



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

File Ref. : ES10171015

**RSPO PUBLIC SUMMARY REPORT**

**CLIENT : SIME DARBY PLANTATION BHD – SOU 33 DERAHAN**

**PARENT COMPANY : SIME DARBY PLANTATION BERHAD**

**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 and Supply Base	GPS Location		Location
		Latitude	Longitude	
SOU 33 Derawan Certification Unit	Derawan Palm Oil Mill	3° 23'24.732"N	113° 20'43.500"E	97008 Bintulu, Sarawak
	Derawan Estate	3° 23'59.230"N	113° 20'33.820"E	97008 Bintulu, Sarawak
	Sahua Estate	3° 28'48.264"N	113° 23'13.200"E	97008 Bintulu, Sarawak
	Takau Estate	3° 23'59.230"N	113° 20'33.820"E	97008 Bintulu, Sarawak
	Damal Estate	3° 28'15.584"N	113° 23'52.800"E	97008 Bintulu, Sarawak

**MAP :** See Attachment 1

**AUDIT DATE :** 7 - 10 October 2019

**DURATION :** 21 auditor days

**TYPE OF AUDIT :**

☒ Annual Surveillance Audit No. 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 Mass Balance Supply Chain Model

**VALIDITY OF RSPO CERTIFICATE :** 30/12/2016 – 29/12/2021

The following attachments form part of this report:

Non-conformity Report(s) ☒

List of additional site(s) ☐

**Report by Audit Team Leader**

Name : **Selvasingam T Kandiah**

Signature :

Date : **6/01/2020**

**Acknowledgement by Client's Representative**

Name : **SIME DARBY PLANTATION (SARAWAK) SDN BHD**  
(Company No. 179385-M)

Signature :

**SAFWAN MD. YAZID**  
Assistant Manager SQM  
Sarawak Region

Date :

**7/1/20**

## RSPO PUBLIC SUMMARY REPORT

### SUMMARY OF AUDITS

Recertification audit				
On-site audit date	:	8 <sup>th</sup> – 12 <sup>th</sup> August 2016	No. of auditor days	: 13.5 Auditor days
Audit team	:	Mohd Zulfakar Kamaruzaman (LA), Hazani Othman, Selvasingam T. Kandiah, Rozaimee Ab Rahman (Observer)		
No. of major NCR	:	2	Indicator: 2.1.1, 4.7.2	Closing date : 11/10/2016
No. of minor NCR	:	5	Indicator : 4.1.2, 4.7.5, 4.8.2, 6.6.2, 6.9.3	
Indicate the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers
		√		√
		Contract workers	NGOs	Govt. agency
		Indigenous people	Contractor	Others (Please specify)
			√	
Supply base sampled	:	Derawan Estate and Takau Estate		

Annual Surveillance Audit 1				
On-site audit date	:	24 - 27 October 2017	No. of auditor days	: 12
Audit team	:	Hazani Othman, Rozaimee Ab Rahman, Mohd. Norddin Abd. Jalil		
No. of major NCR	:	4	Indicator: 4.2.4 (f), 6.5.1, D3.2, D5.1	Closing date : 26/12/2017
No. of minor NCR	:	2	Indicator : 4.1.2, 4.4.2	
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers
		√		√
		Contract workers	NGOs	Govt. agency
		√		
		Indigenous people	Contractor	Others (Please specify)
			√	
Supply base sampled	:	Damai Estate and Sahua Estate		
Changes since the last audit	:	Changed of company name from Sime Darby Plantation Sdn Bhd to Sime Darby Plantation Bhd.		
Report approved by	:	Radziah Mohd. Daud	Approval date : 1/02/2018	

Annual Surveillance Audit 2				
On-site audit date	:	3 – 7/09/2018	No. of auditor days	: 16.0 auditor day
Audit team	:	Amir B Bahari (LA), Mohd Zulfakar Kamaruzaman Rozaimee Ab Rahman Rahayu Dzulkifli		
No. of major NCR	:	2	Indicator : 6.12.3 & 6.5.2	Closing date : 30/11/18
No. of minor NCR	:	4	Indicator : 4.7.5, 4.8.2, 6.5.4 & 6.1.4	
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers / Local communities
		√		√
		Contract workers	NGOs	Govt. agency
		√		√
		Indigenous people	Contractor	Others (Please specify)
		NA	√	
Supply base sampled	:	All – Derawan, Sahua, Takau & Damai Estate		
Changes since the last audit	:	Derawan CU has converted their POM supply chain model from IP to MB. The verification audit has been carried out on 29/08/2018 and received RSPO EB approval on 2/09/2018.		
Justification of audit planning	:	The total allocation of auditor days for Derawan CU were: 16 auditor days Mill = 4 days (3 day for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems). There was four (4) estates audited namely Derawan, Sahua, Takau and Damai Estates. A three (3) man-day each was allocated for verification of safety and health,		

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	environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.	
Report approved by :	Radziah Mohd. Daud	Approval date : 12/12/2018

### Annual Surveillance Audit 3

On-site audit date :	7 <sup>th</sup> – 10 <sup>th</sup> October 2019	No. of auditor days :	21
Audit team :	Selvasingam T Kandiah, Mohd Zulfakar Kamaruzaman, Rozaimee Ab Rahman, Amir B Bahari & Ismail Adnan Bin Abdul Malek		
No. of major NCR :	2	Indicator: 4.7.3 & 4.7.5	Closing date : 20/12/2019
No. of minor NCR :	0	Indicator : Nil	
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees / Workers organizations	Settlers	Villagers / Local communities
	√		√
	Contract workers	Local & National NGOs	Govt. agency / Statutory bodies
	√		√
	Indigenous people	Contractor	Others (Please specify)
		√	Sundry shop operators/restaurants
Supply base sampled :	All: Derawan, Sahua, Takau & Damai Estates		
Changes since the last audit :	There had been major transfers among Managers and Assistant Managers in the Derawan CU in 2019.		
Justification of audit planning :	The total allocation of auditor days for Derawan CU were: 21 auditor days Mill = 5 days (4 day for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems). There was four (4) estates audited namely Derawan, Sahua, Takau and Damai Estates. A three (4) man-day each was allocated 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.		
Report approved by :	Kamini Sooriamoorthy	Approval date : 6/01/2020	

### 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 / Workers organizations	Settlers	Villagers / Local communities
	Contract workers	Local & National NGOs	Govt. agency / Statutory bodies
	Indigenous people	Contractors	Others (Please specify)
Supply base sampled :			
Changes since the last audit :			
Justification of audit planning :			
Report approved by :		Approval date :	

# RSPO PUBLIC SUMMARY REPORT

## SUMMARY OF INFORMATION

TABLE 1

	STAGE 2/ RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period	August 2016 – July 2017	August 2017 – July 2018	Aug 2018 – July 2019	Aug 2019 – July 2020	
Certified FFB Processed (MT)	130,569.76	126,784.38	124,202.00	121,626.54	
Production of Certified CPO (MT)	28,725.34	28,207.48	26,728.27	25,419.95	
Production of Certified PK (MT)	6,919.99	5,719.91	5,589.09	5,473.19	
Certified Areas (Ha)	-	-	*9,528.83	*9,528.83	
Planted Areas (Ha)	-	-	8,057.93	8,057.93	
Production Areas (Ha)	-	-	5,555.37	5,616.97	
HCV Areas / Conservation Areas (Ha)	-	-	**333.70	**333.70	
REMARKS	<p>*As obtained and verified in this audit. Derawan CU has confirmed that these certified areas figures were provided by the SDP Land Management Department. It has been noted that these figures included the portion shared between Derawan CU and estates under Rajawali CU. For information there were 5 titles across Damai, Sahu and Derawan Estates that has shared portion with estates under Rajawali CU. As for RSPO reporting, the total certified area shall follow the total title declared by the Land Management Department's figure and titles recorded at their end as the final figures. The email between the CU and the SDP Land Management was sighted.</p> <p>**The HCV areas were based on assessment carried out in June 2017.</p>				

TABLE 2

	PO	PK
Last years certified volume (MT)	26,728.27	5,589.09
Last years actual certified sold (MT)	5,100.00	2,150.00
Last years actual sold under other schemes (MT)	0.00	0.00
Last years sold conventional (MT)	17,954.68	2,817.32
New year certified volume (MT)	25,419.95	5,473.19

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## **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 recognised standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS) 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 re-accredited by ASI on 3 October 2019 (accredited since 2014).

### **1.2 Qualification of audit team**

<b>Member of the Audit Team</b>	<b>Role/area of RSPO requirements</b>	<b>Qualifications</b>
Selvasingam T Kandiah	Lead Auditor GAP	Holds a B.Sc. of Agriculture University of Agricultural Sciences, Hebbal, Bangalore, India. He had more than 29 years of working experience in plantation management covering cocoa, rubber and oil palm. He is a qualified RSPO P & C and MSOP Lead Auditor.
Mohd Zulfakar Kamaruzaman	Auditor Social, HCV & Supply Chain	Holds a B.Sc. Forestry. He had several years of working experience in the oil palm operation. He is a qualified RSPO P&C, RSPO Supply Chain and MSPO Lead Auditor.
Rozaimée Ab. Rahman	Auditor OSH, Environment & Supply Chain	Holds a B. Sc. of Agriculture. He had 7 years of working experience in the oil palm operation. He is a qualified Lead Auditor for RSPO P&C and MSPO.
Amir Bahari	Auditor OSH & Environment	Possessed B Sc (Hons) USM and Diploma Palm Oil Milling Technology/Management 1996 MPOB. Working experience for 30 years in the oil palm industry including in the mill and estates.
Ismail Adnan Abdul Malek	Auditor Social	Holds a Master of Forestry degree from University of British Columbia, Canada. He had more than 25 years of working experience in the Natural Forest and Plantation Forest operations and management. He is a qualified Lead Auditor in MC&I (Natural Forest and Forest Plantation). He is also an Auditor for RSPO and MSPO (HCVF, Biodiversity, Social)

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### 1.3 Audit methodology

The audit covered the Derawan Palm Oil Mill and 4 of its supply base. The 4 supply bases are Derawan Estate, Damai Estate, Sahu Estate and Takau Estate. The audit included an on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, 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. In summary, the stakeholders interviewed during the audit and the evidence from the stakeholder consultation carried out were as tabulated below:

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (including migrant workers)	<ul style="list-style-type: none"> <li>▪ Interviewed workers constituted local and foreign, male and female, daily paid, monthly paid and piece rated at mill/estates.</li> <li>▪ All workers interviewed acknowledged they have signed employment agreements with the estates/mill. The contents of agreement were understood, as these were prepared in English/Bahasa. The contents were explained to them in Bahasa by the management team or by fellow countrymen who has worked in Malaysia longer.</li> <li>▪ They are aware of their working hours (8 hours). They also acknowledged being paid overtime for any work in excess of 8 hours. There is no forced overtime. Harvesters were paid piece-rated and do not get overtime. They prefer to have their salaries calculated on piece-rate basis even after 8 hours of work as it allows them to be paid higher.</li> <li>▪ They have been getting salaries are above RM1,100 since January 2019. Salaries are paid before the 7th of every month.</li> <li>▪ Through workers interview, they confirmed there is no abuse at work, and no sexual harassment. They understand what constitutes sexual harassment and the function of Gender Committee.</li> <li>▪ There is no discrimination between migrant workers and local workers, between male and female workers.</li> <li>▪ Workers are provided with comfortable housing with free water and electricity. Local workers choose to stay in their houses in the nearby villages.</li> <li>▪ They have access to affordable food from the canteen/sundry shops within the estate/mill premises.</li> <li>▪ They are entitled to free medical facilities at the estate clinic.</li> <li>▪ Workers had representatives who attend regular meetings with the management. Workers confirmed knowledge of Grievance complaints procedure, where they can put forward any complaints and or raise any issues. They are aware of the complaints form in the procedure. Books and complaints forms were used to complain about house defects at the Mill/Estates.</li> <li>▪ They knew the types of work offered at Derawan CU (mill &amp; estate) when they were still in their own countries.</li> <li>▪ All migrant workers confirmed that they keep their own passports although some allowed their passport to kept in the office for safekeeping with their own agreement</li> </ul>
2) Settlers	NA.
3) Villagers / Local communities (including women representatives, displaced communities)	<ul style="list-style-type: none"> <li>▪ Confirmed there is no land dispute between Derawan CU and neighbouring estates.</li> <li>▪ No social issues arising from estate workers.</li> <li>▪ Occasionally are called to attend meetings by Derawan mill and estates. The last one was held few months ago.</li> </ul>

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	<ul style="list-style-type: none"> <li>All stakeholders were invited to attend RSPO/MSPO briefings and stakeholder meetings.</li> <li>Derawan CU is operating harmoniously with surrounding oil palm smallholdings.</li> <li>No issue about pollution.</li> <li>Some workers who work at Derawan CU come from neighbouring places around the mill/estates.</li> </ul>
4) Suppliers	<ul style="list-style-type: none"> <li>Suppliers of hardware and FFB transporters since 1997.</li> <li>Derawan CU and supplier contract were signed by both parties. Suppliers would be contacted to supply hardware items as and when the need arises. FFB transporter's service was needed when required. This happens approximately once in two months for suppliers but daily for transporters.</li> <li>Fair dealings with the units in Derawan CU.</li> <li>Payments are made within 1 months of invoice.</li> </ul>
5) Contract workers	NA
6) Local & national NGOs	NA
7) Government agencies / Statutory bodies	<ul style="list-style-type: none"> <li>No indigenous peoples living near the Derawan CU.</li> <li>No land claims/disputes and no social issues.</li> <li>Harmonious co-existence with relevant stakeholders.</li> <li>Document review showed officers of the relevant Government agencies especially the Jabatan Tenaga Kerja Bintulu had good working relationship with Derawan CU.</li> <li>Government agencies also confirmed no offenses incurred by Derawan CU.</li> </ul>
8) Independent growers / Smallholders	NA
9) Indigenous people	NA
10) Contractor	<p>All Contractors had provided services to Derawan mill/estates for the past 4-5 years. Each signed a contract and understands contractual obligations and the need to comply with legal requirements.</p> <ul style="list-style-type: none"> <li>Fair dealings with the units in Derawan CU.</li> <li>Payments are made within 1 months of invoice.</li> <li>For transporter contractor, the estate manager and staff will verify the work the contractor has done before his invoice can be approved for payment.</li> <li>All contractors' workers had attended MSPO training, signed COBC commitment statement and safety briefing. The Company provides PPE (vest, goggles, straw hat)</li> <li>Suppliers of hardware and spare parts invoices were based on agreed quoted prices.</li> <li>Payment to contractors were made usually within 45 days of invoice. Renewal of contract is via tender system.</li> <li>Contractor and his workers knew about the minimum wages order requirement the workers make statutory contributions such as EPF and SESCO. Workers details including names, pay slips, were presented for verification.</li> <li>Contractor removes domestic waste from workers' quarters, provide recycling services. Signs annual contract. Terms and conditions are clear and fair. Payments are received within one month.</li> <li>All contractors also attended stakeholder meetings.</li> <li>Contractors must provide to the estates copies of their worker details and payslips.</li> </ul>
11) Previous land owner (if any)	NA
12) Sundry shop operators/restaurants	<ul style="list-style-type: none"> <li>Sundry shops operators/restaurants are present at Derawan CU.</li> <li>They sell sundry food items, food, drinks, tidbits and others at affordable prices to workers. The management monitors prices of items in the sundry shops by comparing prices of in house sundry shops with prices in shops in neighbouring estates.</li> </ul>



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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 9 months from this audit. For RA, the next RA can be conducted at least 4 months prior to expiry date of the certificate.

## 2.0 SCOPE OF CERTIFICATION AUDIT

### 2.1 Description of the certification unit

The Derawan Certification Unit (CU) is one of the Strategic Operating Unit (SOU) of Sime Darby Plantation Sdn Bhd (SDPSB). The CU is in Bintulu, Sarawak, East Malaysia and known as SOU 33. The CU consisted of one palm oil mill, the Derawan Palm Oil Mill (DPOM) and four-supply bases, namely, Derawan Estate, Damai Estate, Sahu Estate and Takau Estate. All Estates belong to SDPB. DPOM commenced operations in 1994 with a processing capacity of 40 metric tonnes of FFB per hour. The total combined land area of the four estates is 9,528.83 hectares (Ha) of which 8,057.93 Ha planted with oil palm. All the estates have been fully developed before 2005, hence Principle 7 of the RSPO P&C is therefore not applicable. The CU does not have other management system certification other than MSPO Certification.

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

All FFB was sourced from company owned estates that are certified and some from out side uncertified source. 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 last reporting period**  
**(August 2018 to July 2019)**

Estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Derawan Estate	31,490.36	27.17	SIRIM
Takau Estate	30,920.23	26.68	SIRIM
Damai Estate	22,962.65	19.81	SIRIM
Sahu Estate	27,807.98	23.99	SIRIM
Bayu Estate	244.98	0.21	SIRIM
Paroh Estate	0.00	0.00	SIRIM
Pekaka Estate	0.00	0.00	SIRIM
Rajawali Estate	298.27	0.26	SIRIM
Samudera Estat	337.55	0.29	SIRIM
Rasan Estate	0.00	0.00	SIRIM
Semarak Estate	151.41	0.13	SIRIM
<b>Subtotal</b>	<b>114,213.43</b>	<b>98.54</b>	
Third parties	1,693.954	1.46	
<b>Total</b>	<b>115,907.38</b>	<b>100</b>	

**Table 2: Projected FFB production by supply base for the next reporting period**  
**(August 2019 to July 2020)**

CU own estates	FFB Contribution		Certifying CB
	Tonnes	Percentage (%)	
Derawan Estate	32,282.99	24	SIRIM
Takau Estate	30,961.51	23	SIRIM
Damai Estate	28,691.02	22	SIRIM
Sahu Estate	29,691.02	22	SIRIM
<b>Total</b>	<b>121,626.54</b>	<b>91</b>	
Third parties (non-certified)	11,800.00	9	
<b>Grand Total</b>	<b>133,426.54</b>	<b>100</b>	

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**Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period  
(August 2018 – July 2019)**

RSPO Supply Chain Model : Mass Balance	Total (MT)
FFB Received	115,907.38
FFB Processed	115,907.38
Certified FFB Processed	114,213.43
Non-certified FFB Processed	1,693.95
<b>Crude Palm Oil (CPO)</b>	
Overall CPO Production	23,396.61
Certified CPO Production	23,054.68
Certified CPO delivered as RSPO	5,100.00
Certified CPO delivered as non-RSPO	17,954.68
Certified CPO delivered under other sustainable schemes	0.00
<b>Palm Kernel (PK)</b>	
Overall PK Production	5,160.33
Certified PK Production	5,084.91
Certified PK delivered as RSPO	2,150.00
Certified PK delivered as non-RSPO	2,817.32
Certified CPO delivered under other sustainable schemes	0.00
Credits traded through Books and Claim	0.00

**Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period  
(August 2019 to July 2020)**

RSPO Supply Chain Model : Mass Balance	Total (MT)
FFB Received	133,426.54
FFB Processed	130,384.19
Certified FFB Processed	121,626.54
Non-certified FFB Processed	11,800.00
<b>Crude Palm Oil (CPO)</b>	
Overall CPO Production	27,886.15
Certified CPO Production	25,419.95
Certified CPO delivered as RSPO	25,419.95
Certified CPO delivered as non-RSPO	0.00
Certified CPO delivered under other sustainable schemes	0.00
<b>Palm Kernel (PK)</b>	
Overall PK Production	6,004.19
Certified PK Production	5,473.19
Certified PK delivered as RSPO	5,473.19
Certified PK delivered as non-RSPO	0.00
Certified CPO delivered under other sustainable schemes	0.00

**Table 5 Planted and certified area of the CU**

Estate	Planted (ha)	Certified (ha)
Derawan Estate	2044.77	2490.79
Takau Estate	2033.67	2107.00
Damai Estate	2041.03	2287.04
Sahua Estate	1938.46	2644.00
<b>Total</b>	<b>8057.93</b>	<b>9528.83</b>

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**Table 6 Planting profile for Derawan CU**

<u>Estate</u>	<u>Year of planting</u>	<u>Planting Cycle</u>	<u>Mature (Ha)</u>	<u>Immature (Ha)</u>	<u>Planted area</u>	<u>% of planted area mature</u>	<u>% of planted area immature</u>
<b>Derawan Estate</b>	2019	2nd cycle		196.50	196.50		9.61
	2018	2nd cycle		178.93	178.93		8.75
	2017	2nd cycle		172.49	172.49		8.44
	1994	1 <sup>st</sup> cycle	361.7		361.7	17.69	
	1995	1 <sup>st</sup> cycle	235.84		235.84	11.53	
	1996	1 <sup>st</sup> cycle	68.23		68.23	3.34	
	2012	2 <sup>nd</sup> cycle	179.58		179.58	8.78	
	2013	2 <sup>nd</sup> cycle	123.75		123.75	6.05	
	2014	2 <sup>nd</sup> cycle	239.08		239.08	11.69	
	2015	2 <sup>nd</sup> cycle	288.67		288.67	14.12	
<b>Sub Total</b>			<b>1496.85</b>	<b>547.92</b>	<b>2044.77</b>	<b>73.20</b>	<b>26.80</b>
<b>Damai Estate</b>	1996	1 <sup>st</sup> cycle	136.6		136.6	7.05	
	1997	1 <sup>st</sup> cycle	105.24		105.24	5.43	
	1998	1 <sup>st</sup> cycle	633.81		633.81	32.70	
	2014	2 <sup>nd</sup> cycle	150.24		150.24	7.75	
	2015	2 <sup>nd</sup> cycle	406.02		406.02	20.95	
	2016	2 <sup>nd</sup> cycle		258.29	258.29		13.32
	2017	2 <sup>nd</sup> cycle		180.01	180.01		9.29
	2018	2 <sup>nd</sup> cycle		68.25	68.25		3.52
<b>Sub Total</b>			<b>1431.91</b>	<b>506.55</b>	<b>1938.46</b>	<b>73.87</b>	<b>26.13</b>
<b>Takau Estate</b>	2019	2nd cycle		169.72	169.72		8.35
	2018	2nd cycle		237.19	237.19		11.66
	2017	2nd cycle		181.57	181.57		8.93
	2016	2nd cycle		163.63	163.63		8.05
	2014	2nd cycle	175.76		175.76	8.64	
	2013	2nd cycle	180.27		180.27	8.86	
	1995	1st cycle	925.53		925.53	45.51	
<b>Sub Total</b>			<b>1281.56</b>	<b>752.11</b>	<b>2033.67</b>	<b>63.01</b>	<b>36.99</b>
<b>Sahua Estate</b>	2018	2nd cycle		233.00	233.00		11.42
	2017	2nd cycle		235.36	235.36		11.53
	2016	2nd cycle		166.02	166.02		8.13
	1998	1 <sup>st</sup> cycle	760.69		760.69	37.27	
	1995	1 <sup>st</sup> cycle	373.96		373.96	18.32	
	1994	1 <sup>st</sup> cycle	241.00		241.00	11.81	
	2000	1 <sup>st</sup> cycle	31.00		31.00	1.52	
<b>Sub Total</b>			<b>1406.65</b>	<b>634.38</b>	<b>2041.03</b>	<b>68.92</b>	<b>31.08</b>
<b>Grand Total</b>			<b>5616.97</b>	<b>2440.96</b>	<b>8057.93</b>	<b>69.71</b>	<b>30.29</b>

### 2.3 Organizational Information/Contact Person(s)

The details of the contact person is as shown below:

Name	:	Salwa Md. Yazid
Position	:	Manager, SQM Sarawak Region
Address	:	Sime Darby Regional Office, Rajawali Complex, P.O.Box 673, KM52, Bintulu-Miri Road, 97008, Bintulu Sarawak
Phone no.	:	019-3800533
Fax no.	:	-
Email	:	salwa.yazid@sime-darbyplantation.com

## RSPO PUBLIC SUMMARY REPORT

### 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 7 SOUs from 2019 to 2020 as verified through the Time Bound Plan. The SOUs are PT Sime Indo Agro, PT Ladangrumpun Subur Abadi, PT Bersama Sejahtera Sakti, PT Bahari Gembira Ria, PT Guthrie Pecconina Indonesia, 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 June 2019 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

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

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

There had been major transfers among Managers and Assistant managers in the Derawan CU in 2019.

- 3.4 Status of previous non-conformities \* ☐ Closed ☒ Not closed\*

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

The issue of unavailability of First Aid Boxes at worksites which was raised during the last audit has reoccurred. Thus, the Minor Non Conformity (4.7.5) is now raised to Major Non Conformity.

#### 3.5. Complaint received from stakeholder (if any)

None

## RSPO PUBLIC SUMMARY REPORT

### 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 : NIL

Total no. of major NCR(s)  
(details refer to Attachment 4 ) List : 2 4.7.3 & 4.7.5 (upgraded)

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

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

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

### 5.0 AUDIT CONCLUSION

The audit team concludes that the organization has ~~has not~~\* 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.

### 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)..... have not been satisfactorily closed out within 60 days of the audit. Recommended for suspension of the certificate.

*Note: Major NCRs which are not addressed within a further 60 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 : Selvasingam T Kandiah

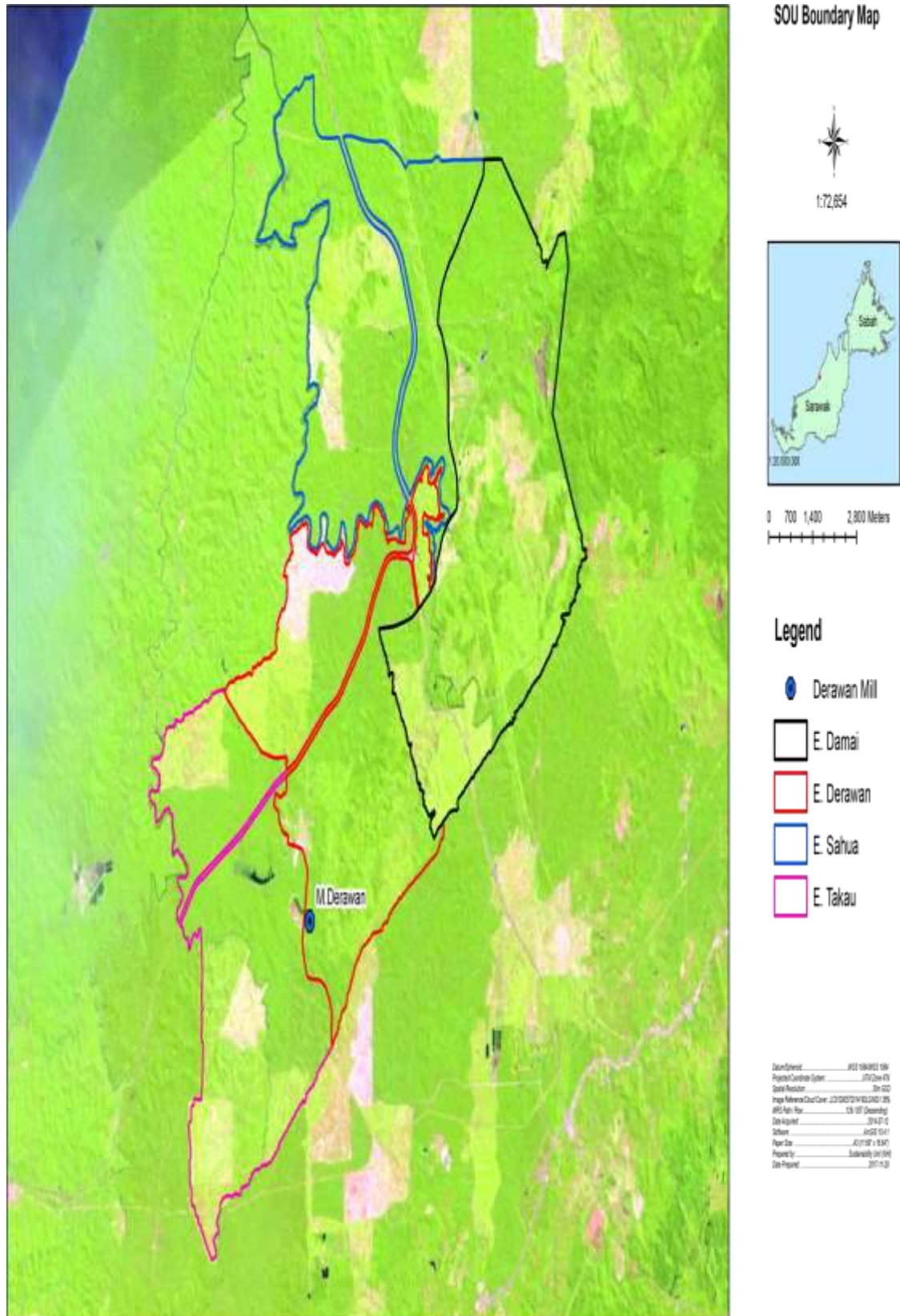
(Name)

  
(Signature)

20/12/2019

(Date)

Attachment 1



## RSPO PUBLIC SUMMARY REPORT

### Attachment 2

Date / Time	Coverage of assessment / Activity / Site	STK	MZK	RAR	AB	IA
Day 1-07/10/19 8.30am – 9.15am	Opening Meeting – Venue: Derawan POM <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 Derawan POM</b> <b>P1, P2, P3, P4, P5, P6, P7, P8</b> <ul style="list-style-type: none"> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>HCV &amp; Environment management</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>Waste Management</li> <li>Land titles and user rights</li> <li>Laws and regulations</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 mill</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc</li> </ul> <b>RSPO Supply Chain 2017</b> <ul style="list-style-type: none"> <li>RSPO Supply chain standard implementation including model requirements</li> </ul> <b>Site observation to Derawan Estate</b> <b>P1, P2, P3,P4,P5, P6, P7,P8</b> <ul style="list-style-type: none"> <li>Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching,</li> <li>IPM</li> <li>New planting</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>HCV &amp; Environment management</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>Waste Management</li> <li>Land titles and user rights</li> <li>Laws and regulations</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 mill</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	STK	MZK	RAR	AB	IA
Day 2 – 08/10/19 8.30am – 12.30pm	<b>Site observation to Damai Estate</b> <b>P1, P2, P3,P4,P5, P6, P7,P8</b> <ul style="list-style-type: none"> <li>Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching,</li> <li>IPM</li> <li>New planting</li> </ul>	/				/



## RSPO PUBLIC SUMMARY REPORT

	<ul style="list-style-type: none"> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>HCV &amp; Environment management</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>Waste Management</li> <li>Land titles and user rights</li> <li>Laws and regulations</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 mill</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc</li> </ul>				/	
	<b>Site observation to Derawan POM</b> <b>P1, P2, P3, P4, P5, P6, P7, P8</b> <ul style="list-style-type: none"> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>HCV &amp; Environment management</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>Waste Management</li> <li>Land titles and user rights</li> <li>Laws and regulations</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 mill</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 site	/	/	/	/	/
<b>Date / Time</b>	<b>Coverage of assessment / Activity / Site</b>	<b>STK</b>	<b>MZK</b>	<b>RAR</b>	<b>AB</b>	<b>IA</b>
Day 3 – 09/10/19 8.30am – 12.30pm	<b>Site observation to Sahau Estate</b> <b>P1, P2, P3,P4,P5, P6, P7,P8</b> <ul style="list-style-type: none"> <li>Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching,</li> <li>IPM</li> <li>New planting</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>HCV &amp; Environment management</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>Waste Management</li> <li>Land titles and user rights</li> <li>Laws and regulations</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 mill</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc</li> </ul>	/			/	/
	<b>Site observation to Derawan Estate</b> <b>P1, P2, P3,P4,P5, P6, P7,P8</b> <ul style="list-style-type: none"> <li>New planting</li> </ul>		/	/		

## RSPO PUBLIC SUMMARY REPORT

	<ul style="list-style-type: none"> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>HCV &amp; Environment management</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>Waste Management</li> <li>Laws and regulations</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 mill</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	<b>Site observation to Damai Estate</b> <b>P1, P2, P3,P4,P5, P6, P7,P8</b> <ul style="list-style-type: none"> <li>New planting</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>HCV &amp; Environment management</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>Waste Management</li> <li>Laws and regulations</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 mill</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc</li> </ul>		/	/		
1.30pm – 5.00pm	Continue assessment at respective site	/			/	/
<b>Date / Time</b>	<b>Coverage of assessment / Activity / Site</b>	<b>STK</b>	<b>MZK</b>	<b>RAR</b>	<b>AB</b>	<b>IA</b>
Day 4 – 10/10/19 8.30am 12.30pm	<b>Site observation to Takau Estate</b> <b>P1, P2, P3,P4,P5, P6, P7,P8</b> <ul style="list-style-type: none"> <li>Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching,</li> <li>IPM</li> <li>New planting</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>HCV &amp; Environment management</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>Waste Management</li> <li>Land titles and user rights</li> <li>Laws and regulations</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 mill</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc</li> </ul>	/			/	/
	<b>Site observation to Sahau Estate</b> <b>P1, P2, P3,P4,P5, P6, P7,P8</b> <ul style="list-style-type: none"> <li>New planting</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> </ul>		/	/		

## RSPO PUBLIC SUMMARY REPORT

	<ul style="list-style-type: none"> <li>HCV &amp; Environment management</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>Waste Management</li> <li>Laws and regulations</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 mill</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc</li> </ul>					
12.30pm to 1.30pm	Lunch Break					
1.30pm – 4.00pm	<b>Site observation to Takau Estate</b> <b>P1, P2, P3,P4,P5, P6, P7,P8</b> <ul style="list-style-type: none"> <li>New planting</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>HCV &amp; Environment management</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Environment, Occupational safety &amp; health aspects, chemical management</li> <li>Waste Management</li> <li>Laws and regulations</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 mill</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc</li> </ul>		/	/		
1.30pm – 4.00pm	Continue assessment at respective site	/			/	/
4.00pm – 5.00pm	Closing meeting at Takau Estate	/	/	/	/	/

## RSPO 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	Documented communication procedure at Derawan CU continued to be implemented. At the time of the audit all requests for information from the stakeholders had being recorded. All the estates and mill audited provide availability of management documents i.e. related to environment, and social and legal issues to the public except for those prevented by commercial confidentiality or where disclosure of information that would potentially result in negative environmental or social outcomes. SDPB continued to use website for disseminating public information which are available in the company's website <a href="http://plantation.simedarby.com">http://plantation.simedarby.com</a> . Information among others in relation to the following; land titles, safety and health plans, pollution prevention plans and procedure for complaints and grievances.
	1.1.2 Records of requests for information and responses shall be maintained. Major Compliance	YES	Records of requests for information and the CU's responses are filed and maintained at the respective estate/mill offices. Sighted during the Surveillance Audit were requests for information from the Department of Statistics, Department of Environment and MPOB and the CU's responses were kept and maintained.
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	1.2.1 Land titles/user rights	YES	Copy of land use titles of all audited units maintained.
	Occupational health and safety plans	YES	Occupational Health & Safety Plan titled 'Occupational Safety & Health Plan 2019' has been established. Indicators set in the plan are being monitored.
	Plans and impact assessments relating to environmental and social impacts	YES	The Social Environmental Impact Assessment for SOU 33 Derawan was prepared by the Sustainability Unit, PSQM Sime Darby and carried out in Sept 2016. It has been reviewed in 2019.
	HCV documentation summary	YES	The HCV documentation is maintained and mentioned in criteria 5.2 and 7.3 inclusive in this report.
	Pollution prevention and reduction plans	YES	The list of waste generated from estate and mill activities is available. All sources of pollution have been identified by management (Pollution Prevention Plan 2019).
	Details of complaints and grievances	YES	Details of complaints can be written in the Complaints Book and to be resolved in accordance with the Complaint & Grievances Resolution Procedure.
	Negotiation procedures	YES	Negotiation procedure for the SOU 33 Derawan is contained in the "Flowchart and Procedures On Handling Land Dispute" ( <i>Tatacara Perundingan Dalam Menangani Masalah Sempadan</i> ).
	Continual improvement plans		The continual improvement plans were available established. They were being

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
			YES	maintained and updated with the assistance and guide personnel from Sustainability Department.
		Public summary of certification assessment report;	YES	Public summary is available in website: <a href="http://www.sirim-qas.com.my">http://www.sirim-qas.com.my</a>
		Human Rights Policy (Criterion 6.13).	YES	The CU subscribes to SDPB's Social & Humanity Management Policy dated Jan 2015. The policy was signed by the SDPB's Managing Director and is being displayed on various notice boards at the Mill and the estates offices.
C 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.	1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	YES	SOU 33 Derawan subscribes to SDPB's Code of Business Conduct. There is evidence that trainings on the Code of Business Conduct were done during townhalls and morning musters.

### **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	YES	Generally, Derawan CU has continued to comply with all applicable local, national and ratified international laws and regulations. The legal register has been updated accordingly. Relevant licences and permits were verified at site.
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	YES	The CU continued to implement and maintain the established documented system for identifying, accessing, tracking and monitoring of compliance with the legal requirements that were applicable to them. Each estate and mill had its own Legal and Other Requirements Register (LORR) and were being evaluated individually annually for compliance.
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	YES	A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units Derawan CU. SQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	The Group Sustainability Quality Management (GSQM) Department in Sime Darby headquarters was responsible to track changes and the information was disseminated to all its Regional Sustainability Quality Management (RSQM) members. When there is any applicable change, the RSQM department will then communicate to the operating units.
C 2.2 The right to use the	2.2.1	Documents showing legal ownership or lease, history of		Evidence of legal ownership of the land including history of land tenure was verified during this audit.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.		land tenure (confirmation from community leaders based on history of customary land tenure, recognised Native Customary Right (NCR) land) and the actual legal use of the land shall be available. Major Compliance	YES	<ul style="list-style-type: none"> <li>a) Takau Estate - the land was previous owned by Derawan Sdn Bhd and Sahua Enterprise Sdn Bhd and then transferred to Austral Enterprises Bhd,</li> <li>b) Derawan Sendirian Berhad and Sahua Enterprise Sdn Bhd has bought the land from Sarawak Government on 20 April 1988.</li> <li>c) Derawan Sendirian Berhad and Sahua Enterprise Sdn Bhd are owned by Golden Hope and after merged with Sime Darby in 2007, The Land Title was transferred under the name of Sime Darby Plantation Bhd. Each estate had legal use of the land through an Ownership signed by the Superintendent of Lands and Surveys of Bintulu following the payment of premium and Land fee.</li> </ul>
	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 were 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 FPIC. Minor Compliance	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 1988. The audit team had confirmed that there were no land issues related to previous owners.
	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 1988. Hence, there is no land conflict anticipated and no need for acceptable conflict resolution processes.
	2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (incl. neighbouring communities and relevant authorities where	YES	As reported in 2.2.1, it has been verified that there is no conflict or dispute over the land.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
		applicable). Minor Compliance		
	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, it has been verified that there is no conflict or dispute over the land. Auditor has verified this through Stakeholder meetings and JKKP Meetings and interviewed with settlers and other oil palm plantation companies that there was no violence action taken by the Derawan CU in maintaining peace. Derawan CU only employed Auxiliary Police in order to guard their workers, staffs and children life, their belongings and company properties.
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 (incl. neighbouring communities where applicable, and relevant authorities). Major Compliance	YES	As reported in 2.2.1, it has been verified that there is no conflict or dispute over the land.
	2.3.2	Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) shall be available and shall include:	YES	As reported in 2.2.1 of this checklist, Derawan CU has been developed since 1988, after it was bought from the previous land owner; Sarawak 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.
	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;	YES	As mentioned in 2.3.2, sections a) to c) of this checklist, this requirement in this indicator does not apply to Derawan CU.
	b)	Evidence that the company has respected communities' decisions to give or withhold their consent to the op at the time that this decision was taken;	YES	As mentioned in 2.3.2, sections a) to c) of this checklist, this requirement in this indicator does not apply to Derawan CU.
	c)	Evidence that the legal, economic, environmental and social implications for permitting		As mentioned in 2.3.2, sections a) to c) of this checklist, this requirement in this indicator does not apply to Derawan CU.

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Clause	Indicators		Comply Yes/No	Findings
		operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. Minor Compliance	YES	
	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 reported in 2.2.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby since 1988. The audit team had confirmed that there was no land issues related to previous owners. Review of records also showed no land conflicts with neighbouring plantations. Hence, this Indicator pertaining to relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements was not relevant
	2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, incl. legal counsel. Major Compliance	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 1988. The audit team had confirmed that there was no land issues related to previous owners. Review of records also showed no land conflicts with neighbouring plantations. Hence, this Indicator pertaining to communities are represented through institutions or representatives of their own choosing, including legal counsel was not relevant.

### **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 (min 3 yrs) shall be doc. That includes, where appropriate, a business case for scheme smallholders. Major Compliance	YES	As per all SDPB, Derawan CU continued to have documented business plans with projections until the financial year 2024.
	3.1.2	An annual replanting programme projected for a min of 5 yrs (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. Minor Compliance	YES	Derawan Cu Continued to have in place a replanting program for the four estates. The program is reviewed on an annual basis. The replanting program, in Hectares, is sighted during audit.



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### **Principle 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS**

Clause	Indicators		Comply Yes/No	Findings
C 4.1 Operating procedures are appropriately documented, consistently implemented and monitored.	4.1.1	SOPs for estates and mills shall be doc. Major Compliance	YES	SOU Derawan continued to use and implement SOPs for each of the processes. Brief version of the SOPs was displayed at the appropriate locations. Copies of the documented SOPs were presented to the audit team. It was observed that activities being implemented which involved safety, health, environmental, quality, employees, etc. had followed the established SOPs.
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	YES	On Estates, the mechanisms to check the implementation of procedures were carried out through RSPO/MSPO internal audits by PSQM team, safety and health meeting and routine inspection by assistant manager, staff and hospital assistant. In addition, team QA from HQ had conducted quarterly monitoring on procedures such as loose fruit collection, harvested bunch left uncollected and unharvest bunches, safe work and mechanization.
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	YES	The CU continued to keep records of monitoring and actions taken for a minimum of 12 months. Monthly Costing and Annual Reports on monitoring of all activities were made available.
	4.1.4	The mill shall record the origins of all third-party sourced FFB. Major Compliance	YES	It has been noted that the mill receives third party crop and has records of all third party sourced FFB.
C 4.2 Practices maintain soil fertility at or, where possible, improve oil fertility to a level that ensures optimal and sustained yield.	4.2.1	There shall be evidence that good agriculture practices, as contained in SOPs, are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	YES	All 4 estates in Derawan CU practiced 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. Noted from the records that the actual amount of fertilisers applied in 2018 were completed
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	YES	Fertiliser inputs were based on recommendation made by the Agronomist from Sime Darby Research Sdn. Bhd. The latest visit made by the Agronomist was in Aug & Sept 2019. The visit was carried to cover all the oil palm field and the findings were used as guidance in formulating the fertilizer input and recommendation on good agricultural practices to improve growth and subsequently the FFB yield.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	YES	Periodic tissue and soil sampling were carried out in the Estates of Derawan CU to monitor changes in nutrient status and its results formed the basis for the fertilizers input recommendation. The soil analysis provided the indication of soil health and monitor the changes in the organic carbon and total nitrogen.
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of EFB, POME, and palm residues. Minor Compliance	YES	All 4 Estates visited had a nutrient recycling strategy in place which included stacking pruned fronds in the respective fields to decompose, grass cutting harvesters paths and letting the cut mass to decompose in the field, EFB mulching and application of Solid POME. In addition, during replanting, palms were felled, chipped, windrowed and left to decompose.

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Clause	Indicators		Comply Yes/No	Findings
C 4.3 Practices minimise and control erosion and degradation of soils.	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance	YES	Soil Maps prepared by Precision Agriculture Unit of SDPB R&D were made available to auditors. There were no fragile/marginal soils in all estates, except for 13.24 Ha with Peat Soil (Gali soil series) on Takau Estate.
	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	Like all SDPB Estates, the Estates in Derawan CU continued to have a management strategy for planting on slopes in order to minimise and control erosion and degradation of soils. The plantings on slopes between 9 and 25 degrees was guided by: <ul style="list-style-type: none"> <li>• Slope &amp; River Protection Policy</li> <li>• Buffer Zone &amp; 25degree slope and in item 8 Section 4</li> <li>• Land Preparation for Terracing in ARM Manual.</li> </ul>
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	YES	Derawan CU continued to maintain its road, according to the road maintenance programmes. The programs had been supported by adequate provisions in the budgets. During the field visit, it was noted road conditions was well maintained in both estates. Accessibility was made possible by regular maintenance, guided by its road maintenance programmes.
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A doc water and ground cover management programme shall be in place. Major Compliance	YES	On Takau Estate there is a small area with Peat Soil. Subsidence of peat soil at this area is being monitored as per the SOP "Peat Subsidence Gauge Installation SOP".
	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	Drainability assessment had not been carried out as the relevant areas are not due for replanting in the next 5 years.
	4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils). Minor Compliance	YES	There were no other fragile soils other than Peat Soils as mentioned under indicator 4.3.1. The estates monitored water levels using water level markers in drains and water tubes for ground water levels.
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	For Derawan POM Water Management plan 2019 was updated in July 2019 and explain about Recycling Processing water, Recycle condensate water, to use back water treated from POME to cleaning purpose at mill and hydro cyclone operation during water shortage, collection of rain Waters, Linesite Water usage Monitoring, Contingency Plan to covered dry spell/shortage.
	4.4.2	Protection of water courses and wetlands, incl. maintaining and restoring appropriate riparian and other buffer zones (refer to	YES	The estates continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along the natural waterways. The estates adopted the existing SDP policy to maintain the buffer by restricting agrochemicals application and left undeveloped during replanting. Water courses and wetlands are protected including

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Clause	Indicators		Comply Yes/No	Findings
		national best practice and national guidelines) shall be demonstrated. Major Compliance		maintaining and restoring appropriate riparian buffer zones.
	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	Analysis of the final discharge was carried out on monthly basis by internal accredited laboratory. Site visit to the effluent treatment plant was observed all ponds in good condition and well maintained. No trace of effluent over flow was sighted and flow meter reading was recorded on daily basis. An interview with operator in-charge revealed that the operation was in accordance with the standard operation procedure and legal requirements
	4.4.4	Mill water use per tonne of FFB shall be monitored. Minor Compliance	YES	Mill water usage per tonne of FFB continued to be monitored on daily and monthly basis. A slightly higher water usage noted, probably due to the proportionate reduction in volume of FFB being processed.
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate IPM techniques.	4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance	YES	Derawan CU continued to implement IPM in all the estates. It continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the Agricultural Reference Manual (ARM).
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	YES	Trainings relating to IPM implementation were organized mainly at estate level by the executive. Guidelines as specified in the Agricultural Reference Manual (ARM) Section 15 Plant Protection This includes beneficial plant and rat baiting management.
C 4.6 Pesticides are used in ways that do not endanger health or the environment.	4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance	YES	Derawan CU continued to use agrochemicals based on its Agricultural Reference Manual (ARM) Section 15 and 16, SSOP and in the Pictorial Safety Standard Book (PSS) where written justifications had been provided for various fields operations. The Manual has included a chemical register list which indicates the use of selective products that are specific to the targeted pest, weed or disease.
	4.6.2	Records of pesticides use (incl. 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	All estates had records to show the types of pesticides used with active ingredients and their LD50, where these pesticides had been used, the total quantity, number of applications and active ingredients (ai) per 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. Records of pesticides used were available for verification.
	4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with IPM plans. There shall be no prophylactic use of pesticides, except in specific	YES	All estates in Derawan CU were committed to minimise the usage of agrochemicals by implementing IPM. Blanket spraying was not practiced by this CU and soft grasses maintained in the field. However, in replants prophylactic spraying using diluted cypermethrin for immature palms in zero burning of oil palm to oil palm replanting was carried out against Rhinoceros Beetles as per SOP.

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Clause	Indicators		Comply Yes/No	Findings
		situations identified in industry's Best Practice. Major Compliance		
	4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm / 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 Regs (2000). Minor Compliance	YES	All estates in Derawan CU 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 Reg. 2000.
	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 be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers. Major Compliance	YES	Records verified at time of visit at Derawan CU estates showed that pesticides were handled, used and applied by trained persons and as per the MSDS of the pesticide. The staff and workers such as the storekeepers, 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. The trade and generic names of the chemicals were made known to the workers through the MSDS training. It was also noted that MSDS are available at all sites during the audit. Training on pesticide handling and spraying technique was carried out by OSH team and by the Assistant Manager. The training included the safety aspects and usage of PPE when handling with pesticides.
	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.	YES	The chemical stores in all estates were found to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149). Empty pesticides containers were triple rinsed, holes punched and stored separately in the scheduled wastes store. Thereafter disposal arrangement will follow accordingly as per procedures.

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Clause	Indicators		Comply Yes/No	Findings
		Pesticides shall be stored in accordance to the OSHA 1994 (Act 514) and Regs. and Orders, Pesticides Act 1974 (Act 149) and Regs. Major Compliance		
	4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	YES	Pesticide applications were guided by SDPB'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 practiced by all four estates. There was no evidence to show that any had been carried out. This was confirmed through observation during the site visit, estate complex and interview with the employees.
	4.6.9	Evidence of continual training to enhance knowledge and skills of employees and associated s/holders on pesticide-handling shall be demo or made available. Minor Compliance	YES	Training on pesticide/chemical handling was continuously carried out at Derawan CU. The trainings included the safety aspects and usage of PPE when handling with pesticides and herbicides.
	4.6.10	Proper disposal of waste material, according to procedures that are fully-understood by workers and managers shall be demo. Minor Compliance	YES	The procedure on waste disposal has been established. Collection is made by a DOE licensed contractor. The documents pertaining to the SW dispatches were sighted and verified.
	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance	YES	The assessor recommended medical surveillance conducted for the categories of employees in the workshop and laboratory and chemicals handlers. Similar CHRA was compiled for the estates with details provided below. The CHRA report among others described requirement of medical surveillance to be made for the listed category of employees. Medical surveillance was performed by an registered OHD. The results for the entire team were positive and declared FIT to handle chemical. Details as shown below.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance	YES	All the estates and mill in the CU complied with procedure and guidelines provided the Standard Operating Procedure adopted by the Organisation whereby no work with pesticides is given to pregnant or breast-feeding women. <i>Tidak dibenarkan pekerja wanita yang MENGANDUNG / MENYUSUKAN anak membuat kerja-kerja penyemburan)</i>
C 4.7	4.7.1	An occupational health and safety		The Group Occupational Safety & Health Management Policy had been established and

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Clause	Indicators		Comply Yes/No	Findings
An occupational health and safety plan is documented, effectively communicated and implemented. The occupational health and safety plan shall cover the following:		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	implemented. The Policy is implemented through the OSH activities by the Regional SQM Executives and monitored by SQM Department at Head Office. Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees & contractors & visitors.
	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 Mill and Estates had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. HIRARC for the mill/estates was formalized on in 2008 with review made annually, latest in Mar – Apr 2019.
	4.7.3	All workers involved in the operation shall be adequately trained in safe working practices. 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	NO	Trainings and briefings 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, etc. However, on Derawan Estate, at time of visit it was observed that workers carrying out harvesting and applying fertilisers were not wearing the appropriate PPE. Thus the Major NCR STK 01 2019 was issued.
	4.7.4	The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. Major Compliance	YES	All the Estates / Mill Managers were appointed as the Chairman of the ESH committee. The letter of appointment for the Managers signed by the Regional CEO was sighted. The Managers subsequently assigned duties of ESH coordinator to the Assistants for the down line implementation of ESH practices in the estates. Similar appointment was made for all the estates and the mill. Safety & Health Committee has been established through the ESH committee. ESH safety committee organisation chart for 2019 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	NO	Accident & Emergency Procedures guidelines were issued by SQM and amended to tailor to the situation differences in the estates and mills. ERT members will receive training and

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Clause	Indicators		Comply Yes/No	Findings
		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		practice in emergency procedures appropriate to their respective workplace and degree of risk. The trainings are conducted by an accredited or qualified organisation who can demonstrate their suitability to provide training. The trained personnel for the First Aid were among the employees working in the mill on shift and the estates staff/mandores. The first aid boxes were available at various points in the mill complex including laboratory, office, workshop, process control room etc. Similarly, the estates distributed the first aid box to the mandores to be brought along to the field during operations and also first aid boxes kept in the office, store and workshops. However, first aid equipment were not available at some worksites. At time of visit it was observed that First Aid Boxes were not available at: a) Derawan Estate: at the harvesting worksites in Fields P15B & P14C and at the manuring worksite in Field 14A. b) Damai Estate: at EFB application worksite in Field 2017C As this was a recurrent Minor Non-Conformance, the Major NCR STK 02 2019 was issued.
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	YES	SOU Derawan provides medical care to Group Estate workers with Klinik Ladang established within the premises. Cases requiring higher attention of medical care are referred to Hospital Bintulu located approximately 50 km from the Estates/Mill vicinity. At the same time, SOU Derawan continued to provide group insurance for all their foreign workers as required under the Workmen Compensation Act 1992. Sighting of records and cross check with workers showed that they were covered with valid insurance policy. Local and foreign workers were covered by SOCSO.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	YES	Accident statistics are being maintained and periodically reviewed (quarterly basis) during 'Health and Safety' committee meeting – minutes reviewed. The accident records were recorded and verified during audit.
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	The training program for 2019 covering all aspects of the RSPO Principles and Criteria and other essential operations activities has been established. Regular assessments of training needs were available and verified. Training needs identification matrix has been established with target dates for of implementation.
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	YES	SOU Derawan had trained their staff, workers and records of training were kept in the RSPO training file. The records included information on the title of the training, name and signature of the attendees, name of the trainer, time and venue.

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### **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	Derawan CU has established its environmental aspects / impacts register associated with their activities. Environmental aspect and impact which covers form upstream activities such as FFB reception until downstream processes was sighted during assessment. Established for 2019. Identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the most significant environmental receptors are the boiler stack emission which associated with air emission, palm oil mill effluent (POME) discharge 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 identify the responsible person/s. Minor Compliance	YES	Derawan POM established an Environmental Aspect and Impact Identification. The Environmental Impact Evaluation Form was used to identify Aspect & Impact and initiated the management system. The record was reviewed in Oct 2019 by the Assistant Engineer and approved by the Mill Manager. No changes were made to the record.
	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	Derawan POM recorded no changes made to the environmental aspects and impacts or current practices which require changes in the environmental action plans at the mill. Nevertheless, the existing environmental action plans had identified timeframes and responsible person at each operating unit assessed: (a) BOD final discharge, (b) Reduce water consumption, and (c) Reduce electricity consumption. Similarly for the Estates an environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. The pollution prevention plan and waste management plan were reviewed on yearly basis and was verified at all visited operating units.
C 5.2 The status of rare, threatened or	5.2.1	Information shall be collated in a High Conservation Value (HCV) assessment that	YES	SOU Derawan has reviewed their HCV with new assessment conducted on June 2017. The new HCV assessment titled 'HCV Assessment For Sarawak Zone which included both the planted area and relevant wider landscape-level considerations with villages and forest reserved. Based



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Clause	Indicators		Comply Yes/No	Findings
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.		includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). Major Compliance		on the HCV assessment report, there is only HCV 4 declare in SOU Derawan and the total area of HCV area for SOU Derawan is 333.70ha.
	5.2.2	Where RTE species, or HCVs, are present or are affected by plantation or mill ops, 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 threatened or endangered (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 Sept 2019.
	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 Sarawak Wildlife Department immediately.
	5.2.4	Where an action plan has been created there shall be ongoing monitoring: The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; Outcomes of monitoring shall be fed back into the action plan. Minor Compliance	YES	An action plan for FY2018/2019 was made available at the Takau, Derawan, Sahua and Damai. The outcomes of monitoring were included in the HCV report. Noted the CU had continued to implement planned actions such as awareness to the staffs and public on enhancing biodiversity, posting of relevant information in the Sime Darby webpage and erection of signage at strategically locations
	5.2.5	Where HCV set-asides with existing rights of local communities have been	YES	There is no HCV set-asides with existing right of local communities in SOU Derawan.

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Clause	Indicators		Comply Yes/No	Findings
		identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. Minor Compliance		
C 5.3 Waste is reduced, recycled, re-used, and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	YES	The CU has identified and documented all waste product and sources of pollution from its activities. The environmental management plans were established at each site to manage and mitigate the wastes and its impact.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	YES	All chemicals and their containers were disposed responsibly including pesticides containers. a) Empty pesticides containers were rinsed at the washing station prior to disposal. b) Disposals were carried out in compliance with relevant regulation of scheduled waste. Inventory & consignment notes verified for confirmation of proper management & disposal. c) The estates in the Derawan CU practiced recycling of empty containers for storage of mixed chemicals solution for spraying activities in the fields.
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented Minor Compliance	YES	There are procedures and guidelines in the disposal of wastes and pollutants guided by RSQM Head Office level to minimize pollution on the routine operation. It has been implemented accordingly.
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 and has been incorporated into the Environmental Aspect and Impact activities report for 2019. The document was updated on July 2019. The Environment Management Plan for efficiency of fossil fuel usage are in place and monitored accordingly. are detailed below:
C 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice	5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Major Compliance	YES	SDPB policy on no open burning is reflected in the established procedure and carbon policy. All estates practiced zero burning. During the visit to replant areas, it was evident that all palms were felled, shredded, windrowed left to decompose.
	5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior	YES	As per SDPB policy on zero burning during land preparation for replanting, all estates had adhered to this policy. There was no evidence of any burning observed in the 2018 & 2019 replants visited during the audit. It was evident that all palms were felled, shredded, windrowed

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Clause	Indicators		Comply Yes/No	Findings																											
		approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Minor Compliance		left to decompose.																											
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 recognised 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	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent.	YES	An assessment of all polluting activities has been conducted and monitored. This included the gaseous emissions, particulate / soot emissions and effluent. The CU has continued to maintain its environmental aspects/impacts register associated with their activities. Environmental aspect and impact (EAI) records which covers estates and mill activities / operation. 'Pollution Identification Environmental Improvement Action Plan' is used to identify the waste products and sources of pollution, was in place and is reviewed accordingly.																											
	5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	YES	Derawan CU had identified emission of greenhouse gas (GHG) from their operations such as emission from their farm tractor and gen set operation. Emission Sources have been identified from Land Conversation, Fertilizer (mineral) Manufacture & Transport, NO from fertilizer, Fuel Consumption, Peat Oxidation, POME and reported in the PalmGHG Summary Report.																											
	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	<p><u>Summary of net GHG emissions from PalmGHG calculator</u></p> <p>Please indicate PalmGHG calculation option used: Option 2</p> <p style="text-align: center;"><u>Summary of Net GHG Emissions</u></p> <table><tr><th>Emissions per Product</th><th>tCO2e/tProduct</th></tr><tr><td>CPO</td><td>1.64</td></tr><tr><td>PK</td><td>1.64</td></tr></table> <table><tr><th>Extraction</th><th>%</th></tr><tr><td>OER</td><td>20.22</td></tr><tr><td>KER</td><td>4.4</td></tr></table> <table><tr><th>Production</th><th>t/yr</th></tr><tr><td>FFB Processed</td><td>259244.13</td></tr><tr><td>CPO Produced</td><td>51723.38</td></tr></table> <table><tr><th>Land Use</th><th>ha</th></tr><tr><td>OP planted area</td><td>16563.89</td></tr><tr><td>*OP planted on peat</td><td>*35.3929</td></tr><tr><td>Conservation (forested)</td><td>0</td></tr><tr><td>Conservation (non-forested)</td><td>0</td></tr></table>	Emissions per Product	tCO2e/tProduct	CPO	1.64	PK	1.64	Extraction	%	OER	20.22	KER	4.4	Production	t/yr	FFB Processed	259244.13	CPO Produced	51723.38	Land Use	ha	OP planted area	16563.89	*OP planted on peat	*35.3929	Conservation (forested)	0	Conservation (non-forested)
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Clause	Indicators		Comply Yes/No	Findings																																																																																																
thereafter to public reporting. Growers and millers make this commitment stakeholder groups of the RSPO. Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.				<table><tr><td>Total</td><td>25697.57</td></tr></table> <p>*This value is reflecting the peat area from Takau estate (from Derawan CU) with the total of 13.24 Ha, and the balance was from Rajawali estate which was counted due to crop diversion received by Derawan POM from the said estate.</p> <p><b>Summary of Field Emissions and Sinks</b></p> <table><tr><td></td><td colspan="2">Own Crop</td><td colspan="2">Group</td></tr><tr><td></td><td>tCO2e</td><td>tCO2e/tFFB</td><td>tCO2e</td><td>tCO2e/tFFB</td></tr><tr><td>Emissions</td><td></td><td></td><td></td><td></td></tr><tr><td>Land Conversion</td><td>71426.3</td><td>0.64</td><td>9103.25</td><td>0.74</td></tr><tr><td>*CO2 Emissions from Fertiliser</td><td>6224.69</td><td>0.06</td><td>720.85</td><td>0.07</td></tr><tr><td>**N2O Emissions</td><td>5523.45</td><td>0.05</td><td>578.9</td><td>0.06</td></tr><tr><td>Fuel Consumption</td><td>1143.08</td><td>0.01</td><td>219.34</td><td>0.02</td></tr><tr><td>Peat Oxidation</td><td>611.49</td><td>0.01</td><td>9</td><td>0.01</td></tr><tr><td>Sinks</td><td></td><td></td><td></td><td></td></tr><tr><td>Crop Sequestration</td><td>-66378.6</td><td>-0.59</td><td>-8657.73</td><td>-0.69</td></tr><tr><td>Conservation Sequestration</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Total</td><td>18550.41</td><td>0.16</td><td>2063.61</td><td>0.21</td></tr></table> <p><b>Summary of Mill Emissions and Credits</b></p> <table><tr><td></td><td>tCO2e</td><td>tCo2e/tFFB</td></tr><tr><td>Emissions</td><td></td><td></td></tr><tr><td>POME</td><td>23652.83</td><td>0.21</td></tr><tr><td>Fuel Consumption</td><td>1617.68</td><td>0.01</td></tr><tr><td>Grid Electricity Utilisation</td><td>0</td><td>0</td></tr><tr><td>Credits</td><td></td><td></td></tr><tr><td>Export of Grid Electricity</td><td>0</td><td>0</td></tr><tr><td>Sales of PKS</td><td>0</td><td>0</td></tr><tr><td>Sales of EFB</td><td>0</td><td>0</td></tr><tr><td>Total</td><td>25270.51</td><td>0.22</td></tr></table> <p><b>Palm Oil Mill Effluent (POME) Treatment</b></p> <table><tr><td>Divert to compost</td><td>0%</td></tr><tr><td>Divert to anaerobic digestion</td><td>100%</td></tr></table>	Total	25697.57		Own Crop		Group			tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB	Emissions					Land Conversion	71426.3	0.64	9103.25	0.74	*CO2 Emissions from Fertiliser	6224.69	0.06	720.85	0.07	**N2O Emissions	5523.45	0.05	578.9	0.06	Fuel Consumption	1143.08	0.01	219.34	0.02	Peat Oxidation	611.49	0.01	9	0.01	Sinks					Crop Sequestration	-66378.6	-0.59	-8657.73	-0.69	Conservation Sequestration	0	0	0	0	Total	18550.41	0.16	2063.61	0.21		tCO2e	tCo2e/tFFB	Emissions			POME	23652.83	0.21	Fuel Consumption	1617.68	0.01	Grid Electricity Utilisation	0	0	Credits			Export of Grid Electricity	0	0	Sales of PKS	0	0	Sales of EFB	0	0	Total	25270.51	0.22	Divert to compost	0%	Divert to anaerobic digestion	100%
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Clause	Indicators		Comply Yes/No	Findings						
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### **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) covering 5 operating units namely Derawan Palm Oil Mill, Derawan Estate, Sahua Estate, Takau Estate and Damai Estate was carried out in Sept 2016 by the PSQM Unit of the Sime Darby Plantation. The SIA Report for SOU 33 Derawan had considered access and user rights, economic livelihood, women, health and education facilities for children, subsistence activities, cultural and religious values. It also listed out the findings from the SIA and Action Plan needed.
	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 of meetings that were available and sighted, there is evidence that the SIA was done with the participation of the affected parties at the Mill and Estates in SOU 33. Those who participated in the SIA were harvesters, loaders, security personnel, loose fruit collectors, manurers, drivers, store keepers, sprayers, auxiliary police, clerical staff, general workers, teachers from nearby schools, the police, etc.
	6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, incl. responsibilities for implementation. Major Compliance	YES	There is evidence that the reviews of the Action Plan were developed following inputs and feedbacks from affected parties. The inputs were then incorporated into a document with timetables and names of persons in charge. Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, were developed.
	6.1.4	The plans shall be reviewed as a min once every 2yrs 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 incl. the participation of affected parties. Minor Compliance	YES	The SIA which was conducted in September 2016 and the reviews are being held by the respective units annually.

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Clause	Indicators		Comply Yes/No	Findings
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes. Minor Compliance	YES	There was no smallholders' scheme at SOU 33 Derawan and therefore this indicator is not relevant.
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	Consultation and communications procedures for SOU 33 Derawan was documented in the Standard Operating Manual.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	YES	Management officials responsible for social issues were duly appointed. Evidence reviewed during audit.
	6.2.3	A list of stakeholders, records of all comm., incl. 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 list of stakeholders for the Mill and Estates in SOU 33 Derawan was maintained by the respective sites. The stakeholders comprise of contractors, vendors/suppliers, neighboring estates/smallholders, government agencies, clinics, hospitals, etc. The Stakeholders lists for the Mill and Estates in SOU 33 Derawan CU were verified by the auditor.
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	SOU 33 Derawan has a system in resolving disputes and grievances through the procedure called "Tatacara Perundingan Dalam Menangani Rungutan Dan Aduan", and "Tatacara Perundingan Dalam Menangani Masalah Sosial". The Mill and Estates within SOU 33 each have its own Internal Complaint Book and External Communication Book. The Internal Complaint Book is used for employees to lodge complaint pertaining to their houses. The external book at the Mill and Estates were reviewed and found no complaints against the CU.
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	YES	There is no record of any dispute at SOU 33 Derawan. However, documentary evidence was made available during the audit that complaints are being resolved and the outcome made available.
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,	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 entitled: <ul style="list-style-type: none"> <li>• "Procedures for Handling Boundaries Disputes";</li> <li>• "Procedures For Handling Squatters Dispute" (for land issues or ex-workers who remain in housing complex)</li> </ul>
	6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective	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 the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures.

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Clause	Indicators		Comply Yes/No	Findings
local communities and other stakeholders to express their views through their own representative institutions.		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 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 this Surveillance Audit, no negotiation and payment of compensation has been carried out to any party and therefore this Indicator is not applicable.
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	YES	Documentation of pay throughout SOU 33 Derawan is in the form of monthly pay slips given out to all employees. Conditions of pay on the other hand, are contained in the employees' respective employment contracts/letter of employment. Samples of the monthly pay slips and employment contracts/letters of employment were made available and reviewed during the audit. Each pay slip include the name of employee, month of pay, income (basic, overtime, reimbursement, allowances), deductions (statutory such as EPF, SOCSO, EIS), net salary, number of days worked, annual leave and medical leave taken, etc. Interview with workers reveal that they understand the contents of the pay slips and would seek explanation whenever they needed clarifications. Immigration documents and Salary slips of the following local and foreign workers directly hired by SOU33 together with employees of contractors at the following Estates were verified and found to comply with legislations. Verified salary slips of the workers were complied with Minimum Wage Order 2018. All workers at the Mill and Estates at SOU 33 Derawan were found insured either through Foreign Workmen Compensation scheme or SOCSO.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement,	YES	Contracts and conditions of employment are contained in employment contracts signed between the Mill and respective estates on one hand, and their workers on the other. The employment contracts sampled were prepared in Bahasa Indonesia because all the foreign workers are from Indonesia. Verbal briefings on the contents of the agreement were also done for the workers. Worker Induction was provided for new workers which include briefing on "Company policy, COBC and Whistleblowing".

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Clause	Indicators		Comply Yes/No	Findings
		maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance		
	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. Minor Compliance	YES	Field visits to the line sites reveal that generally, the Estates and Mills provide adequate housing to their employees. Each house has three rooms and accommodates between 3 to 6 workers per house. Among the facilities provided include a <i>surau</i> , playing field, a kindergarten, creche, grocery shops and a clinic which is managed by a Medical Assistant and a support staff. A visiting Medical Officer comes for regular visits once a fortnight to assist with linesite inspections, dispensing medical advice and treating patients. The houses are provided rent-free, including free treated water and electricity which are available 24 hours a day.
	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	At SOU 33 Derawan, eight (8) grocery shops incl. canteens were provided for the convenience of the workers in the CU. The workers are free to purchase their daily needs and provisions from either one of the grocery shops near the workers' housing complexes. Among the items sold include vegetables, frozen chicken, eggs, rice, flour, sanitary items, cooking oil, coffee, tea, sugar, etc.
C 6.6 The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	YES	Recognition of freedom of association is available in the Sime Darby Plantation Social Policy dated in Jan 2015. The policy states that the company respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. This Social Policy is applicable throughout all operating units and is printed and translated in Bahasa Malaysia and displayed on notice boards.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	YES	The workers in the estates and mill are not unionized. However, each Estate and Mill have its own Safety Committee where several workers (both local and foreign sit on the Committees).



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Clause	Indicators		Comply Yes/No	Findings
free association and bargaining for all such personnel.				
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	The policy on non-employment of children is contained in the Sime Darby Social Policy dated in Jan 2015. There was no evidence that the estates and the mill employed anyone below the age of 18 years. This was verified by examining the master lists of workers sighted at the Mill and Estates. Interviews with workers and staffs, as well as observations made during field visits show that those employed are 18 years and above
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 on notice boards in both Bahasa Malaysia and English.
	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 (harvesters, sprayers, manurers). 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, qualities, and medical fitness necessary for the jobs available. Minor Compliance	YES	Based on interviews with the estates and mill management and documentation review (interview assessment and medical report), recruitment selection, hiring and promotion are based on suitable job vacancies, experience, qualification/skill and medical fitness appropriate for the job. Candidates submit their application forms followed by interview assessment and medical check-up. Annual appraisal forms are used to determine the employee's skills and capabilities.
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 Jany 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. The Gender Committee Meetings are being held regularly where topics discussed include sexual harassment and violence. Records of Gender Committee Meetings were sighted.
	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.	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. Records of Gender

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Clause	Indicators		Comply Yes/No	Findings
		Major Compliance		Committee Meetings were sighted.
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	YES	A grievance mechanism for workers pertaining to the respects of anonymity and protects complainants is in place at the CU. It is 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 FFB shall be publicly available. Minor Compliance	YES	Current and past prices paid for FFB, was made available at the mill weighbridge.
	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 a third party FFB supplier, boiler contractor and maintenance contractor. Based on the interviews, it was evident that FFB suppliers and contractors understand the pricing mechanism. The pricing mechanism is stipulated and documented in their respective contracts with the Mill and estate(s).
	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	Interviews conducted with contractors at the estates and they confirmed their understanding of the agreements they entered into, and that the contractual relationship with the Estates and Mill are fair, legal and transparent.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	YES	Interviews conducted with the contractors as detailed under Indicator 6.10.3 confirmed that payments are made in a timely manner; namely within 2 – 3 weeks of issuance of invoice.
C 6.11 Growers and millers contribute to local Sustainable development where appropriate.	6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor Compliance	YES	SOU 33 Derawan contribute to local development via its Corporate Social Responsibility programmes. Among contributions provided are provision of a school bus to transport school children living in the workers' housing complex, payment of operation and maintenance costs of the kindergarten, creche, surau and payment of creche workers' salaries.
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor Compliance	YES	Since there is no scheme smallholders within SOU33 Derawan, this indicator is therefore not yet 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, field observations, review of the employment contracts, records of wages, overtime payments, there is no evidence of any form of forced or trafficked labour within SOU 33 Derawan.

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Clause	Indicators		Comply Yes/No	Findings
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	YES	As verified through employment contracts, and interviews with foreign workers, it was verified that no contract substitution has occurred at the Mill and estates.
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	YES	There is evidence of implementation of special labour policy at SOU 33 Derawan Mill and Estates. Post-arrival orientation or Workers Induction programmes were provided to new workers at the Mill and Estates which focus especially on language, safety, labour laws, cultural practices etc. Worker Induction include briefing on "Company policy, COBC and Whistleblowing".
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 ops. 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. This policy was communicated to the workers during muster briefings.
	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 3 Derawan provides education opportunities to children of foreign workers who are ineligible to enter Malaysian national schools. These children enrol into the Community Learning Centre (CLC) which is located at the neighbouring SOU Rajawali. Transport is also provided to allow the children access to education.

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### **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 all four estates. Based on the audit findings, it is confirmed that there were no new planting or new development of areas at Derawan CU.

### **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:		
	a)	Reduction in use of pesticides (Criterion 4.6);	YES	The CU adopted several continuous improvements in reducing of pesticides i.e. increasing planting of beneficial plants mainly <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> and continue to monitor pest through Early Warning System.
	b)	Environmental impacts (Criteria 4.3, 5.1 and 5.2);	YES	Environmental impact assessment, management action plans and continuous improvement plan for Derawan SOU has been updated and monitored by management. Among the improvement actions: a) construction of sump at chemical and workshop to prevent ground or water contamination. b) collect back chemicals bags and allocate store for control of misused. c) use of tray for tractor parking and workshop stations to prevent ground contamination.
	c)	Waste reduction (Criterion 5.3);	YES	The management of Derawan SOU had plan to reduce emission by daily inspection and monitoring for their farm tractor / lorry and gen set / water treatment plant to prevent any leakage and problem which can impact on smoke emission.
	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	YES	The management of both estates and mill had plan to reduce emission by daily inspection and monitoring for their farm tractor / lorry and gen set / water treatment plant to prevent any leakage and problem which can impact on smoke emission.
	e)	Social impacts (Criterion 6.1);	YES	The CU had the following plan with provision made in the CAPEX for implementation in 2019/2020 a) Sahua Estate had provision in CAPEX 2019 and 2020 for upgrading of workers

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Clause	Indicators		Comply Yes/No	Findings
				<p>quarters</p> <p>b) Surau in the estate is planned to be equipped with air conditioned for comfort of prayers.</p> <p>c) Availability of 1 unit passenger lorry to ferry workers to workplace in the fields.</p> <p>The CU continued to improve the social impacts with activities like:</p> <p>a) implementation of retention incentive for foreign workers.</p> <p>b) organized social events for worker and communities, such Workers' Day celebration together with The Best &amp; Beautiful House competition on and Family Day. This will be continued and the CU had a similar program for the current financial year 2019/20 planned during the 4<sup>th</sup> quarter 2019.</p>
	f)	Encourage optimising the yield of the supply base Major Compliance	YES	<p>As Derawan CU is part of a well-established organization, Sime Darby Plantations Berhad, the yield performance has always been the top priority in ensuring long-term economic and financial viability. In general, various efforts had been done to optimize the yield of the plantation such as;</p> <p>a) maximizing crop recovery, optimum ripeness</p> <p>b) standard (harvest ripe bunches only and 100% loose fruit collection),</p> <p>c) the soil fertility was maintained and planting only high yielding planting material.</p> <p>d) Introduction of FM3 machine for the fertilizer application – mechanization enhancement.</p> <p>e) Usage of Havana cutter to improve the harvesting productivity to implement in Dec 19.</p>

### RSPO Certifications Systems for Principles & Criteria June 2017

Clause	Indicators		Comply Yes/No	Findings
<p>4.5.3 Time-bound plan</p> <p>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</p>	(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>SDP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills.</p> <p><b>Indonesia</b> <b>PT Mitral Austral Sejahtera</b> PT MAS undergone RSPO Main Assessment in July 2011. The certification body for PT MAS has considered that Sime Darby Plantation still meets the requirements of the RSPO report has been submitted for EB review. A verification audit was conducted by the Certification Body in early 2013 and Sime Darby Plantation will proceed with the next steps of resolution of the matter. Ongoing and regular (bi-monthly) discussions is ongoing between Sime Darby Plantation and the project affected communities. Reports on the progress regular basis since Nov 2012. The</p>

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<p>failure to proceed with implementation of the plan, a major non-compliance shall be raised;</p>				<p>latest progress report submitted to RPSO dated 8/9/2017. SDP continues to engage all affected parties through regular discussions and progress reporting is being made to the RSPO Secretariat. As per current status (23/01/2019) SDP and affected parties will be resolved all the issues to proceed with legal review. <a href="https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail">https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail</a>. As at end June 2019 Sime Darby already sell this properties to PT inti Nusa Sejahtera (PT INS). Refer letter dated 27 June 2019 to RSPO Secretariat and announcement at Bursa Malaysia <a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a>.</p> <p><b>PT Bahari Gembira Ria</b> 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. Socialisation with the entire KUD is currently ongoing. Land Use Change Analysis has been completed for Plasma BGR. Refer to RSPO Certificate &amp; Report for PT BGR - <a href="https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ">https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ</a></p> <p><b>PT Sandika Natapalma &amp; PT Budidaya Agro Lestari</b> Perijinan informasi lahan is obtained in 2015 while the other 'perijinan' is still in processing. As at June 2017, the smallholders with the total of 29,914 Ha (58% from the total Ha, 51,715 Ha) of associated smallholders in Indonesia has been certified. Certification process for the remaining associated smallholder's areas was on-going. SDP expect to achieve 100% RSPO certification of associated smallholders and out growers by end 2020.</p>
	(b)	<p>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;</p>	YES	<p><b>PT Bersama Sejahtera Sakti</b> The new project at KKPA Maju Bersama by the plasma community is currently in nursery stage and not yet due for harvesting, the year of planting was in 2014.</p> <p><b>PT Ladang Rumpun Subu Rubadi</b> SAP 1 Estate PLASMA will be undergone 2<sup>nd</sup> stage audit on 2019.</p> <p><b>PT Guthrie Pecconina</b> Sungai Jernih Estate and the KKPA Estates has undergone audit.</p> <p><b>PT Sime Indo Agro</b> Only East estate not yet certified – land legalization still in progress.</p>

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			<p><b><u>Liberia</u></b> SDPL has undergone RSPO Main Certification audit scheduled on 19-23/3/2018, but the assessment was only completed conducted and put on-hold due to security &amp; safety issue. After due consideration on the current engagement with the House of Representative in Liberia, SDP management decided to postpone the time bound plan of RSPO Certification to 2019 until satisfactory resolution and demonstration of progress towards the 15 recommendations by the Special Legislative Committee of the House of Representative, Liberia in managing the potential risks resulting from the RSPO Certification process. A letter of Request for Extension of RSPO Certification Time Bound Plan for Sime Darby Plantation dated 22/5/2019 was sent to RSPO Secretariat, Head of Certification, and with response to Sime Darby Plantation on 23/5/2019 with no objections on the extension.</p> <p><b><u>Papua New Guinea (NBPOL)</u></b> Markham Farming Company Limited (MFCL) / Markham Agro Pte. Ltd. Estimate to be certified on year 2020. The majority of Markham Farms has already been planted by the former owner without following RSPO NPP. Therefore, the Remediation and Compensation Procedure will be required to be full filled in order to achieve certification. The Disclosure has been has been initiated on 18/10/2018. Currently HCV/HCS, SEIA and LUCA are being undertaken in order to submit and mitigation and remediation plan to RSPO. As this process has never been completed through RSPO in less than 2 years, the time frame for the 100% certification of Markham Farms is set to that duration. <a href="https://rspo.org/certification/remediation-and-compensation/racp-tracker">https://rspo.org/certification/remediation-and-compensation/racp-tracker</a> no 82</p>
	(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);	<p>YES</p> <p>Time bound plan was verified by CB and it can be confirmed that there were several changes to the current time bound plan as verified during this audit. Liberia has receive and extension of Timebound Plan which is until 2020 and PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera Refer letter dated 27/6/2019 to RSPO Secretariat and announcement at Bursa Malaysia <a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a></p>

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4.5.4 Requirements for uncertified management units:	(a)	No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. Any new plantings since 1 <sup>st</sup> Jan 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;	YES	Based on internal and external audit (ISPO certified) there was no replacement of primary forest or HCV areas in the uncertified management unit. Except for NBPOL area which have potential liabilities of RSPO grower members and the stages of the Remediation and Compensation Procedures (RaCP) that the management units (MUs) are currently undergoing. <a href="https://rspo.org/certification/remediation-and-compensation/racp-tracker">https://rspo.org/certification/remediation-and-compensation/racp-tracker</a> no 82
	(b)	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6;	YES	Regular discussion was ongoing between Sime Darby Plantation and the group of community (PAC) through bi-monthly Tim Kerja Perwakilan Petani (TKPP) meeting since Nov 2012. In Oct 2013, representatives from two of nine villages (Kerunang and Entapang) left TKPP. These two villagers are supported by and working with TuK and OXFAM. They have then requested SDP to enter into Dispute Settlement Facility (DSF) in June 2014. Hence, there were two groups of communities: The TKPP (7 of 9 villages) and the Kerunang & Entapang team (2 of 9 villages). 21 TKPP meetings have been conducted. The most recent one was held on 2/11/2016. Issues related to the 14 demands made by TKPP were closed except for two. As per current status (23/01/2019) SDP and affected parties will be resolved all the issues to proceed with legal review. <a href="https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail">https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail</a> However, Sighted as at June 2019 PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera Refer letter dated 27 June 2019 to RSPO Secretariat and announcement at Bursa Malaysia <a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a> .
	(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 June 2019.
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	YES	Based on internal and external audit (ISPO certified) there was no labour disputed recorded at the CU.



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(e)	<p>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:</p>	YES	<p>SDP PT Mitral Austral Sejahtera already ISPO certified by MUTU Certification International on 30/11/2017 and there was no issue on legal non-compliance for all uncertified unit. However, Sighted as at June 2019 PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera Refer letter dated 27/6/2019 to RSPO Secretariat and announcement at Bursa Malaysia <a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a></p>																				
	<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>		<table border="1"> <thead> <tr> <th>#</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 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 Ladang rumpun Subur abadi</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> <tr> <td>3</td><td>PT Bersama Sejahtera Sakti</td><td>KKPA BSS</td><td>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 Apr 18.</td></tr> <tr> <td></td><td></td><td></td><td>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.</td></tr> </tbody> </table>	#	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 Ladang rumpun Subur abadi	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.	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 Apr 18.				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.
#	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																				
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			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.																				

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			4	PT Bahari Gembira Ria	Plasma BGR	<p>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.</p> <p>Refer to RSPO Certificate &amp; Report for PT BGR - <a href="https://rspo.secure.force.com/membership/servlet/sevlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ">https://rspo.secure.force.com/membership/servlet/sevlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ</a>  <a href="https://rspo.secure.force.com/membership/servlet/sevlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioXOEAZ">https://rspo.secure.force.com/membership/servlet/sevlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioXOEAZ</a></p>
			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)	<div>MAS 1</div> <div>MAS 2</div> <div>MAS 3</div> <div>Mas Factory</div> <div>Plasma MAS</div>	The properties was sold and currently SDP have no control in the management. Please Refer letter dated 27 June 2019 to RSPO Secretariat and announcement at Bursa Malaysia <a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a> .
			7	PT Sandika Nata Palma	<div>Karya Palma</div> <div>KKPA SNP</div>	Internal assessment was conducted on 10 Feb 2017.
			8	PT Budidaya Agro Lestari	<div>Pelanjau (PT BAL)</div> <div>Sungai Putih (PT BAL)</div> <div>Beturus (PT BAL)</div> <div>KKPA BAL</div>	<p>Internal assessment was conducted on 18 - 23 Sept 2016. This PT also has conducted Stage 1 audit on RSPO Certification System, P&amp;C RSPO (2016) and RSPO Supply Chain Certification Standard on 17 – 22 April 2017.</p> <p>Smallholder project – targeted for certification by 2020.</p>
		<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	It was evident that in handling uncertified management unit, SDP engaged with TuK-Indonesia and continued to work on direct engagement with PAC in order to achieve the consensus with the PAC to address all unresolved issues.		

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		<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	<p>Further information can be obtained from <a href="https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail">https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail</a>. However, Sighted as at June 2019 PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera Refer letter dated 27/6/2019 to RSPO Secretariat and announcement at Bursa Malaysia <a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a></p>
<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	<p>As it has been mentioned in 2.2.1 of this checklist, Derawan CU land was owned by Derawan Sendirian Berhad and Saha Enterprise Sdn Bhd. They bought the land from Sarawak Government in April 1988. Derawan Sendirian Berhad and Saha Enterprise Sdn Bhd are owned by Golden Hope and after merged with Sime Darby in 2007, the Land Title was transferred under the name of Sime Darby Plantation Bhd. Based on the interviews and this audit finding, it has been confirmed that there was no such case concerning the rights of local communities and indigenous peoples at Derawan CU.</p>
<p>Note:</p> <p>1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&amp;C.</p> <p>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;</p> <p>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
4.7.3 STK 01	Major	<b>Objective evidence:</b> Derawan Estate: At time of visit it was observed that workers carrying out harvesting in Field P14C and workers applying fertiliser in Field P14A were not wearing the appropriate PPE.	Briefings at muster ground and trainings on the importance of PPE. Training in 2020 will be carried out.  <ol style="list-style-type: none"> <li>1. PPE Training to Manuring Gang</li> <li>2. Issuance of appropriate PPE for the operators</li> <li>3. Daily PPE inspection by the mandore and close monitoring by the in-charge staff and executive</li> <li>4. PPE inspection checklist/logbook to trace misconduct frequency by the workers for appropriate action</li> </ol>	Records of training on PPE attended by 18 employees on 15/11/2019 and training program for 2020 (9/03, 15/06, 21/09 & 28/12) received.  <b>Status: Closed</b>
4.7.5 STK 02	Major (Recurrent Minor)	<b>Objective evidence:</b> At time of visit it was observed that First Aid Boxes were not available at: <ol style="list-style-type: none"> <li>a) Derawan Estate: at the harvesting worksites in Fields P15B &amp; P14C and at the manuring worksite in Field 14A.</li> <li>b) Damai Estate: at EFB application worksite in Field 2017C.</li> </ol>	<ul style="list-style-type: none"> <li>Warning letter to the mandore</li> <li>First aid refresher training to first aiders and emphasis on bringing the kit at all times at work.</li> <li>Ground check by the executive</li> </ul>	Final warning letter to mandora sighted. Evidence of ground check for First Aid boxes for November 2019 & until 16 December 2019 sighted. Photographs on training of Daily inspection of First aid boxes sighted.  <b>Status: Closed</b>

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### RSPO SUPPLY CHAIN : AUDIT CHECKLIST

#### SECTION A : GENERAL INFORMATION

1. File Reference No.	: ES10171015
2. Name of facility/ site(s) /entity(ies)	: Sime Darby Plantations Berhad – SOU Derawan
3. Site Location (single site/multisite/Group)	: P.O Box 2324, 97011 Bintulu, Sarawak, Malaysia
4. SC model	: Identity Preserved change to Mass Balance
5. Type of entity	: Mill / <del>Crusher</del> / <del>Refinery</del> / <del>Biodiesel plant</del> / <del>Primary Oleochemical</del> / <del>Secondary Oleochemical</del> / <del>End product manufacturer</del>  <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 August 18 until July 19 CPO Projected: 26,728.27mt PK Projected: 5,589.09mt CPO Sell: 23,054.68mt CPO Claim as Mass Balance: 5,100.00 mt CPO Claim as Non-RSPO: 17,954.68 mt PK Sell: 4,967.32 mt PK Claim as Mass Balance: 2,150.00mt PK Claim as Non-RSPO: 2,817.32mt

#### SECTION B : GENERAL CHAIN OF CUSTODY REQUIREMENTS FOR THE SUPPLY CHAIN

	Requirements	Remarks
1	<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.	Derawan POM has legal ownership and physically handles RSPO certified sustainable crude palm oil and palm kernel.

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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 Derawan 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	Registered under name: Derawan Oil Mill
1.4	Processing aids do not need to be included within an organization's scope of certification.	No processing aid involved in Derawan POM scope of certification
2	<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.	Derawan POM is aware on the need for 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.	Derawan POM decided to maintain the MB model for their supply chain system. Therefore, the mill is being audited against the general chain of custody requirement for the supply chain as well as Module E of the RSPO Supply Chain Standard.
3	<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:	<p>Derawan POM had revised their documented procedure title '<i>Standard operating procedure for Sustainability Supply Chain and Traceability SD/SDP/PSQM/001</i>'. The procedure described the following:</p> <ul style="list-style-type: none"> <li>• Clause 4.0 ~ the responsibility of for the implementation of RSPO SCC i.e. head of operating unit</li> <li>• Clause 5.0 ~ Control of document &amp; records such as weighbridge tickets, consignment note , training record &amp; contracts. Record retention for 10 years. Define the critical control point (CCP) :estate – weighbridge, mill – weighbridge, admin office, ramp, CPO despatch area, CPO storage tank. Kernel silos.</li> <li>• Clause 6.0 ~ Delivery of FFB from the estate – relevant record involved, flowchart for crop diversion, list of mill and their supply chain model i.e. IP or MB</li> <li>• Clause 7.0 ~ Receiving FFB at the mill – list of supply base, rules for determining diverted FFB destination, relevant record</li> <li>• Clause 8.0 ~ Production of ISCC certified Waste/Residues – Follow SOP</li> </ul>

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		<p>Separate Oil Recovery System</p> <ul style="list-style-type: none"> <li>• Clause 9.0 ~ process monitoring – for IP model mill need to ensure no mixing of RSPO certified and non-certified</li> <li>• Clause 10.0 ~ CPO and PK despatch – [Clause 9.1] all delivery of CPO and PK shall be in accordance with the contract allocated by Global Trading &amp; Marketing (GTM) department. [Clause 9.2] Outgoing document for CPO and PK e.g. contract, weighbridge ticket / despatch note) shall specify the following information which can be either presented in single document or across a range of document Trade name / RSPO IP, RSPO certificate no. : RSPO 0025,</li> <li>• Clause 11.0 ~ Non-conforming material / product – requirement to downgrade the RSPO Product</li> <li>• Clause 12.0 ~ product claim – shall follow RSPO rules on market communication &amp; claim</li> <li>• Clause 13.0 ~ Outsourced contractor - the mill has established list of outsourced contractor. Sighted list of transporter for CPO and PK.</li> <li>• Clause 14.0 ~ Training – the mill shall provide training for relevant personnel carrying the task at tech critical control point (CCP).</li> <li>• Clause 15.0 ~ Reclassification of mill's supply chain model - Reclassification of mill's supply chain model may be determined by GTM/ PSQM. CB shall be notified. All communicated shall be recorded.</li> <li>• Clause 16.0 ~ Production volume</li> <li>• Clause 17.0 ~ Conversion Factors</li> <li>• Clause 18.0 ~ Internal Audit</li> <li>• Clause 19.0 ~ Complaints</li> <li>• Clause 20.0 ~ Management Review</li> </ul> <p>The document was kept in the RSPO Supply Chain Manual (SCM/RSPO/SD) file. Appropriate changes were also made in the change to include the new clause Production of ISCC certified waste/residues materials at the mill</p>
a)	Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.	The supply chain procedure was revised April 2019 (revision: 5). In the Procedure all elements of the RSPO Supply Chain standard had been 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 records, weighbridge reports, dispatch records and training records. All were 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	The Assistant Manager and QA had overall responsibility and authority over the implementation of RSPO supply chain requirement for Derawan POM.

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	implementation of this standard.	
3.2	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organization;</p> <ol style="list-style-type: none"> <li>Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</li> <li>Effectively implements and maintains the standard requirements within its organization.</li> </ol> <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>	<p>RSPO internal audit was conducted on 8/7/19 by internal auditors. The internal audit had followed the requirements of the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. There were 2 Major and 3 Minor nonconformance report (NCR) and 8 OFI raised by auditor. All NCR and OFI has been closed on 1/10/19. The auditor found all corrective action had been successfully address by the POM. Audit Attendance sheet, audit plan, audit notes, was sighted by auditor.</p>
<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 and specification documentation).</p>	<p>DPOM continued to receive certified FFB from the CU's own supply bases as well as non-certified FFBs from outsiders. There were 4 supply bases (estates) sending certified FFBs to DPOM. They were Derawan, Damai, Sahua and Takau Estates. The validity of the certificate of the supplier has been checked accordingly.</p> <p>Sighted FFB consignment note for Takau, Derawan, Sahua and Damai Estates.</p> <p>Among the information available on the FFB consignment note are estate name, delivery date, no of FFB bunches, FFB weight, quantity, unique identification number.</p>



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a)	The site shall have documentation that demonstrate that purchases are made to the material category agreed with their supplier (IP, SG or MB).	<p>DPOM 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 Takau, Derawan, Sahua and Damai Estates.</p> <p>Sighted FFB consignment note for Takau, Derawan, Sahua and Damai Estates.</p> <p>From August 2018 - July 2019. Among the information available on the FFB consignment note are estate name, delivery date, no of FFB bunches, FFB weight, quantity, unique identification number. Derawan POM certify under the MB Model</p>
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.	Derawan 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 announcements.	DPOM 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 Takau, Derawan, Sahua and Damai Estates.
4.2	The site shall have a mechanism in place for handling non-conforming material and/or documents.	<p>DPOM had started implementing the electronic system 'Simeweigh' to trace the volume of in-coming 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.</p> <p>On processing, DPOM still referred to the sales contract issued by the Headquarters office for production planning. As DPOM 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.</p>

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<b>5</b>	<b>Outsourcing activities</b>	
5.1	<p>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.</p> <p><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></p>	There are 3 outsource company CPO transporter. The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. Record of training was sighted.
5.2	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <ul style="list-style-type: none"> <li>a) The site has legal ownership of all input material to be included in outsourced processes;</li> <li>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 outsourcing contractor or operation if an audit is deemed necessary.</li> <li>c) The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>a) 3 outsource company CPO transporters.</li> <li>b) There is contract document between Derawan POM and the transporters. But there is another attachment stated that the contractor agree that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary on date 25/9/19 and 1/10/19.</li> <li>c) The RSPO Supply Chain procedure has described on outsource activity and briefed to the contractor on date 25/9/19 and 1/10/19.</li> <li>d) Inspection was carried out as additional effort to ensure no contamination sighted book at AP Post.</li> </ul>
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

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<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>	<p>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 Derawan POM.</p> <p>Sample of deliveries document were sighted during the audit and it was found all related information were adequate. Derawan POM's RSPO certificate number and product name together with model used were stated in the delivery documents.</p>
<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> <p>must register their transaction in the RSPO IT platform at the time of physical shipment as required by the rules set by RSPO.</p>	<p>The registration of transaction being carried out by Group Plantation Marketing subordinate.</p> <p>Mill receive copy of transaction input to the system on monthly basis based on contract summary (buyer weight being put in).</p> <p>Sample of shipping announcement had been verified during the audit;</p>
<b>8</b>	<b>Training</b>	
8.1	<p>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.</p>	<p>A defined training plan was established &amp; had been reviewed accordingly by the mill management. It involves various departmental function such as weighbridge, laboratory, production.</p>

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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 July 2019 by PSQM Manager, attended by 33 person including PIC, Clerk, Assistant Engineer, Staff, Weighbridge Operator and Attendance list & photograph was seen. The trainer has experience regarding SCCS almost 7 years and already trained by internal and external 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>	
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 and KER as the conversion ratio.
10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	Actual updated on monthly basis.

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<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.	Relevant information on product claim (including applicable SC model and certificate no.) being correctly indicated in the relevant outgoing paperwork. DPOM has not use any RSPO trademark.
<b>12</b>	<b>Complaints</b>	
12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Derawan POM has not received any complaint from stakeholder Should there be any, they could refer to External Communication Procedure in PQMS SOM Sub-section 5.5 Appendix 5.5.3.2.
<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.	The Supply Chain Procedure was revised April 2019 (revision: 5), the said procedure was sighted and found all elements of the RSPO Supply Chain standard were covered which included <ul style="list-style-type: none"> <li>• 20.0 Management Review</li> </ul> The Procedure was sighted and found all elements of the RSPO Supply Chain standard were covered and defined management review will be conducted once a year
13.2	<p>The input to management review shall include information on:</p> <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>	<p>Management review meeting dated in August 2019 (combine RSPO SC and MSPO traceability)</p> <ul style="list-style-type: none"> <li>• Internal audit – NCR 2 Major, 3 Minor and 8 OFI</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 meet 100%%.</li> <li>• Previous meeting – was highlighted</li> <li>• Changes- No Changes</li> <li>• Recommendations for improvement- maintain current practices with recommendations to follow RSPO SCCS 2017</li> <li>• Improvement of the effectiveness of the management system – maintain current practices</li> <li>• Resource needs- maintain current practices.</li> </ul>
13.3	<p>The output from the management review shall include any decisions and actions related to:</p> <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. Resources are sufficient

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### SECTION C : SUPPLY CHAIN MODELS *(to only use whichever is applicable)*

	<b>Module D – CPO Mills: Identity Preserved - Not Applicable</b>	
	<b>Module E – CPO Mills: Mass Balance</b>	
<b>E.3</b>	<b>Documented procedures</b>	
E.3.1	<p>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:</p> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>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 site procedures for the implementation of this standard.</p>	<p>The procedure was kept in file RSPO Supply Chain Manual (SCM/RSPO/SD) Appropriate changes were also made in the change to include the new clause Production of ISCC certified waste/residues materials at the mill</p> <p>The Assistant Manager and QA have overall responsibility and authority for the implementation of RSPO supply chain requirement in RSPO Derawan POM. Interview with sustainability committee member, mill manager, assistant mill manager &amp; weighbridge operator was confirmed they are understood the supply chain requirements.</p>
E.3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	<p>DPOM 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)</p> <p>The Weighbridge Clerks knew and kept a list of all certified supply bases (estates) supplying FFBs to DPOM and checked on the validity of the estates' P&amp;C Certificates for Sustainable Palm Oil Production (P&amp;C Certificate).</p> <p>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&amp;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.</p> <p>DPOM had started implementing the electronic system 'Simeweigh' to trace the volume of in-coming 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 DPOM, 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.</p> <p>On processing, DPOM still referred to the sales contract issued by the Headquarters office for production planning (Refer 9.0 of the SOP – Process Monitoring). As DPOM 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.</p>

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<b>E.4</b>	<b>Purchasing and goods in</b>	
E.4.1	The site shall verify and document the volumes of certified and non-certified FFBs received.	DPOM 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 DPOM. They were Derawan, Takau, Sahua and Damai Estates. For non-certified FFBs, DPOM had sourced them from Five 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. DPOM still kept copies of the FFB Consignment Notes or FFB Delivery Notes issued by the supplying estates.
E.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	There was no overproduction of certified FFBs during the period under review (August 2017 to July 2018). From August 2018 to July 2019, Derawan POM had delivered 5,100 MT of CPO MB to 2 buyer only (Sime Darby Austral) and From same date 2,150.00 MT of PK MB to 1 buyer only (Sime Darby Austral).
<b>E.5</b>	<b>Record keeping</b>	
E.5.1	<p>a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and/or three-monthly basis.</p> <p>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.</p> <p>c) The site can only deliver Mass Balance sales from a positive stock. 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.)</p> <p>For further details refer to Module C.</p>	<p>a) DPOM had continued to keep record and balances of all receipts of RSPO-certified FFBs and deliveries of RSPO-certified CPO and PK on a three-monthly basis in the table 'Mass Balancing Record for Oil Mill'.</p> <p>b) From August 2018 to July 2019, Derawan POM had delivered 5,100 MT of CPO MB to 2 buyer only (Sime Darby Austral) and From same date 2,150.00 MT of PK MB to 1 buyer only (Sime Darby Austral).</p> <p>c) The Mass Balancing Record for Oil Mills –DPOM indicated both positive balances for the certified CPO and palm kernel.</p>

**STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED**

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Verification by Assessor
6.12.3	Major	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented.	<p>The SDP Sarawak Region coordinated by the Sustainability Unit conducted a briefing to all Managers/Assist Managers/MAs and relevant staff on 08/10/18 time 2.30 pm venue at ROSR on the following subjects</p> <ol style="list-style-type: none"> <li>1) induction program for new workers</li> <li>2) min wages</li> <li>3) incident reporting</li> </ol> <p>The training /briefing was attended by 67 people. Signed list of attendance was sighted and verified.</p> <p>Takau Estate conducted induction training by the Manager /Assist Manager on</p> <ol style="list-style-type: none"> <li>a) 11/10/18 for 2 new FW briefing on the following; <ul style="list-style-type: none"> <li>- <i>Perjanjian kontrak &amp; peraturan undang-undang.</i></li> <li>- <i>Polisi2 Syarikat</i></li> <li>- Whistleblowing &amp; function of WMU Careline no</li> <li>- Grievance procedure.</li> </ul> </li> <li>b) 6/11/18 for 16 workers FW on: <ul style="list-style-type: none"> <li>- <i>Kenaikan gaji baru</i></li> <li>- <i>Kontrak kerja</i></li> <li>- <i>Peraturan undang2</i></li> <li>- <i>Salahlaku &amp; tindakan tatatertib/</i></li> <li>- <i>Hak2 pekerja.</i></li> </ul> </li> <li>c) 5/11/18 for 16 personnel FW on; <ul style="list-style-type: none"> <li>- <i>Penerangan kontrak kerja baru.</i></li> </ul> </li> </ol> <p>KKS Derawan held the following training by the Manager/Assist Manager;</p> <ol style="list-style-type: none"> <li>a) 7/11/18 for 11 FW <ul style="list-style-type: none"> <li>- <i>Perjanjian kontrak &amp; peraturan undang-undang.</i></li> <li>- <i>Kenaikan gaji baru</i></li> <li>- <i>Salahlaku &amp; tindakan tatatertib/</i></li> <li>- <i>Hak2 pekerja.</i></li> </ul> </li> </ol>



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			<p>Evidences of the above documents and information were provided by the CU through copies of training forms, photos of pay slips, memos and emails. All evidences provided were satisfactory and conclusive to close the NCR raised during the audit.</p> <p><b>Status: Closed</b></p>
6.5.2	Major	<p>1. Contracts of employment at Derawan Estate were not dated.</p> <p>2. 'Appendix 1' which details out the workers' salary scale is not attached to foreign workers' contracts at Derawan Estate.</p> <p>3. Workers not paid for annual leave taken at Derawan Palm Oil Mill, Derawan Estate, Takau Estate.</p> <p>4. Workers not paid double rate for work on rest day at Derawan Estate and Takau Estate.</p>	<p>The Sustainability Unit communicated with the HR/IR of SDP Head Office via series of emails dated from 18/9/18, 20/9/18, 4/10/18, 5/10/18, 15-17/10/18, 23/10/18, 1/11/18 and 5/11/18 for the discussion to finalise the <i>Review of Employment Contracts for Foreign Workers in Sarawak (Indonesian)</i>. The content has been amended for the following clauses further to the NCR raised among others;</p> <ul style="list-style-type: none"> <li>a) 4.3 – overtime</li> <li>b) 18 – Termination of services.</li> <li>c) 3.1 – salary</li> <li>d) Appendix – rate for field workers</li> <li>e) 12.1 – public holiday</li> <li>f) 14.1 – annual leave.</li> </ul> <p>The Regional HR of Sarawak issued a memo to all OU in Sarawak Region dated 30/10/18 on <i>the working on public holidays and rest days guidelines</i>.</p> <p>There was memos and circulars issued by the Sarawak Regional Office on the following subject;</p> <ul style="list-style-type: none"> <li>a) 1/9/18 on the minimum wages order MWO 2018.</li> <li>b) Basic necessities &amp; benefits provided by SDP to workers on arrival, after arrival and festival token.</li> </ul> <p>A copy of the revised <i>Perjanjian Kontrak Kerja Baru</i> was sighted and verified in the evidence given by the CU. Workers in Sarawak FW were provided with new <i>Perjanjian Kontrak Kerja Baru</i> sampled for Takau Estate on 6/11/18 and KKS Derawan dated 17/11/18.</p> <p>The CU produced a sample of KKS Derawan <i>Contoh Pembayaran Slip Gaji &amp; Checkroll</i> Oct 2018 differentiating the coding of;</p> <ul style="list-style-type: none"> <li>- Code 01 normal pay rate</li> <li>- Code 02 double pay rate.</li> <li>- Code 03 triple pay rate</li> </ul> <p>The CU provided evidence for the pay slip records vs the checkroll report in Oct 18 and confirmed reflective of payment made for the work on rest day and public</p>

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			<p>holidays.</p> <p>a) KKS Derawan employees no 38136 7 52640 &amp; 92015</p> <p>b) Ladang Takau employees no 40165 &amp; 40167.</p> <p>The SDP Sarawak Region coordinated by the Sustainability Unit conducted a briefing to all Managers/Assist Managers/MAs and relevant staff on 08/10/18 time 2.30 pm venue at ROSR on the following subjects</p> <ol style="list-style-type: none"> <li>1) induction program for new workers</li> <li>2) min wages</li> <li>3) incident reporting</li> </ol> <p>The training/briefing was attended by 67 people. Signed list of attendance was sighted and verified.</p> <p>Evidences of the above documents and information were provided by the CU through copies of training forms, photos of pay slips, memos and emails on the revised contract. All evidences provided were satisfactory and conclusive to close the NCR raised during the audit.</p> <p><b>Status: Closed</b></p>
6.1.4	Minor	Impacts of replanting activities at Sahua Estate, Derawan Estate and Damai Estate were not taken into account when reviewing the Social Impact Assessment Plans.	<p>An SIA was conducted in September 2016 and the reviews were held by the respective units annually. For example, the Mill did its review on November 2019. Takau Estate's review was done on 17/9/2019 and Damai Estate on 29/3/2019. Evidence was also sighted on the review and "Management of the Social Impact Assessment Plans" review carried out by Derawan Estate (on 1/10/2019) and Damai Estate (on 29/3/2019) which took into account the impacts of previous replanting activities on affected workers. <b>Status: Closed</b></p>
6.5.4	Minor	No evidence of demonstrable efforts to monitor prices of goods sold at the shops Derawan housing complex.	<p>SOU 33 Derawan management had shown efforts to monitor prices of goods sold at the shops at Derawan Housing Complex through the following evidence i.e. Price Monitoring Exercise Plan. Estate price Control mechanism, Price lists comparison between Derawan and surrounding shops, Raid on Illegal shops report, Instruction to close unauthorized canteen and rental Agreement sample. The objective of the exercise is to ensure all goods sold at the Derawan CU shops are affordable compared to those sold in Bintulu.</p> <p><b>Status: Closed</b></p>

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4.8.2	Minor	<p>The training sessions held during the period of 12 months 2017/2018 has not covered major estates operations among others:</p> <ul style="list-style-type: none"> <li>a) Harvesting &amp; collection</li> <li>b) HIRARC / IPM / PPE Adherence</li> <li>c) HCV / buffer zone</li> <li>d) MSPO/RSPO Awareness</li> <li>e) Briefing of Company's Policies / Induction Program</li> </ul>	<p>Evidence with proper records that all trainings had been carried out had been provided. Reference under Indicator 4.8.2,</p> <p><b>Status Closed</b></p>
4.7.5	Minor	<p>Field no P2015A. The Lady mandore in-charge of the supervision of rat baiting gang at site did not possessed a First Aid Box - non-available at operation site for any contingency use.</p>	<p>Repeated case noted,</p> <ul style="list-style-type: none"> <li>a) Derawan Estate: at the harvesting worksites in Fields P15B &amp; P14C and at the manuring worksite in Field 14A.</li> <li>b) Damai Estate: at EFB application worksite in Field 2017C.</li> </ul> <p><b>Hence, MAJOR NCR Issued.</b></p>

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### ATTACHMENT 7 – Timebound Plan

**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>iii) Updates on PT MAS</p> <p>iii) 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 June 2019**

Status	Malaysia	Indonesia	Liberia	Total	Remarks
<b>RSPO Certified</b>	33	23	0	56	<p>Malaysia            * Effectively 33 Mills (Excluding Bintang Oil Mill)            - 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            *Effectively 23 Mills            *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            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            As at Dec 2017, a total of 28,712 Ha of smallholders have been certified. The entire KKPA (1-5) in Sebamban, 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            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:            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 '11	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	
15	Sua Betong	Port Dickson, Negeri Sembilan	18/2/2014	17-Feb-24	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	20 May '15	19-May-20	RSPO-PC 00101	
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-24	RSPO 600305	Pagoh Oil Mill has been commissioned to replace Nordanal Oil Mill with Certificate No: SPO 549297, certification date: 7 Jan 2011.

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19a	Yong Peng	Yong Peng, Johor	20 Oct '10	19-Oct-15 17-Nov-20	NA	
20	Chaah	Chaah, Johor	18 Nov '10		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	NA	
26	Sandakan Bay	Sandakan, Sabah	1 Oct '08	30-Sep-23	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	
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	2-Jul-23	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 TUNGGAL 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, Kalimantan Selatan	16-Mar-12	19-Jul-22	MUTU-RSPO/016	Recertification of Pondok Labu POM is in progress.
10	PT BERSAMA SEJAHTERA SAKTI	GUNUNG ARU	Sebamban, Indonesia	21-Oct-16	20-Oct-21	MUTU-RSPO/005	



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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, Kalimantan Selatan	30-Dec-11	05-Feb-22	MUTU-RSPO/009	
13		BETUNG		1-April-14	31-Mar-24	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 SEJATI	TELUK BAKAU	Pelangiran, Sg. Guntung, Indragiri Ilir, Riau	01-Dec-16	30-Nov-21	MUTU-RSPO/008	
19		MANDAH		1-April-14	31-Mar-24	MUTU-RSPO/036	
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	

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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	2-May-23	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-24	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

NA - NOT APPLICABLE

## RSPO PUBLIC SUMMARY REPORT

### SDP - RSPO Certification for Time Bound Plan - NBPOL Operations

No	Management Unit	Supply Base	Time Bound Plan	Location	Status	Certified Date
	SOU Name					
1	Guadalcanal Plains Palm Oil Limited (GPPOL)	Tetere Oil Mill	NA	Guadalcanal Province, Solomon Islands	Certified	18-Mar-11
		Tetere Estate				
		Ngalimbiu Estate				
		Mbalisuna Estate				
		Outgrowers – West Zone				
		Outgrowers – Central Zone				
		Outgrowers – MBA East Zone				
		Outgrowers – MBE East Zone				
2	Milne Bay Estates (MBE)	Hagita Oil Mill	NA	Milne Bay Province, Papua New Guinea	Certified	15-Feb-18
		Giligili Estate				
		Waigani Estate				
		Sagarai Estate				
		Padipadi Estate				
		Mariawatte Estate				
		East Gurney Estate				
		West Gurney Estate				
		East Sagarai Estate				
		West Sagarai Estate				
3	Poliamba (POL)	Poliamba Oil Mill	NA	New Ireland Province,	Certified	19-Mar-12

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		Kara Estate		Papua New Guinea		
		Nalik Estate				
		West Coast Estate				
		Noatsi Estate				
		Madak Estate				
		North Smallholders (613)				
		South Smallholders (863)				
		West Smallholders (309)				
4	Ramu Agricultural Industries Ltd (RAIL)	Gusap Mill	NA	Morobe Province, Papua New Guinea	Certified	5-Aug-10
		Gusap East (Gusap) Estate				
		Gusap West (Paddox) Estate				
		Surinam Estate				
		Dumpu Estate				
		Ngaru Estate				
		J Estate (Jephcott) Estate				
5	Higaturu Oil Palm (HOP)	Sangara Oil Mill	NA	Oro Bay Province, Papua New Guinea	Certified	1-Feb-13
		Mamba Oil Mill				
		Embi Estate				
		Ambogo Estate				
		Sangara Estate				
		Sumbiripa Estate				
		Mamba Estate				
		Mosa Oil Mill				

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		Kumbango Oil Mill				
		Kapiura Mill				
		Numundo Mill				
		Waraston Mill				
		Bebere Estate				
		Kumbango Estate				
		Togulo Estate				
		Dami Estate				
6	West New Britain (WNB)	Waisisi Estate	NA	Kimbe, West New Britain, Papua New Guinea	Certified	10-Sep-08
		Kautu Estate				
		Karausue Estate				
		Moroa Estate				
		Bilomi Estate				
		Loata Estate				
		Haella Estate				
		Garu Estate				
		Daliavu Estate				
		Sapuri Estate				
		Malilimi Estate				
		Rigula Estate				
		Nomundo Estate				
		Navarai / Karato ME /KDC EU Estate				

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		Volupai / Lotomgam / Natupi / Goruru Estate				
		Lolokoru Estate				
		Ove Estate				
		Tamare Estate				
7	Markham Farming Company Limited (MFCL) / Markham Agro Pte. Ltd.	Munum Estate	Sep-20	Markham Farms,	RaCP	<p>The majority of Markham Farms has already been planted by the former owner without following RSPO NPP. Therefore the Remediation and Compensation Procedure will be required to be fulfilled in order to achieve certification.</p> <p>The Disclosure has been initiated on 18.10.18. Currently HCV/HCS, SEJIA and LUCA are being undertaken in order to submit and mitigation and remediation plan to RSPO.</p> <p>As this process has never been completed through RSPO in less than 2 years, the time frame for the 100% certification of Markham Farms is set to that duration.</p>
		Erap Estate	Sep-20		RaCP	

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### SDP - RSPO Certification for Time Bound Plan - Liberia Operations

No	Management Unit	Mill and Supply Base	Time Bound Plan	Location	Status	Certified Date	Remarks
	SOU Name						
1	Sime Darby Plantation (Liberia) Grand Cape Mount	Grand Cape Mount Mill	2019	Grand Cape Mount County	Not yet Certified	NA	<p>In May – September 2011, SDPL has undergone a series of assessment including Social and Environmental Impact Assessment and High Conservation Value Assessment in conformance with the RSPO New Planting Procedures to begin planting.</p> <p>*Note: RSPO NPP Announcements can be found at <a href="http://www.rspo.org/certification/new-planting-procedures/publicconsultations/page/14?">http://www.rspo.org/certification/new-planting-procedures/publicconsultations/page/14?</a></p> <p>SDPL has undergone RSPO Main Certification audit scheduled on 19 to 23 March 2018, but the assessment was only completed conducted and put on-hold due to security &amp; safety issue. After due consideration on the current engagement with the House of Representative in Liberia, SDP management decided to postpone the time bound plan of RSPO Certification to 2019 until satisfactory resolution and demonstration of progress towards the 15 recommendations by the Special Legislative Committee of the House of Representative, Liberia in managing the potential risks resulting from the RSPO Certification process.</p> <p>A letter of Request for Extension of RSPO Certification Time Bound Plan for Sime Darby Plantation dated 22 May was sent to RSPO Secretariat, Head of Certification, and with response to Sime Darby Plantation on 23 May 2019 with no objections on the extension.</p>
		Bomi Estate					
		Lofa Estate					
		Matambo Estate					
		Grand Cape Mount Estate					