



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

File Ref. : ES10170013

RSPO PUBLIC SUMMARY REPORT

CLIENT : SERI INTAN STRATEGIC OPERATING UNIT
PARENT COMPANY : SIME DARBY PLANTATION BHD
RSPO MEMBERSHIP No.: 1-0008-04-000-00

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

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

MAP : See Attachment 1

AUDIT DATE : 26-28/12/17

DURATION : 12 auditor days

TYPE OF AUDIT :

Annual Surveillance Audit No. 2

Recertification Audit

STANDARD : RSPO PRINCIPLE & CRITERIA MYNI 2014, AND RSPO SUPPLY CHAIN CERTIFICATION STANDARD 2014

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

VALIDITY OF RSPO CERTIFICATE : 03 MARCH 2016 - 02 MARCH 2021

The following attachments form part of this report:

Non-conformity Report(s)

List of additional site(s)

Report by Audit Team Leader

Acknowledgement by Client's Representative

Name : Hazani Othman

Name : Mohd Nasir B. Puzalvarin

Signature :

Signature :

Date : 5/04/2018

Date : 5/04/18

SUMMARY OF AUDITS

Annual Surveillance Audit 1					
On-site audit date	:	3-6 January 2017	No. of auditor days	: 12	
Audit team	:	Mohd Razman Salim, Mohd Zulfakar Kamaruzaman, & Rozaimie Ab. Rahman			
No. of major NCR	:	NA	Indicator: NA	Closing date : 27 February 2017	
No. of minor NCR	:	4	Indicator : 2.1.3, 4.1.2, 4.5.2 & 4.8.2		
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers	Suppliers
		√		√	√
		Contract workers	NGOs	Govt. agency	Independent growers
		√	NA	NA	
		Indigenous people	Contractor	Others (Please specify)	
		NA	√		
Supply base sampled	:	Sungai Wangi Estate & Sogomana Estate			
Changes since the last audit	:	<p>During this audit, there were changes for planted area in Sg. Wangi Estate with additional of 79.74 ha due to replanting programme at Bilham Division in 2014. This immature field was not updated in the planted area figure during the audit in 2015.</p> <p>While at Sogomana Estate, management has decided to add Cashwood Division and Sg. Bruas Division into Sogomana Estate during this audit. Therefore, planted area and certified area for Sogomana Estate has increased. Thus, the latest total planted area for Sogomana Estate is 2,101.29 ha [Cashwood Division (767.69 ha) and Sg. Bruas Division (267.94 ha)]. While the total certified area is 2,215.98 ha - Cashwood (802.87 ha) and Sg. Bruas (291.15 ha).</p>			

Annual Surveillance Audit 2					
On-site audit date	:	26-28/12/17	No. of auditor days	: 12	
Audit team	:	Hazani Othman, Ruzita Abd. Gani, Mohd. Zulfakar Kamaruzaman & Rozaimie Ab Rahman			
No. of major NCR	:	6	Indicator: 2.1.1, 4.1.2, 4.4.2, 4.7.2, 4.8.1, D4.1.	Closing date : 27/2/18	
No. of minor NCR	:	1	Indicator : 5.6.3		
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers / Local communities	Suppliers
		√	NA	√	√
		Contract workers	NGOs	Govt. agency	Independent growers
		√	NA	NA	NA
		Indigenous people	Contractor	Others (Please specify)	
		NA	√	NA	
Supply base sampled	:	Seri Intan Estate (Main Div) & Sabrang Estate			
Changes since the last audit	:	No significant changes observed. However, noted that in Sabrang Estate, the Manager had tender for resignation and on leave during the conduct of audit. At the same time, one of his Assistant Managers was transferred to sisters' estate.			
Report approved by	:	Radziah Mohd Daud	Approval date : 5/04/2018		

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SUMMARY OF INFORMATION

TABLE 1

	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period		Jan – Dec 2017	Jan 2018 - Dec 2018		
Certified FFB Processed (MT)		209,794.50	235,763.59		
Production of Certified CPO (MT)		45,639.640	53,333.26		
Production of Certified PK (MT)		11,538.700	12,966.99		
Certified Areas (Ha)		11,244.62	11,244.62		
Planted Areas (Ha)		10,107.17	10,107.17		
Production Areas (Ha)		8,307.07	8,288.48		
HCV Areas / Conservation Areas (Ha)		37.05	37.05		
REMARKS		-	-		

TABLE 2

	PO	PK
Last years certified volume (MT)	45,639.64	11,538.70
Last years actual certified sold (MT)	250.00	1,600.00
Last years actual sold under other schemes (MT)	0.00	0.00
Last years sold conventional (MT)	43,913.01	8,815.80
New year certified volume (MT)	53,333.26	12,966.99

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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 accredited by ASI on 27 September 2014.

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Hazani Othman	Lead Auditor / Social	Holds a Bachelor of Forestry Science and Diploma in Forestry, from the Universiti Putra Malaysia. He is a lead auditor for ISO 14001, FSC & MTCC FMC and CoC and RSPO P&C.
Ruzita Abd Gani	Auditor Environment & OHS in Mill	Possessed Bachelor of Chemical Engineering from the University Technology Malaysia. She had worked in the palm oil mill for more than 6 years and 14 years of working experience as environmental and OHS lead auditor.
Rozaimée Ab. Rahman	Auditor GAP and OSH in Estates	Holds a B. Sc. Of Agriculture. He had several years of working experience in the oil palm operation. He is a qualified auditor for RSPO P&C.
Mohd. Zulfakar Kamaruzaman	Auditor HCV & Environment in Estates and Certification System Requirements	Holds a B. Sc. Forestry from University Putra Malaysia. He had more than 4 years of working experience in the oil palm operation. He has been trained as a RSPO Lead Auditor.

1.3 Audit methodology

The audit covered the Seri Intan palm oil mill and 2 of its supply bases. The sampling of the number of the supply base was using the formula of $0.8\sqrt{y}$. The 2 supply base covered during the audit are Sabrang Estate and Seri Intan Estate. The audit included an on-site audit to the estates, mill and settlers' houses (can be expanded) 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.

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1.4 Stakeholder Consultation

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

1.5 Audit plan : Refer to Attachment 2

Date of next audit :

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

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

The Seri Intan Certification Unit (Seri Intan CU) is one of the Strategic Operating Unit (SOU) of Sime Darby Plantation Berhad (SDPB). The SOU is also known as SOU 5. The Seri Intan CU comprises of the Seri Intan Palm Oil Mill (Seri Intan POM) and four supply base i.e. Sabrang Estate, Sungai Wangi Estate, Seri Intan Estate and Sogomana Estate which are all owned by SDPB. The Seri Intan POM had a mill capacity of 60 mt/hr.

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

The FFB is sourced from company owned estates that are certified - Sabrang Estate, Sungai Wangi Estate, Seri Intan Estate and Sogomana Estate.

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 (Jan 2017- Dec 2017)

Estates	FFB Production	
	Tonnes	Percentage (%)
Seri Intan estate	66,774.24	29.40
Sg Wangi estate	52,397.92	23.07
Sogomana estate	51,651.80	22.75
Sabrang estate	50,284.08	22.14
Total	221,108.04	97.36
Other Supply Bases		
¹ Elphil	266.75	0.12
² Cluney	3,765.82	1.66
³ Sg Samak	321.26	0.14
¹ Kinta Kellas	558.27	0.25
¹ Kamuning	1,069.41	0.47
Total	5,981.51	2.64
Grand Total	227,089.55	100.00

¹ SOU 3 Elphil (Model : MB)

² SOU 5A Selaba (Model : MB)

³ SOU 4 Flemington (Model : IP)

Information of certification status of each SOUs stated in Attachment 7: Time-bound Plan.

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Table 2: Projected FFB production by supply base for the next reporting period (Jan 2018- Dec 2018)

Estates	FFB Production	
	Tonnes	Percentage (%)
Seri Intan estate	65,720.52	27.88
Sg Wangi estate	49,028.14	20.80
Sogomana estate	50,564.93	21.45
Sabrang estate	70,450.00	29.88
Total	235,763.59	100

Table 3: Actual FFB received and CPO & PK dispatch by Seri Intan POM for the last reporting period (Jan 2017 - Dec 2017)

	Total (MT)
FFB Received	227,089.55
FFB Processed	227,089.55
Certified FFB	227,089.55
Non Certified FFB	0.00
CPO Production	44,163.01
PK Production	10,415.80
CPO delivered as Identity Preserved	250.00
CPO delivered as non-RSPO certified	43,913.01
PK delivered as Identity Preserved	1600.00
PK delivered as non-RSPO certified	8,815.80

Table 4: Projected FFB received and CPO & PK dispatch by Seri intan POM of the next reporting period (Jan 2018 - Dec 2018)

	Total (MT)
FFB Received	235,763.59
FFB Processed	235,763.59
Certified FFB	235,763.59
Non Certified FFB	0.00
CPO Production	53,333.26
PK Production	12,966.99
CPO/PK delivered as Mass Balance	nil
CPO/PK delivered as non-RSPO certified	nil

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Sg Wangi Estate	1,801.69	2,224.02
Sogomana Estate	2,101.29	2,215.98
Sabrang Estate	3,703.74	3,844.22
Seri Intan Estate	2,500.45	2,960.40
Total	10,107.17	11,244.62

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Table 6: Planting profile for Seri Intan Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1992	2nd	OP-MATURE	8.71	0.35
1993	2nd	OP-MATURE	111.18	4.43
1995	2nd	OP-MATURE	82.98	3.31
1995	2nd	OP-MATURE	58.71	2.34
1996	2nd	OP-MATURE	60.41	2.41
1996	2nd	OP-MATURE	90.29	3.60
1997	2nd	OP-MATURE	97.22	3.88
1997	2nd	OP-MATURE	73.87	2.95
1998	2nd	OP-MATURE	92.84	3.70
1998	2nd	OP-MATURE	42.85	1.71
2004	2nd	OP-MATURE	59.52	2.37
2005	2nd	OP-MATURE	48.72	0.35
2007	2nd	OP-MATURE	74.20	2.96
2009	2nd	OP-MATURE	142.35	0.35
2000	2nd	OP-MATURE	103.46	4.13
2001	2nd	OP-MATURE	76.13	3.04
2005	2nd	OP-MATURE	60.47	2.41
2006	2nd	OP-MATURE	67.19	2.68
2008	2nd	OP-MATURE	70.62	2.82
2009	2nd	OP-MATURE	64.05	2.55
1996	2nd	OP-MATURE	85.88	3.43
2007	2nd	OP-MATURE	86.40	3.45
2007	2nd	OP-MATURE	65.58	2.62
2007	2nd	OP-MATURE	75.62	3.02
2004	2nd	OP-MATURE	95.46	3.81
2004	2nd	OP-MATURE	66.21	2.64
2005	2nd	OP-MATURE	52.76	2.10
2005	2nd	OP-MATURE	74.48	2.97
2007	2nd	OP-MATURE	99.67	3.98
2015	2nd	OP-IMMATURE - REPLANT	75.31	3.00
2015	3rd	OP-IMMATURE - REPLANT	94.15	3.76
2016	3rd	OP-IMMATURE - REPLANT	65.22	2.60
Total			2500.45	

Table 7: Planting profile for Sabrang Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1996	2nd	OP-MATURE	133.47	3.6037
1996	2nd	OP-MATURE	87.53	2.3633
1996	2nd	OP-MATURE	92.33	2.4929
1997	2nd	OP-MATURE	82.64	2.2313
1997	2nd	OP-MATURE	80.90	2.1843
1998	2nd	OP-MATURE	48.73	1.3157
1998	2nd	OP-MATURE	137.89	3.723
2000	2nd	OP-MATURE	92.74	2.504
2000	2nd	OP-MATURE	55.77	1.5058
2001	2nd	OP-MATURE	74.18	2.0028
2002	2nd	OP-MATURE	85.12	2.2982

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2003	2nd	OP-MATURE	100.18	2.7048
2006	2nd	OP-MATURE	51.33	1.3859
2008	2nd	OP-MATURE	134.14	3.6217
2000	2nd	OP-MATURE	104.40	2.8188
2001	2nd	OP-MATURE	93.47	2.5237
2002	2nd	OP-MATURE	100.89	2.724
2005	2nd	OP-MATURE	121.31	3.2753
2006	2nd	OP-MATURE	134.43	3.6296
2010	2nd	OP-MATURE	85.11	2.2979
2010	2nd	OP-MATURE	86.52	2.336
2010	2nd	OP-MATURE	98.45	2.6581
2002	2nd	OP-MATURE	93.24	2.5175
2000	2nd	OP-MATURE	73.51	1.9848
2000	2nd	OP-MATURE	62.31	1.6824
2001	2nd	OP-MATURE	66.42	1.7933
2001	2nd	OP-MATURE	61.57	1.6624
2001	2nd	OP-MATURE	70.34	1.8992
2002	2nd	OP-MATURE	96.23	2.5982
2002	2nd	OP-MATURE	42.41	1.1451
2011	3nd	OP-MATURE	24.88	0.6718
2011	3nd	OP-MATURE	73.23	1.9772
2012	3nd	OP-MATURE	96.29	2.5998
2013	3nd	OP-IMMATURE - REPLANT	61.55	1.6618
2013	3nd	OP-IMMATURE - REPLANT	106.71	2.8811
2013	3nd	OP-IMMATURE - REPLANT	70.04	1.8911
2015	3nd	OP-IMMATURE - REPLANT	127.53	3.4433
2015	3nd	OP-IMMATURE - REPLANT	113.00	3.051
2015	3nd	OP-IMMATURE - REPLANT	116.90	3.1563
2016	3nd	OP-IMMATURE - REPLANT	117.89	3.183
2016	3nd	OP-IMMATURE - REPLANT	148.16	4.0003
Total			3703.74	

Table 8: Planting profile for Sg Wangi Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1999	2nd	OP-MATURE	53.10	2.9473
2000	2nd	OP-MATURE	69.19	3.8404
2000	2nd	OP-MATURE	89.78	4.9833
1990	2nd	OP-MATURE	130.42	7.239
1991	2nd	OP-MATURE	37.27	2.0687
2006	2nd	OP-MATURE	32.76	1.8184
1993	2nd	OP-MATURE	5.00	0.2775
1999	2nd	OP-MATURE	91.94	5.1032
1999	2nd	OP-MATURE	49.45	2.7447
2004	2nd	OP-MATURE	17.72	0.9836
1993	2nd	OP-MATURE	5.00	0.2775
1997	2nd	OP-MATURE	102.88	5.7104
1999	2nd	OP-MATURE	149.71	8.3097

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1997	2nd	OP-MATURE	33.42	1.855
1997	2nd	OP-MATURE	66.29	3.6794
1997	2nd	OP-MATURE	52.86	2.934
1997	2nd	OP-MATURE	48.55	2.6948
1997	2nd	OP-MATURE	42.10	2.3368
2000	3nd	OP-MATURE	68.74	3.8154
2000	3nd	OP-MATURE	40.57	2.2518
2012	3nd	OP-MATURE	65.50	3.6356
2012	3nd	OP-MATURE	58.90	3.2693
2012	3nd	OP-MATURE	70.64	3.9209
2012	3nd	OP-MATURE	82.96	4.6047
1999	2nd	OP-MATURE	54.33	3.0156
1999	2nd	OP-MATURE	52.48	2.9129
1999	2nd	OP-MATURE	27.80	1.543
1999	2nd	OP-MATURE	18.59	1.0318
1999	2nd	OP-MATURE	14.78	0.8204
2014	3nd	OP-IMMATURE - REPLANT	79.74	4.426
Total			1801.69	

Table 9: Planting profile for Sogomana Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1998		OP-MATURE	133.03	6.3309
1998		OP-MATURE	120.79	5.7484
1998		OP-MATURE	99.12	4.7171
1998		OP-MATURE	108.65	5.1706
1999		OP-MATURE	95.15	4.5282
1992		OP-MATURE	89.05	4.2379
1993		OP-MATURE	35.82	1.7047
1997		OP-MATURE	104.23	4.9603
1998		OP-MATURE	61.20	2.9125
1999		OP-MATURE	54.85	2.6103
1999		OP-MATURE	124.29	5.9149
1999		OP-MATURE	76.46	3.6387
1993		OP-MATURE	5.00	0.2379
1998		OP-MATURE	55.34	2.6336
1998		OP-MATURE	61.04	2.9049
1998		OP-MATURE	50.06	2.3823
1999		OP-MATURE	26.25	1.2492
1999		OP-MATURE	32.58	1.5505
1999		OP-MATURE	28.80	1.3706
1999		OP-MATURE	79.10	3.7644
1999		OP-MATURE	69.68	3.3161
1999		OP-MATURE	50.32	2.3947
1999		OP-MATURE	65.15	3.1005
2014		OP-IMMATURE	46.60	2.2177
2014		OP-IMMATURE	25.80	1.2278
2014		OP-IMMATURE	79.77	3.7962
2014		OP-IMMATURE	50.20	2.389
2015		OP-IMMATURE	74.16	3.529
2016		OP-IMMATURE	62.34	2.9667
2016		OP-IMMATURE	75.63	3.5992
2017		OP-IMMATURE	60.83	2.8949
Total			2101.29	

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Estate	Year Of establishment	Mature	Immature	Planted area	% of planted area mature	% of planted area immature
Seri Intan Estate	1946	2,187.83	312.62	2,500.45	87.50	12.50
Sg Wangi Estate	1906	1,632.73	168.96	1,801.69	90.62	9.378
Sogomana Estate	1976	1,625.96	475.33	2,101.29	77.38	22.62
Sabrang Estate	1946	2,841.96	861.78	3,703.74	76.73	23.27
Total		8,288.48	1,818.69	10,107.17	82.01	17.99

2.3 Organizational Information/Contact Person(s)

The details of the contact person is as shown below:

Name	:	Mohd Nazir Pazal Karim
Position	:	Mill Manager
Address	:	Kilang Kelapa Sawit Seri Intan Bt. 5 Jln. Maharaja Lela, 36009 Teluk Intan, Perak
Phone no.	:	05-6221911
Fax no.	:	05-6214091
Email	:	Mnazir.pazalkarim@simedarbyplantation.com

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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 xx for the time bound plan)

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

Internal Audit dated in 18 Dec 2017 was conducted based on RSPO Partial Certification Requirements. No significant non-compliance was observed by the organization. It has been noted that SDP was progressively undergoing the RSPO Certification process towards 100% RSPO certification of their estates/mills.

PT MAS (Indonesia) has undergone the RSPO Main assessment and was delayed due to some social disputes. The certification of this CU was subject to the progress of the matter being resolved. With regards to the engagement with the RSPO, it was evident that the RSPO Secretariat was well informed on the progress through regular briefing and progress reports. The latest meeting with RSPO Secretariat was held on 8 Sept 2016. To-date, 9 progress reports were submitted to RSPO and the latest was dated on 30 June 2016. Further information can be obtained from <http://www.rspo.org/members/complaints/status-of-complaints/view/29>

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

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 NA

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.)

No significant changes observed, except in Sabrang Estate whereby Manager already tender for resignation and on completion his leave and one of Assistant Manager has been transferred.

3.4 Status of previous non-conformities * Closed Not closed*

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

3.5. Complaint received from stakeholder (if any)

No complaints from stakeholders were observed.

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4.0 DETAILS OF NON-CONFORMITY REPORT

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

Total no. of major NCR(s)
(details refer to Attachment 4) List : 5 2.1.1, 4.1.2, 4.4.2, 4.8.1, 4.7.2

Total no. of minor NCR(s)
(details refer to Attachment 4) List : 1 5.6.3

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

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

Total no. of major NCR(s)
(details refer to Attachment 5) List : 1 D4.1

5.0 AUDIT CONCLUSION

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

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.

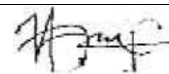
Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s)..... have not been satisfactorily closed out within 60 days of the audit. Recommended for suspension of the certificate.

Note: Major NCRs which are not addressed within a further 60 days shall result in the certificate being withdrawn.

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 :

Hazani Othman



27/02/2018

(Name)

(Signature)

(Date)

Map of SOU 5 – Seri Intan CU



SURVEILLANCE AUDIT PLAN

1. Objectives

The objectives of the audit are as follows:

- (i) To determine Certification Unit conformance against the RSPO Principles & Criteria Malaysian National Interpretation (MYNI)
- (ii) To verify the effective implementation of corrective actions arising from the findings of last audit.
- (iii) To make appropriate recommendations based on the audit findings.

2. Date of assessment : 26-28/12/17

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

4. Reference Standard:

- a. RSPO P&C MYNI:2014
- b. RSPO Supply Chain Standard, November 2014
- c. Company's audit criteria including Company's Manual/Procedures

5. Assessment Team

- a) Lead Auditor : Hazani Othman
- b) Auditor : Rozaimiee Ab Rahman
Mohd. Zulfakar Kamaruzaman
Ruzita Abd. Gani
- c) Observer : Selvanathan Grapragasem (ASI)
Haye Semail (ASI)

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

7. Audit Method

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

8. Audit Findings

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

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

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

9. Confidentiality Requirements

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

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

10. Working Language : English and Bahasa Malaysia

11. Reporting

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

12. Facilities Required

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

13. Assessment Programme Details : As below

RSPO PUBLIC SUMMARY

Day 1: 26/12/17 (Tuesday)

Time	Activities & Areas				Auditee
9.00am - 9.30am.	Opening Meeting at Seri Intan POM – Audit team introduction and briefing on assessment objectives, scope, methodology, criteria, programmes, and confirmation of itinerary and logistic by SIRIM QAS Audit Team Leader.				All
9.30am – 9.45am	Update by organization on: <ul style="list-style-type: none"> actions taken to address previous audit findings. progress of time bound plan and uncertified units (if any). significant changes that could affect conformities to requirements, new acquisition / disposition, structure, infrastructure, facilities, capacity, new planting / replanting hectarage, sales, etc. issues, such as legal non-compliance / action, disputes, complaint, claims etc. 				Management Representative
9.45am - 12.00pm	Hazani Sabrang Estate	Ruzita POM	Zulfakar Sabrang Estate	Rozaimiee Sabrang Estate	Guide(s) for each auditor
	<p>Audit of relevant Indicators of P1, P2, P6, P7, and P8 of social aspects, which may include:</p> <ul style="list-style-type: none"> review of relevant evident of conformities, pertaining commitment to transparency, compliance to laws and regulations, land use rights, Social Impact Assessment (SIA), social management plans & implementation, complaints and grievances, training, continuous improvement plan, etc. review of relevant amenities and facilities for employees (such as house, water and electricity supplies, shops, worship / prayer places, clinic, recreational facilities etc.). consultation with any relevant personnel (e.g. management, local and foreign employees, unions, suppliers, communities, government agencies etc.). follow up of previous issue, if any. 	<p>Audit of relevant Indicators of P1, P2, P4, P5, and P8 of safety, health and environmental aspects, which may include:</p> <ul style="list-style-type: none"> review of relevant evident of conformities, pertaining commitment to transparency, compliance to laws and regulations, assessment, management plans related to safety, health & environmental impact assessment, management plan & implementation, training, continuous improvement plan, etc. review of safety, health & environmental mitigation and monitoring practices at any relevant operation and facilities (e.g. milling, genset, ETP, storage of chemicals, scheduled wastes and oils, workshop, etc.). consultation with any relevant personnel (e.g. management, employees, communities, government agencies etc.). follow up of previous issue, if any: 	<p>Audit of relevant Indicators of P1, P2, P3, P5, P7 and P8 of supply base profile, economic, financial viability, HCV, environmental and certification system requirements, which may include:</p> <ul style="list-style-type: none"> review of relevant evident of conformities, pertaining compliance to laws and regulations, environmental impact assessment, management plan & implementation training, continuous improvement plan, etc. review of plantation boundary, HCV and conservation areas (e.g. riparian buffer zone, steep areas, wildlife habitat, etc.), management plans & implementation, training, etc. review of environmental mitigation practices and monitoring at any relevant operation and facilities (e.g. field, nursery, storage of fertiliser, herbicides and oils, wastes collection / disposal sites, wastewater control facilities, genset, etc.). review of land statement, business plan, replanting programme, planting profile, actual and 	<p>Audit of relevant Indicators of P1, P2, P4, P7 and P8 of GAP, safety and health aspects, which may include:</p> <ul style="list-style-type: none"> review of relevant evident of conformities, pertaining compliance to laws and regulations, good agricultural practices (GAP), safety and health, management plan & implementation training, continuous improvement plan, etc. review of GAP, safety and health practices at any relevant operation and facilities (e.g. harvesting, upkeep, replanting, storage of fertiliser, herbicides, oils, genset, etc.). consultation with any relevant personnel (e.g. management, employees, communities, government agencies etc.). follow up of previous issue, if any. 	

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			<ul style="list-style-type: none"> projected supply base tonnage. review of time bound plan and partial certification. consultation with any relevant personnel (e.g. management, local and foreign employees, communities, government agencies etc.). follow up of previous issue, if any. 		
12.00nn – 13.00pm	LUNCH BREAK				
13.00pm – 17.00pm	Hazani	Ruzita	Zulfakar	Rozaimiee	Guide(s) for each auditor
	Sabrang Estate	POM	Sabrang Estate	Sabrang Estate	
	Continue assessment	Continue assessment	Continue assessment	Continue assessment	

Day 2: 27/12/17 (Wednesday)

Time	Activities & Areas				Auditee
8.30am – 12.00nn	Hazani	Ruzita	Zulfakar	Rozaimiee	Guide(s) for each auditor
	POM	POM	POM	Sabrang Estate	
	Audit of relevant Indicators of P1, P2, P6, P7, and P8 of social aspects, which may include: <ul style="list-style-type: none"> review of relevant evident of conformities, pertaining commitment to transparency, compliance to laws and regulations, land use rights, Social Impact Assessment (SIA), social management plans & implementation, complaints and grievances, training, continuous improvement plan, etc. review of relevant amenities and facilities for employees (such as house, water and electricity supplies, shops, worship / prayer places, clinic, recreational facilities etc.). consultation with any relevant personnel (e.g. management, local and foreign employees, unions, 	Continue assessment	Audit of relevant supply chain model used & production tonnage , which may include review of: <ul style="list-style-type: none"> General Chain of Custody System Requirements for the supply chain Documented procedures Purchasing and goods in Outsourcing activity Sales and goods out Processing Records keeping Registration Training Claims Actual and projected production tonnage 	Continue assessment	

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	suppliers, communities, government agencies etc.). <ul style="list-style-type: none"> follow up of previous issue, if any. 				
12.00nn – 13.00pm	LUNCH BREAK				
13.00pm – 17.00pm	Hazani	Ruzita	Zulfakar	Rozaimee	Guide(s) for each auditor
	POM	POM	POM	Seri Intan Estate	
	Continue assessment	Continue assessment	Continue assessment	Audit of relevant Indicators of P1, P2, P4, P7 and P8 of <u>GAP, safety and health</u> aspects, which may include: <ul style="list-style-type: none"> review of relevant evident of conformities, pertaining compliance to laws and regulations, good agricultural practices (GAP), safety and health, management plan & implementation training, continuous improvement plan, etc. review of GAP, safety and health practices at any relevant operation and facilities (e.g. harvesting, upkeep, replanting, storage of fertiliser, herbicides, oils, genset, etc.). consultation with any relevant personnel (e.g. management, employees, communities, government agencies etc.). follow up of previous issue, if any. 	

Day 3: 28/10/17 (Thursday)

Time	Activities & Areas				Auditee
8.30am - 12.00nn	Hazani	Ruzita	Zulfakar	Rozaimee	Guide(s) for each auditor
	Seri Intan Estate	POM	Seri Intan Estate	Seri Intan Estate	
	Audit of relevant Indicators of P1, P2, P6, P7, and P8 of <u>social</u> aspects, which may include: <ul style="list-style-type: none"> review of relevant evident of conformities, pertaining commitment to transparency, compliance to laws and regulations, 	Continue assessment	Audit of relevant Indicators of P1, P2, P3, P5, P7 and P8 of <u>supply base profile, economic, financial viability, HCV, environmental and certification system requirements,</u> which may include: <ul style="list-style-type: none"> review of relevant evident of 	Continue assessment	

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	<p>land use rights, Social Impact Assessment (SIA), social management plans & implementation, complaints and grievances, training, continuous improvement plan, etc.</p> <ul style="list-style-type: none"> • review of relevant amenities and facilities for employees (such as house, water and electricity supplies, shops, worship / prayer places, clinic, recreational facilities etc.). • consultation with any relevant personnel (e.g. management, local and foreign employees, unions, suppliers, communities, government agencies etc.). • follow up of previous issue, if any. 		<p>conformities, pertaining compliance to laws and regulations, environmental impact assessment, management plan & implementation training, continuous improvement plan, etc.</p> <ul style="list-style-type: none"> • review of plantation boundary, HCV and conservation areas (e.g. riparian buffer zone, steep areas, wildlife habitat, etc.), management plans & implementation, training, etc. • review of environmental mitigation practices and monitoring at any relevant operation and facilities (e.g. field, nursery, storage of fertiliser, herbicides and oils, wastes collection / disposal sites, wastewater control facilities, genset, etc.). • review of land statement, business plan, replanting programme, planting profile, actual and projected supply base tonnage. • review of time bound plan and partial certification. • consultation with any relevant personnel (e.g. management, local and foreign employees, communities, government agencies etc.). • follow up of previous issue, if any. 		
12.00nn – 13.00pm	LUNCH BREAK				
13.00pm – 16.00pm	<ul style="list-style-type: none"> • Continue assessment • Verification on outstanding issues • Audit Team discussion, preparation on audit findings and issuance of NCR (if any) 				All Auditors
16.00pm – 17.00pm	Closing meeting at Seri Intan POM / End of audit				All

Note: Time and duration shown are approximate. Subject to weather, field visits may change accordingly, if necessary.

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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	Yes	Seri Intan CU continued to implement the communication procedure and maintain records on requests for information. The procedure for responding to any communication is as outlined in sub-section 5.5 of appendix 5.5.3.2 of Standard Operation Manual of Estate Quality Management System documents. The communication flow charts were available on the notice boards in the Estate and Mill offices and Muster Grounds. Both Estates and Mill continued to maintain the stakeholders list which included the contractors, vendors/suppliers, government agencies, schools, local communities, etc. SDPB continued to use the internet to disseminate public information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances. The SDPB website address is http://plantation.simedarby.com .	
	1.1.2	Yes	Seri Intan CU had identified personnel responsible for handling of complaints. Records of communication were identified and maintained in different files, internal & external communication, depending on the stakeholder. Among the records inspected were correspondences with the authorities, local communities and employees. All records relating to communication with the authorities have been appropriately identified 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	Information relating to land titles are available at the SDPB website at http://plantation.simedarby.com . The auditor has verified the land titles for the CU and confirmed that the CU is owned by SDPB.
		Occupational health and safety plans	Yes	SDPB continued to use internet for disseminating public information. Information relating to safety and health plans maintained available through SDPB website at http://www.simedarbyplantation.com .
		Plans and impact assessments relating to environmental and social impacts	Yes	Information relating to environmental impacts available in the annual report published through SDPB website at http://www.simedarbyplantation.com . The environmental impact assessments and its relevant plans continued made available. Cross-refer to Criterion 5.1
		HCV documentation summary	Yes	HCV documentation summary is available in the 'HCV Re-Assessment for strategic operating unit (SOU) 5 Seri Intan/Selaba – Table 8 Summary of HCV tasks'.
		Pollution prevention and reduction plans	Yes	Environmental Improvement Plan / Pollution Prevention Plan FY 2016 / 2017 has been established.
		Details of complaints and grievances	Yes	No complaint or grievances were observed.
		Negotiation procedures	Yes	Negotiation procedure maintained available.
		Continual improvement plans	Yes	The CU maintained publicly available its continuous improvement plan.
		Public summary of certification assessment report;	Yes	The public summary made publicly available at website by SIRIM QAS.
Human Rights Policy	Yes	The human rights policy maintained available. The policy is posted at office notice boards.		
C 1.3 Growers and millers	1.3.1	Yes	There shall be a written policy committing to a code of ethical The documented policy committing to a code of ethical conduct and integrity of the company maintained available. The CU continued communicated the policy to their staffs including foreign	

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commit to ethical conduct in all business operations and transactions.		conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	workers during the induction course.
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Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

Clause	Indicators	Comply Yes/No	Findings	
C 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1	Evidence of compliance with relevant legal requirements shall be available. Major Compliance	No	Seri Intan maintains its compliance with relevant legal requirements. Among evident of compliance observed were wages and deductions continued to meet legal requirement and Collective Agreement, EPF and SOCSO monthly contribution, "Borang A" and "Borang 8A" of monthly contribution for EPF and SOCSO, valid work permit, passport and compensation insurance policies and amenities provided meet legal requirements. These regulations were reviewed accordingly; Factory and Machinery Act 1967, EQ (Prescribed Premise) Crude Palm Oil Regulations 1977, EQ (Scheduled Waste) Regulations 2005, OSHA 1994, Use and Standards Of Exposure of Chemicals Hazardous to Health Regulations 2000 and Electricity Supply Act 2015. Nevertheless, it was noted that these cases occurred and Major NCR RAR 01 2017 were raised : 1) Annual medical surveillance for sprayers at Sabrang Estate was not conducted. Last medical surveillance was conducted in Sept 2016. 2) In Seri Intan estate, there were non-compliances on scheduled waste management noted as wet flooring at schedule waste store, inadequate waste labelling, storage housekeeping were observed. 3) During the mill visit, it was observed that the chemical management was not in accordance with CHRA where chemical store (calcium carbonate) – there was no CSDS available at the point of use and in poor storage condition. 4) And for Sabrang Estate, the storage of chemical at the water treatment plant store provided no secondary containment.
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	YES	The CU had identified, documented and maintained their legal register with written information on legal requirements which related to their operation in legal register entitled Legal Requirement Register. The PSQM Department is responsible to track changes and the information was disseminated to all its estates and mills.
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	YES	The CU had a documented system for identifying and updating the changes of legal requirements and to monitor the status of legal compliance. This was as documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual. PSQM Department and respective operating units have undertaken the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. The compliance to legal requirements was evaluated on an annual basis. These were carried out via Internal & External Audits, PA and MA visits, RSPO Audits and periodic reporting from operating units to headquarters.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	The PSQM Department of HQ is responsible to track changes and the information was disseminated to all its estates and mills This mechanism was outlined in its internal procedure.

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<p>C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights</p>	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised Native Customary Right (NCR) land) and the actual legal use of the land shall be available. Major Compliance	Yes	Copy of legal ownership of the lands for the audited supply base was available. All original copies of ownership documents are kept at the Sime Darby Headquarters in Kuala Lumpur. At Sabrang Estate, all grants are freehold and owned by SDPB. As for Seri Intan Estate, it was noted that the transfer of ownership from previous owners to Sime Darby is still ongoing where the copy of the letter addressed to Lembaga Tanah Ladang, Negeri Perak, pertaining to the application for transfer of land ownership from Golden Hope Plantations Sdn Bhd to Sime Darby Plantation Bhd was sighted. Some of the grants/titles are for cultivation of rubber, orchard and sugar cane. In the letter to Lembaga Tanah Ladang, Negeri Perak, it was noted that the conversion of the land to oil palm had been included.
	2.2.2	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves. Minor Compliance	Yes	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to the surrounding villages at Sabrang Estate and Seri Intan Estate. Site visit to all boundary with villagers found markers are available and maintained. The markers have also been confirmed during the consultation with all the interviewed village heads.
	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	NA	There was no dispute observed in the CU. Community's leaders of local villages were interviewed including pertaining this matter.
	2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes are implemented and accepted by the parties involved. Major Compliance	Yes	Review of documented stakeholders meeting and interview with stakeholders observed there was no dispute on ownership or right to use of land. Community's leaders of local villages were interviewed including pertaining this matter.
	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. Minor Compliance	NA	Review of documented stakeholders meeting and interview with stakeholders observed there was no dispute on ownership or right to use of land. Community's leaders of local villages were interviewed including pertaining this matter.
	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	NA	Review of documented stakeholders meeting and interview with stakeholders observed there was no dispute on ownership or right to use of land. Community's leaders of local villages were interviewed including pertaining this matter.

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<p>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.</p>	2.3.1	<p>Maps of an appropriate scale showing the extent of recognised legal, customary or user rights shall be developed through participatory mapping involving affected parties. Major Compliance</p>	NA	<p>There was no land encumbered by customary rights or disputed by stakeholders. Community's leaders of local villages were interviewed including pertaining this matter.</p>
	2.3.2	<p>Copies of negotiated agreements detailing the process of FPIC shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. Minor Compliance</p>	NA	<p>There was no land encumbered by customary rights or disputed by stakeholders. Community's leaders of local villages were interviewed including pertaining this matter.</p>
	2.3.3	<p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. Minor Compliance</p>	NA	<p>There was no land encumbered by customary rights or disputed by stakeholders. Community's leaders of local villages were interviewed including pertaining this matter.</p>

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	2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. Major Compliance	NA	There was no land encumbered by customary rights or disputed by stakeholders. Community's leaders of local villages were interviewed including pertaining this matter.
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Principle 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY

Clause	Indicators	Comply Yes/No	Findings	
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. Major Compliance	Yes	The Seri Intan and Sabrang Estates continued to make commitment to long-term economic and financial viability. The annual budgets for 2017/18 to 2020/2021 were sighted. The budget provided provisions of activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO compliance, etc. The budget also included projections on yield/ha, and total cost of production per MT & per ha.
	3.1.2	An annual replanting programme projected for a minimum of five years with yearly review, shall be available. Minor Compliance	Yes	The replanting programme for the next five years had been prepared as sighted in the Long Range Replanting Programme (LRRP) 2017/2018 to 2036/37. This programme is reviewed once a year and is incorporated in their annual financial budget.

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

Clause	Indicators	Comply Yes/No	Findings	
C 4.1 Operating procedures are appropriately documented, consistently implemented and monitored	4.1.1	Standard Operating Procedures (SOPs) for estates and mills shall be documented. Major Compliance	Yes	Seri Intan mill continued to use the Plantations Quality Management System (PQMS) Manual, Standard Operating Manual and Procedures (SOP), Agriculture Reference Manual (ARM), "Guidelines On River Management" manual, Sustainable Plantation Management System (SPMS) Manual, ESH Management System Manual, Occupational Safety and Health Manual, Pictorial Safety Standards, and Security Guidelines. It includes the operation activities in the mill FFB receipt, grading, processing, quality analysis and security. On top of the PQMS, technical guidelines as listed in the Mill Reference Manual were also used. Contents of the Manual were disseminated to the workers through trainings and briefing. The Manual is also kept in the administration office where everyone can refer to. Site inspection and interview with workers confirmed that the SOP had been implemented and they understood the requirements of the SOP, the bottom-line of which is Mill Practice and the care for their safety and health and the environment.
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	No	The mechanisms to check the implementation of procedures were carried out through internal audit, safety and health meeting and routine inspection by assistant manager, staff and hospital assistant. In additional, team QA from HQ had conducted quarterly monitoring regarding on quality of implementation procedure such as loose fruit collection, harvested bunch left and unharvested bunches, Safe working condition, mechanization and etc. During site visit at both estates all workers was wearing a proper PPE such as helmet, gloves, mask, apron, sickle cover. Internal

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				<p>management for both estates also implemented daily inspection vehicle (farm tractor) to monitor there was no leakage and missing bolt from tractor or vehicle tyres.</p> <p>Having said this, it was found that in Seri Intan Estate, the PPE for frond stacker and harvester i.e. leather hand glove and rubber bot (wellington boots) was not in a good condition and record of PPE replacement was not available. Thus, previous NCR was not satisfactory closed (recurrence issues). At the same time, at Seri Intan Mill, there was no evidence of action taken pertaining the water analysis result in October 2017, that exceeded the specify limit. Thus, #Major NCR RAR 02 2017 has been raised.</p>
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	Yes	Monitoring of the SOP implementation was closely carried out by person-in-charge in the Seri Intan CU and their records were verified. Among the records were work programmes for major activities at the estates such as field cost book, chemical usage form, mature oil palm work programme for fertiliser application, herbicide spraying, rat baiting, harvesting and collection of FFB, sterilization log book, water consumption and mill production data etc. All the above records were kept for a minimum period of 12 months.
	4.1.4	The mill shall record the origins of all third-party sourced FFB. Major Compliance	Yes	There was no third party FFB supplier send their FFB to Seri Intan POM.
C 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.	4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	Yes	<p>Seri Intan CU continued to manage and improve soil fertility to a level that ensures optimal and sustained yield by monitoring the fertilizer inputs through annual fertilizer recommendations. Maintaining soil fertility is guided by its SOPs in a few chapters:</p> <ul style="list-style-type: none"> i) EQMS chapter B8 - Leguminous Cover Crops ii) EQMS chapter B14 - Manuring iii) ARM Section 8 - Manuring <p>Fertilizer application, which was of paramount importance for maintenance of soil fertility, was carried based on the recommendation made by the agronomist from Sime Darby Research Sdn. Bhd. Annual fertilizer recommendations were made based on annual foliar sampling done in June 2016 at Seri Intan Estate, while soil sampling was carried out on a 5 year cycle basis, last done in June 2015 in Sabrang Estate by Sime Darby Research Sdn. Bhd. The recommendation by the Agronomist were also available during the inspection and the application of fertilizers had been done as recommended and scheduled.</p>
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	Yes	Agronomist report dated in Oct 2016 formulating the 2017 manuring programme and suggesting relevant agronomic practices for oil palm yield and growth improvements. Fertilizer application program was monitored using the program sheets, bin cards, field cost book, etc. Records of programs and applications of fertilizers were made available to auditors.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	Yes	From the Agronomist reports it was confirmed that both estates carried out periodic foliar and soil sampling to monitor changes in nutrient status. Annual foliar sampling for the nutrients N, P, K, Mg,Ca & B had been carried out and the results formed the basis for the fertilizer recommendations to maintain and to improve soil fertility. Leaf sampling in Seri Intan was carried out in June 2016 while Sabrang Estate done it on Oct 2016. As for the soil sampling, it was conducted in Sept 2017 by SD research. Noted that the soil sampling results was satisfactory.
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues. Minor Compliance	Yes	Seri Intan CU had a nutrient recycling strategy where palm fronds were properly stacked in the interrow to decompose and EFB were applied 30 - 40mt/ha in a single layer at a palms stacking in both Estates respectively. EFB will help to supplement the inorganic fertilizer thus improving the nutrient status of the field.

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C 4.3 Practices minimize and control erosion and degradation of soils.	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance	Yes	During the field visit and the soil map provided it was observed that no fragile or marginal soils found in Seri Intan CU.
	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	Seri Intan CU had a management strategy for planting on slopes to minimise and control erosion and degradation of soils. The plantings on slopes between 9 and 25 degrees was guided by its Slope & River Protection Policy, updated on January 2015, which was posted on the Estates notice board. Among the methods were construction of conservation terraces. It was observed that practices to minimise and control erosion and degradation of soils were in place through proper stacking of fronds, EFB application, avoidance of blanket spraying, construction terraces, road maintenance and maintenance of soft vegetation in interlines. Cover crop was observed planted in the replants and in some mature areas. The cover crop <i>Mucuna bracteata</i> had been planted along some slopes by management. Large areas with <i>Neprolepis biserrata</i> in the inter rows were sighted during the visit.
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	Yes	During the field visit, it was observed that the main and field roads of Seri Intan CU were in satisfactory condition and accessibility were made possible by regular maintenance. There was evidence of road maintenance programmes which consist of road resurfacing with grading & compaction and culvert maintenance.
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance	Yes	No peat soils were found during the field visit in Seri Intan CU.
	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	No peat soils were found during the field visit in Seri Intan CU.
	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	Yes	No peat soils were found during the field visit in Seri Intan CU.
C 4.4 Practices maintain the quality and availability of surface and ground water.	4.4.1	An implemented water management plan shall be in place. Minor Compliance	Yes	Both estates had implemented their water management plans. Plans for 2017/2018 were sighted. The management plan covered dry spell/shortage and in case of water pollution. The water management plan also address on de-silting of field drain to maintain the right amount of moisture in the field. Rainwater harvesting was also implement in the beneficial plant nursery, workshop, office and store and the water was used for washing and chemical mixing were reused. Water management for replanting area was used water conservation pit technique for purposed to trap water from rain. Construction of water gate for effective management of collection/main drain, establishment of <i>Mucuna bracteata</i> to prevent erosion, side drain at field road to control water, frond stacking, enhancement of ground vegetation at bare ground area. Rainfall records based on rain gauge reading were available on site. Records of rainfall data, for the last 10 years, to assist in the water management plans were sighted. For Seri Intan POM Water Management plan was updated on July 2017 and explain about Recycling Processing water, recycle condensate water, to use back water treated from POME to

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				cleaning purpose at mill and hydro cyclone operation during water shortage, collection of rain Waters, Line site Water Usage Monitoring, Contingency Plan during dry spell/shortage. Workers were advised to conserve water by giving weekly briefings. Water for domestic used is supplied by Lembaga Air Perak.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones shall be demonstrated. Major Compliance	No	Both Seri Intan and Sabrang Estates had continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along all natural waterways within the estates. Signboard for riparian buffer zone noted erected and it contain several order and instruction such as prohibited for intrusion, spraying of agrochemical, fishing, open burning and planting. However, during the site audit in Sabrang Estate, it was noted that in field 2010 Rubana Division, the auditor has found traces of chemical activities at Main drain nearing to water gate to main river. Furthermore, at Seri Intan Estate, there were also traces of chemical activities at linesite monsoon drain and office compound drain. And, there was no water sump at tractor wash area where the wastewater from the washing area went straight to the main drain. Major NCR MZK 02 2017 was raised to highlight this.
	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	Sighted some of the monthly reports on treated effluent discharge and it can be confirmed that the results were within the DOEs' limit. Site visit to the effluent treatment plant was carried out and it was observed that all treatment ponds were 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 monthly basis. Based on the sampled values, the average mill use was at 1.37m ³ /MT. A slight increase in trend was noted. This was due to cleaning process in the mill.
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate IPM techniques.	4.5.1	Implementation of IPM plans shall be monitored. Major Compliance	Yes	Seri Intan CU continued to implement IPM in both estates and continue to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the Agricultural Reference Manual - Plant Protection. The IPM program among others includes pest management of rats, bagworms, nettle caterpillars, rhinoceros beetles and ganoderma. For bagworm control the program includes the planting of beneficial plants such as <i>Cassia cobanensis</i> , <i>Antigonon leptopus</i> and <i>Turnera subulata</i> and for rhinoceros beetles is by using pheromone traps. In order to minimize use of pesticides the estates had planted beneficial plants mainly <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> with maps indicating areas planted. Both estates carried census on rat damage and diseases like Ganoderma. Rat baiting was by calendar baiting at 2 campaigns per year. Baiting was continued until bait acceptance fell below 20%.
	4.5.2	Training of those involved in IPM implementation shall be demonstrated.Minor Compliance	Yes	Training related to IPM implementation as per the Agricultural Reference Manual - Plant Protection entitled Rat baiting was conducted by Assistant Managers of both estates, records of training were available for verification.
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	Seri Intan CU continued to use agrochemicals based on its Agricultural Reference Manual, SOP and in the Pictorial Safety Standard Book 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. The procedures also covered the use of PPE when handling the chemicals. The estates continued to use pesticides as per the SOPs.

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4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. Major Compliance	Yes	Seri Intan CU had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and 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 situations identified in industry's Best Practice. Major Compliance	Yes	Seri Intan CU was committed to minimise the usage of agrochemicals by implementing IPM with the increased in the planting of beneficial plants such as <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> . Blanket spraying was not practiced by this CU and soft grasses maintained in the field. It had also been the practice that insecticides are used only after a threshold level has been exceeded as per the Agricultural Reference Manual-Plant Protection and that no prophylactic use of such pesticides would be permitted.
4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). Minor Compliance	Yes	Both estates only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations 2000. From the review of the chemical register, it was noted that all pesticides used were of class ii, iii & class iv. The use of paraquat had been banned in all SDP estates. There was no evidence of pesticides that are categorised as World Health Organisation Class 1A or 1B, or that were listed by the Stockholm or Rotterdam Conventions been used. From records and interviews with workers, staff and estate assistants, found that they were trained, all precautions taken and all legal requirements met.
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	Yes	Records showed that pesticides were handled, used and applied by trained persons and as per the SDS 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 SDS training. It was also noted that SDS are available at all sites during the audit. All workers involved in pesticide application were provided with appropriate PPE and replaced when damaged. PPE issue and replacements records were verified by the auditors. From interviews conducted with workers and staffs in the field and stores clerks it was established that they had been trained and were aware of safe handling procedures.

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		understood by workers. Major Compliance		
4.6.6		Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major Compliance	Yes	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). Records of purchase, storage and use were maintained. All of the stores were equipped with exhaust fans and the door was secured. Only authorized personnel are allowed to handle the chemicals. All the chemicals were segregated accordingly. Empty pesticides containers were triple rinsed, holes punched in them and stored separately in the scheduled wastes store awaiting proper disposal.
4.6.7		Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	Yes	During the audit, it was noted that, Seri Intan CU had not use chemicals categorized as World Health Organization (WHO) type 1A or 1B or listed by the Stockholm or Rotterdam Conventions. Paraquat had not been used in the CU. The Safety Procedures for pesticides application were well described in the Pictorial Safety Standard. Training on pesticide handling was done in Seri Intan Estate and Sabrang Estate, by the Assistant Manager in Oct and Sept 2017, respectively. The training included the safety aspects and usage of PPE when handling with pesticides. Record of training was available for verification.
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 both estates. There was no evidence to show that any had been carried out. Both estates only practices circle spraying and selective spraying which is only for targeted species such as woodies and VOPs.
4.6.9		Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. Minor Compliance	Yes	The staffs and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner. Attendance list was available for all the training carried out.
4.6.10		Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated. Minor Compliance	Yes	Disposal of waste materials related to chemical containers is being carried out as per established procedures. Empty chemical containers were classify as scheduled waste and disposed through DOE's license contractor.

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	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance	Yes	All sprayers, store keepers, foremen, water treatment operator and workers handing pesticides in both Seri Intan & Sabrang estates were sent for annual medical surveillance and the records were reviewed by the audit team. It has been noted that in Sabrang Estate, the annual surveillance was already expired, hence major NCR in 2.1.1 was raised.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women Major Compliance	Yes	There was no evidence of pregnant and breast-feeding women sprayers performed spraying activity in Seri Intan CU. Workers interviewed were aware that pregnant and breast-feeding women should not handle chemicals. Monitoring of pregnancy and lactating was conducted on every month by the estate HA. The record for health monitoring for sprayer & manuring operator and rat bait applicator were reviewed.
<p>C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.</p> <p>The occupational health and safety plan shall cover the following:</p>	4.7.1	An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. Major Compliance	Yes	SOU Seri Intan continued to have in place and adopt SDP Occupational Safety and Health Policy, signed by Dato, Franki Anthony Dass. The policy was also available in Bahasa and had been communicated to all employees through briefings and being displayed on the estates and mill notice boards. It was also communicated to all workers by the workers representative in OSH committee. A safety and health plan for 2017/2018 named Environment, Safety & Health Program was updated in July 2017 for both estates and mill. The OHS management plan sighted addressed issues related to hazards and risks, legal register and its requirements for compliance, OSH awareness and training program, accident and emergency procedures, treatment of illness/injury during the job, use of PPE, OSH Committee meetings, etc. Generally, the ESH program noted to be satisfactory. An environment, safety and health plan for 2017/2018 for each estate and mill had been implemented. The plan also covered workplace inspection and aim for zero accident case. The implementation of OSH plan was monitored by internal audits conducted by OSH officers from PSQM department.
	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	No	Most significant and routine activities for mill and estate were adequately covered including chemical spraying, harvesting in the estates, boiler operation, FFB sterilisation, kernel extraction and oil extraction and clarification in the mill. Appropriate risk control measures had been determined and implemented for the respective activities and operation in the estates. Most of the moving part and rotating machinery were installed with machine guarding and properly covered. However, noted that at Sabrang Estate, the assessment to identified risk for working on open space areas and accident was not identified and reviewed. Thus, #Major NCR RAR 01 2017 was raised.
	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	Yes	Training and Briefing on the operations were provided for workers to educate them on safe working practices to ensure applicable precautions are adhered. Training for employees are conducted from time to time based on needs through various method such as on the job training, briefings, meetings, etc. The staff and workers such as the storekeepers, Mill workers, harvesters, pruners, field workers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner. Based on the HIRARC carried out at both estates and POM, the PPE types for the various activity were identified.

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		preparation, harvesting and, if it is used, burning. Major Compliance		
	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	Both the Estate Managers were appointed as the Chairman of the ESH committee. The Assistants respectively for both Estate were assigned as the OSH coordinator and responsible for all safety and environmental issues. All appointments are valid for a 2 year term. All relevant letters were sighted and verified. Both estates and mill management conduct regular two-way communication with their employees through the quarterly ESH meeting. The meetings were held between March to Nov 2017.
	4.7.5	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. Minor Compliance	Yes	Accident and Emergency procedures have been established, the following were reviewed : i) SDPB / 01/08 - Accident Investigation and Investigation Procedure ii) SDPB / 01 / 08 - Crisis Management & Emergency Response Plan which addressed responses to emergency situation related to bund break, fire breakout, CPO pipe burst & fire, flood and chemical spill. iii) Emergency Evacuation Procedures Each estates and mill had procedures for handling of fire & flood, chemical spillage & motor vehicle, wild & poisonous animal attack, first aid team. There are formation of ERP Team & ERP for all the identified incidences. The organisation chart for the ERP team was established and displayed for information of the employees. The important telephone contact numbers were also provided therein. Procedures guidelines were produced by PSQM and amended to tailor to the situation differences in the estates and mills. Sighted drills conducted by the estates for chemical spillage and fire drill.
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	Yes	Seri Intan Mill provides medical care to their workers with clinics established within the premises. Serious cases are referred to the Teluk Intan Hospital which is about 7 km from the site. Seri Intan mill also continued to provide group insurance for all workers as required under the Workmen Compensation Act 1992. Sighting of records and cross check with workers showed that they were covered with valid insurance policy. Local workers are covered by SOCSO, and foreign workers were covered by Workmen Compensation as per the Compensation Act 1952.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	Yes	Cumulative man hour without LTI = 62,460 hr (until 30 Nov 2017) as to-date and the best man-hours without LTI (highest record) was 467,781 hr. Safety meeting has highlighted on the accident no & LTI. Incident detailed report was submitted through SMS IT to PSQM, ESH unit of Sime Darby Plantation. Accident statistics are being maintained and periodically reviewed (quarterly basis) during 'Health and Safety' committee meeting – minutes reviewed.
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	No	Formal training programmes for 2017/2018 covered all aspects of the RSPO Principles and Criteria. Regular assessments of training needs were presented to auditors by the both estates Seri Intan and Sabrang. Year 2017/2018 Training Plan was established in July 2017. A training needs identification matrix has been established with target dates for the training to be conducted. Some of the training program includes ESH Legal & Other requirements, Safe handling of Electrical Equipment, Use & Standard Exposure of Chemical Hazardous to Health (USECHH) 2000, Accident Investigation Techniques, Emergency Respond Plan Training, First Aid Training,

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				Scheduled waste management, Safe Work Procedure for All Stations, Confined Space Training etc. The training was conducted progressively, however not all of Seri Intan Mill and Sabrang Estate first aider was trained on awareness on the scheduled waste to all employee and understanding on the payslip & wages. Therefore major NCR RA 03 2017 was raised to address this.
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	Yes	Record of training were made available and maintain in the training file therefore previous nonconformity raise was closed out. Among training records reviewed were the hearing conservation program, safe handling chemical, effluent operation, boiler operation, SOP training at workshop, continual improvement training / white belt training, Emergency evacuation drill, CPO spillage & fire extinguisher training and basic fire-fighting training by BOMBA Hutan Melintang.

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	The CU has established its environmental aspects/impacts register associated with their activities. Environmental aspect and impact (EAI) covers all upstream activities such as FFB reception until downstream processes. The identification (EAI) and evaluation of environmental impact (EIE) was done for all activities and processes related to the mill operation. Among the significant environmental receptors are the boiler stack emission, palm oil mill effluent (POME) discharge and land contamination from the managing of the scheduled wastes and also general wastes. For the estate operation, all activities from harvesting, pest and disease, upkeep programme until delivery to mill has been identified.
	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/persons. Minor Compliance	Yes	<p><u>Seri Intan mill</u></p> <ul style="list-style-type: none"> i) Identification of the Environmental Aspect and Impact was reviewed on 5/7/2016 by QA and approved by the Mill Manager. No significant changes to the impact evaluation was noted. ii) Environmental Management Plan FY 2016 / 2017 comprising of Pollution Prevention Plan has been established on 5th July, 2016. Identification, Disposal and Reduction Effort of Wastes FY 16/17 updated on 1st July 2016. <p><u>Sabrang Estate</u></p> <ul style="list-style-type: none"> i) Environmental Management Plan name Pollution prevention programme for FY 2017 / 2018 has been established on July 2017 and the status of the actions taken were monitored and recorded. ii) Environmental Aspect and Impact Identification Form and Environmental Impact Evaluation has been used to identify the applicable environmental aspect and its associated impact. The record was reviewed on 5-6/7/2017. New environmental aspects associated with the re-planting activities were identified. <p><u>Seri Intan Estate</u></p> <ul style="list-style-type: none"> i) Environmental Management Plan for FY 2016 / 2017 has been reviewed on 1st November 2017. ii) Environmental Aspect and Impact Identification Form and Environmental Impact Evaluation has been used to identify the applicable environmental aspect and its associated impact. The record was reviewed on 4/12/172017 and EIE on 17/10/17.
	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall	Yes	Seri Intan mill continue to implement 'Pollution Identification Environmental improvement action plan'. The following parameters were being monitored & record available: <ul style="list-style-type: none"> i) BOD for treated effluent discharge

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		<p>be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. Minor Compliance</p>		<p>ii) Reduce water consumption. iii) Reduce electricity consumption. <u>Sabrang Estate</u> Pollution Identification Environmental Improvement action plan to monitor the effectiveness of the mitigation measures taken were in place. The following were monitored : Land Preparation : <ul style="list-style-type: none"> - To Plant land cover crop - To give awareness regarding Pollution - To erect signage buffer zone and to remark the area. To reduce GHG emission from replanting or palm oil activity <ul style="list-style-type: none"> - To implement zero burning concept. <u>Seri Intan Estate</u> Pollution Identification Environmental Improvement action plan to monitor the effectiveness of the mitigation measures taken were in place. The following were monitored : Land Preparation : <ul style="list-style-type: none"> - To Plant land cover crop - To give awareness regarding Pollution - To erect signage buffer zone and to remark the area. To reduce GHG emission from replanting or palm oil activity <ul style="list-style-type: none"> - To implement zero burning concept. - For acid Sulphate area, to monitor and ensure the water table is within 60 – 90 cm - To reduce chemical or used substituted with biological control Y2016/2017 Performance were verified, noted to be satisfactory.</p>
<p>C 5.2 The status of rare, threatened or endangered species other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>	5.2.1	<p>Information shall be collated in a HCV assessment that includes both the planted area itself and relevant wider landscape-level considerations. Major Compliance</p>	Yes	<p>Information was collated in a High Conservation Value Assessment dated December 2015, which included both the planted area and relevant wider landscape-level considerations with villages and forest reserved. Based on the HCV assessment report, there is a water catchment area at Sogomana, a river in Seri Intan Estate and at Sabrang Estate. Noted that there is no HCV area at Sungai Wangi Estate. The total area of HCV for SOU Seri Intan is 37.05 ha.</p>
	5.2.2	<p>Where RTE species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan. Major Compliance</p>	Yes	<p>The HCV Assessment report indicated that there is no threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations. There is only common bird sighted. The appropriate measures that are expected to maintain and/or enhance them were implemented through an action plan dated July 2017 for Sabrang Estate and October 2017 Seri Intan Estate.</p>
	5.2.3	<p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted in accordance with company rules and national law if any individual working for the company is found to capture,</p>	Yes	<p>There is no RTE identified at the Sabrang and Seri Intan Estate. Sime Darby has established disciplinary measure in accordance with national law.</p>

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		harm, collect or kill these species. Minor Compliance		
	5.2.4	Where an action plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; Outcomes of monitoring shall be fed back into the action plan. Minor Compliance	Yes	An action plan for FY2017/2018 was made available at the Sabrang and Seri Intan Estate. The outcomes of monitoring were included in the HCV report. Sabrang Estate has conducted Monthly monitoring on HCV areas for water gate and river Buffer Zone. The monitoring information was recorded in the HCV Management Plan. Since, start the monitoring, the management did not found any significant finding such as illegal hunting or encroachment, the HCV action plan FY2017/2018 was maintained.
	5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. Minor Compliance	NA	There is no HCV set-asides with existing right of local communities in Seri Intan CU.
C 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	Yes	The CU has identified all waste products and sources of pollution. The environmental management plans were established to manage the identified waste products and source of pollution. Among the significant environmental receptors for the estates and mill operations were: Air - emissions from boiler stack (smoke and particulate), vehicle & generator (smoke and gases), GHG from anaerobic processes (ETP, EFB dumping). Water - discharges from process and cleaning activities in the mill & boiler blowdown, etc. Land – Scheduled wastes, domestic waste and industrial/process waste. Clinical waste – generated from Clinics.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	Yes	<u>Seri Intan mill</u> Continues to manage empty chemical containers as classified under scheduled waste SW409 and disposed through approved DOE licensed contractors. <u>Sabrang Estate</u> The triple rinsing of the empty pesticide containers were continually implemented. The rinsed containers were pierced and stored prior disposing. Records of inventory i.e. 5 th schedule inventory was verified and found to be satisfactory. The disposal of scheduled was carried in Dec 2017. The consignment note was appropriately maintained. <u>Seri Intan Estate</u> The triple rinsing of the empty pesticide containers were continually implemented. The rinsed containers were pierced and stored prior disposing. Record of inventory as in the 5 th Schedule was available. The disposal of scheduled was carried in Nov 2017. The consignment note was appropriately maintained.
	5.3.3	A waste management and disposal plan to avoid or reduce	Yes	For the identified wastes and pollutants, there are Procedures and guideline established to guide the waste disposal activities and to reduce pollution on the routine operation. For FY2016/2017,

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		pollution shall be documented and implemented Minor Compliance		the CU has established Waste Management Action Plan. For the identified waste and pollutants, Operational Control procedure, entitle Scheduled waste (hazardous waste) management were continued to implement as guidance to waste disposal activities and to reduce pollution on the routine operation.
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	The CU has established the Fossil fuel Management on efficiency use of fossil fuel. Among the programmed were using of fiber and shell in the boilers at the mill and for controlling of diesel usage in both estates for the tractor. The management is monitoring the consumption of fossil fuel and renewable energy on monthly basis. A plan for improving the efficiency of the use of fossil fuels and optimize renewable energy has been incorporated into the Environmental Aspect and Impact analysis.
C 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice	5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Major Compliance	Yes	SDPB policy on no open burning is reflected in the internal procedure - Under felling/clearing & land preparation and Carbon Policy. Both 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 approval of the controlled burning as specified in ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Minor Compliance	Yes	As per SDPB policy on zero burning during land preparation for replanting, both estates had adhered to this policy. There was no evidence of any burning.
C 5.6 Preamble Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognized that it is not always feasible or practical to reduce or minimise these	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent.	Yes	An assessment of identified polluting activities is being conducted and monitored. These include gaseous emissions, particulate / soot emissions, effluent discharge and the scheduled wastes and domestic wastes. 'Pollution Identification Environmental improvement action plan' – is used to identify the waste products and sources of pollution – is in place and is being reviewed accordingly. Air – from boiler stack (smoke and particulate), from vehicle & generator (smoke and gases), GHG emissions from anaerobic processes (ETP & EFB dumping) Water – cleaning water/run-off/process station waters (hydrocyclone / claybath /sterilizer condensate/clarification waste) & boiler quenching water and blowdown. Land – scheduled waste, domestic waste and industrial/process waste.
	5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	Yes	'Pollution Identification Environmental improvement action plan' – is used to identify the waste products and sources of pollution and actions taken to mitigate and reduce them are in place and are being reviewed accordingly. Greenhouse Gaseous – potential sources are identified using 'Carbon Reduction Plan'. Emission sources have been identified from Land Conservation, Fertilizer (mineral) Manufacture & Transport, NO from fertilizer, Fuel Consumption, Peat Oxidation, POME and reported in the Palm GHG Summary Report.
	5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant	No	The CU is using the RSPO PalmGHG Calculator version 3.0.1 to calculate the GHG emission for the estate and the mill. The data input used in the calculation was using the 2016. The summary of net GHG emissions from PalmGHG calculator is provided in Attachment 8. Noted that there are

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<p>emissions.</p> <p>Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO.</p> <p>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>		<p>pollutants and emissions from estate and mill operations, using appropriate tools.</p> <p>Minor Compliance</p>		<p>wrong data input found during the data verification. Minor NCR, RA 02 2017 was raised against this indicator,</p>
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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
<p>C 6.1</p> <p>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.</p>	6.1.1	<p>A social impact assessment (SIA) including records of meetings shall be documented.</p> <p>Major Compliance</p>	Yes	<p>A Social Impact Assessment (SIA) report, which prepared PSQM Department, SDPB, and records of meetings observed retained by Seri Intan CU. The reports highlighted various issues raised by the stakeholders of the respective estates and mill. Stakeholders' complaints, requests and comments were documented in the report, and in minutes of meetings, if any.</p>
	6.1.2	<p>There shall be evidence that the assessment has been done with the participation of affected parties.</p> <p>Major Compliance</p>	Yes	<p>Observed there was evidence that assessment had been done with the participation of stakeholders, as recorded in the SIA report and attendance of meetings. Interview with stakeholders confirmed that were consulted.</p>
	6.1.3	<p>Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, incl. responsibilities</p>	Yes	<p>Documented plans to avoid or mitigate the negative impacts and promotion of the positive ones, and monitoring of impacts observed had been established in consultation with the affected parties. The documented plans contained time-table and responsibilities for implementation by each operating unit.</p>

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		for implementation. Major Compliance		
	6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties Minor Compliance	Yes	Management plans pertaining social impact assessment noted reviewed once a year, with participation with the affected parties. Also noted that are issues raised by employees, which actions has or on-going implemented by management.
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). Minor Compliance	NA	There is no smallholder schemes included in Seri Intan CU.
C 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties	6.2.1	Consultation and communication procedures shall be documented. Major Compliance	Yes	The CU noted maintained its consultation and communication procedures established by HQ. The procedure also observed available at each operating unit.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	Yes	Observed the CU maintained appointed respective Assistant Manager at each operating unit as management officials for responsible of social issues.
	6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. Minor Compliance	Yes	A list of stakeholders and records of communication, including relevant confirmation of receipt and efforts made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders noted maintained by the CU, if any.
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 whistleblowers, where requested. Major Compliance	Yes	The CU maintained acknowledged that the system for dealing with complaints and grievances, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. It has been confirmed that here was no dispute observed in the CU. Community's leaders of local villages were interviewed to confirm this matter.
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	NA	There was no dispute observed in the CU. Community's leaders of local villages were interviewed including pertaining this matter.

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<p>C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>	6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. Major Compliance	Yes	The CU maintained its documented procedures for identifying legal and customary right and for identifying people entitled to compensation, which covered either by Procedures for Handling Boundaries Dispute or Procedures for Handling Squatters Dispute or Procedures for Handling Social Disputes, depending on type of issues and stakeholders. Community's leaders of local villages were interviewed including pertaining this matter.
	6.4.2	A procedure for calculating and distributing fair compensation shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. Minor Compliance	Yes	The CU maintained its documented procedures for calculating and distributing fair compensation, which covered either by Procedures for Handling Boundaries Dispute or Procedures for Handling Squatters Dispute or Procedures for Handling Social Disputes, depending on type of issues and stakeholders. According to the procedure, the calculation and distribution of compensation to be carried out at the company level, i.e. not at the estate/mill level. Nevertheless, no case of compensation related to loss of legal or customary rights of indigenous peoples, local communities or external stakeholders was observed. Community's leaders of local villages were interviewed including pertaining this matter.
	6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. Major Compliance	Yes	There were no negotiated agreements and compensation claims observed within the covered audit period. Community's leaders of local villages were interviewed including pertaining this matter.
<p>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</p>	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	Yes	Documentation of pay and conditions maintained spelled out in the employment documents i.e. offer / acceptance letter or Employment Contract and payslip. Employment documents among other indicate salary, working hour, accommodation, medical, transport, equipment, etc. Meanwhile, payslip among other indicates earning, deduction, nett pay.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance	Yes	The CU observed maintained to provide detail of condition of employment in compliance to laws and agreement in its employment documents, as well as to provide explanation to its employees.
	6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to	Yes	The CU continues provided free housing, water supply, free medical services, subsidized electricity and access to education for children of foreign workers. The CU also provided other amenities and facilities such as clinic, ambulance, <i>sarau</i> , groceries shops etc.

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		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		The CU also continued conduct weekly inspection at the linesite. Record of inspection was available.
	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	There were groceries shops in the CU that sell sundries including food items for the need of CU communities. Price of goods noted displayed.
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 free association and bargaining for all such personnel.	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	Yes	The CU maintained its published statements on freedom of association and respect the right of workers to form or join trade unions. The freedom of association statement incorporated in the company Social Policy (dated January 2015) statement together with other policy statements were maintained and sighted on notice boards in the estate and mill.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	Yes	Observed the CU maintained its documented minutes with trade union and workers.
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	Review of the employees register and monthly salary payment observed that was no employee below 18 years of age employed by the company. This was also affirmed by administration staff and workers interviewed.
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	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 documented freedom of association statement incorporated in the company Social and Humanity Management Policy statement together with other policy statements noted retained and sighted on notice boards in the estates and mill.
	6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been	Yes	Interviewed with various employees of different gender, nationality, race, religion acknowledged that they were treated equal and not discriminated in any form including related to recruitment, works, promotion, amenities, benefits, etc. Interviewed with other external stakeholders, such suppliers, contractor, also acknowledged they had no issues pertaining equal opportunities.

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prohibited.		discriminated against. Major Compliance		Community's leaders of local villages were interviewed including pertaining this matter.
	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	Recruitment and promotion noted were conducted based on job requirements accordingly. Interviewed with various employees acknowledged no issues pertaining recruitment and promotion.
C 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.	6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. Major Compliance	Yes	The freedom of association statement incorporated in the company Social Policy and Social & Humanity Management Policy statement together with other policy statements noted retained and sighted on notice boards in the estate and mill.
	6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. Major Compliance	Yes	The freedom of association statement incorporated in the company Social Policy and Social & Humanity Management Policy statement dated January 2015 together with other policy statements noted retained and sighted in the estate and mill. Interviewed with female workers noted they were understand the policy and their rights, e.g. no work of handling chemicals during pregnancy or breastfeeding.
	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	The CU noted retained its documented specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented in the Group Policies and Authorities-Whistleblowing. However, there were no cases of complaint or grievance observed.
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	NA	Not applicable as the CU only received its own certified FFB.
	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	The CU only received its own certified FFB. For other services, the CU maintained its procurement process either through quotation and order or tendering process.
	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	Interviewed with suppliers and contractors noted that the estates / mill treated them fairly and they have no issues with the estates or mill management. They acknowledged their contract were fair, legal and transparent.
	6.10.4	Agreed payments shall be made in a timely manner.	Yes	Review of suppliers and contractors invoices and related payment documentation noted that the payment was made in a timely manner through bank transfer upon submission of complete claim

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		Minor Compliance		documents via MEX system. Interview with suppliers and contractors acknowledged that payments were made in timely manner, and no complaint was observed.
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	The CU continued contributed to local communities. This included: <ul style="list-style-type: none"> • repair of road that connect to and access by local communities. • donation for festive events. • donation to surau and temple. Community's leaders of local villages were interviewed including pertaining this matter.
	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	NA	Not applicable as there are no scheme smallholders in the CU. Community's leaders of local villages were interviewed including pertaining this matter.
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	Employees, including foreign and women interviewed noted that they acknowledged no cases of forced or trafficked labour. They were treated accordingly as per employment conditions. Foreign workers also informed that their passport was kept by the CU based on their consent. Such documented consent was made available by the CU. Review of employee's wage, records of work, and conditions of employment also observed no cases of forced or trafficked labour.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	Yes	Interviewed with foreign workers observed there was no contract substitution had occurred. They got their job as promised.
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	Yes	The labour policy statement contained in the Social Policy and Humanity Management Policies. Company labour policy required that all foreign workers hired to attend a one-week post-arrival orientation course; an Induction Course for Foreign Workers before commencing work. Through this course, the workers were exposed among other things to various relevant laws of the country (such as labour and immigration laws), health and safety, work contract, sourcing process of foreign workers and language and cultures of Malaysia.
C 6.13 Growers and millers respect human rights	6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations. Major Compliance	Yes	The SDPB Social Policy and Social & Humanity Management Policies have included statement on freedom of association. The policies noted displayed at the notice boards at the estates and mill.
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. Minor Compliance	NA	This indicator is not applicable since the Seri Intan CU is located in Peninsular Malaysia.

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Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

The CU has no plan for any new planting and no new development of area was observed during the visit. Auditors has verified through checking the www.globalforestwatch.com , GOOGLE Maps, Estate Maps and also through site visit there were no new planting or new development of areas at the CU. Hence, this indicator was not applicable. Thus Principle 7 is not applicable.

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

Clause	Indicators	Comply Yes/No	Findings
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1 The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance		
	a) Reduction in use of pesticides(Criterion 4.6);	Yes	The CU adopted several continuous improvement 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. The CU also adopted planting of <i>Leguminous Cover Crop</i> mainly <i>Pueraria Javanica</i> and <i>Calopogonium Mucunoides</i> at replanting area in order to minimizing circle and selective weeding. <i>Neproliphis biserata</i> was maintained and encouraged to be planted in Seri Intan SOU. This can be seen in their continuous improvement plan. This was to suppress growth of noxious weeds and thus reduce the use of pesticides for selective weeding. Woody sprayings were carried out whenever necessary and only twice a year. Blanket spraying was not practiced in order to encourage soft grasses in inter row and frond stacking area Mills waste such as EFB were used as fertilizer in the field.
	b) Environmental impacts (Criteria 4.3, 5.1 and 5.2);	Yes	Seri Intan CU continued to maintain its environmental aspects/impacts register associated with their activities. The environmental aspect identification (EAI) and environmental impact evaluation (EIE) covers all activities related to milling operation. The "Pollution Identification Environmental improvement action plan" has been established and is being monitored by the relevant appointed personnel.
	c) Waste reduction (Criterion 5.3);	Yes	Seri Intan C continued to practice 3R (reduce, recycle, re-use) on wastes management. Waste Management Plan has been established for 2017.
	d) Pollution and greenhouse gas (GHG) emissions;	Yes	'Pollution Identification Environmental improvement action plan' – is used to identify the waste products and sources of pollution – is in place and is being reviewed accordingly.
	e) Social impacts (Criterion 6.1);	Yes	Documented plans to avoid or mitigate the negative impacts and promotion of the positive ones, and monitoring of impacts observed had been established and implemented. Management plans pertaining social impact assessment noted reviewed once a year, with participation with the

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				affected parties. The documented plans contained time-table and responsibilities for implementation by each operating unit.
	f)	Encourage optimising the yield of the supply base	Yes	As Seri Intan 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 maximising crop recovery, optimum ripeness standard (harvest ripe bunches only and 100% loose fruit collection), the soil fertility were maintained and planting only high yielding planting material.

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Clause	Indicators		Comply Yes/No	Findings
4.5.3 Time-bound plan Note: Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised;	(a)	As a minimum, all estates and mills shall be certified within five years after obtaining RSPO membership. Any new acquisitions shall be certified within a three-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	YES	SDP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. PT MAS in Indonesia has undergone RSPO Main assessment and was delayed due to some social disputes. The target date for certification was by 2017 subject to the progress of the matter being resolved. As at June 2017, 58% of smallholders land from the total land 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. Liberia Preparation to undergo the RSPO Certification process was also in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. SDP continues to work on direct engagement with Project Affected Communities (PAC) – working towards a consensus with the PAC to resolve the issues. Further information can be obtained from http://www.rspo.org/members/complaints/status-of-complaints/view/29
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	YES	Time bound plan was verified by CB and it can be confirmed that there were no changes to the current time bound plan as verified during this audit.

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	(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 timebound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);	YES	There were no changes to the current time bound plan as verified during this audit.
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 January 1 st 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.
	(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 through bi-monthly meeting since November 2012; TKKP and the Kerunang & Ketapang team. The most recent one was held in Nov 2016. Issues related to the demands made by TKPP were closed except for two items related to land matters where SDP was engaging with the local authority on this matter together with TKPP. Current discussion was to moving forward especially on the replanting activities. SDP visited the second community group, the Kerunang & Entapang team in Aug 2014 to listen and have a better understanding on their requests. The subsequent meeting with the communities was held in Dec 2014.
	(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 internal and external audit (ISPO certified) there was no labour disputed recorded at the CU.
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	Yes	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.

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(e)	The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 4.5.4 (a) – (d) above by the audit team based on self-declarations only by the company, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:		
	<input type="checkbox"/> A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by the organization. This would require evidence of the self assessment against each requirement;	Yes	During the audit at Seri Intan, auditor has received reports of internal audit (dated 9-10/11/2017) regarding RSPO Partial Certification at PT Mitra Sejahtera (PT Mas), sighted also the evidence to RSPO to show compliance for another requirement as required by this certification system document. Based on internal audit report for uncertified units of SDP PT Mitral Austral Sejahtera dated 9-10/11/2017, SDP had assessed all uncertified units on the requirements (a) – (e). SDP also has made a positive assurance statement for (A) Time bound plan, B) Requirements for uncertified management units and/or holdings, and C) Timely Notification of Changes, SDP will prepare a declaration and conduct internal assessment against the requirement and will be reviewed and updated on annual basis. Further information can be obtained from http://www.rspo.org/members/complaints/status-of-complaints/view/29
	<input type="checkbox"/> Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team;	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.
	<input type="checkbox"/> Desktop study e.g. web check on relevant complaints.	Yes	Further information can be obtained from http://www.rspo.org/members/complaints/status-of-complaints/view/29
	<input type="checkbox"/> If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements	Yes	There was no non-compliance found for all requirements during this audit

Note:
1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&C.
For example, if an NC against a major indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless that is actively addressed;
2. Failure to address any outstanding NC within uncertified unit(s) regarding 4.5.4 (a)-(d) may lead to certificate suspension(s) to the certified unit(s), in accordance with the provisions of these Certification Systems.

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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
2.1.1 RA 01 2017	Major	<p><u>Objective evidence:</u> Seri Intan Mill – site visit was observed the following</p> <ol style="list-style-type: none"> 1) Empty lubricant oil drums were located beside monsoon drain , no secondary containment and no sheltered 2) A few empty containers of spent chemical with missing cap 3) Wrong hazard signage for liquid wastes 4) No identification of waste code, waste name on several scheduled waste containers 5) Spill kit not readily available to response if there are any emergency situation 6) Chemical store (calcium carbonate) – no CSDS available at point of use, poor storage condition <p>Seri Intan estate- Site was observed</p> <ol style="list-style-type: none"> 1) wet flooring at schedule waste store 2) Waste labelling 3) Storage condition – hornest nest 4) five empty lubricant containers use to store water at line site <p>Sabrang Estate</p> <ol style="list-style-type: none"> 1) storage chemical at water treatment plant store - no secondary containment. 	<ol style="list-style-type: none"> 1) All empty containers already being removed to secure place before waste being disposed. 2) Missing caps will be replaced before being disposed. 3) Wrong hazard signage will be replaced before being disposed. 4) Training will be conducted to all personnel involve as soon as possible. 5) Spill kit will be made available for emergency situation. 6) CSDS will be made available at near point of use. 	<p>All empty lubricant containers and empty spent containers were disposed to Kualiti Alam Sdn Bhd. Appropriate hazard signage were pasted on each containers and missing cap were replaced prior disposed to Kualliti Alam Sdn Bhd. Photograph & record of disposal were verified.</p> <p>Spill kit were readily available beside scheduled waste store.</p> <p>Safe chemical handling and scheduled waste management training was conducted on 24/1/2018 by PQSM officer and attendant list and photo were seen.</p> <p>Housekeeping was carried out at calcium carbonate storage area and CSDS were made available. Photograph were verified by auditor.</p> <p>Status : Closed</p>
5.6.3 RA 02 2017	Minor	<p><u>Objective evidence:</u> Wrong data input for 2016 GHG calculation such as area statement</p>	<p>To verify all data input in the GHG calculator and resend back the GHG Calculation to RSPO.</p>	<p>The corrective action and effectiveness of the implementation will be verified during next audit.</p> <p>Status : Open</p>

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<p>4.8.1 RA 03 2017</p>	<p>Major</p>	<p><u>Objective evidence:</u> No evidence of training conducted as follows: 1) Seri Intan Mill and Sabrang Estate: Not all training related to first aid provided to all first aid team 2) Awareness on the scheduled waste to all employee. 3) Understanding on the payslip & wages</p>	<p>Update the training programme and conduct the necessary training as per schedule.</p> <p>First aid training was conducted on 6/3/2018 Safe chemical handling & Scheduled waste management training was conducted on 24/1/2018. Understanding on payslip & wages were conducted in 25/1/2018.</p>	<p>Training attendant list & photograph of training were verified.</p> <p>Status : Closed</p>
<p>4.7.2 RAR 01 2017</p>	<p>Major</p>	<p><u>Objective evidence:</u> At Sabrang Estate <input type="checkbox"/> Hazard for heat stress management working at replanting nursery, and immature areas was not being identified <input type="checkbox"/> Near miss accident occurred on 17/06/2017 was not reviewed by the OSH committee</p>	<p>Management of CU has instructed OSH officer from PQSM department to provide the training for person in charge / OSH committee team to handle and reporting and to do the HIRARC.</p> <p>The PPE (straw hat, gallon of drinking water, shelter) to prevent heat stress already been given by employer to employees who working in the open space areas such as nursery, immature areas and etc. However, found the awareness in worker is low. CU management has conducted immediately morning briefing and training to their employees</p>	<p>PSQM Department has given training to OSH team and PIC regarding guidelines to conduct HIRARC on 03/01/2018. Members also has reviewed and conducted an assessment to revise the HIRARC regarding heat stress management in open space areas such as nursery, immature areas, and replanting areas. Management also will discuss and review the HIRARC quarterly especially in the OSH meeting.</p> <p>Status : Closed</p>
<p>4.1.2 RAR 02 2017</p>	<p>Major</p>	<p><u>Objective evidence :</u> (Recurrence issues) At Seri Intan Estate – PPE for frond stacker and harvester i.e. leather hand glove and rubber bot (wellington boots) was observed not in good condition and record of PPE replacement was not available. Seri Intan Mill – water analysis on Oct 2017 exceed limit at sampling point near ramp.</p>	<p>CU management has immediately replaced all broken PPE. The morning briefing and training to their employees during muster call to improve an awareness from employees.</p>	<p>The training and awareness programme immediately been conducted by CU officer on 15/02/2018. Training also will be conducted 4 month once for better result and evaluation after training to ensure the awareness is good and improved among of employees. The training will be conduct by by OSH officer from PQSM Department.</p>

RSPO PUBLIC SUMMARY

				Status: Closed
D4.1 MZK 01 2017	Major	<p><u>Objective evidence:</u> Seri Intan POM: Consignment note FFB/Weighbridge Ticket from Certified estate did not consistently contain RSPO certificate Number</p>	<p>The PSQM will liaise with the IT Department to update the system via VNC connection. Estimate to complete on 5 January 2018.</p> <ol style="list-style-type: none"> 1. IT Department will issue the access password to the SQM CER team (limited to update parts certification only). 2. To conduct the SCCS SOP training to the weighbridge operator. 3. To establish the manual stamping and will be using if the SIME WEIGH system having a problem. 	<p>The System already repaired, and sighted the latest WB ticket dated March 2018 has been indicated with RSPO Certificate number.</p> <p>Status: Closed Status of Corrective action will verify during next audit.</p>
4.4.2 MZK 02 2017	Major	<p><u>Objective evidence:</u> Sabrang Estate The following was observed: 1. Field 2010 Rubana Division - traces of chemical activities at Main drain nearing to water gate to main river. Seri Intan Estate The following was observed: 1. Traces of chemical activities at linesite monsoon drain and office compound drain. 2. There is no water sump at tractor wash area, sighted the area that water straight go to the main drain.</p>	<ol style="list-style-type: none"> 1. The management will train the operator immediately and will replace that area with beneficial plant. 2. The management will brief to the linesite people regarding protection of water course and to the workers that watercourse cannot be sprayed. 3. Management will repair the collapse bund, and retrain the tractor driver that area cannot wash tractor. 	<ol style="list-style-type: none"> 1. Training and attendance list dated 4/1/18 and 19/2/18 for new workers verified. 2. Sighted evidence of morning briefing to all workers regarding spraying dated 8/1/18. 3. Sighted a plan from Selaba Management to replace the tractor wash area. target to complete on June 2018 <p>Status: Closed Status of Corrective action will verify during next audit.</p>

RSPO PUBLIC SUMMARY

Attachment 5

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

Item No	Requirement NOV 2014	Findings Standard Nov 2014																										
D.1 D.1.1	Definition A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C), Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.	Actual (Jan 2017 – Dec 2017) <table border="0"> <tr> <td></td> <td align="right"><u>MT</u></td> </tr> <tr> <td>a) Certified FFB received</td> <td align="right">227,089.55</td> </tr> <tr> <td> Certified FFB Processed</td> <td align="right">227,089.55</td> </tr> <tr> <td> CPO Production</td> <td align="right">44,163.01</td> </tr> <tr> <td> PK Production</td> <td align="right">10,415.80</td> </tr> <tr> <td>b) Delivery of CPO</td> <td align="right">44,163.01</td> </tr> <tr> <td> RSPO(IP)</td> <td align="right">250.00</td> </tr> <tr> <td> RSPO(MB)</td> <td align="right">0</td> </tr> <tr> <td> Non-certified</td> <td align="right">43,913.01</td> </tr> <tr> <td>Delivery of PK</td> <td align="right">10,415.80</td> </tr> <tr> <td> RSPO (IP)</td> <td align="right">1,600.00</td> </tr> <tr> <td> RSPO(MB)</td> <td align="right">0</td> </tr> <tr> <td> Non-certified</td> <td align="right">8,815.80</td> </tr> </table>		<u>MT</u>	a) Certified FFB received	227,089.55	Certified FFB Processed	227,089.55	CPO Production	44,163.01	PK Production	10,415.80	b) Delivery of CPO	44,163.01	RSPO(IP)	250.00	RSPO(MB)	0	Non-certified	43,913.01	Delivery of PK	10,415.80	RSPO (IP)	1,600.00	RSPO(MB)	0	Non-certified	8,815.80
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D 2 D.2.1	Explanation The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil products (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.	Projection (Jan 2018 – Dec 2018) <table border="0"> <tr> <td></td> <td align="right"><u>MT</u></td> </tr> <tr> <td>(1) FFB received</td> <td align="right">235,763.59</td> </tr> <tr> <td>(2) FFB Processed</td> <td align="right">235,763.59</td> </tr> <tr> <td>(3) CPO Production</td> <td align="right">53,333.26</td> </tr> <tr> <td>(4) PK Production</td> <td align="right">12,966.99</td> </tr> </table>		<u>MT</u>	(1) FFB received	235,763.59	(2) FFB Processed	235,763.59	(3) CPO Production	53,333.26	(4) PK Production	12,966.99																
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D. 2 D 2.2	Explanation The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).	Seri Intan POM has a registered RSPO e-Trace. The member ID is RSPO_PO1000000193 Sample of registration was sighted: Contract Information Seller Contract # S/C-PSD/1706/CPO00262 Contract date 25/5/17 Transport Medium Tanker (lorry) Product name CPO Identity Preserved Certified volume 250 MT Seller Seri Intan Oil Mill																										

RSPO PUBLIC SUMMARY

		<p>Buyer <i>Sime Darby Plantation Berhad - Jomalina Refinery</i> <i>Member ID RSPO_PO100000075</i></p> <p>Contract Information Seller Contract # S/C-PSD/1703/PK0127 Announcement date 27/2/17 Transport Medium Tanker (lorry) Shipment date 6/3/17 Product name PK Identity Preserved Certified volume 750 MT Seller Seri Intan Oil Mill Buyer <i>Sime Darby Plantation Berhad – KCP Carey Island</i> <i>Member ID RSPO_PO100000310</i></p>
<p>D 3 D 3.1</p>	<p>Documented procedures The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: a) Complete and up to date procedures covering the implementation of all the elements in these requirements; b) The 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 site's procedures for the implementation of this standard.</p>	<p>a) Seri Intan POM had revised their procedures titled '<i>Standard operating procedure (SOP) for Sustainable Supply Chain and Traceability</i>', <i>version 2, dated Oct 2016</i>. The procedure described the following:</p> <ul style="list-style-type: none"> • Clause 4.0 ~ the responsibility of for the implementation of RSPO SCC i.e. head of operating unit • Clause 5.0 ~ Control of document & records such as weighbridge tickets, consignment notes, training record & contracts. Record retention for 10 years. • Clause 6.0 ~ Delivery of FFB from the estate – relevant record involved, flowchart for crop diversion, list of mills and their supply chain model i.e. IP or MB • Clause 7.0 ~ Receiving FFB at the mill – list of supply base, rules for determining diverted FFB destination • Clause 8.0 ~ process monitoring • Clause 9.0 ~ CPO and PK dispatch • Clause 10.0 ~ Non-conforming material / product • Clause 11.0 ~ product claim – shall follow RSPO rules on market communication & claim • Clause 12.0 ~ Outsourced contractor - the mill has established list of outsourced contractor. • Clause 13.0 ~ Training. • Clause 14.0 ~ Reclassification of mill's supply chain model. • Clause 15.0 ~ Production volume <p>The procedure was kept in file RSPO Supply Chain Manual (SCM/RSPO/SD) Appropriate changes were also made in the change from the previous Segregation to Identity Preserved model.</p> <p>b) The Assistant Manager remained as the person with overall responsibility for and authority over the implementation of the supply chain requirements.</p>

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D 3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	Clause 7.0 of <i>SOP for Sustainable Supply Chain and Traceability</i> , version 2 has described how the Seri Intan POM manages the FFB from certified source. It was confirmed that no non-certified FFB was received by Seri Intan POM.
D.4 D.4.1	Purchasing and goods in The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.	Seri Intan POM will only accept the RSPO certified FFB which are from Sime Darby's own estates i.e. Seri Intan Estate, Sogomana Estate, Sabrang Estate and Sungai Wangi Estate. Monitoring records titled as " <i>RSPO Records for Oil Mills</i> " has recorded the tonnage of certified FFB and its supplying estate. Verified through Seri Intan POM weighing system called ' <i>SimeWeigh</i> ' and random sample of weighbridge ticket from Sabrang Estate, Sogomana Estate and Sungai Wangi Estate. . There was no non-certified FFB received based on the records only Diversion from Certified Estates. However it was found that, The Weighbridge ticket did not consistently contain RSPO Cert No, only starting 20 Nov and above contain RSPO Cert No, This is against the SDPB SOP, Therefore Major NCR MZK 01 2017 was raised.
D 4.2	The site shall inform the CB immediately if there is a projected overproduction.	There was no overproduction of certified CSPO during the period under review (Jan 2017 – Dec 2017).
D.5 D.5.1	Record keeping The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	Seri Intan POM has maintained the three-monthly accounting system to record RSPO certified FFB and deliveries of RSPO certified CPO and PK. Record titled as " <i>RSPO Records for Oil Mills</i> ".
D 6 D.6.1	The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.	Global Trading & Marketing (GTM) Ara Damansara office informed Sime Darby Plantation Berhad – NURI Refinery (SDPB-NURI) and Sime Darby Plantation Berhad – Jomalina Refinery (SDPB – JOMA) by e-mail on the dispatch of RSPO certified CPO from the supplying POM (Seri Intan). The dispatch of the RSPO certified CPO to SDPB-NURI by the supplying POMs was made based on a specific contract. The receiving pit, pipelines and tanks in SDPB-NURI and SDPB – JOMA were thoroughly cleaned, swept and flushed before RSPO certified CPO was pumped in to avoid contamination. Dedicated tanks were used to store RSPO certified CPO from Seri Intan POM. For traceability of a specific batch of RSPO certified CPO back to the supplying POM, SDPB-NURI kept the relevant documents such as the weighbridge ticket, CPO dispatch note, Dispatch oil quality ticket, Authorization from transporter, Borang MPOB L3, CPO dispatch authorization issued by the POM.
D.6.2	The objective is for 100% segregated material to be reached.	Seri Intan POM does not accept any non-certified FFB. It was confirmed through summary of weighbridge ticket and interview with weighbridge operator. Therefore, CPO and PK can be considered 100% segregated.

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Attachment 6

Status of Non-conformities Previously Identified

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken	Verification by Auditor
Indicator 2.1.3 NCR#: MZK 01 2017	Minor	<p>Finding: Mechanism for ensuring compliance was not effective at Seri Intan POM</p> <p>Objective evidence: (i)Flowrate of treated effluent discharge was monitored and submitted to DOE on monthly basis. However, occasionally (i.e. during 1, 28 and 29 June 2016, 2, 14 July 2016, 14 September 2016, and 14, 26 and 28 November 2016), the flowrate exceeded the design capacity of the plant and there were no remarks noted in the form. Noted that the results of the effluent quality were in-compliance with the regulatory limit.</p> <p>(ii)Water Sampling at the monsoon drain pit was not carried out. Evidence of Boiler ash flowing to the drain.</p>	<p><u>Corrective Action plan:</u></p> <ol style="list-style-type: none"> 1. In future, any result exceeded design capacity will be remarked/commented in the form. 2. Water sample at the monsoon drain pit has been sent to R&D Pulau Carey for analysis, and the sampling point will be added into the list of sampling points. 	<p>Seri Intan mill has continued to monitor the treated effluent discharge and all monitoring result were within the regulatory limit. Mill also has carried out water sampling at the monsoon drain.</p> <p>Status: Closed.</p>
Indicator 4.1.2 NCR#: RR 01 2016	Minor	<p>Finding : The recommendation made in the CHRA (2015) for sprayers and manures was not complied with.</p> <p>Objective evidence : At Sungai Wangi Estate: <ul style="list-style-type: none"> • Workers carrying circle spraying in Field 99A not using respirators. • Medical surveillance was not carried out for manuring operators since 2015 </p>	<p><u>Corrective Action plan:</u></p> <ol style="list-style-type: none"> 1. Sprayers will be getting their respirators before second round of spraying, which is planned to be conducted in February 2017. 2. Manuring operators will be sent for annual medical surveillance in February 2017. 3. Person in-charge to monitor workers' PPE and medical surveillance will be appointed by management. 	<p>Mechanism to check consistent implementation of PPE usage not effective.</p> <p>Status: Reissued & upgraded.</p>
		<p>Finding : Plan to avoid or reduce pollution not effectively implemented.</p>	<p><u>Corrective Action plan:</u></p> <ol style="list-style-type: none"> 1. Estate Management will reconstruct the bund for oil trap at Wilbrook Division by end of February 2017. 	<p>Secondary containment were made available to prevent water from Emergency shower direct discharge to monsoon drain.</p>

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		<p>Objective evidence :</p> <ol style="list-style-type: none"> 1. Bund for oil trap purposed not properly design. Traces of oil spills at Wilbrook Division, Sungai Wangi Estate, (inside and outside diesel storage). 2. At Wilbrook Division, Sungai Wangi Estate, diesel storage from replanting contractor does not have bund or trail to prevent oil spill occur. 3. At Sungai Wangi Estate Wilbrook Division) water from emergency shower was directed into a field drain 4. At the Seri Intan POM, the emergency shower directed to monsoon drain 	<ol style="list-style-type: none"> 2. Replanting contractor will remove and vacate the diesel storage area, as they are not supposed to be storing any chemical or flammable liquid within the compound. 3. The drain at Sungai Wangi Estate will be reconstructed to enable the water to be directed into the sum. 4. At KKS Seri Intan, management will temporarily block the pipe to monsoon drain. Manual collection of the wastewater will be done and put into a carboy/drum. 	Status: Closed.
<p>Indicator 4.5.2</p> <p>NCR#: RR 02 2016</p>	Minor	<p>Finding : Training of those involved in IPM implementation was not demonstrated</p> <p>Objective evidence : There was no evidence to show that training of employees involved in IPM conducted at Sungai Wangi Estate.</p>	Training of the employees involved in IPM will be conducted in February 2017.	<p>Training in IPM was evidence.</p> <p>Status: Closed.</p>
<p>Indicator 4.8.2</p> <p>NCR#: MZK 02 2017</p>	Minor	<p><u>Finding:</u> The process of maintaining Training records found not effective</p> <p><u>Objective evidence:</u> At Seri Intan POM and Sungai Wangi Estate – Although Health, Safety and Environmental Trainings are stated to be carried out, however, some of the records of the training were not available.</p>	Seri Intan POM and Sungai Wangi Estate will ensure all future trainings performed will be updated and recorded without fail in logbook or file form.	<p>Record of training were available and maintained in the training file.</p> <p>Status: Closed.</p>

RSPO PUBLIC SUMMARY

Attachment 7

Time-bound Plan

SDP - RSPO Certification Status for Malaysia Operations

SOU NO	Name of SOU	Location	Date Certification	of	End Date of Certification	Certificate Number	Remarks
1	Sg. Dingin	Karangan, Kedah	12 Aug 10		11 Aug 20	SPO 550179	
2	Chersonese	Kuala Kurau, Perak	5 Oct 11		4 Oct 21	CU-RSPO-815148, RSPO 590800	
3	Elphil	Sg Siput, Perak	18 Jun 11		17 Jun 21	RSPO 550180	
4	Flemington	Teluk Intan, Perak	5 Oct 11		4 Oct 21	CU-RSPO-819144, RSPO 590802	
5	Seri Intan	Teluk Intan, Perak	3 Mar 11		2 Mar 21	CU-RSPO-811218, RSPO 0015	
5	Selaba	Teluk Intan, Perak	3 Mar 11		2 Mar 21	CU-RSPO-819142, RSPO 0016	
5a	Sg Samak	NA	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, 18502206001, 824 502 14020	

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11	Kerdau	Temerloh, Pahang	7 Jul 11	6 Jul 21	CU-RSPO-819155, 18502207001, 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, SGSRSP/PM/MY13/01284, 824 502 16039, SGS- RSPO/PC1700004	
14	Tanah Merah	Port Dickson, Negeri Sembilan	19 May 10	18 May 20	SPO 541905	
15	Sua Betong	Port Dickson, Negeri Sembilan	18 Feb 14	17 Feb 19	SGS-RSPOPM- MY14/01364, 824 502 16032	Sua Betong Oil Mill has been commissioned to replace Rantau Oil Mill with Certificate No: CU- RSPO-819165, certification date: 30 Dec 2011.
16	Kok Foh	Bahau, Negeri Sembilan	7 Jul 11	6 Jul 21	CU-RSPO-819157, RSPO 928188, 824 502 16051	
17	Kempas	Jasin, Melaka	19 May 10	18 May 20	RSPO 005	
18	Diamond Jubilee	Jasin, Melaka	5 Oct 11	4 Oct 21	CU-RSPO-819146, RSPO 591224	
19	Pagoh	Muar, Johor	28 Jan 14	27 Jan 19	RSPO 600305	Pagoh Oil Mill has been commissioned to replace Nordanal Oil Mill with Certificate No: SPO 549297, certification date: 7 Jan 2011.
19a	Yong Peng	Yong Peng, Johor	20 Oct 10	19 Oct 15	RSPO 550182	
20	Chaah	Chaah, Johor	18 Nov 10	17 Nov 20	RSPO 548299	
21	Gunung Mas	Kluang, Johor	19 May 10	18 May 20	RSPO 901888	
22	Bukit Benut	Kluang, Johor	5 Oct 11	4 Oct 21	CU-RSPO-819147, RSPO 591229	
23	Ulu Remis	Layang-layang, Johor	11 Apr 11	10 Apr 21	SGS-RSPO/PM-00722, 824 502 16042	

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24	Hadapan	Layang-layang, Johor	29 Mar 11	28 Mar 21	SGS-RSPO/PM-00715, 824 502 16040, BVC- RSPO20170623-01	
25	Segaliud	Sandakan, Sabah	20 May 10	19 May 15	RSPO 547123	
26	Sandakan Bay	Sandakan, Sabah	1 Oct 08	30 Sep 18	RSPO 537872	
27	Melalap	Tenom, Sabah	21 Jan 11	20 Jan 21	RSPO 547124	

SDP- RSPO Certification Status for Indonesia Operations

NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	PT LAHAN TANI SAKTI	ALUR DUMAI	Bagan Sinembah/Tanh Putih, Pujud, Rokan Hilir, Riau	16-Jan-12	15-Jan-22	MUTU-RSPO/011, SGS- RSPO/PC17-00005, SGS- RSPO/PC17-00005	
2	PT SAJANG HEULANG	ANGSANA MINI	Sebamban, Indonesia	6-Jul-11	6-Jul-16	MUTU-RSPO/006b	Mill closed down
3	PT SAJANG HEULANG	MUSTIKA	Sebamban, Indonesia	3-Jul-13	3-Jul-18	MUTU-RSPO/027	
4	PT LADANGRUMPUN SUBURUBADI	ANGSANA	Sebamban, Indonesia	9-Nov-16	8-Nov-21	MUTU-RSPO/006a	
5	PT LANGGENG MUARAMAKMUR	BEBUNGA	Pamakan Utara, Tanah Grogot, Kotabaru/Pasir, Kalimantan Selatan/Kalimantan Timur	16-Mar-12	16-Mar-17	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	

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7	PT BAHARI GEMBIRA RIA	LADANG PANJANG	Kumpeh Ulu, Jambi, Muaro Jambi, Jambi	9-Jul-12	9-Jul-17	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	16-Mar-17	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	
11	PT GUTHRIE PECCONINA	RANTAU PANJANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	16-Mar-12	16-Mar-17	MUTU-RSPO/017	Recertification of Rantau Panjang POM is in progress.
12 13	PT LAGUNA MANDIRI	RANTAU BETUNG	Sungai Durian, Kotabaru, Kalimantan Selatan	30-Dec-11 1-April-14	05-Feb-22 1-April-19	MUTU-RSPO/009 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	Recertification of Selabak POM is in progress.
16	PT BINA SAINS CEMERLANG	SG PINANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	11-Sep-12	11-Sep-17	MUTU-RSPO/020	
17	PT TEGUH SEMPURNA	PEMANTANG	Kuala Kuayan, Sampit, Kotawaringin Timur, Kalimantan Tengah	9-Sep-16	8-Sep-21	MUTU-RSPO/004	

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18 19	PT BHUMIREKSA NUSA SEJATI	TELUK BAKAU MANDAH	Pelangiran, Sg. Guntung, Indragiri Ilir, Riau	01-Dec-16 1 April 2014	30-Nov-21 1 April 2019	MUTU-RSPO/008 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	10-Jul-17	MUTU-RSPO/018	
22	PT SIME INDO AGRO	BK AJONG	Kalimantan Barat, Indonesia	18-Jul-16	17-Jul-21	MUTU-RSPO/088	
23	PT PADANG PALMA PERMAI/PT PERKASA SUBUR SAKTI	BLANG SIMPO	Karang Baru, Kuala Simpang, Aceh Tamiang, Nangroe Aceh Darussalam	3-May-13	3-May-18	MUTU-RSPO/026	
24	PT SANDIKA NATAPALMA/PT BUDIDAYA AGRO LESTARI	LEMBIRU	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	3-Jul-14	2-Jul-19	MUTU-RSPO/044	
25	PT MITRAL AUSTRAL SEJAHTERA	MAS Mill	Desa Rahayu Kec. Parindu Kab.Sanggau, Kalimantan Barat	NA	NA	NA	

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Attachment 8

Summary of net GHG emissions from PalmGHG calculator

- Please indicate PalmGHG calculation option used : Option 2

Summary of Emissions

Description	tCO ₂ e/tProduct
CPO	1.19
PK	1.19

Extraction	tCO ₂ e/tProduct
OER	21.76%
KER	5.46%

Land Use	Ha
OP Planted Area	17,411.42
OP Planted on Peat Conversion (forested)	502.68
Conversion (non-forested)	
Total	

Production	t/yr
FFB Processed	148,798.41
CPO Processed	32,379.09

Description	Own			Group			3 rd Party		
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/tFFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/tFFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/tFFB
Land conversion	67362.1	9.45	0.53	10760.14	9.88	0.64			
CO ₂ emission from fertilizer	7239.24	0.97	0.05	1079.47	1.19	0.08			
N ₂ O emission	6515.05	0.8	0.04	666.55	1.32	0.09			
Fuel consumption	912.59	0.14	0.01	98.36	0.11	0.01			
Peat Oxidation				420.5	4.42	0.28			
Crop sequestration	-66113.52	-9.17	-0.51	-10199.18	-9.36	-0.6			
Sequestration in conservation area									
Total	15915.46	2.18	0.12	2825.84	7.56	0.49			