land use Laws and regulations Land titles user rights Interview with Local communities and stakeholders Interview with Union representatives Workers Issues Facilities at workplace (rest area, etc) Line site Continuous improvement Facilities provided at line site (i.e. mosque, surau, community center, GPW, Tadika, provision shop & etc <p>Other area identified during the assessment</p>	<ul style="list-style-type: none"> Commitment to long-term economic and financial viability Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) EFB mulching, POME application Nursery (if any) Chemical store/fertilizer Plantation on hilly/swampy area IPM implementation, training and safe use of agro-chemicals. Riparian zone River system and Water bodies Management and disposal of waste including pesticides containers New planting Continuous improvement <p>Other area identified during the assessment</p>	<ul style="list-style-type: none"> Commitment to long-term economic and financial viability Safety & Health practice – witness activities at site Hazard identification and Risk Management Chemical management Chemical/ fertilizer store, workshop Interview with workers , safety committee and contractors Facilities at workplace (water treatment plant, clinic & etc) Training and skill development programmes Local sustainable development Continuous improvement <p>Other area identified during the assessment</p>	
1300-1400	Lunch Break			
1400-1700	Continue assessment	Continue assessment	Continue assessment	Guide/PIC
17.00	End of Day 2 audit			

Day 3: 21 January 2016 (Thursday)

Time	Najwan	Selva	Jagathesan	Auditee
0900-1300	<p>Site visit and assessment at Sogomana Estate (Main Div.) relating to local community issues such as SIA and estates boundary, HCVs</p> <p>Discussion with relevant management (CSR, community affairs) and view documentation such as EIA, SIA, assessment and management plans.</p> <p>Coverage of assessment: P2 (C2.1, I2.2.3), P3, P4 (C4.1, C4.3, C4.4, C4.8), C5.2, P7 (C7.2 -C7.4), P8</p> <ul style="list-style-type: none"> Follow up from last surveillance assessment findings 	<p>Site visit and assessment at Sabrang Estate relating to Time Bound and Good Agricultural Practice</p> <p>Coverage of assessment: P2 (C2.2.2), P3, P4 (C4.1 - C4.6, C4.8), P5 (C5.1), ,P7 (C7.2, C7.4, C7.7), P8</p> <ul style="list-style-type: none"> Follow up from last surveillance assessment findings. Laws and regulations Commitment to long-term economic and financial viability Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) EFB mulching, POME application Nursery (if any) Chemical store/fertilizer 	<p>Site visit and assessment at Sogomana Estate (Main Div) relating to occupational safety, management plan and environmental issues</p> <p>Coverage of assessment: P1, P2,(C2.1), P3, P4 (C4.1, C4.7, C4.8), P8</p> <ul style="list-style-type: none"> Follow up from last surveillance findings. Commitments to transparency Laws and regulations Commitment to long-term economic and financial viability Safety & Health practice – witness activities at site Hazard identification and Risk Management Chemical management 	Guide/PI C

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	<ul style="list-style-type: none"> • Inspection of protected sites with HCV attributes • Forested area • Plantation Boundary, adjacent and neighbouring land use • Laws and regulations • Land titles user rights • Interview with Local communities and stakeholders • Interview with Union representatives • Workers Issues • Facilities at workplace (rest area, etc) • Line site • Continuous improvement • Facilities provided at line site (i.e. mosque, surau, community center, GPW, Tadika, provision shop & etc <p>Other area identified during the assessment</p>	<ul style="list-style-type: none"> • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. • Riparian zone • River system and Water bodies • Management and disposal of waste including pesticides containers • New planting • Continuous improvement <p>Other area identified during the assessment</p>	<ul style="list-style-type: none"> • Chemical/ fertilizer store, workshop • Interview with workers , safety committee and contractors • Facilities at workplace (water treatment plant, clinic & etc) • Training and skill development programmes • Local sustainable development • Continuous improvement <p>Other area identified during the assessment</p>	
1300-1400	Lunch Break			
1400-1700	Continue assessment	Continue assessment	Continue assessment	Guide/PI C
17.00	End of Day 1 audit			

Day 4: 22 January 2016 (Friday)

Time	Najwan	Selva	Jagathesan	Zulkarnain	Auditee
0900-1300	<p>Site visit and assessment at Site visit and assessment at Seri Intan POM relating to local community issues such as SIA and management plans</p> <p>Coverage of assessment: P1(C1.2), P2(C2.1-C2.3), P3, P6 (C6.1 – C6.11), P7 (C7.1, C7.4, C7.5, C7.6), P8</p> <p>Discussion with relevant management (CSR, community affairs) and view documentation such as EIA, SIA, assessment and management plans.</p> <ul style="list-style-type: none"> • Follow up from last surveillance assessment findings. 	<p>Site visit and assessment at Sabrang Estate relating to Time Bound and Good Agricultural Practice</p> <p>Coverage of assessment: P2 (C2.2), P3, P4 (C4.1 -C4.6, C4.8), P5 (C5.1), ,P7 (C7.2, C7.4, C7.7), P8</p> <ul style="list-style-type: none"> • Follow up from last surveillance assessment findings. • Laws and regulations • Commitment to long-term economic and financial viability • Good Agricultural Practice-witness activities 	<p>Site visit and assessment at Sabrang Estate relating to occupational safety, management plan and environmental issues</p> <p>Coverage of assessment: P1, P2,(C2.1), P3, P4 (C4.1, C4.7, C4.8), P8</p> <ul style="list-style-type: none"> • Follow up from last surveillance findings. • Commitments to transparency • Laws and regulations • Commitment to long-term economic and financial viability • Safety & Health practice – 	<p>Assessment at Seri Intan POM relating to Supply Chain implementation, which include:</p> <ul style="list-style-type: none"> • General requirements • Doc. procedures • Purchasing & goods in • Outsourcing activity • Sales & goods out • Processing • Records keeping • Registration • Training • Claims • Mass balance 	Guide

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	<ul style="list-style-type: none"> Laws and regulations Land titles user rights Interview with Local communities and stakeholders Interview with Union representatives Workers Issues Facilities at workplace (rest area, etc) Line site Facilities provided at line site (i.e. mosque, surau, community center, GPW, Tadika, provision shop & etc) Continuous improvement <p>Other area identified during the assessment</p>	<p>at site (weeding/ spraying, etc)</p> <ul style="list-style-type: none"> EFB mulching, POME application Nursery (if any) Chemical store/fertilizer Plantation on hilly/swampy area IPM implementation, training and safe use of agro-chemicals. Riparian zone River system and Water bodies Management and disposal of waste including pesticides containers New planting Continuous improvement <p>Other area identified during the assessment</p>	<p>witness activities at site</p> <ul style="list-style-type: none"> Hazard identification and Risk Management Chemical management Chemical/fertilizer store, workshop Interview with workers , safety committee and contractors Facilities at workplace (water treatment plant, clinic & etc) Training and skill development programmes Local sustainable development Continuous improvement <p>Other area identified during the assessment</p>		
1300-1400	Lunch Break				All Auditors
1400 – 1500	Verification on outstanding issues for CU Assessor to inform auditee on the required document / records Continue Audit Team discussion and preparation of assessment findings.				Auditors, Mill and Plantation / Scheme Managers
1500-1600	Discussion and acceptance on assessment findings with Management Representative and visited site Plantation / Scheme Manager				
1600-1700	Closing meeting at CU				All
1700	End of RSPO Stage 2 assessment				

Note: Time and duration shown are approximate. The time shown for field visit is assumed that daily weather is in our favour. Otherwise, field visit will be adjusted accordingly.

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Attachment 3

Detail of Non-conformities and Corrective Actions Taken

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken by the CU and Verification by Assessors
<p>Indicator 4.2.3</p> <p>NCR#: STK1/2016</p>	<p align="center">Minor</p>	<p>Indicator: 4.2.3. There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.</p> <p>Standard Operating Procedure: SDP Plantation Quality Management System, Sustainable Plantation Management System (SPMS).</p> <p>Finding: SOP for taking soil samples was not complied with.</p> <p>Objective evidence: At Sogomana Estate, the soil sampling was not carried out as per clause 4.3. The last sampling was done in May 2010.</p>	<p>Corrective actions by CU :</p> <ol style="list-style-type: none"> 1. The schedule for soil sampling monitoring was carried out by R&D Research Centre and estate has been brief during the soil survey. However, the communication only at assistant estate level. 2. Soil Sampling Report had been email by R&D Team however, estate had misplaced and lack of accountability for records & document keeping. 3. To trace email of soil sampling report by R&D Team and to keep in file. 4. To appoint person-in-charge in monitor and documented RSPO related reports by HQ. <p>Verification by auditor: The Soil Analysis Test Report No. S54/2014 for Sogomana Estate dated 21 October 2014 had been provided.</p> <p>Status: Closed</p>
<p>Indicator 6.2.3</p> <p>NCR#: KN01/2016</p>	<p align="center">Minor</p>	<p>Indicator 6.2.3 - A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.</p> <p>Finding : The confirmation of receipt and that efforts made to ensure understanding by surrounding kampong's, and records of actions taken in response to input from stakeholders was not evident.</p> <p>Objective evidence :</p> <ol style="list-style-type: none"> 1. The Ketua Kampong Gunung Tunggal/Changkat Keruing/Lubuk Pusing was requesting to seek assistance of tractors on Jan 2015 and issues on road repairing at Sogomana Estate (Main Div). However Sogomana Estate (Main Div) did not responded formally to this request. This was confirmed during the stakeholder consultation with the Ketua Kampong. 2. The stakeholder consultation meeting with Ketua Kampung was not conducted for year 2015 	<p>Corrective actions by CU :</p> <ol style="list-style-type: none"> 1) Letter requesting for assistance of tractors on Jan 2015 was only given to previous manager whom has resigned and this information was not cascaded down to the assistant and staffs. 2) Estate will conduct stakeholder meeting with all Ketua Kampung in the next meeting on March 2016. Meantime the road repairs will be done by the estate by patching the pot hole with crusher run as and when required. <p>Verification by auditor : Minutes of meeting "Stakeholder consultation with Ketua Kampong Gunung Tunggal/Changkat Keruing/Lubuk Pusing and Kg 40 Rantai dated 19 Feb 2016 including the attendance list was verified.</p> <p>Status: The effectiveness of the corrective action will be verified during the next audit.</p>

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<p>Indicator 6.3.1</p> <p>NCR#: KN02/2016</p>	<p>Major</p>	<p>Requirement: Criterion 6.3 - There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties</p> <p>Indicator 6.3.1 - The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested.</p> <p>Finding: The complaints on 'living quarters' were not resolved in an effective, timely and appropriate manner.</p> <p>Objective evidence :</p> <ol style="list-style-type: none"> 1. The complaint on line site was not resolved in an effective, timely and appropriate manner. The affected parties were not informed the status of repairing work in the complaint book. 2. It was confirmed during the consultation with workers (Harvesters, Sprayers, Stacking) the complaints were not resolved in an effective, timely and appropriate manner in Seri Intan POM and Sogomana Estate (Main Div) 	<p>Corrective actions by CU :</p> <ol style="list-style-type: none"> 1) There was communication breakdown in disseminating information between KKS Seri Intan Management and employees (Staff and Workers). Information on repairing work will be done in stages due to budget constraint (budget cut by HQ) was not being communicated to all employees for repair that needs 2) KKS Seri Intan conducted meeting with union representative to inform and explain on repairing work will be done in stages due to budget constraint. The meeting also discuss new issues regarding workers complaint that not being communicated through complain book. 3) A person in charge was appointed in monitoring of complaints in complaint book and status of completion <p>Verification by auditor</p> <ol style="list-style-type: none"> 1) Appointment letter (dated 19 Feb 2016 at Sogomana Estate) to HA as person-in-charge for handling complaints was cited 2) Minutes of meeting with union representatives dated 3 Feb 2016 at Seri Intan POM was verified. 3) Materials from vacant/old houses has been salvaged and used to repair damaged on the occupied houses as immediate action. Photos of the houses have been repaired dated 14 March 2016 at Sogomana Estate was verified 4) Sogomana Estate line-site repair book, with occupant signature was sighted to confirm that their houses have been repaired. 5) Quotations to refurbish worker & staff house at Seri Intan POM dated 14 March 2016 have been received. Three contractors have been selected. <p>Status: Closed</p>
<p>Indicator 6.5.4</p> <p>NCR#: KN03/2016</p>	<p>Minor</p>	<p>Requirement: Indicator 6.5.4 - Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food.</p> <p>Finding: Efforts to monitor and ability to, improve workers' access to adequate, sufficient and affordable food were not sufficient.</p> <p>Objective evidence: Efforts to monitor and ability to, improve workers' access to adequate, sufficient and affordable food were not</p>	<p>Corrective actions by CU :</p> <ol style="list-style-type: none"> 1) No complaint have ever recorded or raised by staff or workers with regards in access of adequate, sufficient and affordable food from canteen or shops in relation to food cleanliness, pricing or variation of foods 2) No complaints received from estate workers regarding the price at the estate shop as estate workers buy their groceries from the

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		<p>sufficient at Sabrang Estate (2 shops), Sogomana Estate (Main Div) (1 shops) and Seri Intan POM (1 canteen).</p>	<p>nearest town, Changkat Kruing that only 1km from workers quarters.</p> <p>3) All the list/price of grocery has been displayed at estate shops for monitoring purpose</p> <p>Verification by auditor</p> <p>1) Meeting with shop operator was conducted on 19 Feb 2-16 at Sogomana Estate</p> <p>2) Meeting with canteen operator was conducted on 3 Feb 2016 at Seri Intan POM</p> <p>3) The price of grocery has been displayed at estate shops for monitoring purpose at Sabrang and Sogomana</p> <p>Status: The effectiveness of the corrective action will be verified during the next audit.</p>
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Attachment 4

Status of Non-conformities Previously Identified

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
<p>Indicator</p> <p>2.1.1</p> <p>NCR #: MM01</p>	<p align="center">Major</p>	<p>Page 1:</p> <p>Indicator 2.1.1 Evidence of compliance with legal requirements</p> <p>Finding: There are evidences that Seri Intan Certification Unit has not complied with:</p> <p>(a) Environmental Quality (Scheduled Wastes) Regulations 2005. (b) Employment Act 1955 (Act 265)</p> <p>Objective evidence:</p> <p>(a) Management of scheduled wastes at Seri Intan Estate not comply with Regulation 3(1), 9(3), 9(5), 10(1) and 11, i.e. concerning notification, closing of containers, period of storage, information on the label, and accurate and up-to-date inventory respectively.</p> <p>(b) Deduction of wage made by Seri Intan Estate not comply with Section 24(4)(c), i.e. concerning prior permission in writing of the Director General. E.g. deduction for transport cost for Friday prayers.</p>	<p>(a) Scheduled wastes had been notified to DOE, container had been closed, store and label had been improved, inventory had been updated, and confirmation as not scheduled waste for storage of recyclable of used plastic pesticide container had been provided.</p> <p>(b) Deduction of wage had been stopped.</p>	<p>a) Schedule waste management is being carried out in a satisfactory manner, the following verified :</p> <p>iv) The container had been closed, stored and labeled accordingly. v) Inventory has been updated accordingly. vi) The latest clearance of Scheduled waste cleared on 6th Jan, 2016.</p> <p>c) There is no any deduction sighted at Seri Intan POM, Sabrang Estate and Sogomana Estate.</p> <p>Status: Closed</p>

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		<p>Page 2:</p> <p>Indicator 2.1.1</p> <p>Evidence of compliance with legal requirements. <i>Peraturan 9(2) Peraturan Kawalan Bekalan 1974 P.U (A) 103(21.3.1974)</i></p> <p>Finding: Permit to store diesel had expired.</p> <p>Objective evidence: Permit to store diesel [ref.: Permit No. A009096, quantity 35,100 lt] at Sungei Wangi Estate has expired since 3/3/2014.</p>	<p>Permit had been renewed.</p>	<p>Verified valid Diesel Storage Permit at:</p> <p>d) Sabarang Estate Diesel Permit TI/SK/010(02) – Diesel – 13 500 liters. Validity – 21st Aug, 2015 – 20th Aug, 2016</p> <p>e) Rubana Estate Diesel Permit TI/SK/025(02) – Diesel – 13 600 liters. Validity – 17th Aug, 2015 – 16th Aug, 2016</p> <p>f) Sungai Wangi Estate (verified through sighting documents & Correspondence) Diesel Permit MJG/SK/D/030 – Diesel – 35 100 liters. Validity – 19th Jan, 2015 – 18th Jan, 2016</p> <p>(Estate has obtained approval for New Permit, currently waiting for arrival of New Permit)</p> <p>Status: Closed</p>
<p>Indicator</p> <p>6.1.3</p> <p>NCR #: MM01</p>	<p>Minor</p>	<p>Indicator 6.1.3</p> <p>A timetable with responsibilities for mitigation and monitoring is reviewed and updated as necessary.</p> <p>Finding: Documented Social Action Plan had not included a timetable with responsibilities for mitigation and monitoring.</p> <p>Objective evidence: Kilang Kelapa Sawit Seri Intan had not included a timetable with responsibilities for mitigation and monitoring the success of its Social Action Plan.</p>	<p>Will included new column to show responsibilities for mitigation and monitoring the plan and timetable for settle the issue</p>	<p>During this recertification audit it was found the Social Impact Action plan 2015/2016 has included the timetable and person in-charge. Other estate, Sogomana (Main Div) and Sabrang Estate has maintain the SIA Action Plan.</p> <p>Status: Closed</p>