



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

File Ref: ES10170005

**RSPO PUBLIC SUMMARY REPORT**

CLIENT : SIME DARBY PLANTATION SDN BHD – SOU 17 KEMPAS  
PARENT COMPANY : SIME DARBY PLANTATION SDN BHD

RSPO MEMBERSHIP NO.: 1-0008-04-000-00

LOCATION OF THE CERTIFICATION UNIT (MILL AND THE SUPPLY BASE):  
(In the case of multisite certification, list additional sites in attachments)

Certification Unit	Mill / Estate	Location		
		Latitude	Longitude	Address
KEMPAS Strategic Operating Unit (SOU 17)	Kempas Oil Mill	N 2.3211	E 102.4269	77000, Jasin, Melaka
	Kempas Estate	N 2.2770	E 102.4652	71000, Jasin, Melaka
	Kemuning Estate	N 2.4643	E 102.3380	76460, Tebong, Melaka
	Tangkah Estate	N 2.3435	E 102.6975	84900, Tangkak, Johor
	Serkam Division	N 2.1645	E 102.3937	77009, Jasin, Melaka

MAP : See Attachment 1

AUDIT DATE : 24-27 April 2018

DURATION : 14 auditor days

TYPE OF AUDIT : ☒ Annual Surveillance Audit 3

☐ Recertification Audit

STANDARD : RSPO PRINCIPLE & CRITERIA MYNI 2014, AND RSPO SUPPLY CHAIN CERTIFICATION  
STANDARD 2014 (REVISED 14 JUNE 2017)

SCOPE OF CERTIFICATION: Production of Sustainable Crude Palm Oil and Palm Kernel Using the Mass  
Balance Supply Chain Model

VALIDITY OF RSPO CERTIFICATE : 20/5/2015-19/5/2020

The following attachments form part of this report:

Non-conformity Report(s) ☒

List of additional site(s) ☐

**Report by Audit Team Leader**

Name : Mohd Zulfakar Kamaruzaman

Signature :

Date : 3 August 2018

**Acknowledgement by Client's Representative**

SIME DARBY PLANTATION BERHAD  
KEMPAS ESTATE  
CO. NO. 647766-V

Signature :

Date

SENIOR MANAGER  
MD RAPIT BIN SUMAN

7/8/18

## RSPO P&C PUBLIC SUMMARY REPORT

### SUMMARY OF AUDIT

Recertification Audit 1				
On-site audit date :	6 - 9 April 2015		No. of auditor days :	16 Auditor Days
Audit team :	Valence Shem (LA), Hazani Othman, Jagathesan a/l Suppiah, Dr Zahid Emby			
No. of major NCR :	1	Indicator: 4.8.1		Closing date : 17/4/15
No. of minor NCR :	1	Indicator : 5.3.2		
Indicate the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	x		x	x
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractor	Others (Please specify)	
		X		
Supply base sampled :	Kempas Estate and Serkam Division			

Annual Surveillance Audit 1				
On-site audit date :	21-25 March 2016		No. of auditor days :	14 Auditor Days
Audit team :	Mohd Zulfakar Kamaruzaman (LA) , Hazani Othman, Jagathesan a/l Suppiah, Ismail Ibrahim			
No. of major NCR :	0	Indicator: --		Closing date : -
No. of minor NCR :	3	Indicator : 2.2.2, 4.4.1, 6.2.3		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	x		x	x
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractor	Others (Please specify)	
		X		
Supply base sampled :	Tangkah Estate and Kemuning Estate			
Changes since the last audit :	No changes.			

Annual Surveillance Audit 2				
On-site audit date :	21-24 February 2017		No. of auditor days :	14 Auditor Days
Audit team :	Mohd Zulfakar Kamaruzaman (LA) , Hazani Othman, Selvasingam T. Kandiah, Rozaimee Ab Rahman			
No. of major NCR :	2	Indicator: 6.1.3 (Recurrence), 4.6.11		Closing date: 23/4/2017
No. of minor NCR :	4	Indicator : 4.1.2, 4.1.3, 4.7.5, 6.2.3		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	X		X	X
	Contract workers	NGOs	Govt. agency	Independent growers
			X	
	Indigenous people	Contractor	Others (Please specify)	
		X		
Supply base sampled :	Kempas Estate and Serkam Division			
Changes since the last audit :	No Changes			

## RSPO P&C PUBLIC SUMMARY REPORT

Annual Surveillance Audit 3				
On-site audit date :	24-27 April 2018	No. of auditor days :	14 Auditor Days	
Audit team :	Mohd Zulfakar Kamaruzaman (LA), Rozaimée Ab Rahman, Rahayu Zulkifli, Selvasingam T. Kandiah.			
No. of major NCR :	5	Indicator: 1.1.2, 2.1.1, 4.1.2 (Recurrence Issue), 4.7.5 (Recurrence Issue) and 6.5.1.		Closing date: 17/07/2018
No. of minor NCR :	3	Indicator: 4.1.3, 6.5.3, 6.10.1		
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers / Local communities	Suppliers
	√		√	√
	Contract workers	NGOs	Govt. agency	Independent growers
	√			
	Indigenous people	Contractor	Others (Please specify)	
	NA	√		
Supply base sampled :	Kemuning Estate and Tangkah Estate			
Justification of audit planning	Total allocation of auditor days for Kempas CU were: Mill = 4 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Kemuning Estate = 6 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title. Suai Estate = 6 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.			
Changes since the last audit :	See notes provided in Table 1 - Summary of Information.			
Report approved by :	Radziah Mohd Daud	Approval date : 3/08/2018		

Annual Surveillance Audit 4				
On-site audit date :		No. of auditor days :		
Audit team :				
No. of major NCR :		Indicator:		Closing date
No. of minor NCR :		Indicator : -		
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers / Local communities	Suppliers
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractors	Others (Please specify)	
Supply base sampled :				
Justification of audit planning				
Changes since the last audit :				
Report approved by :		Approval date :		

# RSPO P&C PUBLIC SUMMARY REPORT

## SUMMARY OF INFORMATION

TABLE 1

	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period		March 2016 – February 2017	March 2017 – January 2018	Apr 2018 – March 2019	
Certified FFB Processed (MT)		218,324.81	210,390.42	233,492.51	
Production of Certified CPO (MT)		44,739.48	54,951.58	48,473.03	
Production of Certified PK (MT)		10,908.89	13,837.38	12,343.64	
Certified Areas (Ha)		10,712.55	10,712.55	*10,798.57	
Planted Area (Ha) (Mature + Immature)		10,358.17	10,358.17	**10,323.54	
Production Area (Ha) (Planted – Immature)		8,898.32	9,311.73	9,378.13	
HCV Areas		47.79	47.79	47.79	
REMARKS	<p>This information is for ASA 3 i.e. Apr 2018 – March 2019 :</p> <p>*The Certified Area has been revised as the corrected figure was consistent with Kempas SOU Land Title. Major NCR against indicator 1.1.2 was raised to address this reporting error.</p> <p>**The Planted area decreased at 34.95 ha due to land acquisition by the Government for road construction (1.27 ha) and the rest (33.68 ha) was due to Sime Darby's Special Project.</p>				

TABLE 2

	PO	PK
Last years certified volume (MT)	***78,433.25	***20,560.17
Last years actual certified sold (MT)	30,140.79	5,640.00
Last years actual sold under other schemes (MT)	0	0
Last years sold conventional (MT)	32,883.02	14,630.00
New year certified volume (MT)	48,473.03	12,343.64

\*\*\*Refer to extension of volume for CPO & PK i.e. certified volume revised to 78,433.25MT and 20,560.17MT, respectively. RSPO EB has approved the application on 8/05/2018.

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## RSPO P&C PUBLIC SUMMARY REPORT

### 1.0 AUDIT PROCESS

#### 1.1 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 recognized standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS) and the International Automotive Task Force (IATF). SIRIM QAS International is a partner of IQNet, a network currently comprising of leading certification bodies in Europe, North and South America, East Asia and Australia.

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & 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.

#### 1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Mohd. Zulfakar Kamaruzaman	Auditor Team Leader / Supply Chain & HCV	Holds a B.Sc. Forestry. He had several years of working experience in the oil palm operation. He is a qualified RSPO P&C and RSPO Supply Chain Lead Auditor.
Rozaimiee Ab Rahman	Auditor / Safety and Environment	Holds a B. Sc. in Agriculture from University Putra Malaysia. He had more than 5 years of working experience in the oil palm operation
Selvasingam T Kandiah	Auditor / GAP, Health & Safety related to plantation	Holds a B. Sc. (Hons) in Agriculture, he 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 Headquarters.
Rahayu Zulkifli	Auditor / Social	Holds a Degree in LLB (Hon), she was a practicing lawyer before joining WWF-Malaysia and RSPO as a Dispute Settlement Facility Manager. She is now working as a freelance RSPO auditor.

## RSPO P&C PUBLIC SUMMARY REPORT

### 1.3 Audit methodology

The audit covered the Kempas 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 Kemuning Estate and Tangkah Estate. The audit included an on-site audit to the estates, mill, linesite, local communities, contractors and suppliers to verify the implementation of the requirement of the RSPO certification system. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

### 1.4 Stakeholder Consultation

Stakeholder consultation was carried out during the on-site audit. In general, there was no negative comments made against this Certification Unit.

### 1.5 Audit plan:

Refer to Attachment 2.

### 1.6 Date of next audit:

The next surveillance audit will be conducted within 12 months but not sooner than 8 months from this audit.

## 2.0 SCOPE OF CERTIFICATION AUDIT

### 2.1 Description of the certification unit

The Kempas Certification Unit (Kempas CU) is one of the Strategic Operating Unit (SOU) of Sime Darby Plantation Sdn. Bhd. (SDPSB). The CU is also known as SOU 17 and was initially certified to the RSPO P&C by SIRIM QAS International Sdn Bhd in 2015.

The Kempas CU comprises of the Kempas Palm Oil Mill (Kempas POM) and four supply base i.e. Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Division. All the estates are owned by SDPSB. The Kempas POM has a mill capacity of 60 mt/hr. All the estates have been fully developed before 2005, hence Principle 7 of the RSPO P&C is therefore not applicable.

## RSPO P&C PUBLIC SUMMARY REPORT

### 2.2 Description of the Supply Base (including the planting profile)

The FFB is sourced from company owned estates that were certified and small holders and small growers surrounding the Kempas CU.

Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

**Table 1:** Actual FFB production by the supply base for the period from Feb 2017 to March 2018

Estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Kempas	116,756.09	30.11	SIRIM
Kemuning	74568.930	19.23	SIRIM
Tangkah	38703.140	9.98	SIRIM
Serkam Div.	30257.100	7.80	SIRIM
Bukit Asahan	8992.900	2.32	BSI
Diamond Jubilee	7427.700	1.92	BSI
Lanadron	1886.270	0.49	BSI
Pengkalan Bukit	3,250.040	0.84	BSI
Sengkang	1436.780	0.37	SGS
Sg. Bharu	1855.920	0.48	SGS
St Helier	65.430	0.02	CUC
Tampin Linggi	2381.14	0.61	CUC
Sua Betong	806.870	0.21	CUC
Salak	122.67	0.03	CUC
Pagoh	2142.76	0.55	BSI
Siliau	68.970	0.02	CUC
<b>Total</b>	<b>290,722.71</b>	<b>74.98</b>	<b>-</b>
<b>Third parties</b>			
Eng Huat Latex	83,151.88	21.45	-
Sri Maju Baja	11,703.98	3.02	-
Pertanian	2,140.93	0.55	-
<b>Total</b>	<b>96,996.79</b>	<b>25.02</b>	<b>-</b>
<b>Grand Total</b>	<b>387,719.50</b>	<b>100</b>	<b>-</b>



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**Table 2:** Projected FFB production by the supply base for the next reporting period April 2018 to March 2019

Estates	FFB Contribution	
	Tonnes	Percentage (%)
Kempas	87,500.00	31.48
Kemuning	64,117.88	23.06
Tangkah	64,783.63	23.30
Serkam Div.	17,091.00	6.15
<b>Total</b>	<b>233,492.51</b>	<b>-</b>
<b>Other Supply Bases (Non-Certified)</b>		
Eng Huat Latex	33,537.00	12.06
Sri Maju Baja	7,251.00	2.61
Pertanian	4,532.00	1.63
<b>Total</b>	<b>44,500.00</b>	<b>-</b>
<b>Grand Total</b>	<b>277,992.50</b>	<b>100</b>

**Table 3:** Actual FFB received and CPO & PK dispatch by the Kempas POM for the last reporting period (April 2017 to March 2018)

	Total (MT)
–	
FFB Received	387,719.30
FFB Processed	387,337.51
Certified FFB	290,722.71
Non Certified FFB	96,996.59
CPO Production	63,023.81
PK Production	20,270.00
CPO delivered as RSPO certified	30,140.79
CPO delivered as non-RSPO certified	32,883.02
PK delivered as RSPO certified	5,640.00
PK delivered as non-RSPO certified	14,630.00

**Table 4:** Projected FFB received and CPO & PK dispatch by Kempas POM of next reporting period (April 2018 to March 2019)

	Total (MT)
–	
FFB Received	277,992.51
FFB Processed	277,992.51
Certified FFB	233,492.51
Non Certified FFB	44,500.00
CPO Production	57,890.93
PK Production	14,753.99
CPO delivered as certified	48,473.03
CPO delivered as non-certified	9,417.90
PK delivered as RSPO certified	12,343.64
PK delivered as non-certified	2,410.35

## RSPO P&C PUBLIC SUMMARY REPORT

Table 5: Planted and certified area of the Kempas CU

Estate	Planted (ha)	Certified (ha)
Kempas Estate	4406.8	4,589.4953
Kemuning Estate	2540.90	2618.0869
Tangkah Estate	2496.20	2680.9751
Serkam Division	879.64	910.0100
<b>Total</b>	<b>10,323.54</b>	<b>10,798.57</b>

Table 6: Planting profile for Kempas Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
1991	1 <sup>st</sup> cycle	Mature	191.85	4%
1992	1 <sup>st</sup> cycle	Mature	591.29	13%
1993	1 <sup>st</sup> cycle	Mature	195.89	4%
1994	1 <sup>st</sup> cycle	Mature	792.88	18%
1995	1 <sup>st</sup> cycle	Mature	650.8	15%
1998	1 <sup>st</sup> cycle	Mature	81.51	2%
2000	2 <sup>nd</sup> cycle	Mature	286.21	6%
2001	2 <sup>nd</sup> cycle	Mature	44.47	1%
2003	2 <sup>nd</sup> cycle	Mature	40.18	1%
2005	2 <sup>nd</sup> cycle	Mature	8.60	0%
2006	2 <sup>nd</sup> cycle	Mature	22.00	0%
2009	2 <sup>nd</sup> cycle	Mature	57.09	1%
2011	2 <sup>nd</sup> cycle	Mature	199.36	5%
2013	2 <sup>nd</sup> cycle	Mature	158.77	4%
2014	2 <sup>nd</sup> cycle	Mature	231.11	5%
2016	2 <sup>nd</sup> cycle	Mature	312.46	7%
2017	2 <sup>nd</sup> cycle	Immature	322.19	7%
2018	2 <sup>nd</sup> cycle	Immature	220.14	5%
<b>Total</b>			<b>4406.8</b>	<b>100.00</b>

Table 7: Planting profile for Serkam Division Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1991	1 <sup>st</sup> cycle	Mature	45.35	5%
2010	2 <sup>nd</sup> cycle	Mature	118.84	14%
2013	2 <sup>nd</sup> cycle	Mature	259.57	30%
1994	1 <sup>st</sup> cycle	Mature	76.42	9%
2001	2 <sup>nd</sup> cycle	Mature	34.83	4%
2006	2 <sup>nd</sup> cycle	Mature	49.84	6%
2002	2 <sup>nd</sup> cycle	Mature	45.01	5%
2009	2 <sup>nd</sup> cycle	Mature	103.90	12%
2017	2 <sup>nd</sup> cycle	Immature	145.88	17%
<b>Total</b>			<b>879.64</b>	<b>100.00</b>

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Table 8: Planting profile for Tangkah Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
2000	2 <sup>nd</sup> cycle	Mature	186.85	7.49
2009	2 <sup>nd</sup> cycle	Mature	294.59	11.80
2002	2 <sup>nd</sup> cycle	Mature	198.21	7.94
2005	2 <sup>nd</sup> cycle	Mature	156.72	6.28
2008	2 <sup>nd</sup> cycle	Mature	64.52	2.58
1997	1 <sup>st</sup> cycle	Mature	303.02	12.14
1999	1 <sup>st</sup> cycle	Mature	43.55	1.74
2006	2 <sup>nd</sup> cycle	Mature	250.35	10.03
2008	2 <sup>nd</sup> cycle	Mature	153.97	6.17
2001	2 <sup>nd</sup> cycle	Mature	399.54	16.01
2007	2 <sup>nd</sup> cycle	Mature	38.98	1.56
1995	1 <sup>st</sup> cycle	Mature	50.10	2.01
1998	1 <sup>st</sup> cycle	Mature	23.37	0.94
2010	2 <sup>nd</sup> cycle	Mature	94.71	3.79
2011	2 <sup>nd</sup> cycle	Mature	78.98	3.16
2012	2 <sup>nd</sup> cycle	Mature	71.11	2.85
2013	2 <sup>nd</sup> cycle	Mature	87.63	3.51
Total			2496.2	100

Table 9: Planting profile for Kemuning Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2001	2 <sup>nd</sup> cycle	Mature	215.80	8.49
2002	2 <sup>nd</sup> cycle	Mature	250.50	9.86
2005	2 <sup>nd</sup> cycle	Mature	137.40	5.41
2006	2 <sup>nd</sup> cycle	Mature	68.30	2.69
2008	2 <sup>nd</sup> cycle	Mature	43.60	1.72
1995	1 <sup>st</sup> cycle	Mature	3.90	0.15
2000	2 <sup>nd</sup> cycle	Mature	554.96	21.84
2002	2 <sup>nd</sup> cycle	Mature	51.60	2.03
2007	2 <sup>nd</sup> cycle	Mature	158.50	6.24
1999	1 <sup>st</sup> cycle	Mature	189.91	7.47
2011	2 <sup>nd</sup> cycle	Mature	54.30	2.14
2012	2 <sup>nd</sup> cycle	Mature	49.40	1.94
2009	2 <sup>nd</sup> cycle	Mature	117.70	4.63
2013	2 <sup>nd</sup> cycle	Mature	166.10	6.54
2010	2 <sup>nd</sup> cycle	Mature	221.73	8.73
2014	2 <sup>nd</sup> cycle	Immature	113.00	4.45
2015	2 <sup>nd</sup> cycle	Immature	60.10	2.37
2017	2 <sup>nd</sup> cycle	Immature	84.10	3.31
Total			2540.9	100.00

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### 2.3 Organizational Information/Contact Person

The details of the contact person is as shown below:

Name	:	Mr Suhaimi bin Abu Bakar
Position	:	Senior Manager, Kempas Estate
Address	:	Ladang Kempas, KB 1710, 77000 Jasin, Melaka Malaysia
Phone no.	:	+606 263 1305
Fax no.	:	+606 263 5260
Email	:	<a href="mailto:Suhaimi.abu.bakar@sime-darby.com">Suhaimi.abu.bakar@sime-darby.com</a>

### 3.0 AUDIT FINDINGS

#### 3.1 Changes to certified products in accordance to the production of the previous year

There was no change to the certified products since last assessment.

#### 3.2 Progress and changes in time bound plan (Refer to Attachment 7 for the time bound plan)

- i. Have all the estates under the parent company been certified? ☐ Yes ☒ No

If no, comments on the organization's compliance with the RSPO partial certification rules:

Sime Darby Plantation – Indonesian Operations is in progress to certify all 8 new SOUs from 2017 to 2020 as verified through the Time Bound Plan (updated in December 2017) The SOUs are PT Sime Indo Agro, PT Ladangrumpun Suburabadi, PT Bersama Sejahtera Sakti, PT Bahari Gembira Ria, PT Guthrie Pecconina Indonesia, PT Mitra Austral Sejahtera (MAS), PT Sandika Nata Palma & PT Budidaya Agro Lestari.

- ii. Are there any changes to the organization's time bound plan? ☐ Yes ☒ No

If yes, comment in terms of acceptance or non-acceptance on the changes in the time-bound plan?

The time bound plan for Sime Darby Plantation Sdn Bhd, updated as at December 2017 is provided in Attachment 7 of this report.

- iii. Are there associated smallholders (including scheme smallholders) in the CU ☐ Yes ☒ No

If yes, have ALL the associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, in its certification? ☐ Yes ☒ No

If no, please state reasons Not applicable. There is no associated smallholders supplying FFB to the CU.

- iv. Any new acquisition which has replaced primary forests or HCV areas ☐ Yes ☒ No

N/A

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

No

3.4 Status of previous non-conformities \*

☐

Closed

☒

Not closed\*

*\* If not closed, minor non conformity will be upgraded to major non conformity*

3.5. Complaint received from stakeholder (if any)

No complaints from stakeholders were observed.

### 4.0 DETAILS OF NON-CONFORMITY REPORT

4.1 For P&C (Details checklist refer to Attachment 3) :

Total no. of minor NCR(s)  
(details refer to Attachment 4 )

List : 3

RZ 02-2018, RZ 03-2018, RZ 04-2018

Total no. of major NCR(s)  
(details refer to Attachment 4)

List : 5

MZK 01-2018, RAR 01-2018, \*STK 01-2018  
(Recurrence), \*STK 02-2018 (Recurrence),  
RZ 01-2018

4.2 For SC (Details checklist refer to Attachment 5) :

Total no. of minor NCR(s)  
(details refer to Attachment 5)

List : -

N/A

Total no. of major NCR(s)  
(details refer to Attachment 5)

List :-

N/A

### 5.0 AUDIT CONCLUSION

The audit team concludes that the organization has established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.

## RSPO P&C PUBLIC SUMMARY REPORT

### 6.0 RECOMMENDATION



No NCR recorded. Recommended to continue certification.



Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next 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. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.



Recommended to continue certification.



Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s) which have not been satisfactorily closed out within 90 days of the audit. Recommended for suspension of the certificate.

*Note: Major NCRs which are not addressed within a further 90 days shall result in the certificate being withdrawn.*

**7.0 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 :

MOHD ZULFAKAR  
KAMARUZAMAN

(Name)

(Signature)

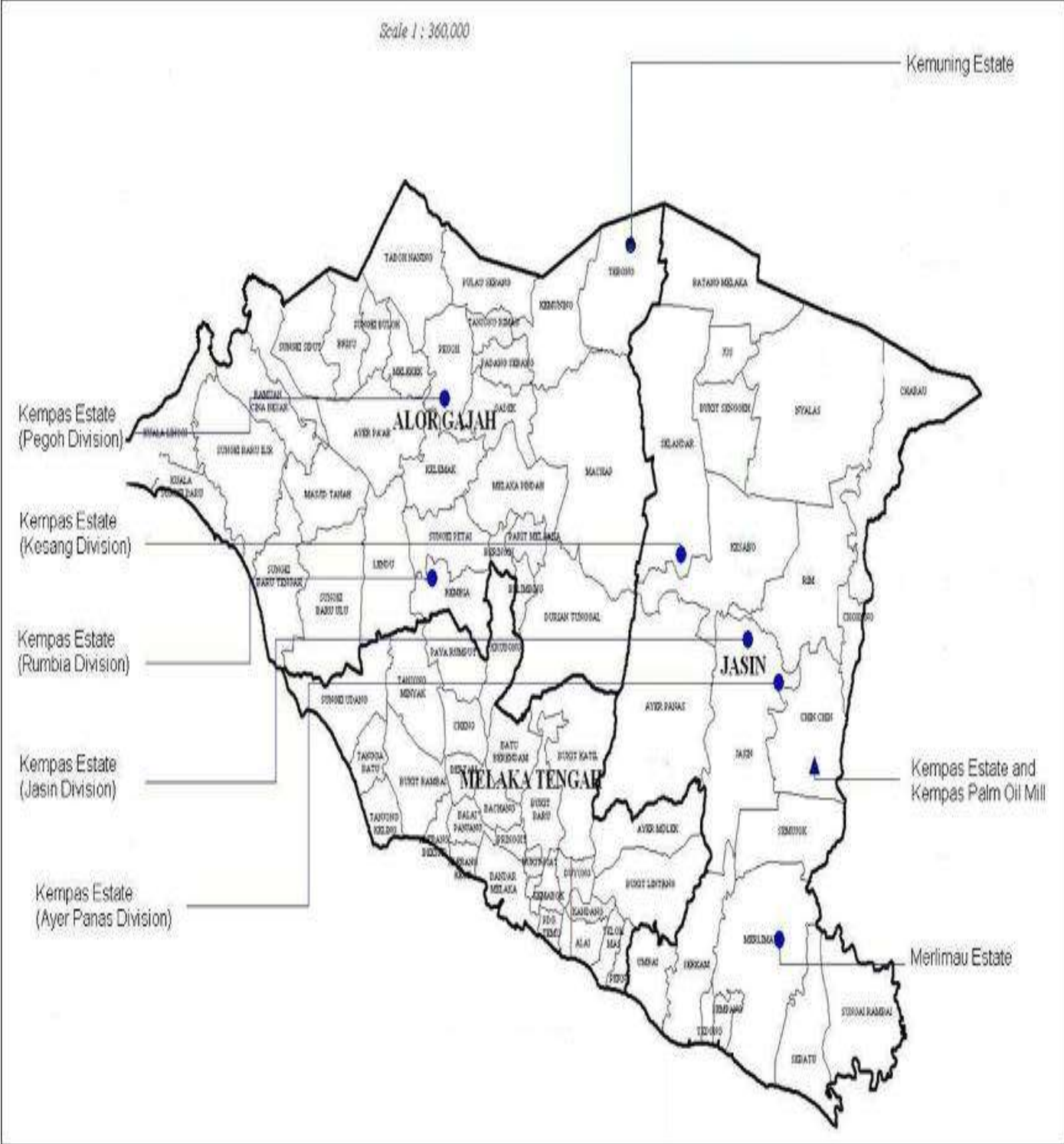
17/7/2018

(Date)

<p><b>RSPO P&amp;C PUBLIC SUMMARY REPORT</b></p>
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## Attachment 1

## Map of SOU Kempas



### RSPO SURVEILLANCE AUDIT PLAN

#### 1. Objectives

The objectives of the assessment are as follows:

- (i) To evaluate SOU Kempas continued conformance against the RSPO Principles & Criteria Malaysian National Interpretation (MYNI) and RSPO Supply Chain Requirements
- (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** : 24-27 April 2018

3. **Site of assessment** : SOU Kempas

- Kempas Palm Oil Mill
- Kemuning Estate
- Tangkah Estate

#### 4. Reference Standard:

- a. RSPO P&C MYNI:2014
- b. RSPO Certification Systems June 2007
- c. RSPO Supply Chain Standard, November 2014 (revised June 2017)
- d. Company's audit criteria including Company's Manual/Procedures

#### 5. Assessment Team

Assessor: Mohd Zulfakar Kamaruzaman  
Rozaimée Ab Rahman  
Rahayu Zulkifli  
Selvasingam T. Kandiah

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

#### 7. Audit Method

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

#### 8. Audit Findings

Audit findings shall be classified as major and/or minor. Major non conformities shall be addressed within 90 days or else the certificate shall be suspended. If the major non conformities are still not addressed within another 90 days, the certificate shall be terminated.

If there are five or more major non-compliances within one Principle found during the audit, immediate suspension of RSPO certification shall be recommended.

For minor non conformities raised in the surveillance audit, corrective action shall be verified in the next audit. These shall be upgraded to major non conformities if the corrective actions are not satisfactory implemented in the next audit.

#### 9. Confidentiality Requirements

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



## RSPO P&C PUBLIC SUMMARY REPORT

which is in the public domain.

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

**10. Working Language :** English and Bahasa Malaysia

**11. Reporting**

- a) Language : English
- b) Format : Verbal and written
- c) Expected date of issue : 2 weeks after the closure of the Major NC / or if only minor NC, 30 days from the last day of this audit

**12. Facilities Required**

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

**13. Assessment Programme Details :**

## RSPO P&C PUBLIC SUMMARY REPORT

Date / Time	Coverage of assessment / Activity / Site	Zulfakar	Selva	Rozaimée	Rahayu
<b>Day 1: 24 April 2018 (Tuesday)</b>					
8.30am – 9.15am	<b>Opening Meeting – Venue: Kempas POM</b> <ul style="list-style-type: none"> <li>Audit team Leader - Briefing on assessment objectives, scope, methodology, confidentiality clarification, audit criteria and programmes</li> <li>Organization Representative - Briefing RSPO implementation, significant change on organization activity, structure, certified areas, machinery, FFB supply bases , Time bound plan, actions taken to address previous audit findings.</li> </ul>	/	/	/	/
9.15am – 12.30pm	<b>Site observation to Kempas POM</b> <b>RSPO Supply Chain 2014</b> <ul style="list-style-type: none"> <li>RSPO Supply chain standard implementation including model requirements</li> </ul> <b>P1, P2, P3, P4, P5, P6, P7, P8</b> <ul style="list-style-type: none"> <li>Occupational safety &amp; health aspects , chemical management</li> <li>Interview with workers, contractors etc.</li> <li>Environmental management, waste &amp; chemical management</li> <li>Land titles user rights</li> <li>Social aspects - SIA, management plan &amp; implementation, workers' quarters,</li> <li>Stakeholder consultation with affected communities surrounding the CU</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> </ul>	/	/	/	/
12.30pm – 1.30pm	Lunch Break				
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/	/
Date / Time	Coverage of assessment / Activity / Site	Zulfakar	Selva	Rozaimée	Rahayu
<b>Day 2: 25 April 2018 (Wednesday)</b>					
8.30am – 12.30pm	<b>Site observation to Tangkah Estate</b> <ul style="list-style-type: none"> <li><b>P1, P2, P4, P5, P6, P7, P8</b></li> <li>Verification of basic information estate</li> <li>Confirmation of time bound plan &amp; review of partial certification</li> <li>Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Occupational safety &amp; health aspects , chemical management</li> <li>Interview with workers, contractors etc.</li> <li>Environmental management, waste &amp; chemical management</li> </ul>	/		/	
	<b>Site observation to Kemuning Estate</b> <b>P1, P2, P3, P4, P6, P7, P8</b> <ul style="list-style-type: none"> <li>Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM,</li> <li>New planting</li> <li>Interview with workers, contractors etc.</li> <li>Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>Stakeholder consultation with affected communities surrounding the estate</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>Land titles user rights</li> </ul>				
12.30pm – 1.30pm	Lunch Break				
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/	/

## RSPO P&C PUBLIC SUMMARY REPORT

Day 3: 26 April 2018 (Thursday)					
8.30am – 12.30pm	<b>Site observation to Tangkah Estate</b> <b>P1, P2, P3, P4, P6, P7, P8</b> <ul style="list-style-type: none"> <li>• Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM,</li> <li>• New planting</li> <li>• Interview with workers, contractors etc.</li> <li>• Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>• Stakeholder consultation with affected communities surrounding the estate</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Land titles user rights</li> </ul>		/		/
	<b>Site observation to Kemuning Estate</b> <b>P1, P2, P3, P4, P5, P7, P8</b> <ul style="list-style-type: none"> <li>• Verification of basic information estate</li> <li>• Confirmation of time bound plan &amp; review of partial certification</li> <li>• Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Environmental management, waste &amp; chemical management</li> </ul>	/		/	
12.30pm–1.30pm	Lunch Break				
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/	/
Day 4: 27 April 2018 (Friday)					
8.30am – 12.30pm	<b>Site observation to Tangkah Estate</b> <b>P1, P2, P3, P4, P6, P7, P8</b> <ul style="list-style-type: none"> <li>• Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM,</li> <li>• New planting</li> <li>• Interview with workers, contractors etc.</li> <li>• Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>• Stakeholder consultation with affected communities surrounding the estate</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Land titles user rights</li> </ul>		/		/
	<b>Site observation to Kemuning Estate</b> <b>P1, P2, P3, P4, P5, P7, P8</b> <ul style="list-style-type: none"> <li>• Verification of basic information estate</li> <li>• Confirmation of time bound plan &amp; review of partial certification</li> <li>• Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Environmental management, waste &amp; chemical management</li> </ul>	/		/	
12.30pm–2.30 pm	Lunch Break				
2.30pm – 4.00pm	<ul style="list-style-type: none"> <li>• Verification on outstanding issues</li> <li>• Audit team discussion, preparation on audit findings and issuance of nonconformity report (if any)</li> </ul>	/	/	/	/
4.00pm -5.00pm	<ul style="list-style-type: none"> <li>• Closing meeting – venue at <b>Kempas POM</b></li> <li>• Presentation of audit findings, positive comment,</li> <li>• Question &amp; answer</li> </ul>	/	/	/	/

## RSPO P&C PUBLIC SUMMARY REPORT

Attachment 3

### RSPO P&C AUDIT CHECKLIST AND FINDINGS

#### 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	Kempas SOU had continued to implement the communication procedure as had been described and established for estates and mill. At the point of audit, there was no request for information from the stakeholders received by the CU. The CU also has established mechanism to channel such queries through regular meetings with workers. Various issues and complaints were heard by the management and decisions made for subsequent action. In addition to those, SDP continued to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances were available at SDP website at <a href="http://plantation.simedarby.com">http://plantation.simedarby.com</a> . The procedure for responding to any communication is outlined in clause 5.5 of appendix 5.5.3.2 of their Standard Operation Manual of Estate Quality Management System documents. The flow chart of the procedure was made available on notice boards in the Estate office and Muster Grounds. Both estates continued to maintain stakeholders list for contractors, vendors/suppliers, government agencies, schools, local communities, etc.
	1.1.2 Records of requests for information and responses shall be maintained. Major Compliance	NO	The estates have identified personnel responsible for handling of complaints. Records of communication were maintained at the respective offices. The internal and external communication documentation is evident. Apart from the communication with relevant stakeholders, in accordance with RSPO System requirement, the reporting SOU will provide a set of information for the reporting purpose. However, during this audit it was found that the information provided for the Certified Area - SOU Kempas was not accurate. Therefore, Major NCR MZK 01 2018 was raised against this indicator.
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	1.2.1 Land titles/user rights (Criterion 2.2);	YES	There was no change in the land ownership / user right. Copies of land titles, which indicate the use right were reviewed. Original copies of land titles maintained kept in Head Office.
	Occupational health and safety plans (Criterion 4.7);	YES	SDPSB continued to use website for disseminating public information. Information relating to safety and health plans were available through SDPSB website at <a href="http://plantation.simedarby.com">http://plantation.simedarby.com</a> . Cross refer Criterion 4.7
	Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8)	YES	Social Impact Assessment (SIA) for the SOU 17 Kempas was carried out between 16 – 20 Dec 2013. The SIA report is publicly available at the respective mill and estate offices. Action Plans to the SIA are revised annually and updated based upon inputs and feedback from contractors/suppliers during stakeholder meetings and issues raised by workers via NUPW meetings.
	HCV documentation summary (Criteria 5.2 and 7.3);	YES	HCV documentation maintained available (Cross refer Criteria 5.2).

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environmental or social outcomes.		Pollution prevention and reduction plans (Criterion 5.6);	YES	Pollution prevention and reduction plans continued made available at all assessed operating units.
		Details of complaints and grievances (Criterion 6.3);	YES	Details of complaints and grievances of the SOU 17 Kempas are recorded in the respective grievance and complaints file of the Mill and estates. These books are placed at the respective offices and are publicly available.
		Negotiation procedures (Criterion 6.4);	YES	Negotiation procedure for the SOU 17 Kempas was made available and sighted during the audit. As of the date of this audit, no land dispute was observed.
		Continual improvement plans (Criterion 8.1);	YES	Continual improvement plans were available in the Internal Audit Report conducted on 6 & 30 Dec 2017. The internal audit report identified non-compliances, root causes and correction action plans for continuous improvement.
		Public summary of certification assessment report;	YES	Public summary for RSPO certification assessment report can be assessed SIRIM QAS website.
		Human Rights Policy (Criterion 6.13).	YES	The human rights policy maintained available. The policy is posted at office notice boards.
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	The documented policy committing to a code of ethical conduct and integrity of the company maintained available. The CU continued communicated the policy to their staffs including foreign workers during the induction course.

### **Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

Clause	Indicators		Comply Yes/No	Findings
C 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1	Evidence of compliance with relevant legal requirements shall be available. Major Compliance	NO	Generally, SOU Kempas continued to comply with most of the applicable local, national and ratified international laws and regulations. Relevant licences and permits were verified at SOU Kempas. However, it has been noted that there was no health surveillance by Occupational Health Doctor for workers who is working in Confined Space. Therefore, Major NCR RAR 01 2018 was raised.
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	YES	SOU Kempas have identified, documented and maintained their legal register with written information on legal requirements which related to their operation in legal register. PSQM Department were responsible to track changes and the information was disseminated to all its plantations and Mill department.

## RSPO P&C PUBLIC SUMMARY REPORT

	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	YES	The CU had a documented system for identifying and updating the changes of legal requirements and to monitor the status of legal compliance. This was as documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual. PSQM Department and respective operating units have undertaken the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. The compliance to legal requirements was evaluated on an annual basis. These were carried out via Internal & External Audits, PA visits, RSPO Audits and by Preliminary Group Corporate Assurance Reports.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	PSQM department, which is based in Kuala Lumpur is responsible in tracking any changes to the Acts and Regulations. This was done through communicating with the publisher of the documents. This mechanism was outlined in its procedure. The updating of the legal register was carried out on a periodical basis. Any change in the legal register is communicated to the respective SOUs.
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 NCR land and the actual legal use of the land shall be available. Major Compliance	YES	Evidence of legal ownership of the land including history of land tenure was verified during this audit. For Tangkah Estate the land was acquired during the merger between Golden Hope, Kumpulan Guthrie Berhad and Sime Darby in 2007. The Land Title was then transferred under the name of Sime Darby Plantation Berhad. While Kemuning Estate was originated from Sime Darby which was bought from Negeri Sembilan State Government. Each estate had legal use of the land through an Ownership signed by the Sultan of Johore and Director of Lands and Surveys of Negeri Sembilan and Melaka following the payment of premium and Land fee. The land titles were observed at the Mill and Estates.
	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	Boundary stones / markers along the legal boundaries observed visibly maintained by the CU.
	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).MinorCompliance	YES	As reported in 2.2.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby since 1980. The audit team had confirmed that there were no land issues related to previous owners. The audit team has also interviewed relevant stakeholders including the local communities and it can be concluded that there was no evidence of any land dispute at Kempas CU.
	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. Major Compliance	YES	As reported in 2.2.1 of this checklist, it has been verified that the land is legitimately owned by Sime Darby since 1980. Hence, there is no land conflict anticipated and no need for acceptable conflict resolution processes. The audit team has also interviewed relevant stakeholders and from the interviews, it can be concluded that there was no evidence of any land dispute at Kempas CU with their neighbouring private oil palm estates and villagers.
	2.2.5	For any conflict or dispute over the land, the extent of the	YES	As reported in 2.2.1, it has been verified that there is no conflict or dispute over the land. Auditor has verified this through NUPW meetings, Stakeholder meetings and JKKP Meetings and

## RSPO P&C PUBLIC SUMMARY REPORT

		disputed area shall be mapped out in a participatory way with involvement of affected parties. Minor Compliance		interviewed with settlers and other oil palm plantation companies that there was no violence action taken by the Kempas CU in maintaining peace.
	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	As reported in 2.2.1 of this checklist, it has been verified that the land is legitimately owned by Sime Darby since 1980. There was no land conflict anticipated nor the need to avoid escalation of conflict required. It has been confirmed through interviews that there was no evidence that the 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 shall be developed through participatory mapping involving affected parties. Major Compliance	YES	As reported in 2.2.1 of this checklist, Kempas CU has been developed since 1980, after it was bought from the previous land owner; Negeri Sembilan and Johore Government. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office and was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate. Hence, there was no need for the establishment of map showing the legal, customary, or user right of other users as required by this indicator.
	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 that shall be taken to involve them in decision making; 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; 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	YES	As reported in 2.2.1 of this checklist, Kempas CU has been developed since 1980, after it was bought from the previous land owner; Negeri Sembilan and Johore Government. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office and was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate. Based on the audit findings, copies of negotiated agreements on FPIC and other evidences required by these indicators a) to c) were not applicable.

## RSPO P&C PUBLIC SUMMARY REPORT

		legal status of their land at the expiry of the company's title, concession or lease on the land. Minor Compliance		
	2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. Minor Compliance	YES	As mentioned in 2.3.2 a) to c) of this checklist, this requirement in this indicator does not apply to Kempas CU.
	2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. Major Compliance	YES	As mentioned in 2.3.2 a) to c) of this checklist, this requirement in this indicator does not apply to Kempas CU.

### **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	Both Kemuning Estate and Tangkah Estate continued to make commitment to long-term economic and financial viability. The annual budget for 2017/2018 and projection of business plan up to 2022/2023 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 m ton & per ha.
	3.1.2	An annual replanting programme projected for a minimum of five years with yearly review, shall be available. Minor Compliance	YES	The long-range replanting program (LRRP) until 2040 were sighted for both Estates. This program was reviewed once a year and was incorporated in their annual financial budget.

### **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	4.1.1	Standard Operating Procedures (SOPs) for estates and mills shall be documented. Major Compliance	YES	SOU Kempas continued to use the Plantations Quality Management System (PQMS) Manual, Standard Operating Manual and Procedures (SOP), Agriculture Reference Manual (ARM), "Guidelines On River Management" manual, Sustainable Plantation Management System (SPMS) Manual, ESH Management System Manual, Occupational Safety and Health Manual, Pictorial Safety Standards, and Security Guidelines. It includes the operation activities in the estates from seedlings in nursery to



## RSPO P&C PUBLIC SUMMARY REPORT

implemented and monitored				planting of young palms and plantation upkeep to mill FFB receipt, grading, processing, quality analysis and security. For the estates, on top of the PQMS, technical guidelines as listed in the Agricultural Reference Manual were also used. Contents of the manual were disseminated to the workers through morning roll call and trainings. The manual is also kept in the administration office where everyone can refer to. Site inspection and interview with workers confirmed that the SOP had been implemented and they understood the requirements of the SOP, the bottom-line of which is Good Agricultural / Mill Practice and the care for their safety and health and the environment.
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	NO	Monitoring was conducted through the on-site visits, inspections and discussions with relevant personnel and by conducting Assessments and audits such as Internal Audits, PA visits and RSPO Audits. During this surveillance audit, random interviews with the estate workers revealed that they understood the requirements stated in the SOPs. For example, it was observed that harvesting standards and pesticides usage had been properly understood by the estate harvesters and sprayers respectively. However, it was found that, <ol style="list-style-type: none"> <li>1. Tangkah Estate – 5 X 20 Liters containers of Chlorine was found stored in the division office</li> <li>2. Waste waters from emergency showers were directed to field drains in Ayer Panas and Bulumong divisions on Tangkah Estate and Kru Division on Kemuning Estate (recurrence issue)</li> <li>3. Stored scheduled wastes were not labeled on Kru Division on Kemuning Estate and on Bulumong and Ayer Panas Divisions on Tangkah Estate.</li> </ol> Therefore Major NCR STK 01 2018 was issued as a recurrence (upgraded NCR to major):
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	NO	Generally, there were evidence of monitoring implemented by the estates and mill in Kempas CU e.g. pertaining to scheduled wastes management, emission from boiler and river water quality, suppliers and contractors control, FFB quality control, domestic water quality, Work Program Sheets, Field cost books, Bin cards, Harvesting Intervals, Monthly Progress & Report Account, rainfall data, SIME Cards & warning letters, etc. Harvesting standards were monitored using SDSB's Plantation Micro Macro Program (PMMP). Records of monitoring maintained available. Sighted the monitoring data and found within the stipulated limit. However, The SOP for water quality sampling states that water quality sampling is to be done monthly. But, based on records available, the frequency of water quality sampling was done on monthly basis. Therefore, Minor NCR RZ 03 2018 was raised against this indicator.
	4.1.4	The mill shall record the origins of all third-party sourced FFB. Major Compliance	YES	All certified FFB are from Kempas SOU 17 estates and other SOU from Sime Darby Plantation. The non-certified FFB are from independent FFB suppliers. All delivery documents were verified volumes of FFBs received by the mill either from Sime Darby owned estates or third parties were indicated in all the documents.
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	Both Kemuning Estate and Tangkah Estate continued to practise 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. Fertiliser application, which was of paramount importance for maintenance of soil fertility, was carried out based on recommendations made by the Principal Agronomist, Plant Nutrition & Protection, Central West Region, based on Tanah Merah Estate. Annual fertiliser recommendations were made based on annual foliar sampling and 5 yearly soil sampling.

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	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	YES	Records of programs and applications of fertilisers were made available to auditors. Fertiliser application program was monitored using records like program sheets, bin cards, Field Cost book and Manuring Structured Block Supervision (MSBS) forms.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	YES	From the reports made by the Agronomist, it was established that both estates have carried out periodic foliar and soil sampling to monitor changes in nutrient status. Annual foliar sampling for N, P, K, Mg, Ca & B had been carried out and the results formed the basis for the fertiliser recommendations to maintain and to improve soil fertility. The latest foliar sampling in Kemuning Estate was in Apr 2018, while in Tangkah Estate it was done in Feb. 2017. Soil maps were made available to the auditors based on the analysis carried out in Feb & Apr 2014.
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of EFB, POME and palm residues. Minor Compliance	YES	Both estates had a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose. EFB were also applied as a mulching system in replanting areas to prevent from growth of weeds and to keep a moisture. There was no Compost and POME application on both Kemuning Estate and Tangkah Estate.
C 4.3 Practices minimize 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 map provided, there was no fragile/marginal soils in both audited estates.
	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	SDPSB had a management strategy in place for planting on slopes to minimise and control erosion and degradation of soils. The strategy in place for plantings on slopes between 9 and 25 degrees was in Slope & River Protection Policy, Buffer Zone & 25degree slope and in item 8 Section 4 and Land Preparation for Terracing in ARM Manual.
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	YES	During the field visit, it was noted road conditions were fairly well maintained in both Kemuning Estate and Tangkah Estate. Accessibility were made possible by regular maintenance guided by its road maintenance programmes. The program had been supported by adequate provisions in the budgets. Surface run off water from roads were well directed into fields and drains with well cambered roads, road sided drains and silt pits. For road maintenance both estates had hired back hoes and had mid-mounted tractor graders, tractor drawn rollers and back buckets. For resurfacing Tangkah Estate used laterite from their own pit. Both Estates purchased crusher run stones used for roads.
	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	YES	There was no peat soil in both Kemuning Estate and Tangkah Estate. Hence, no water and ground cover management program available.
	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	YES	There was no peat soil in both Kemuning Estate and Tangkah Estate. Hence, no drainability assessment required.

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	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	YES	There was no fragile and problem soils in both Kemuning Estate and Tangkah Estate
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 water management plans. The Plans for 2017/2018 were sighted. The water management plan was more towards rain water conservation, pollution prevention, flood and domestic use. Should a dry spell occur, the plan is to buy water from Syarikat Air Melaka Berhad (SAMB), Syarikat Bekalan Air Johor (SBAJ) and Syarikat Air Negeri Sembilam (SAiNS). The management had also installed large containers to keep rain water for emergency use. Water for executive, staff and workers housing is using water from SAMB, and is subsidized by the company, though there was no shortage of water for domestic use in both estates, awareness was created among the workers and staff to save water through verbal reminders and training.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones shall be demonstrated. Major Compliance	YES	Both estates had protected water courses by maintaining appropriate buffer zones where no chemical usage was observed.
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations. Minor Compliance	YES	Site visit at effluent treatment plant and interview with operator in charge was revealed the operation was in accordance with standard operation procedure and legal requirements. No sight of effluent over flow and flow meter reading was recorded daily. Outgoing water into land irrigation is being closely monitored. Water sampling analysis on quarterly basis as stipulated in the procedure. The results were below than the stipulated limit of 1000 mg/l
	4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. Minor Compliance	YES	Processing water obtained from water catchment area. The use of water in the mill was monitored and the average consumption was 0.64m <sup>3</sup> /month in 2017.
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	As for all SDPSB estates, both Kemuning and Estate Tangkah Estate had in place documented integrated pest management (IPM) plans. The procedure referred was as per the Agricultural Reference Manual (ARM). 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 sublata</i> and for rhino beetles is by using pheromone trap. Both estates carried out monthly detection and observation of leaf eating pests and rat damage.
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	YES	Records showed that training of those involved in IPM implementation was carried in both Kemuning and Estate Tangkah Estate. At Kemuning Estate, the latest was Rat baiting training was in Dec 2017 and IPM training in July 2017. As for Tangkah Estate, the rat baiting training was in Feb 2017 and the training on Beneficial Plant in July 2017.
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	YES	Written justification in SOP of all agrochemical was available in the Agricultural Reference Manual by 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. Chemical registers indicate the purpose of usage (intended target), hazards signage, trade and generic names.

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		species shall be used where available. Major Compliance		
	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 Kemuning Estate and Tangkah Estate 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. Both estates had documented programs for spraying pesticides and for rat baiting
	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	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 subulata</i> ) nurseries for continuous planting in order to attract natural predators and thus to reduce use of insecticides. As mentioned in 4.5.1, during the visit it was observed that both Kemuning Estate and Tangkah Estate had plants ready for planting in their Nurseries.
	4.6.4	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	YES	Both Kemuning Estate and Tangkah Estate 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). There was no evidence of pesticides that were categorised as World Health Organisation Class 1A or 1B, or that were listed by the Stockholm or Rotterdam Conventions, and paraquat, had been used in both Kemuning Estate and Tangkah Estate. Pesticides used were mainly of class III & class IV.
	4.6.5	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	YES	Records showed that pesticides were handled, used and applied only by trained persons and as per the SOP, CHRA and MSDS/CSDS of the pesticide. As mentioned under Indicator 4.6.1 both estates had in place SOPs for safe-handling of pesticides. Appropriate safety and application equipment had been provided and used as per the recommendation of the CHRA dated April 2015. The employees involved in the chemical handling such as the storekeepers, sprayers, fertilizer and rat bait workers have been trained in chemical handling and they had understood the hazards of the chemicals and how the chemicals should be used in a safe manner. The trade and generic names of

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		be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers. Major Compliance		the chemicals were made known to them through the MSDS/CSDS training. It was also noted that MSDS/CSDS are available at all sites during the audit.
	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. 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	Pesticides were stored in accordance with the legal requirement. The chemical stores in both estates were observed to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as the Pesticides Act 1974 (Act 149) and Regulations. The stores were secured and keys held by only the storekeeper and attendant. Record of purchase, storage and used had been properly maintained. All chemicals were segregated and fertilisers were well stacked. Both stores are ventilated and only authorised personnel were allowed to handle the chemicals. Relevant MSDS/SDS were available in the stores. Empty pesticides containers had been triple rinsed, holes and punched, and had been stored separately in the scheduled waste store awaiting disposal.
	4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	YES	Pesticide applications were guided by SDPSB's ARM, Pictorial Guide, CHRA and by MSDS supplied by the manufacturer.
	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	Aerial spraying was not practice by both estates and there was no evidence to show that any had been carried out.
	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. Minor Compliance	YES	The staffs and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they understood the hazards involved and how the chemicals should be used in a safe manner. Records showed that trainings were carried out and training records were sighted during the audit.
	4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and	YES	The scheduled wastes has been disposed through licensed DOE contractor. The estates maintaining the 'Empty Pesticide Container Record Log.

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		managers shall be demonstrated.Minor Compliance		
	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance	YES	At Tangkah Estate, CHRA was done by third party assessor and finalized in Oct 2017. Based on the recommendation of the CHRA assessor, operation operator chemical handling need to go for a medical surveillance, which was done in Feb 2018. Results from assessment showed that all workers was fit and passed the medical surveillance. In Kemuning Estate, the CHRA was done and finalized in June 2015. Sighted that the medical surveillance has been carried out accordingly and the results showed that all the workers was fit to handle chemicals. For Kempas POM Medical Surveillance Report inclusive of USECHH 1, USECHH 2, USECHH 3, USECHH 4, USECHH 5i and 5ii, NADOPOOD 7 was carried out in May – July 2017. Noted that the assessments confirmed that all workers was fit to handle chemicals.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance	YES	Both Kemuning Estate and Tangkah Estate had complied with the Memos issued by Management that” No work with pesticides shall be undertaken by pregnant or breast-feeding women”. There was no evidence of pregnant and breast-feeding women performed spraying activity in both estates. Women workers handling pesticides are checked by the appointed Medical Assistant to ensure they are not pregnant or breast-feed. Those who are noted to be pregnant and breast-feed are transferred to other sections.
C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.	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	Environment, Safety & Health Program for the CU 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 the job, use of PPE, OSH Committee meetings, etc. Generally, the ESH program noted to be satisfactory.
The occupational health and safety plan shall cover the following:	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	The CU had identified the significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. At the estates, among the HIRARC carried out covered activities like chemical mixing and spraying, chemical storage, harvesting and FFB collection and vehicle maintenance. At both Kemuning Estate and Tangkah Estate the last review was carried out in July 2017 and Dec 2017 respectively, to review on operation loading FFB and loose fruits and sentry by auxiliary police. Full review of the HIRARC was conducted by the ESH committee. As for Kempas POM, HIRARC has been reviewed in 1/7/2017 by the Assistant Engineer and approved by the Mill Manager. Most significant and routine activities for mill and estate were adequately covered including chemical spraying, harvesting in the estates, boiler operation, FFB sterilisation, kernel extraction and oil extraction and clarification in the mill. Appropriate risk control measures had been determined and implemented for the respective activities and operation in the estates and mill. Appropriate administrative control was sighted with safety signages were displayed at all work stations including mill and estates office and workshop. On overall performance, OSH administrative controls implementation as well as appropriate risk control measures were identified and a PIC was assigned to monitor the implementation of the control measures during field and site assessment.
	4.7.3	All workers involved in the operation shall be adequately trained in safe working practice.	YES	Training and Briefing on the operations were provided for workers to educate them on safe working practices to ensure applicable precautions are adhered. Training for employees are conducted from time to time based on needs through various method such as on the job training, briefings, meetings,

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	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		etc. The staff and workers such as the storekeepers, Mill workers, harvesters, pruners, field workers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner.
4.7.4	The responsible person/s 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	YES	SOU Kempas Safety & Health Committee has been established through the ESH committee. ESH safety committee organisation chart for 2017/2018 was reviewed. The committee is chaired by the Mill Manager and the secretary is the QA. Periodic meetings were carried out accordingly and the minutes of the meeting was maintained. The ESH committee meeting minutes were reviewed.
4.7.5	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. Minor Compliance	NO	SOU Kempas had adhered to the documented: SDP policy 'Crisis Management & Emergency Response' plan, ref: chapter 13 of PQMS, OSH manual and "Accident and Reporting and Investigation Procedure" in chapter 14 of the same manual, Local Medical Evacuation Plan, SOP for Medical treatment Appendix 5.5.3.3, Subsection 5.5 of Standard Operation Manual (SOM).  The Field Staff and Mandores were assigned to carry out emergency response in the field and interviewed staff and mandores in the field had understood and were aware of the requirements. During field inspection at both Estates it was noted that all operating units had been provided with First Aid boxes which were checked on a monthly basis by the Medical Assistants and Hospital Assistant. Records of replenishment were verified by the auditor. However it was found that, at Kemuning Estate, at time of visit First Aid box was not available at site for the Spraying, Harvesting and Loose Fruit collecting Teams (recurrence issue). Thus the pas NCR was upgraded to major and Major NCR STK 02 2018 was issued.
4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	YES	SOU Kempas provides Medical care to Group Estate workers with Klinik Ladang was established within the premises and more serious cases are referred to Hospital Melaka which is about 50 Km from the Estates and Mill. They has also continued to provide a 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. The local Workers were covered by SOCSO and foreign workers were with Workmen Compensation.
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.	YES	Accident statistics are being maintained and periodically reviewed (quarterly basis) during 'Health and Safety' committee meeting – minutes reviewed. The following Accident reviewed:

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		Minor Compliance		<ul style="list-style-type: none"> <li>At Kempas POM JKPP 8 for FY 2017 submitted on 06/01/2018, several accidents has been reported with 2 major incident occurs on June 2017 and Jan 2018. Sighted JKPP 6 has been submitted to DOSH and accident investigation has been carried out by OSH committee.</li> <li>At Tangkah Estate accident record has been recorded using safety management system and reported to HQ by monthly basis. During site visit it was noted that accident occurs in 2017 with 2 major cases has been reported with losing 144 working days. Sighted JKPP 6 has been sent to DOSH in Jan &amp; Mar 2017. JKPP 8 was submitted to DOSH on 25/01/2018.</li> <li>At Kemuning Estate accident has been recorded and submitted to DOSH for year 2017 on 20/01/2017. Accident occurs for year 2017 was with 3 major cases occur. Sighted that JKPP 6 has been submitted to DOSH in Feb &amp; Nov 2017.</li> </ul>
C 4.8 All staff, workers, smallholders and contract workers are appropriately trained.	4.8.1	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	YES	Formal training programmes for 2017/2018 covered all aspects of the RSPO Principles and Criteria. Regular assessments of training needs were presented to auditors by the Kempas POM and both estates Kemuning and Tangkah. Year 2017/2018 Training Plan was established in July 2017. A training needs identification matrix has been established with target dates for the training to be conducted. The training program includes ESH Legal & Other requirements, Safe handling of Electrical Equipment, Use & Standard Exposure of Chemical Hazardous to Health (USECHH) 2000, Accident Investigation Techniques etc
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	YES	Training records reviewed during the audit. Records of training was retained by the supply bases. Related records of training consist of training material and attendance.

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

Clause	Indicators		Comply Yes/No	Findings
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.	5.1.1	An environmental impact assessment (EIA) shall be documented. Major Compliance	YES	SOU Kempas has established its environmental aspects / impacts register associated with their activities. Environmental aspect and impact (EAI) which covers form upstream activities such as FFB reception until downstream processes was sighted during assessment. Established for 2017/ 2018 dated in Jan 2017. Identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the most significant environmental receptors are the boiler stack emission which associated with air emission, palm oil mill effluent discharge and land contamination which related to managing the schedule waste and general waste. For the estate operation, all activities from harvesting, pest and disease, upkeep programme until delivery to mill has been identified.
	5.1.2	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	YES	<u>Kempas POM</u> Environmental Aspect and Impact Identification Form & Environmental Impact Evaluation Form was used to identify Aspect & Impact and take necessary action. The record was reviewed in Oct 2017 by the Assistant Engineer and approved by the Mill Manager. No changes were made to the record. Waste Management Plan FY 2017 / 2018 comprising of Pollution Prevention Plan 2017/2018 has been established on Sept 2017. Among the pollution prevention being identified are control of black smoke emissions, monitoring water course, Schedule Waste and effluent discharge monitoring. Sighted records of monitoring by the mill.



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		identify the responsible person/persons. Minor Compliance		<u>Kemuning and Tangkah Estates</u> No changes were made to the environmental aspects and impacts or current practices which require changes in the environmental action plans. Nevertheless, the existing environmental action plans had identified timeframes and responsible person at each operating unit assessed.
	5.1.3	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	YES	<u>Kempas POM</u> Pollution Identification Environmental improvement action plan' to monitor the effectiveness of the mitigation measures taken, are in place. The following indexes are being monitored : i) Black Smoke Monitoring ii) Effluent Discharge Monitoring iii) Monitoring Water course iv) Centralized collecting Schedule Waste Y2017/2018 Performance verified, noted to be satisfactory
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.	5.2.1	Information shall be collated in a HCV assessment that includes both the planted area itself and relevant wider landscape-level considerations. Major Compliance	YES	SOU Kempas has reviewed their HCV with new assessment conducted in Feb 2014. The new HCV assessment titled 'HCV Re-Assessment For Strategic Operating Unit (SOU 17 – Kempas) which included both the planted area and relevant wider landscape-level considerations with villages and forest reserved. The total area of HCV area for SOU Kempas is 47.79 ha HCV area.
	5.2.2	Where 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	YES	The HCV Assessment report indicated that there is no RTE species, or HCVs, are present or are affected by plantation or mill operations. There is only common bird sighted. The appropriate measures that are expected to maintain and/or enhance them were implemented through an action plan dated in July 2017, and made available in Tangkah Estate and Dec 2017 at Kemuning Estate.
	5.2.3	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	YES	Although there was no RTE species found in the CU, Sime Darby still established their own disciplinary measures if any of their staff or workers found to capture, harm, collect or kill the RTE species. If found any activities to capture, harm, collect or kill RTE species, the estates will make a report to the Wildlife Department immediately.
	5.2.4	Where an action plan has been created there shall be ongoing monitoring:	YES	An action plan for FY2017/2018 was made available at the Tangkah and Kemuning Estate. The outcomes of monitoring were included in the HCV report. An action plan for FY2017/2018 was

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		<ul style="list-style-type: none"> <li>The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;</li> <li>Outcomes of monitoring shall be fed back into the action plan.</li> </ul> <p>Minor Compliance</p>		made available at the Sabrang and Seri Intan Estate. The outcomes of monitoring were included in the HCV report. Monitoring was evident.
	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 SOU Kempas.
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	SOU Kempas has identified all wastes and sources of pollution. The Waste Management Action Plan FY 2017/2018 were established to mitigate and control the identified wastes and source of pollution.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	YES	Among the identified wastes include empty chemical containers including pesticides containers. Empty pesticides containers were washed at washing station prior to disposal. Disposals were carried out in compliance with relevant regulation of scheduled waste. Inventory and consignment documents verified for confirmation of proper management and disposal.
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented Minor Compliance	YES	Waste management and disposal plan to avoid or reduce pollution had been documented and implemented as discussed in Indicator 5.1.3 above. Procedures and guideline were used 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, a monthly and quarterly report for final discharge were submitted to DOE in a timely manner, as required by the written approval. Scheduled wastes generation – Mitigation: to be handled in accordance with EQA Scheduled Wastes regulations.
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 is in place incorporated into the Environmental Aspect and Impact activities report for 2017, identified in the following i) Environmental Aspect Identification Summary FY 2017 / 2018 reviewed accordingly. ii) Environmental Impact Evaluation Summary FY 2017 / 2018 reviewed accordingly. Fossil fuel Reduction Plan for Financial Year 2017 / 2018 was established and monitored. To Reduce Diesel usage – by maintenance of the boiler & machineries to ensure at optimum level, to monitor diesel usage, provide training to workers regarding reduce fuel and diesel usage for boiler.
C 5.5 Use of fire for preparing land or	5.5.1	There shall be no land preparation by burning, other than in specific situations as	YES	SDPSB has a policy of no open burning. As advocated, both estates practiced Zero burning. In the 2016 replants visited during the audit in both Estates, it was evident that all palms were felled, shredded, windrowed and left to decompose.

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replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice		identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Major Compliance											
	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 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Minor Compliance	YES	There was no evidence fire has been used for preparing land for replanting in both estates. The estates had adhered to the Zero Burning Policy of SDPSD.									
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 methodology. It is also recognized that it is not always feasible or practical to reduce or minimise these emissions.  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	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent.	YES	An assessment of identified polluting activities is being conducted and monitored, inclusive of gaseous emissions, particulate / soot emissions and effluent. <ul style="list-style-type: none"><li>'Pollution prevention plan and waste management action plan" – is used to identify the waste products and sources of pollution – is in place and is being reviewed and implemented accordingly. Among of action has been taken by CU were: Schedule waste – were disposed through approved contractor, Domestic waste has been disposed to designated area which located far from housing complexes and waterways and Full compliance to zero burning practices</li></ul>									
	5.6.2	Significant pollutants and greenhouse gas 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 and actions taken to mitigate and reduce them are in place and are being reviewed accordingly.									
	5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. Minor Compliance	YES	The CU had used RSPO Palm GHG version 3.0.1 Calculator option 2 exclude LUC as a tool to calculate the GHG emissions. The input data was verified and the following were determined:  Summary of Net GHG emission: <table><tr><td>Emission sources</td><td>tCO2e/tonProduct</td></tr><tr><td>CPO</td><td>1.33</td></tr><tr><td>Fuel PK</td><td>1.33</td></tr></table> <table><tr><td>Extraction</td><td>%</td></tr><tr><td>OER</td><td>19.47</td></tr></table>	Emission sources	tCO2e/tonProduct	CPO	1.33	Fuel PK	1.33	Extraction	%	OER
Emission sources	tCO2e/tonProduct												
CPO	1.33												
Fuel PK	1.33												
Extraction	%												
OER	19.47												

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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.

KER	5.6
Production	t/yr
FFB processed	320,270.50
CPO produced	62,343.60
Land use	Ha
OP planted area	38910.13
Op planted on peat	194.8776
Conservation (forested)	0
Conservation (non forested)	0
<b>Total</b>	<b>39,105.10</b>

### Mill emissions:

Emission sources	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
POME	60267.3	0.19
Fuel consumption	127.98	0
Grid electricity utilisation	698.06	0
Export of excess electricity to housing	0	0
Sale of PKS	0	0
Sale of EFB	0	0
<b>Total</b>	<b>61093.34</b>	<b>0.19</b>

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### Estate emissions:

Description	Own			3 <sup>rd</sup> Party		
	tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB
Land conversion	77863.52	8.86	0.36	0	0	0
CO2 emission from fertiliser	9879.57	1.1	0.04	0	0	0
N2O emission	13029.83	1.31	0.05	0	0	0
Fuel consumption	951.05	0.11	0	0	0	0
Peat Oxidation	5935.49	0.66	0.03	0	0	0
Crop sequestration	-73804.28	-8.4	-0.34	0	0	0
Sequestration in conservation area	0	0	0	0	0	0
Total	33855.18	3.64	0.15	9095.47	0	0

### Palm oil mill effluent (POME) treatment:

Divert to compost	4%
Divert to anaerobic digestion	96%

### POME diverted to anaerobic digestion:

Diverted to anaerobic pond	100%
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				Divert to methane capture (flaring)	0	
				Divert to methane capture (electricity generation)	0	

### 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) was conducted on SOU 17 Kempas by Social & Environment Projects Unit, Sustainability Department (PSQM) in Dec 2013. For Kempas POM, Kemuning Estate and Tangkah Estate, the SIA were conducted on in the same month. Findings, issues and suggestion in the respective SOU units were recorded and documented in the SIA report.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	YES	Based on the records available, there was evidence that the assessment was done with the participation of affected parties, whose attendance was documented and sighted during the audit. The stakeholder consultation for each unit was attended by workers, representatives available from local government agencies, NUPW representative, local communities, service providers, and neighbouring estates.
	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, incl. responsibilities for implementation. Major Compliance	YES	SIA Action Plan for FY 17/18 was developed based upon complaints as well as feedback/inputs received during stakeholder meetings. The Action Plans for Kempas POM and Kemuning Estate were both dated 30 December 2017. These Action Plans were tabulated and incorporated action steps, identified person-in-charge, time plan, and remarks.
	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	It was evident that the SIA action/management plans are being reviewed annually with the participation of affected parties.
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes. Minor Compliance	YES	This indicator is not applicable as there is no smallholder scheme.

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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	SOU 17 Kempas maintains its documented procedures as established by Head Office pertaining to consultation and communication with stakeholders.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	YES	It was evident that the respective units within SOU 17 Kempas appoint a management official responsible for consultation and communication with stakeholders.
	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	YES	The CU maintains its List of Stakeholders which comprise of contractors, vendors/ suppliers, local communities representatives, related government agencies (among others SOCSO, Immigration, hospital, schools, etc.). It has been confirmed that for Kempas POM, Kemuning Estate and Tangkah Estate, the list of stakeholders were updated Feb 2017, Dec 2017 and April 2018 respectively. The stakeholders for all units comprise contractors, vendors/suppliers, local community representatives, related government agencies (among others SOCSO, Immigration, hospital, schools, etc.).
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	YES	The CU management and stakeholders interviewed (such as employees, contractors, suppliers, local communities) acknowledged that dispute system is open to affected parties. No restriction of complaint system was observed. Nevertheless, there was no dispute observed from affected parties. The provision for anonymity of whistleblowers maintained as contained in the "Code of Business Conduct" booklet.
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	YES	As of the date of audit, no dispute has been documented, except for complaints on housing defects. Record of the resolution of the complaints was made available during the audit.
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 representative institutions.	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 procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Sustainable Plantation Management System document issued on 1 November 2008 (Version 1), the procedures stipulate that ex-workers issues are to be handled by the Employee Relations, and the land issues by the Land Management Department of the Head Office. Both procedures stipulate the negotiation procedures, calculation and distribution of compensation to the affected parties.
	6.4.2	A procedure for calculating and distributing fair compensation shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and	YES	In accordance with the Procedures for Handling Boundaries Disputes, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Sime Darby Head Office. The procedure stipulates for negotiation procedures to involve the respective estate management, Land Office, NGOs and the affected parties.

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		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	As of the date of the audit, no case of negotiation and payment of compensation has been carried out for verification.
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	NO	Documentation of pay is in the form of monthly pay slips which were given to the workers at the end of the month. Conditions of pay are contained in the workers' respective employment contracts. Based on samples taken, some workers' contracts which contain conditions of pay were not renewed after its expiry, not signed and not dated resulting in there being no documentation of pay and conditions. This resulted in the raised of Major NCR RZ 01 2018 to the client.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance	YES	Details of payment and conditions of employment are contained in employment agreements and collective unions agreements between MAPA-NUPW and MAPA-AMESU. These cover working hours, deductions, overtime, medical, leaves, dismissal, period of notice, etc. There is also evidence that the contracts are prepared in a language understood by workers. For example, contracts with Indonesian workers were prepared in Bahasa, and in bi-lingual (English/Hindi) for Nepali workers. In addition, their terms of contracts were also explained to them upon arrival at the estates/mill.
	6.5.3	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). Minor Compliance	NO	Housing was provided to all employees of the Kempas Palm Oil Mill, Kemunting Estate and Tangkah Estate. Workers interviewed confirmed that the houses and amenities provided were adequate, comfortable and requests for repairs are attended to in a timely manner. Site visits were carried out to the workers' housing, and the houses were observed to be generally of good condition. Treated water is provided for free, whereas electricity is paid according to usage. Among the amenities available include <i>surau</i> , clinic, badminton court, playing field. Medical treatment can be obtained from the estate clinic which is managed by a Medical Assistant, and a visiting medical officer from Alor Gajah. Line site inspection at Tangkah Estate was carried out weekly basis, and in accordance with Section 23(2) Workers' Minimum Standard of Housing and Amenities Act 1990. The inspections were carried out accordingly. However, it has been noted that in Kemunting Estate, line site inspection has not being carried out in accordance with the Act: <ol style="list-style-type: none"> <li>1. No line site inspection at Tebong linesite inspection: between 20 September 2017 to 4 January 2018.</li> <li>2. No line site inspection at Gemencheh division between 20 September 2017 to 3 January 2018.</li> <li>3. Line site inspection at Kru Division was carried out once a month on 2 November 2017, 30 December 2017, 21 January 2018, 21 February 2018, 21 March 2018.</li> </ol> Therefore, NCR RZ 02 2018 was raised.



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	6.5.4	Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food. Minor Compliance	YES	The CU is located within close proximity of the nearest towns, and workers confirmed that they are able to access adequate, sufficient and affordable food easily. In addition, each worker is also provided with 5kg of rice every two months. There are also canteens and sundry shops available within the CU itself. Visits to the shops confirm that the goods sold are reasonably priced as prices are displayed clearly.
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 assoc. and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	YES	Statement recognising freedom of association are available and published in Bahasa Malaysia. These are displayed at the main notice boards of the Kempas Mill and Estates.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	YES	The CU maintained to document its meetings with trade unions, and all related documents are kept in the meeting book and Union File. The NUPW Meeting with management was held in April 2018 attended by management and NUPW representatives. Among the issues raised by the NUPW representatives included a higher rate for pruning in water logged areas, request for better quality harvesting knife and boots for harvesting discussed.
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	There is documented evidence that the CU complies with minimum age requirements. Based on workers list, employment agreements sampled, interviews and observations, there was no evidence that the CU employs anyone below the minimum age.
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 equal opportunities policy is contained within the Sime Darby Social Policy dated January 2015, which states that all employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. The Social Policy was displayed at notice boards near the muster grounds, workers' housing and the office.
	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	Apart from the Social Policy which states that all employees shall be treated equally, there is also no evidence that there has been any form of discrimination against any employee, or group of employees. Payment of wages/salaries, provision of housing and access to benefits and amenities is fair based on observation, review of pay checks, contracts of employment, and interviews of staff, local and foreign workers. Foreign workers are also accorded the same living standards and accommodations as local workers.
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities,	YES	Based on interviews with the estates and mill management and documentation review, recruitment selection, hiring and promotion are based on suitable job vacancies, experience, qualification/skill and medical fitness appropriate for the job. Interview of candidates is carried out by the Manager and the Assistant Managers where an evaluation form is filled up to determine the suitability of the candidate.

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		qualities, and medical fitness necessary for the jobs available. Minor Compliance		
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 policy to prevent sexual and other forms of violence is contained in the Sime Darby Social Policy dated January 2015. In addition, awareness on sexual and other forms of harassments are also briefed during muster and Gender Committee meetings held at each Mill and Estates.
	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 policy to protect reproductive rights of women is contained in the Sime Darby Plantation Gender Policy. In addition, Gender Committees have been established at the Mill and Estate levels to help disseminate awareness on issues relating to reproductive rights. In addition, awareness on reproductive rights are also briefed during muster and Gender Committee meetings held at each Mill and Estates.
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented & communicated to all levels of the workforce. Minor Compliance	YES	A grievance mechanism which respects anonymity and protects complainants is in place at the CU as per the Sime Darby Gender Committee Handbook 1st Edition 2014. Employees were aware of the avenue and mechanism for lodging complaint. This was communicated to all staff during muster briefings and training.
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	NO	Past prices paid for FFB is not available at the weighbridge. Only the prices paid for FFB in March 2018 is displayed at the weighbridge. Thus, a NCR RZ 04 2018 was raised.
	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. Major Compliance	YES	Separate interviews were conducted with third party FFB suppliers and based on the interviews, it was evident that FFB suppliers understand the pricing mechanism. The pricing mechanism is stipulated and documented in their respective contracts with the Mill.
	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	Based on interviews conducted with the contractors, it was evident that both parties understand the contractual agreements they enter into. They also confirm that the agreements are fair, legal and transparent.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	YES	All contractors and suppliers interviewed confirmed that even if payments are handled by the Sime Darby headquarters, there is no delay in payments, and the process is smooth and payments are received within one month of the issuance of invoice.
C 6.11 Growers and millers contribute to local	6.11.1	Contributions to local development that are based on the results of consultation with	YES	Based on records, interviews and site verification, contributions made to local development were made based on the requests from the local communities, as the case may be.

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Sustainable development where appropriate.		local communities shall be demonstrated.Minor Compliance		
	6.11.2	There are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor Compliance	YES	Since there are no scheme smallholders, thus, this indicator is not applicable.
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	Based on interview with workers, review of employment contracts and records of wages, overtime payment, as well as rest day accorded to the workers, there is no evidence of any form of forced or trafficked labour. SDPB also has a written commitment to safeguarding operations from employing forced labour.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	YES	Based on interviews with foreign workers all of them were aware of the types of work they would be doing before they arrived in Malaysia. The actual job undertaken was the same as what they were informed of while they were still in their home country. No contract substitution has therefore occurred.
	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 SOU 28 Benuang adopts the Social Policy dated January 2015 which states that "All employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work and representation race, caste, nationality..". There is also a procedure entitled "Sourcing Process for Foreign Workers". Based on observations and interviews of foreign workers there is no evidence of contract substitution and no discriminatory practices against foreign workers. A post-arrival briefing is also given, in particular on the contents of their employment contracts, safety, benefits, etc.
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. Major Compliance	YES	The policy to respect human rights was documented in the Sime Darby Plantation's Social and Humanity Management Policy. This Policy states among others, that it will develop its businesses with a sense of humanity, ensuring that they are socially beneficial and do not infringe basic human rights.
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. Minor Compliance	YES	SOU 17 Kempas is located in Peninsular Malaysia and therefore this indicator is not applicable.

### Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

Auditors has verified through checking the [www.globalforestwatch.com](http://www.globalforestwatch.com), GOOGLE Maps, Estate Maps and also through site visit to the sampled estates area i.e. Kemuning and Tangkah Estate. Based on the audit findings, it is confirmed that there were no new planting or new development of areas at SOU Kempas.

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### 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 Kemuning Estate and Tangkah Estate continued to manage pests, disease and weeds using appropriate IPM techniques. In order to minimize use of insecticides, both estates had established nurseries for beneficial plants mainly <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> . This was to establish continuity in the planting of beneficial plants. In order to reduce the use of rat baits to control rats, Barn Owls was encouraged as indicated by Barn Owl census. Barn Owl boxes were also sighted in the fields. Both Kemuning Estate and Tangkah Estate aimed to establish more Barn Owl boxes to ultimately achieve a ratio of 1 box to every 10 hectares. The estates were also 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 planted, maintained and encouraged in the inter rows. Wherever possible, harvester's paths were grass cut. EFB was applied in single layers and is not dumped in large amounts to prevent breeding of Rhinoceros Beetles. To ensure efficient Loose Fruit collection and expedite circle raking to avoid VOPs.
	b)	Environmental impacts (Criteria 4.3, 5.1 and 5.2);	YES	The CU maintained efforts to improve continuously its environmental management. Among the relevant plans and measures were reduction of diesel usage / GHG emission, reduction of POME generation, maintain water quality, reduce soil erosion, reduce usage of chemical, reduce land contamination, improve soil fertility, reduce waste and installation of biogas plant
	c)	Waste reduction (Criterion 5.3);	YES	Among the type of wastes are agricultural organic wastes, rubbish, used oils, used batteries, empty pesticide containers, clinical waste, scrap iron, wastewater, etc. Non-reusable empty chemical containers were disposed as per relevant requirements of scheduled wastes. Reusable agrochemical containers were used for collecting of triple-rinsing wastewater. Scheduled wastes were labelled with relevant information and hazard sign, and disposed to DOE's licensed contractor.

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	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	YES	The CU continued to establish and implement GHG emission reduction plan Pollution Identification Environmental improvement action plan' – is used to identify the waste products and sources of pollution. Greenhouse gas and its potential sources are being identified using 'Carbon Inventory Calculation Methodology and reported in the sustainability report. Among the plan implemented were periodical maintenance of tractor and power generator, application of organic material as fertiliser.
	e)	Social impacts (Criterion 6.1);	YES	Social impacts were constantly updated based on inputs received from stakeholder consultations/meetings. This was evidenced in the minutes of the following meetings, and the updated Action Plans. These stakeholder meetings include Gender Committee meetings, OSH meetings and meetings with external stakeholders.
	f)	Encourage optimising the yield of the supply base	YES	In order to optimise yields both were committed to implement best a Kemuning Estate and Tangkah Estate agricultural practices inclusive of timely and proper fertiliser application, Improve accessibility to maximise crop evacuation, maintaining harvesting interval below 12 days, To collect all loose fruit to minimise losses, Water bodies and water conservation pits were constructed to conserve moisture.

### RSPO CERTIFICATIONS SYSTEMS FOR PRINCIPLES & CRITERIA JUNE 2017

Clause	Indicators		Comply Yes/No	Findings																												
4.5.3  Time-bound plan  Note: Where there are isolated lapses in implementation of a time-bound plan, a minor non- compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	YES	<p>Sime Darby Plantation – Indonesian Operations is in progress to certify all 8 new SOUs from 2017 to 2020 as verified through Time Bound Plan as at December 2017 which are:</p> <table><tr><th>No</th><th>Name of SOU</th><th>Name of Units</th><th>Time Bound Plan</th></tr><tr><td>1</td><td>PT Sime Indo Agro</td><td>East and Sei Mawang</td><td>2019</td></tr><tr><td>2</td><td>PT Ladangrumpun Suburabadi</td><td>Subur Abadi Plasma 1</td><td>2019</td></tr><tr><td>3</td><td>PT Bersama Sejahtera Sakti</td><td>KKPA BSS</td><td>2019</td></tr><tr><td>4</td><td>PT Bahari Gembira Ria</td><td>Plasma BGR</td><td>2020</td></tr><tr><td>5</td><td>PT Guthrie Pecconina Indonesia</td><td>Sungai Jernih Estate and GPP KKPA</td><td>2017</td></tr><tr><td>6</td><td>PT Mitra Austral Sejahtera (MAS)</td><td>MAS 1, MAS 2, MAS 3, Mas Factory</td><td>2019</td></tr></table>	No	Name of SOU	Name of Units	Time Bound Plan	1	PT Sime Indo Agro	East and Sei Mawang	2019	2	PT Ladangrumpun Suburabadi	Subur Abadi Plasma 1	2019	3	PT Bersama Sejahtera Sakti	KKPA BSS	2019	4	PT Bahari Gembira Ria	Plasma BGR	2020	5	PT Guthrie Pecconina Indonesia	Sungai Jernih Estate and GPP KKPA	2017	6	PT Mitra Austral Sejahtera (MAS)	MAS 1, MAS 2, MAS 3, Mas Factory	2019
No	Name of SOU	Name of Units	Time Bound Plan																													
1	PT Sime Indo Agro	East and Sei Mawang	2019																													
2	PT Ladangrumpun Suburabadi	Subur Abadi Plasma 1	2019																													
3	PT Bersama Sejahtera Sakti	KKPA BSS	2019																													
4	PT Bahari Gembira Ria	Plasma BGR	2020																													
5	PT Guthrie Pecconina Indonesia	Sungai Jernih Estate and GPP KKPA	2017																													
6	PT Mitra Austral Sejahtera (MAS)	MAS 1, MAS 2, MAS 3, Mas Factory	2019																													

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compliance shall be raised;						Plasma MAS	2020									
				7	PT Sandika Nata Palma	Karya Palma	2018									
						KKPA SNP	2020									
				8	PT Budidaya Agro Lestari	Pelanjau, Sg. Putih and Beturus (PT BAL)	2018									
						KKPA BAL	2020									
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	YES	The time bound plan set for 8 new/uncertified SOUs was appropriate and within the timeframe of three years for RSPO certification.												
	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);	YES	CB has received and verified time bound plan for 8 new/uncertified SOUs as at December 2017. The time bound plan was revised and endorsed by the Head of PSQM, Sime Darby Plantation Sdn Bhd - Indonesia.												
4.5.4  Requirements for uncertified management units:	(a)	No replacement of primary forest or any required to maintain or enhance HCV accordance with RSPO P&C criterion 7.3. Any new plantings since 1 <sup>st</sup> January 2010 shall comply with the RSPO NPP. For each new planting development,	YES	The status of 8 uncertified SOUs through Mutuagung Assessment Report were as follows: <table><tr><td>No</td><td>Name of SOU</td><td>Name of Units</td><td>Replacement of primary forest or HCV area and new planting</td></tr><tr><td></td><td></td><td></td><td></td></tr></table>					No	Name of SOU	Name of Units	Replacement of primary forest or HCV area and new planting				
No	Name of SOU	Name of Units	Replacement of primary forest or HCV area and new planting													

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		compliance with the NPP shall be verified by an RSPO accredited CB;		1	PT Sime Indo Agro	East & Sei Mawang	No new planting since November 2005.
				2	PT Ladangrumpun Suburabadi	Subur Abadi Plasma 1	Smallholder project – SAP 1 is targeted for certification by 2019
				3	PT Bersama Sejahtera Sakti	KKPA BSS	New smallholder project - KKPA Maju Bersama targeted for Certification by 2019
				4	PT Bahari Gembira Ria	Plasma BGR	Smallholder Project – socialization is on going with the Koperasi Unit Desa (KUD).
				5	PT Guthrie Pecconina Indonesia	Sungai Jernih Estate and GPP KKPA	The Certificate Holder has sent Liability Disclosure and LUCA for PT GPI and GPP KKPA to RSPO Compensation.
				6	PT Mitra Austral Sejahtera (MAS)	MAS 1, MAS 2, MAS 3, Mas Factory & PLASMA MAS	HCV assessment was conducted in March 2009. A disclosure of liability including LUCA analysis sent to RSPO Secretariat on 24 June 2016 and expected to submit final LUCA to RSPO Secretariat office by end Dec 2017.
				7	PT Sandika Nata Palma	Karya Palma & KKPA SNP	There was a new planting area in the estate. Need to submit NPP.
				8	PT Budidaya Agro Lestari	Pelanjau & Sg. Putih (PT BAL)	No new planting activities.
						Baturus (PT BAL)	There was a new planting area in the estate. Need to submit NPP.
						KKPA BAL	No new planting activities.

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(b)	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in acc. with RSPO P&C 2.2, 6.4, 7.5, 7.6;	YES	<p>The status of 8 uncertified SOUs through Mutuagung Assessment Report were as follows:</p> <table><tr><th>No</th><th>Name of SOU</th><th>Name of Units</th><th>Land conflicts</th></tr><tr><td>1</td><td>PT Sime Indo Agro</td><td>East &amp; Sei Mawang</td><td>East Estate does not have existing land conflicts with the community, the land issue is currently under the process of legality under the purview of the Ministry of Forestry, Indonesia.</td></tr><tr><td>2</td><td>PT Ladangrumpun Suburabadi</td><td>Subur Abadi Plasma 1</td><td>Smallholder project – SAP 1. No land conflict.</td></tr><tr><td>3</td><td>PT Bersama Sejahtera Sakti</td><td>KKPA BSS</td><td>New smallholder project - KKPA Maju Bersama. No land conflict.</td></tr><tr><td>4</td><td>PT Bahari Gembira Ria</td><td>Plasma BGR</td><td>Smallholder Project. No land conflict.</td></tr><tr><td>5</td><td>PT Guthrie Pecconina Indonesia</td><td>Sungai Jernih Estate and GPP KKPA</td><td>Still in process to get certificate of land use right. Head of Musi Banyuasin District concerning the Granting of Plantation Business License of PT Guthrie dated 25 Feb 2010.</td></tr><tr><td>6</td><td>PT Mitra Austral Sejahtera (MAS)</td><td>MAS 1, MAS 2, MAS 3, Mas Factory &amp; PLASMA MAS</td><td>There are land conflict. Sime Darby Plantation is submitting quarterly progress report to RSPO. The latest report was submitted on 18 Dec 2017. The details of the case is available on RSPO Website <a href="https://www.rspo.org/members/complaints/status-of-complaints/view/29">https://www.rspo.org/members/complaints/status-of-complaints/view/29</a></td></tr><tr><td>7</td><td>PT Sandika Nata Palma</td><td>Karya Palma &amp; KKPA SNP</td><td>No land conflict.</td></tr><tr><td>8</td><td>PT Budidaya Agro Lestari</td><td>Pelanjau, Sg. Putih, Beturus &amp; KKPA BAL (PT BAL)</td><td>No land conflict.</td></tr></table>	No	Name of SOU	Name of Units	Land conflicts	1	PT Sime Indo Agro	East & Sei Mawang	East Estate does not have existing land conflicts with the community, the land issue is currently under the process of legality under the purview of the Ministry of Forestry, Indonesia.	2	PT Ladangrumpun Suburabadi	Subur Abadi Plasma 1	Smallholder project – SAP 1. No land conflict.	3	PT Bersama Sejahtera Sakti	KKPA BSS	New smallholder project - KKPA Maju Bersama. No land conflict.	4	PT Bahari Gembira Ria	Plasma BGR	Smallholder Project. No land conflict.	5	PT Guthrie Pecconina Indonesia	Sungai Jernih Estate and GPP KKPA	Still in process to get certificate of land use right. Head of Musi Banyuasin District concerning the Granting of Plantation Business License of PT Guthrie dated 25 Feb 2010.	6	PT Mitra Austral Sejahtera (MAS)	MAS 1, MAS 2, MAS 3, Mas Factory & PLASMA MAS	There are land conflict. Sime Darby Plantation is submitting quarterly progress report to RSPO. The latest report was submitted on 18 Dec 2017. The details of the case is available on RSPO Website <a href="https://www.rspo.org/members/complaints/status-of-complaints/view/29">https://www.rspo.org/members/complaints/status-of-complaints/view/29</a>	7	PT Sandika Nata Palma	Karya Palma & KKPA SNP	No land conflict.	8	PT Budidaya Agro Lestari	Pelanjau, Sg. Putih, Beturus & KKPA BAL (PT BAL)	No land conflict.
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8	PT Budidaya Agro Lestari	Pelanjau, Sg. Putih, Beturus & KKPA BAL (PT BAL)	No land conflict.																																				
(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3;	YES	Based on the internal audit report, there were no labour dispute that are not being resolved through an agreed process for all uncertified units for all 8 uncertified units of Sime Darby Plantation Sdn Bhd - Indonesia as at December 2017.																																				



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(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	YES	There was legal non-compliance on land title for 5 uncertified SOUs as listed below. These PTs waiting for land title process ; PT Sime Indo Agro 1,652 Ha, PT Bersama Sejahtera Sakti 765 Ha, PT Bahari Gembira Ria 1,639 Ha, PT Guthrie Pecconina Indonesia 4,133 Ha and PT Budidaya Agro Lestari. PT Mitra Austral Sejahtera was in progress to close non-compliances in relation to legal requirements as raised during Internal Audit Nov 2017.												
(e)	The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 4.5.4 (a) – (d) above by the audit team based on self-declarations only by the company, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:														
	<ul style="list-style-type: none"> <li>A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by organization. This would require evidence of the self-assessment against each requirement;</li> </ul>	YES	<p>The status of 8 uncertified SOUs through Mutuagung Assessment Report were as follows:</p> <table border="1"> <thead> <tr> <th>No</th><th>Name of SOU</th><th>Name of Units</th><th>Positive assurance statement and self-assessment</th></tr> </thead> <tbody> <tr> <td>1</td><td>PT Sime Indo Agro</td><td>East &amp; Sei Mawang</td><td>Internal assessment was conducted on 29 May – 3 June 2017 by PT Mutuagung Lestari Auditor</td></tr> <tr> <td>2</td><td>PT Ladangrumpun Suburabadi</td><td>Subur Abadi Plasma 1</td><td>Internal assessment has been conducted for Subur Abadi Plasma 1 on 22 Feb 2017. The Subur Abadi Plasma 1 Scheme is currently undergoing RSPO Certification under PT Ladangrumpun Suburabadi pending certification. RSPO Pre-assessment has been completed on 20-24 March 2017. The contract between the Certification Body (PT Mutuagung Lestari) and PT Ladangrumpun Suburabadi is available (dated 6 March 2017) which includes the scope of the supply base of Subur Abadi Plasma stated under Clause 2, 1a. There is no outstanding land and social conflicts on the ground. HCV Assessment for Subur Abadi Plasma smallholders have been conducted (by Pollito) in July 2011 before commencement of any new planting. Land Use Change Analysis for the Plasma is in progress.</td></tr> </tbody> </table>	No	Name of SOU	Name of Units	Positive assurance statement and self-assessment	1	PT Sime Indo Agro	East & Sei Mawang	Internal assessment was conducted on 29 May – 3 June 2017 by PT Mutuagung Lestari Auditor	2	PT Ladangrumpun Suburabadi	Subur Abadi Plasma 1	Internal assessment has been conducted for Subur Abadi Plasma 1 on 22 Feb 2017. The Subur Abadi Plasma 1 Scheme is currently undergoing RSPO Certification under PT Ladangrumpun Suburabadi pending certification. RSPO Pre-assessment has been completed on 20-24 March 2017. The contract between the Certification Body (PT Mutuagung Lestari) and PT Ladangrumpun Suburabadi is available (dated 6 March 2017) which includes the scope of the supply base of Subur Abadi Plasma stated under Clause 2, 1a. There is no outstanding land and social conflicts on the ground. HCV Assessment for Subur Abadi Plasma smallholders have been conducted (by Pollito) in July 2011 before commencement of any new planting. Land Use Change Analysis for the Plasma is in progress.
No	Name of SOU	Name of Units	Positive assurance statement and self-assessment												
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				3	PT Bersama Sejahtera Sakti	KKPA BSS	New smallholder project currently under preparation to undergo RSPO Certification by 2019, internal audit for PT BSS has been undertaken, the latest internal audit has been conducted on 21 April 2018. There is no outstanding social and land conflicts on the ground. The plasma scheme has already undergone HCV Assessment (conducted by Pollito) in July 2011 before commencement of New Planting. Land Use Change Analysis is in progress.
				4	PT Bahari Gembira Ria	Plasma BGR	Confirmation of the status is in progress. Sime Darby Plantation does not have management control over the plasma scheme. 1 out of 6 Koperasi Unit Desa (KUD) has been RSPO Certified. And all KUD is planned to undergo RSPO Certification by 2020 as reported in the timebound plan. Land Use Change Analysis has been completed for Plasma BGR. Refer to RSPO Certificate & Report for PT BGR - <a href="https://rspo.secure.force.com/membership/servlet/service.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ">https://rspo.secure.force.com/membership/servlet/service.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ</a> <a href="https://rspo.secure.force.com/membership/servlet/service.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioXOEAZ">https://rspo.secure.force.com/membership/servlet/service.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioXOEAZ</a>
				5	PT Guthrie Pecconina Indonesia	Sungai Jernih Estate and GPI KKPA	Sungai Jernih Estate and GPI KKPA were audited by Mutuagung as verified through Recertification Audit report. The assessment was conducted on 15 – 20 May 2017.
				6	PT Mitra Austral Sejahtera (MAS)	MAS 1, MAS 2, MAS 3, Mas Factory, Plasma MAS	Internal assessment was conducted on 9 - 10 Nov 2017 by PSQM Indonesia.
				7	PT Sandika Nata Palma	Karya Palma & KKPA SNsP	Internal assessment was conducted on 10 Feb 2017.
				8	PT Budidaya Agro Lestari	Pelanjau, Sungai Putih & Beturus (PT BAL)  KKPA BAL	Internal assessment was conducted on 18 - 23 Sept 2016. This PT also has conducted Stage 1 audit on RSPO Certification System, P&C RSPO (2016) and RSPO Supply Chain Certification Standard on 17 – 22 April 2017.  Smallholder project – targeted for certification by 2020.

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		<ul style="list-style-type: none"> <li>Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team.</li> </ul>	YES	Mutuagung Lestari had conducted the consultation with relevant NGO's as verified by audit team through the Mutuagung Assessment Report.
		<ul style="list-style-type: none"> <li>Desktop study e.g. web check on relevant complaints</li> </ul>	YES	Verified through RSPO website: <a href="https://www.rspo.org/members/status-of-complaints/">https://www.rspo.org/members/status-of-complaints/</a>
		<ul style="list-style-type: none"> <li>If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements.</li> </ul>	YES	Mutuagung Lestari had conducted the consultation with relevant NGO's and field inspection as verified by audit team through the Mutuagung Assessment Report.
<p>4.6.4</p> <p>The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall consult directly with all of these parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.</p>		No additional indicators	YES	As it has been mentioned in 2.2.1 of this checklist, it was evident that the land belongs to Sime Darby. Tangkah Estate was previously owned by The Kundong Rubber Estate Limited, Tangkah Rubber Estate Limited and The Kundong Tanjong Pau Limited. The land was acquired during the merger between Golden Hope, Kumpulan Guthrie Berhad and Sime Darby in 2007. The Land Title was then transferred under the name of Sime Darby Plantation Berhad. As for Kemuning Estate, the land was originated from Sime Darby which was bought from the Negeri Sembilan State Government. Based on the interviews carried out and this audit finding, it has been confirmed that there was no such case concerning the rights of local communities in Kempas. There were no indigenous peoples here, hence this component was not applicable to the CU.
<p>Note: 1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&amp;C. For example, if an NC against a major indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless that is actively addressed; 2. Failure to address any outstanding NC within uncertified unit(s) regarding 4.5.4 (a)-(d) may lead to certificate suspension(s) to the certified unit(s), in accordance with the provisions of these Certification Systems.</p>				

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### Attachment 4

#### Details of Non-conformities and Corrective Actions Taken

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
1.1.2 NCR MZK 01 2018	Major	Findings: Records of request and Information regarding Certified Area was found incorrect Objective evidence : The information given to CB regarding Certified Area at SOU Kempas was not accurate.	Kempas CU already apply to CB to declared new Certified area. Certified area is declared in accordance to land title of respective of estates. Evidence of land title statement ha attached.	Auditor has verified the Ha Statement given by the Kempas CU and amended the Certified Area  Status: Closed The implementation of corrective action will be verified by next audit.
2.1.1 NCR RAR 01 2018	Major	Findings: There was a non-compliance with Industry Code of Practice for Working in a Confined Space Area, 2010 requirements. Objective evidence : At Kempas POM Health surveillance to monitor physically and mentally fit has not been carried out for Entrance Confined Space as per requirement.	A total of 12 employee is identified to have work in CS. They are all sent for Health Declaration for the purpose of permission to work in CS at Pantai Hospital Ayer Keroh in stages from 03/05/2018-31/5/2018. Health Fitness Certificate dated 3/5/2018 showed that Worker A is fit for working in CS.  ESH Plan to include health surveillance for AESP for once in 2 years. This is to comply on the legal requirement	- Sighted Health Fitness Certificate dated 3/5/2018 showed that Worker A is fit for working in CS.  - Sighted New plan that include Medical surveillance for AESP  Status: Closed The implementation of corrective action will be verified by next audit.
4.1.2 NCR STK-01.2018	Major (Recurrence)	Findings: 1. Operational Control Procedure of PSQM on Chemical Safety Management item 6.4 was not complied with. 2. The plan to reduce pollution was not followed. 3. EQA 1974 (Scheduled Waste) Regulations on Labelling of schedule wasted was not complied with Objective evidence : 4. Tangkah Estate – 5 X 20 Liters containers of Chlorine was found stored in the division office 5. Waste waters from emergency showers were directed to field drains in Ayer Panas and Bulumong divisions on Tangkah Estate	1)Tangkah: The chlorine container is stored in Chemical Store; attached with Safety Data Sheet  2)Tangkah: The scheduled waste is labelled accordingly with date of generation. Training on correct labelling and recording of scheduled waste inventory is conducted in June 2018.  3)Kemuning: The scheduled waste is labelled accordingly with date of generation. Training to store keeper at Kru	- Sighted photo of chlorine container is store back in chemical store.  - Sighted photo that scheduled waste is labelled accordingly and training records for scheduled waste PIC  - Sighted Photo of new sump has been built at both estate.  Status: Closed The implementation of corrective action will be verified by next audit.

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		<p>and Kru Division on Kemuning Estate (recurrence issue)</p> <p>6. Stored scheduled wastes were not labeled on Kru Division on Kemuning Estate and on Bulumong and Ayer Panas Divisions on Tangkah Estate.</p>	<p>Division on correct labelling and recording of scheduled waste inventory is conducted in June 2018.</p> <p>4)Tangkah &amp; Kemuning: Sump is built. This enables the collection of wastewater and to be used for chemical mixing (recycled).</p>	
4.1.3 NCR RZ 03 2018	Minor	<p>Findings: Frequency of water quality sampling was not done in accordance with SPMS Appendix 7 – SOP for water quality monitoring Table 5.3 item 2</p> <p>Objective evidence :</p> <p>Kemuning Estate: Drinking water sampling was done as follows:</p> <p>a. Tebong Division: 23 November 2017, 19 December 2017, 22 March 2018.</p> <p>b. Kru Division: 28 November 2017</p> <p>Tangkah Estate: Drinking water sampling was done as follows:</p> <p>a. Air Panas Division &amp; New Division: 6 June 2017, 1 November 2017, 19 February 2018</p>	<p>Kemuning Estate: Senior Assistant with Medical Assistant (MA) to be in-charge on the monthly monitoring of water sampling for drinking water (e.g. Water sampling analysis dated 31/5/2018 &amp; 22/6/2018).</p> <p>Tangkah Estate: Office Clerk is in charge of the monthly water sampling for drinking water while waiting for a replacement for the tendered MA (e.g. Water sampling analysis for drinking water dated 28/5/2018 &amp; 31/5/2018).</p> <p>The water sampling analysis for June 2018 is sent; pending at laboratory.</p>	<p>Corrective action Plan accepted. The implementation of corrective action plan will be verified by next audit.</p> <p>Status: Open</p>
4.7.5 NCR STK- 02.2018	Major (Recurrence)	<p>Findings: First aid equipment (box) was not available at worksites.</p> <p>Objective evidence :</p> <p>Kemuning Estate – At time of visit First Aid box was not available at site for the Spraying, Harvesting and Loose Fruit collecting Teams (recurrence issue).</p>	<p>All the identified first aider been provided with first aid box at an immediate effect. A refresher First Aid training is planned to be conducted for all the first aider e.g. Mandor to administer first aid assistance, The new form monitoring will be implanted and will be checked every morning.</p>	<p>- Sighted photo of new First aid box has been given to personnel</p> <p>- Sighted photo that training records has been conducted</p> <p>- Sighted form of monitoring of first aid has been developed.</p> <p>- Sighted Photo of new sump has been built at both estate.</p> <p>Status: Closed</p> <p>The implementation of corrective action will be verified by next audit.</p>
6.5.1 NCR RZ 01	Major	Findings:	Tangkah Estate: All contract extension were issued accordingly. Management has	- Sighted evidence of new contract for all

## RSPO P&C PUBLIC SUMMARY REPORT

2018		<ol style="list-style-type: none"> <li>Workers' employment contracts were not renewed upon expiry.</li> <li>Workers' employment contract was not signed.</li> <li>Workers' employment contract was not dated.</li> </ol> <p>Objective evidence : The sampled contracts have expired and not renewed.</p>	<p>assigned a designated PIC to ensure a proper monitoring in future.</p> <p>Kemuning Estate: All the stated contract extension for workers were issued accordingly. Management has assigned a designated PIC to ensure a proper monitoring in future.</p> <p>Kempas POM: The contract extension for the said worker is made available.</p>	<p>workers said has been updated accordingly</p> <p>Status: Closed</p> <p>The implementation of corrective action will be verified by next audit.</p>
6.5.3 NCR RZ 02 2018	Minor	<p>Findings: Linesite inspections were not carried out in accordance with Section 23(2) Workers' Minimum Standard of Housing and Amenities Act 1990</p> <p>Objective evidence :</p> <p>Kemuning Estate:</p> <ol style="list-style-type: none"> <li>No line site inspection at Tebong linesite inspection: between 20 September 2017 to 4 January 2018.</li> <li>No line site inspection at Gemencheh division between 20 September 2017 to 3 January 2018.</li> <li>Line site inspection at Kru Division was carried out once a month on 2 November 2017, 30 December 2017, 21 January 2018, 21 February 2018, 21 March 2018</li> </ol>	<p>The workers housing complex inspection is being carried out in weekly basis by Medical Assistant in accordance to the legal requirements.</p> <p>Linesite inspection for below mentioned division of estates are as follows</p> <ol style="list-style-type: none"> <li>Gemencheh (May-June 2018)</li> <li>Kru (May-June 2018)</li> <li>Tebong (May-June 2018)</li> </ol>	<p>Corrective action Plan accepted. The implementation of corrective action plan will be verified by next audit.</p> <p>Status: Open</p>
6.10.1 NCR RZ 04 2018	Minor	<p>Findings: Past prices paid for FFB is not available at the weighbridge</p> <p>Objective evidence : At Kempas POM, only the prices paid for FFB in March 2018 is displayed at the weighbridge</p>	<p>FFB price from January 2018-April 2018 is displayed at weighbridge station. The weighbridge operator will be in charge of monitoring on the FFB price display.</p>	<p>Corrective action Plan accepted. The implementation of corrective action plan will be verified by next audit.</p> <p>Status: Open</p>

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**Attachment 5**

### **RSPO SUPPLY CHAIN : AUDIT CHECKLIST**

#### **SECTION A : GENERAL INFORMATION**

1. File Reference No.	: ES10170005
2. Name of facility/ site(s) /entity(ies)	: Sime Darby Plantations Berhad – SOU Kempas
3. Site Location (single site/multisite/Group)	: 77000 Jasin, Melaka
4. SC model	: Mass Balance
5. Type of entity	: Mill / Crusher / Refinery / Biodiesel plant / Primary Oleochemical / Secondary-Oleochemical / End product manufacturer  <i>For oleochemicals and its derivatives, please check the conversion factor against the “RSPO Rules for Oleochemicals and its Derivatives” dated 1st December 2016</i>
6. RSPO Member Number	: 1-0008-04-000-00
7. Annual summary records of certified oil palm products purchased and claimed	: Projected for last year for period of April 17 until March 18 CPO Projected: 54,951.58 mt (request extension to 78,433.25mt, approved on 8/5/18) PK Projected: 13,837.38 mt (request extension to 20,560.17mt, approved on 8/5/18) CPO Sell: 63,023.81 mt CPO Claim as Mass Balance: 30,140.79 mt CPO Claim as Non-RSPO: 32,883.02 mt PK Sell: 20,270 mt PK Claim as Mass Balance: 5,640 mt PK Claim as Non-RSPO: 14,630 mt

#### **SECTION B (i): RSPO SUPPLY CHAIN CERTIFICATION SYSTEM (REVISED JUNE 2017)**

	Requirements	Remarks
	<b>Audit Process Requirements – FOR STAGE 2 / RECERTIFICATION AUDIT</b>	
5.3.8	The certification audit shall review whether the organizational systems, the management systems and the operational systems, including any documented policies and procedures of the organization seeking or holding certification, are sufficient and adequately implemented to meet the intent and requirements of the RSPO Supply Chain Certification Standard.	N/A.
	<b>Audit Process Requirements – SURVEILLANCE AUDIT</b>	

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5.3.26	The surveillance audit shall review whether the organizational systems, the management systems and the operational systems, including any documented policies and procedures of the organization holding certification, are sufficient and adequately implemented to meet the intent and requirements of the RSPO Supply Chain Certification Standard. In cases where an organization seeking certification outsources activities to independent third parties, a risk assessment shall be done by the CB to determine whether an audit of the sub-contractor is required. If the outsourced contractor holds RSPO Supply Chain certification, then it does not require an additional audit.	Kempas POM had revised their documented procedure title ' <i>Standard operating procedure for Sustainability Supply Chain and Traceability SD/SDP/PSQM/001</i> ', version 2, dated Feb 2018.
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### SECTION B (ii): GENERAL CHAIN OF CUSTODY REQUIREMENTS FOR THE SUPPLY CHAIN

	Requirements	Remarks
<b>1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>	
1.1	Organization takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors.	Kempas POM has legal ownership and physically handles RSPO certified sustainable crude palm oil and palm kernel.
1.2	Traders and distributors require a licence obtained from RSPO to sell RSPO certified product but do not themselves require certification. When selling RSPO certified product a licensed trader and/or distributor must pass on the certification number of the product manufacturer and the applicable supply chain model.	Not applicable due to Kempas POM is processing facility.
1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.	RSPO membership no : 1-0008-04-000-00 Registered under parent company: SIME DARBY PLANTATIONS BERHAD
1.4	Processing aids do not need to be included within an organization's scope of certification.	No processing aid involved in Kempas POM scope of certification
<b>2</b>	<b>Supply chain model</b>	
2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	Kempas POM has aware on the need to downgrading of supply chain model. However, this indicator was not applicable since this POM use MB model.
2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Kempas POM has continued to maintain MB model.
<b>3</b>	<b>Documented procedures</b>	
3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:	Kempas POM had revised their documented procedure title ' <i>Standard operating procedure for Sustainability Supply Chain and Traceability SD/SDP/PSQM/001</i> ', version 2, dated Feb 2018. The procedure was kept in file RSPO Supply Chain Manual Appropriate changes were also made in the change to include the new clause Production volume, Conversion factors, Internal Audit, Complaints and Management Review.



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a)	Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.	Supply chain procedure was revised February 2018 (revision: 3) The Procedure was sighted and found all elements of the RSPO Supply Chain standard were covered.
b)	Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).	Sighted CPO and PK production record, weighbridge report, dispatch record and training record was up to date and well maintained.
c)	Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization's procedures for the implementation of this standard.	The Assistant Manager have overall responsible and authority over the implementation of RSPO supply chain requirement in RSPO Kempas POM. Interview with sustainability committee member, mill manager, assistant mill manager & weighbridge operator was confirmed they are understood the supply chain requirements.
3.2	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organization;</p> <p>i. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p> <p>ii. Effectively implements and maintains the standard requirements within its organization.</p> <p>Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct nonconformities shall be subject to management review at least annually. The organization shall be able to maintain the internal audit records and reports.</p>	RSPO internal audit was conducted in Dec 2017 by competent lead auditor. The internal audit has follow the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. There are no nonconformance report were raised by auditor. Audit Attendance sheet, audit plan, audit notes, was sighted by auditor.
<b>4</b>	<b>Purchasing and goods in</b>	
4.1	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number.</li> </ul> <p>Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents</p>	<p>KPOM had continued to receive certified FFBs from the CU's own supply bases as well as non-certified FFBs from outsiders. There were four supply bases (estates) sending certified FFBs to KPOM. They were Kempas, Kemuning, Serkam Division and Tangkah Estates. For non-certified FFBs, KPOM had sourced them from several FFB collectors.</p> <p>Sighted FFB consignment note for Kempas, Kemuning, Serkam Division and Tangkah Estates, Pembangunan Pertanian Melaka Sdn. Bhd., Sri Maju Baja Enterprise Sdn Bhd and Eng Huat Latex Concentrate Sdn Bhd.</p> <p>from 15 December - 30 December 2017, 7 January 2018 – 21 January 2018, 6 February 2018 – 24 February 2018, 3 March 2018 – 23 March 2018. Among the information available on the FFB consignment note are estate name, delivery date, no of FFB bunches, FFB weight.</p>

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	and specification documentation).	
a)	The site shall have documentation that demonstrate that purchases are made to the material category agreed with their supplier (IP, SG or MB).	KPOM had continued to receive certified FFBs from the CU's own supply bases as well as non-certified FFBs from outsiders. There were four supply bases (estates) sending certified FFBs to KPOM. They were Kempas, Kemuning, Serkam Division and Tangkah Estates. For non-certified FFBs, KPOM had sourced them from several FFB collectors.
b)	The site ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcement and Shipping Confirmation on the RSPO IT platform on the level of each shipment.	Kempas POM has registered in IT platform.
c)	A check of the validity of the Supply Chain Certification of suppliers for all sites that are SC certified. This shall be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcement.	KPOM had continued to receive certified FFBs from the CU's own supply bases as well as non-certified FFBs from outsiders. There were four supply bases (estates) sending certified FFBs to KPOM. They were Kempas, Kemuning, Serkam Division and Tangkah Estates. For non-certified FFBs, KPOM had sourced them from several FFB collectors.
4.2	The site shall have a mechanism in place for handling non-conforming material and/or documents.	KPOM had started implementing the electronic system 'Simeweigh' to trace the volume of incoming FFBs from the certified supply bases (estates). Every lorry load of certified FFBs leaving the certified estate was accompanied by a 'card'. On arrival at KPOM, the lorry driver surrendered the 'card' to the Weighbridge Clerk. The 'card' was then scanned and the relevant information on the certified FFBs was then captured and stored in a data base. On processing, KPOM still referred to the sales contract issued by the Headquarters office for production planning. As KPOM had continued to implement the MB model for its supply chain system, both RSPO and non-RSPO FFBs were being processed together in the same production line.
<b>5</b>	<b>Outsourcing activities</b>	
5.1	In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. <i>This requirement should not apply to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the organization (not the tank farm manager).</i>	There are 1 outsource company, the CPO transporter and they have agreement signed in Dec 2017. The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. Record of training was sighted.
5.2	Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: a) The site has legal ownership of all input material to be included in outsourced processes; b) The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The responsibility is on the site to ensure that certification bodies (CBs) have access to the	a) 1 outsource company CPO transporter, signed in Dec 2017. b) There is contract document between Kempas POM and the transporters. c) The RSPO Supply Chain procedure has described on outsource activity. d) Inspection was carried out as additional effort to ensure no contamination sighted book at AP Post.

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	outsourcing contractor or operation if an audit is deemed necessary. c) The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.	
5.3	The site shall record the names and contact details of all contractors used for the processing or production of RSPO certified materials.	List of contact person for both transporters were made available and up-to-date.
5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or production of RSPO certified materials.	No new contractors used for the processing or production of RSPO certified materials.
<b>6</b>	<b>Sales and goods out</b>	
6.1	<p>The organization shall ensure that the following minimum information for RSPO certified products is made available in document form. Information must be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number;</li> <li>• A unique identification number.</li> </ul>	The procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Sime Darby Plantations Berhad and Global Trade Marketing Department (HQ) on behalf of Kempas POM.
<b>7</b>	<b>Registration of transactions</b>	
7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> <li>• are supply chain actors between the mill and final refinery;</li> <li>• take legal ownership and physically handle RSPO Certified Sustainable oil palm products; and</li> <li>• are part of the supply chain of RSPO Certified Sustainable oil palm products</li> </ul>	Kempas POM has legal ownership and physical handle RSPO certified sustainable CPO and PK.

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	must register their transaction in the RSPO IT platform at the time of physical shipment as required by the rules set by RSPO.	
<b>8</b>	<b>Training</b>	
8.1	The organization shall have a defined training plan, which is subject to on-going review and is supported by records of the training provided to staff.	Training plan has included the RSPO Supply chain training scheduled in Mar 2018 for staff & workers.
8.2	Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification system. Training shall be specific and relevant to the task(s) performed.	Training was conducted for workers in Mar 2018 attended by key person including PIC, Clerk, Assistant Engineer, Staff, Weighbridge Operator and Attendance list & photograph was seen. The lead auditor for RSPO internal audit Eza Nurain Abdullah has experience regarding SCCS almost 4 years and already trained by internal personnel.
<b>9</b>	<b>Record keeping</b>	
9.1	The site shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification requirements.	Sighted CPO and PK delivery note, weighbridge ticket, production data and internal audit records were found up-to-date.
9.2	Retention times for all records and reports shall be a minimum of two (2) years and must comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	Relevant record was maintained for more than 2 years.
9.3	The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	Available.
<b>10</b>	<b>Conversion factors</b>	
5.10.1	Where applicable a conversion rate must be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which must be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ). This is in particular relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries. The guidance document for oleochemicals is available on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ).	OER & KER has been used as the conversion factor for FFB to CPO and FFB to PK.
10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	Actual performance applied.
<b>11</b>	<b>Claims</b>	
11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO rules on communications and claims.	No claim been made.
<b>12</b>	<b>Complaints</b>	
12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Documented procedure has established to address collecting and resolving the complaint.

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<b>13</b>	<b>Management review</b>	
13.1	The organization is required to hold management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	Documented procedure has defined management review will be conducted once a year
13.2	The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO SCCS</li> <li>• Customer feedback</li> <li>• Status of preventive and corrective actions</li> <li>• Follow-up actions from management reviews</li> <li>• Changes that could affect the management system</li> <li>• Recommendations for improvement</li> </ul>	Management review meeting dated 11 December 2017 (combine RSPO SC and ISCC) <ul style="list-style-type: none"> <li>• Internal audit – 0 NCR</li> <li>• Customer feedback – data analysis show result from customer survey (i.e. RSPO-CSPO related to meeting the contract volume, timely delivery, dispatch documentation) result achieved.</li> <li>• Previous meeting – was highlighted</li> <li>• Changes</li> <li>• Recommendation for improvement – improve the established system</li> </ul>
13.3	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes</li> <li>• Resource needs</li> </ul>	Recommendation for improvement Recourse sufficient.

### Mass Balance Model –Module E

Item No	Requirement NOV 2014	Findings
<b>E 3</b> <b>E 3.1</b>	<b>Documented procedures</b> 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: <ul style="list-style-type: none"> <li>a) Complete and up to date procedures covering the implementation of all the elements in these requirements</li> <li>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 shall be able to demonstrate awareness of the facilities procedures for the implementation of this standard.</li> </ul>	a) Kempas POM had revised their documented procedure title ' <i>Standard operating procedure for Sustainability Supply Chain and Traceability SD/SDP/PSQM/001</i> ', version 2, dated Feb 2018. The procedure was kept in file RSPO Supply Chain Manual (SCM/RSPO/SD) Appropriate changes were also made in the change from the previous Segregation to Identity Preserved model. The revised procedure has included the new clause Production volume, Conversion factors, Internal Audit, Complaints and Management Review. b) The Assistant Manager have overall responsible and authority over the implementation of RSPO supply chain requirement in RSPO Kempas POM. Interview with sustainability committee member, mill manager, assistant mill manager & weighbridge operator was confirmed they are understood the supply chain requirements.
<b>E 3.2</b>	The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.	KPOM had continued to implement the procedures it had on receiving and processing of RSPO certified and non- certified FFBs. (Refer para. 7.0 of the SOP -Receiving FFB at the Mill) The Weighbridge Clerks knew and kept a list of all certified supply bases (estates) supplying FFBs to KPOM and checked on the validity of the estates' P&C Certificates for Sustainable Palm Oil Production (P&C Certificate). During the receiving of FFBs, the Weighbridge Clerk checked and verified that in-coming RSPO-certified FFBs must be accompanied by consignment note issued by the certified estate. Consignment note must indicate the name of the estate and the number of the RSPO P&C Certificate. For non- RSPO certified FFB, the consignment note issued by the supplier was also verified for quantity but not on the certified status of the FFB. KPOM had started implementing the electronic system 'Simweigh' to trace the volume of in-coming FFBs

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		from the certified supply bases (estates). Every lorry load of certified FFBs leaving the certified estate was accompanied by a 'card'. On arrival at KPOM, the lorry driver surrendered the 'card' to the Weighbridge Clerk. The 'card' was then scanned and the relevant information on the certified FFBs was then captured and stored in a data base. On processing, KPOM still referred to the sales contract issued by the Headquarters office for production planning (Refer 8.0 of the SOP – Process Monitoring). As KPOM had continued to implement the MB model for its supply chain system, both RSPO and non-RSPO FFBs were being processed together in the same production line.
<b>E.4</b> E.4.1	<b>Purchasing and goods in</b> The site shall verify and document the volumes of certified and non-certified FFBs received.	KPOM had continued to receive certified FFBs from the CU's own supply bases as well as non-certified FFBs from outsiders. There were four supply bases (estates) sending certified FFBs to KPOM. They were Kempas, Kemuning, Serkam Division and Tangkah Estates. For non-certified FFBs, KPOM had sourced them from several FFB collectors. The Weighbridge Clerk checked and verified the consignment notes issued by the supplying estates for the in-coming RSPO and non-RSPO FFBs. KPOM still kept copies of the FFB Consignment Notes or FFB Delivery Notes issued by the supplying estates. KPOM had also continued to keep records on (1) Daily FFB Received Supply Report by Supplier and (2) Monthly Crop Report and Mid-Month Crop Report and (3) Quarterly Mass Balancing Record on RSPO and non-RSPO FFB Received, CPO and Kernel Production and Stock Balances. The Monthly Crop Report provides a detailed monthly account on the receipt of FFBs, production of CPO and PK as well as on the actual oil extraction rate (OER) and kernel extraction rate (KER). A total of 7 randomly selected FFB delivery notes/dispatch tickets for RSPO-certified FFBs issued by the supplying estates on the in-coming FFBs were verified. It was found that all delivery notes/dispatch tickets had indicated the estate's RSPO Certificate number, the name of the supplying estate and the quantity (weight in Kg) of the FFBs.
<b>E 4.2</b>	The site shall inform the CB immediately if there is a projected overproduction.	There was overproduction of certified FFBs during the period under review (Feb 2017 – Jan 2018). The application of extension has been approved by the RSPO on 8/05/2018.
<b>E.5</b> E.5.1	<b>Record keeping</b> a) 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. b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The site can only deliver Mass Balance sales from a positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short (i.e. product can be sold before it is in stock)	Proper record keeping in place. All weighbridge tickets issued had indicated the status of the PK (RSPO MB).
<b>E 5.2</b>	In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.	KPOM was not involved in crushing of the kernels. All of the kernel produced by KPOM was delivered to KCP Carey Island and Nuri Kernel Crushing Plant, another company under the Sime Darby Group in Carey Island, Kuala Langat, Selangor.
<b>E.4</b> E.4.1	<b>Sales and good out</b> The facility shall ensure that all sales invoices issued for RSPO certified products delivered include the following information: a) The name and address of the buyer;	The mill has continued to implement documented procedure related to sales of CPO and PK. All CPO and PK sale to Nuri Refinery and KCP (company own refinery). Sighted the sales invoices issued for RSPO certified product has included name and address of the refinery; date deliver; product description, supply chain model i.e. Mass Balance, quantity of the products delivered as well as transportation documentation

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	b) The date on which the invoice was issued; c) A description of the product, including the applicable supply chain model (Segregated or Mass Balance) d) The quantity of the products delivered; e) Reference to related transport documentation.	such as Borang MPOB L3, Kempas mill Weighbridge ticket, Kebenaran Mengangkut/arahan penghantaran from the transporter company, Deliver order from Saremas 1 palm oil mill.
<b>E.5</b> E.5.1	<b>Training</b> The facility shall provide the training for all staff as required to implement the requirements of the Supply Chain Certification Systems.	Training was conducted for workers in March 2018 attended by all key person including PIC, Clerk, Assistant Engineer, Staff, Weighbridge Operator and Attendance list & photograph was seen. The lead auditor for RSPO internal audit has experience regarding SCCS almost 4 years and already trained by internal personnel.
<b>E.6</b> E.6.1	<b>Claims</b> 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.	As to Date no claim was made.

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Attachment 6

### VERIFICATION OF NON-CONFORMITIES DURING LAST SURVEILLANCE ASSESMENT AT SOU Kempas

No.	NCR No. & Indicator	Specification Major/Minor	Non-conformances	Corrective Action	Status & Verification by Assessor
1	Indicator 4.1.2	Minor	<p>#NCR No : STK-01.2017</p> <p>Finding : Item 1.3, Table 2 of Section 16 in the Agriculture Reference Manual on General Weed Control was not complied with.</p> <p>Objective evidence : Serkam Division – During site visit, the noxious weed <i>Ischaemum muticum</i> was observed to be prevalent in Field 2013A.</p> <p>#NCR No : RAR02-2017</p> <p>Finding : Plan to avoid or reduce pollution not effectively implemented.</p> <p>Objective evidence : Kempas Estate - Water from emergency shower was directed into a field drain instead of a sump for reuse.</p>	<p>Corrective Action: NCR No : STK-01.2016 Grass Cutting Path at 2013 A to control <i>Ischaemum muticum</i> grow will be carried out.</p> <p>NCR No : RAR02-2017 Estate has corrected the design of Emergency Shower waste water outlet and tested.</p> <p>Auditor Verification: Corrective action plan accepted Status: The effectiveness of the corrective action will be verified in the next audit.</p>	<p>Auditor has verified and found that,</p> <ul style="list-style-type: none"> <li>- Tangkah Estate – 5 X 20 Liters containers of Chlorine was found stored in the division office</li> <li>- Waste waters from emergency showers were directed to field drains in Ayer Panas and Bulumong divisions on Tangkah Estate and Kru Division on Kemuning Estate (recurrence issue)</li> <li>- Stored scheduled wastes were not labeled on Kru Division on Kemuning Estate and on Bulumong and Ayer Panas Divisions on Tangkah Estate.</li> </ul> <p>Therefore Major NCR STK 01 2018 was issued as a recurrence (upgraded NCR to major).</p> <p>Status: Recurrence (Upgraded to Major)</p>
1	Indicator 4.1.3	Minor	<p>#NCR No : MZK 01 2017</p> <p>Finding : The above requirement regarding to Work Place Inspection was not complied with</p> <p>Objective evidence : Kempas POM During the site visit, it was found that a section of monsoon drain in front of schedule waste store had collapse and the water in monsoon drain was stagnant. This was not reported into the Workplace Inspection.</p>	<p>Corrective Action: Mill has done the necessary repairs to the broken drains. The checklist has been revised to include the monitoring of drainage at respective station.</p> <p>Auditor Verification: Corrective action plan accepted Status: The effectiveness of the corrective action will be verified in the next audit.</p>	<p>During the site visit at Kempas POM, it was found that a section of monsoon drains in front of schedule waste store had been repaired and water was flow accordingly. It also was stated in the work place inspection form. Thus, previous NCR was satisfactory closed.</p> <p>Status: Closed</p>
2	Indicator 4.6.11	Major	<p>#NCR No : RAR01-2017</p> <p>Finding: The recommendation made in the CHRA (2015) for manuring operator was not complied with.</p> <p>Objective evidence: Serkam Division - The chemical handling operators, who are carrying out manuring activities were not being subjected to medical surveillance.</p>	<p>Corrective Action: The 3 workers (including others due for medical surveillance) have been sent to medical check-up on 14 March 2017. The new medical Assistant for Kempas Estate will be reporting duty in 1 month time.</p>	<p>Auditor also has been verified the evidence that medical surveillance was carried out at Serkam Division Estate for 3 Sprayer at Occupational Health Centre, Pantai Hospital Ayer Keroh, Melaka by registered OHD, Dr Norhayati Md Amin (JKKP No HQ/14/DOC/00383) at 14 March 2017. Result from assessments were showed all the workers was fit to</p>



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				<p>Auditor Verification:</p> <ul style="list-style-type: none"> <li>- Auditor has received copy of Invoice and Receipt from clinic that all workers who are carrying Manuring activities going to medical surveillance.</li> </ul> <p>Status: Closed</p>	<p>handle chemicals.</p> <p>Status: Closed</p>
3	Indicator 4.7.5	Minor	<p>#NCR No : MZK 02 2017</p> <p>Finding: The requirement in Factories &amp; Machineries Act regarding to First Aid was not complied with.</p> <p>Objective evidence: Kempas POM</p> <ol style="list-style-type: none"> <li>1. First aid box at Workshop not maintained for future emergency use.</li> <li>2. First aid box content was not in accordance with 4th schedule of Safety Health &amp; Welfare Regulation 1970. It was found that only 13 items inside the box instead of 17 items as per requirement.</li> </ol>	<p>Corrective Action:</p> <ul style="list-style-type: none"> <li>- Mill has completed the relocation of all First Aid Box at the Workshop from Mechanical Department to Electrical Department for more effective future emergency use.</li> <li>- First aid box was not monitored due to no MA and New medical Assistant will be reporting duty in 1 month time.</li> </ul> <p>Auditor Verification: Corrective action plan accepted.</p> <p>Status: The effectiveness of the corrective action will be verified in the next audit.</p>	<p>Auditor has verified and found that, at Kemuning Estate, at time of visit First Aid box was not available at site for the Spraying, Harvesting and Loose Fruit collecting Teams.</p> <p>Status: Recurrence (Upgraded to Major)</p>
4	Indicator 6.1.3	Major	<p>#NCR No : HO-01-2017</p> <p>Finding: Actions of implementation for addressing some of complaints from employees not explicitly evidence and effectively implemented.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> <li>(a) Complaint concerning water supply issues for some houses of Mill's employees yet to effectively resolved.</li> <li>(b) Action of implementation yet to evidence with regards to complaint of travelling expenses incurred by employees in Mill for seeking medical treatment outside premises.</li> <li>(c) Action of implementation yet to evidence with regards to complaint of travelling</li> </ol>	<p>Corrective Action:</p> <ol style="list-style-type: none"> <li>a) Mill has conducted meeting with NUPW and completed construction of separate piping for water supply to Mill workers.</li> <li>b) Mill has conducted meeting with NUPW and agreed to provide free transportation for those employees seeking medical treatment.</li> <li>c) Mill has conducted meeting with NUPW and agreed to provide free transportation for those employees who required to travel for passport renewal.</li> </ol> <p>Auditor Verification: Auditor has received a Minutes of</p>	<p>it was verified that result of investigation and determination of root cause has been completed. The corrective action plan was meeting with NUPW on 18 March 2017 where it was agreed that free transportation will be provided for workers going to clinic and for passport renewal, and that construction of separate water supply pipe will be made for mill workers by 27 March 2017. All these verified and affected by 30 March 2017.</p> <p>Status: Closed</p>

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			expenses incurred by foreign employees in Mill for renewal of their passport.	meeting Management of Kempas Estate and Kempas POM with NUPW dated 18/3/17 and among the issue has been highlighted in the meeting was related to separate piping for water supply to Mill workers, free transportation for those employees seeking medical treatment and Passport renewal. Auditor also received picture of piping construction and memorandum related to separate piping for water supply to Mill workers, Memorandum related to free transportation for those employees seeking medical treatment and Passport renewal has been done. Status: Closed	
	Indicator 6.2.3	Minor	#NCR No : STK-02.2017 Finding : The stakeholder list was not complete. Objective evidence : Serkam Division – At time of visit information on addresses for some stakeholders was not available in the presented stakeholder list.	Corrective Action: The Stakeholder list for 2017 will be include new stakeholder. Auditor Verification: Corrective action plan accepted. Status: The effectiveness of the corrective action will be verified in the next audit.	During this surveillance audit, it was verified that the stakeholder list is complete and therefore NCR No: STK-02.2017 is satisfactorily closed.  Status: Closed

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Attachment 7

### RSPO Certification Timebound Plan for Sime Darby Plantation (SDP)

**Table 1: Initial Timebound Plan and Summary of RSPO Certification Status**

Financial year (July – June)	Targeted	Achieved/Status	Attachments
<b>Jun-08</b>	5 SOUs	<p><b>Achievement of Timebound Plan</b></p> <p>Sime Darby Plantation has had all its SOUs (Malaysian &amp; Indonesian) completing the RSPO Main Assessment by end Dec 2011 in accordance to the initial timebound plan. As at Dec 2011, all Malaysian SOUs have been RSPO certified (with the exception of 2 new oil mills commissioned to replace the current oil mills after the initial timebound plan targets).</p> <p>97% of Sime Darby Plantation's upstream operations is RSPO certified, one SOU - PT MAS pending certification in Indonesia due to some social disputes. Sime Darby Plantation will proceed with the next steps of certification upon satisfactory resolution of the matter. A new mill in Liberia is planned to be commissioned.</p> <p>Note: Time-bound plan to achieve 100% RSPO certification has shifted to 2015 .</p>	<p>For details please refer to Attachments:</p> <p>i) SDP - RSPO Certification Status for Malaysia Operations</p> <p>ii) SDP- RSPO Certification Status for Indonesia Operations</p> <p>iiia) Updates on PT MAS</p> <p>iiib) RSPO SCCS status for Sime Darby Plantation (Downstream Operations)</p>
<b>2008/2009</b>	20 SOUs (from Malaysia and Indonesia)		
<b>2009/2010</b>	20 SOUs (from Malaysia and Indonesia)		
<b>2010/2011 (End Dec 2011)</b>	17 SOUs (from Malaysia and Indonesia)		

Note: SOU - Strategic Operating Units (consisting of one oil mill and supplying estates)

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Table 2: Details of RSPO Certification Status as at Dec 2017

Status	Malaysia	Indonesia	Liberia	Total	Remarks
<b>RSPO Certified</b>	33	23	0	56	<p>Malaysia</p> <p>* Effectively 33 Mills (Excluding Bintang Oil Mill)</p> <p>- Note: Sg Samak and Jeleta Bumi, Yong Peng, Sepang, Mostyn and Segaliud POM has been closed down, and Pekaka POM is being mothballed.</p> <p>*SDP acquired Bintang Palm Oil Mill, Talisman Estate, and Lian Seng Estate in Johor in April 2017. Lian Seng Estate is merged into Bk Paloh Estate of SOU 21 Gunung Mas, while Talisman Estate is merged into CEP Nyior Estate of SOU 22 Bk Benut. Lian Seng will be incorporated in the RSPO Certification Scope of SOU Gunung Mas in 2018, whilst Talisman Estate has been incorporated in the RSPO Certification Scope of SOU Bk Benut in 2017. For Bintang Oil Mill, the selling off process of this mill is being initiated hence the RSPO certification process for Bintang Oil Mill is being put on hold as at Dec 2017.</p> <p>Indonesia</p> <p>*Effectively 23 Mills</p> <p>*Note: <i>Angsana Mini POM closed down in 2016. Selabak POM is being mothballed.</i></p>
<b>Planned for Certification/Under going Stage 1 or Stage 2 Assessment/ RSPO EB Review</b>	0	1	1	2	<p>SDP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills.</p> <p>Indonesia</p> <p>PT MAS has undergone RSPO Main assessment and is delayed due to some social disputes. The target date for certification is by 2017 subject to the progress of the matter being resolved.</p> <p>Smallholders</p> <p>As at Dec 2017, a total of 28,712 Ha of smallholders have been certified. The entire KKPA (1-5) in Sebampan, KKPA Sg. Cengal, and Plasma TGK and SIA (East and West Plasma) are now RSPO certified with a production capacity of 465,602 mt of FFB. Total scheme smallholders hectares are 51,353 and total communities are 22,613.</p> <p>Certification process for the remaining associated smallholders areas is on-going. SDP expect to achieve 100% RSPO certification of associated smallholders and outgrowers by end 2020.</p> <p>Liberia</p> <p>Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification Stage 2 Assessment in March/April 2018. RSPO NPP process has been completed in 2011.</p>
<b>Total SOUs</b>	33	24	1	58	<p>Other remarks:</p> <p>In March 2015, Sime Darby Plantation completed the acquisition of New Britain Palm Oil Limited (NBPOL). NBPOL is managed under a separate entity and the reporting of timebound plan will be under NBPOL's management. NBPOL is considered as a different entity/member under the RSPO and NBPOL is 100% RSPO Certified.</p>

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### SDP - RSPO Certification Status for Malaysia Operations

SOU NO	Name of SOU	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	Sg. Dingin	Karangan, Kedah	12 Aug '10	11-Aug-20	SPO 550179	
2	Chersonese	Kuala Kurau, Perak	5 Oct '11	4-Oct-21	CU-RSPO-815148, RSPO 590800	
3	Elphil	Sg Siput, Perak	18 Jun '11	17-Jun-21	RSPO 550180	
4	Flemington	Teluk Intan, Perak	5 Oct '11	4-Oct-21	CU-RSPO-819144, RSPO 590802	
5	Seri Intan	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-811218, RSPO 0015	
5	Selaba	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-819142, RSPO 0016	
5a	Sg Samak		3 Mar '11	NA	NA	
6	Tennamaram	Bestari Jaya, Selangor	3 Mar '11	2-Mar-21	CU-RSPO-819143, RSPO 0014	
7	Bkt Kerayong	Kapar, Selangor	15 Apr '11	14-Apr-21	RSPO 550181	
8	East	Carey Island, Selangor	19 May '10	18-May-20	SPO 543543	
9	West	Carey Island, Selangor	19 May '10	18-May-20	SPO 543594	
9a	Sepang	Sepang, Selangor	19 May '10	NA	NA	
10	Bukit Puteri	Raub, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-815147, 18502206 001, 824 502 14020	
11	Kerdau	Temerloh, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-819155, 18502207 001, 824 502 14019	
12	Jabor	Kuantan, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-819156, RSPO 928288, 824 502 16049	
13	Labu	Nilai, Negeri Sembilan	30 Dec '11	29-Dec-21	CU-RSPO-819163, SGSRSPO/PM/MY13/01284, 824 502 16039, SGS-RSPO/PC17-00004, CURSPO-855480	
14	Tanah Merah	Port Dickson, Negeri Sembilan	19 May '10	18-May-20	SPO 541905	

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15	Sua Betong	Port Dickson, Negeri Sembilan	18/2/2014	17-Feb-19	SGS-RSPOPM-MY14/01364, 824 502 16032	Sua Betong Oil Mill has been commissioned to replace Rantau Oil Mill with Certificate No: CU- RSPO-819165, certification date: 30 Dec 2011.
16	Kok Foh	Bahau, Negeri Sembilan	7 Jul '11	6-Jul-21	CU-RSPO-819157, RSPO 928188, 824 502 16051	
17	Kempas	Jasin, Melaka	19 May '10	18-May-20	RSPO 005	
18	Diamond Jubilee	Jasin, Melaka	5 Oct '11	4-Oct-21	CU-RSPO-819146, RSPO 591224	
19	Pagoh	Muar, Johor	28/1/2014	27-Jan-19	RSPO 600305	Pagoh Oil Mill has been commissioned to replace Nordanal Oil Mill with Certificate No: SPO 549297, certification date: 7 Jan 2011.
19a	Yong Peng	Yong Peng, Johor	20 Oct '10	19-Oct-15	RSPO 550182	
20	Chaah	Chaah, Johor	18 Nov '10	17-Nov-20	RSPO 548299	
21	Gunung Mas	Kluang, Johor	19 May '10	18-May-20	RSPO 901888	
22	Bukit Benut	Kluang, Johor	5 Oct '11	4-Oct-21	CU-RSPO-819147, RSPO 591229	
23	Ulu Remis	Layang-layang, Johor	11 Apr '11	10-Apr-21	SGS-RSPO/PM-00722, 824 502 16042	
24	Hadapan	Layang-layang, Johor	29 Mar '11	28-Mar-21	SGS-RSPO/PM-00715, 824 502 16040, BVC-RSPO20170623-01	
25	Segaliud	Sandakan, Sabah	20 May '10	19-May-15	RSPO 547123	
26	Sandakan Bay	Sandakan, Sabah	1 Oct '08	30-Sep-18	RSPO 537872	
27	Melalap	Tenom, Sabah	21 Jan '11	20-Jan-21	RSPO 547124	
28	Binuang	Kunak, Sabah	16 Jan '09	12-Jul-20	RSPO 001	
29	Giram	Kunak Sabah	16 Jan '09	12-Jul-20	RSPO 002	
30	Merotai	Tawau, Sabah	16 Jan '09	12-Jul-20	RSPO 004	

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30a	Jeleta Bumi	Kunak, Sabah	24/5/2010	NA	NA	
30b	Mostyn	Kunak Sabah	16 Jan '09	NA	NA	
31	Lavang	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819166, MUTU-RSPO/053	
32	Rajawali	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819167, RSPO 0020	
33	Derawan	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819169, RSPO 0019	
34	Pekaka	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-815150, MUTU-RSPO/054	Mill is mothballed, supply base merged into Lavang effective Dec 2017.

Legends:

Certification  
Withdrawal

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### SDP- RSPO Certification Status for Indonesia Operations

NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	PT LAHAN TANI SAKTI	ALUR DUMAI	Bagan Sinembah/Tanh Putih, Pujud, Rokan Hilir, Riau	16-Jan-12	15-Jan-22	MUTU-RSPO/011, SGS-RSPO/PC17-00005, SGS-RSPO/PC17-00005	
2	PT SAJANG HEULANG	ANGSANA MINI	Sebamban, Indonesia	6-Jul-11	6-Jul-16	MUTU-RSPO/006b	Mill closed down
3	PT SAJANG HEULANG	MUSTIKA	Sebamban, Indonesia	3-Jul-13	3-Jul-18	MUTU-RSPO/027	
4	PT LADANGRUMPUN SUBURUBADI	ANGSANA	Sebamban, Indonesia	9-Nov-16	8-Nov-21	MUTU-RSPO/006a	
5	PT LANGGENG MUARAMAKMUR	BEBUNGA	Pamukan Utara, Tanah Grogot, Kotabaru/Pasir, Kalimantan Selatan/Kalimantan Timur	16-Mar-12	3-Aug-22	MUTU-RSPO/014	Recertification of Bebunga POM is in progress.
6	PT KRIDATAMA LANCAR	SUKAMANDANG	Seruyan Tengah, Sampit, Seruyan, Kalimantan Tengah	2-Sep-16	1-Sep-21	MUTU-RSPO/003	
7	PT BAHARI GEMBIRA RIA	LADANG PANJANG	Kumpeh Ulu, Jambi, Muaro Jambi, Jambi	9-Jul-12	28-Nov-22	MUTU-RSPO/019	
8	PT TUNGAL MITRA PLANTATIONS	MANGGALA	Riau, Indonesia	25-Nov-10	24-Nov-20	MUTU-RSPO/002	
9	PT PARIPURNA SWAKARSA	PONDOK LABU	Pamukan Selatan, Tanah Grogot, Kotabaru,	16-Mar-12	19-Jul-22	MUTU-RSPO/016	Recertification of Pondok Labu POM is in progress.



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			Kalimantan Selatan				
10	PT BERSAMA SEJAHTERA SAKTI	GUNUNG ARU	Sebamban, Indonesia	21-Oct-16	20-Oct-21	MUTU-RSPO/005	
11	PT GUTHRIE PECCONINA	RANTAU PANJANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	16-Mar-12	19-Nov-22	MUTU-RSPO/017	Recertification of Rantau Panjang POM is in progress.
12	PT LAGUNA MANDIRI	RANTAU	Sungai Durian, Kotabaru,	30-Dec-11	05-Feb-22	MUTU-RSPO/009	
13		BETUNG	Kalimantan Selatan	1-April-14	1-April-19	MUTU-RSPO/035	
14	PT INDOTRUBA TENGAH	SEKUNYIR	Kalimantan Tengah, Indonesia	23-Nov-10	22-Nov-20	MUTU-RSPO/001	
15	PT SWADAYA ANDIKA	SELABAK	Sungai Durian, Kotabaru, Kalimantan Selatan	16-Mar-12	16-Mar-17	MUTU-RSPO/015	Mill is mothballed.
16	PT BINA SAINS CEMERLANG	SG PINANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	11-Sep-12	28-Nov-22	MUTU-RSPO/020	
17	PT TEGUH SEMPURNA	PEMANTANG	Kuala Kuayan, Sampit, Kotawaringin Timur, Kalimantan Tengah	9-Sep-16	8-Sep-21	MUTU-RSPO/004	
18	PT BHUMIREKSA NUSA	TELUK BAKAU	Pelangiran, Sg. Guntung,	01-Dec-16 1 April 2014	30-Nov-21 1 April 2019	MUTU-RSPO/008	
19	SEJATI	MANDAH	Indragiri Ilir, Riau			MUTU-RSPO/036	

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20	PT ANEKA INTIPERSADA	TELUK SIAK	Tualang, Perawang, Siak, Riau	8-Dec-16	7-Dec-21	MUTU-RSPO/007	
21	PT TAMACO GRAHA KRIDA	UNGKAYA	Witaponda, Kolonodale, Morowali, Sulawesi Tengah	10-Jul-12	28-Dec-22	MUTU-RSPO/018	
22	PT SIME INDO AGRO	BK AJONG	Kalimantan Barat, Indonesia	18-Jul-16	17-Jul-21	MUTU-RSPO/088	
23	PT PADANG PALMA PERMAI/PT PERKASA SUBUR SAKTI	BLANG SIMPO	Karang Baru, Kuala Simpang, Aceh Tamiang, Nangroe Aceh Darussalam	3-May-13	3-May-18	MUTU-RSPO/026	
24	PT SANDIKA NATAPALMA/PT BUDIDAYA AGRO LESTARI	LEMBIRU	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	3-Jul-14	2-Jul-19	MUTU-RSPO/044	
25	PT MITRAL AUSTRAL SEJAHTERA	MAS Mill	Desa Rahayu Kec. Parindu Kab.Sanggau, Kalimantan Barat	NA	NA	NA	

### Legends

Pending Certification by RSPO	Mill closed down/Mothballed
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NA - NOT APPLICABLE