



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

File Ref: ES10170017

**RSPO PUBLIC SUMMARY REPORT**

**CLIENT : SIME DARBY PLANTATION BERHAD –SOU 30 MEROTAI**

**PARENT COMPANY : SIME DARBY PLANTATION BERHAD**

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

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

Certification Unit	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
MEROTAI Strategic Operating Unit (SOU 30)	Merotai Palm Oil Mill	4° 23'N	117° 83' E	91007, Tawau, Sabah
	Merotai Estate	4° 23'N	117° 47' E	91007, Tawau, Sabah
	Tiger Estate	4° 25'N	117° 50' E	91007, Tawau, Sabah
	Table Estate	4° 22'N	117° 52' E	91007, Tawau, Sabah
	Imam Estate	4° 20'N	117° 50' E	91007, Tawau, Sabah

**MAP :** See Attachment 1

**AUDIT DATE :** 10-14 August 2020

**DURATION :** 15 auditor days

**TYPE OF AUDIT :** ☐ Annual Surveillance Audit 4

☒ Recertification Audit

**STANDARD :** MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

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

**VALIDITY OF RSPO CERTIFICATE :** 13/07/2015 – 12/07/2020

(extended to 21/01/2021; provided under the provision in addressing the Covid-19 pandemic condition)

**The following attachments form part of this report:**

Non-conformity Report(s) ☐

List of additional site(s) ☐

**Report by Audit Team Leader**

Name : Mohd Zulfakar Kamaruzaman

Signature :

Date : 10 November 2020

**Acknowledgement by Client's Representative**

Name : SIME DARBY PLANTATION (SABAH) SDN. BHD.  
(Company No. 29959-V)  
MEROTAI ESTATE

Signature :

Date : 26/11/2020

## RSPO P&C PUBLIC SUMMARY REPORT

### SUMMARY OF AUDIT

Recertification Audit				
On-site audit date :	10 – 14 August 2020 (15.0 a.d)	No. of auditor days :	22 Auditor Days	
Remote audit date :	20 – 23 April 2020 (7.0 a.d)			
Audit team :	Mohd Zulfakar bin Kamaruzaman (LA), Mohd Ab Raouf bin Asis, Rozaimee bin Ab Rahman, Khairul Najwan Ahmad Jahari (remote team member)			
No. of major NCR :	1	Indicator: 2.1.1	Closing date : 6/11/2020	
No. of minor NCR :	0	Indicator : -		
Indicate the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers / Local communities	Suppliers
	√	N/A	√	√
	Contract workers	NGOs	Govt. agency	Independent growers
	√			
	Indigenous people	Contractor	Others (Please specify)	
	N/A	√		
Supply base sampled :	Merotai Estate, Tiger Estate, Imam Estate and Table Estate			
Justification of audit planning	Total allocation of auditor days for Merotai CU were: Mill = 3 days (1 day for social, 0.5 day for supply chain certification systems and 1.5 days for safety and health, environment, mill best practices, GHG verification, TBP, Partial Certification). Merotai Estate, Tiger Estate, Imam Estate and Table Estate = 3 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification plus the verification of Land History and Land Title. Remote audit = 7 days.			
Changes since the last audit :	No changes			
Report approved by	Kamini Sooriamoorthy		Date: 24/11/2020	

### Annual Surveillance Audit 1

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

## RSPO P&C PUBLIC SUMMARY REPORT

### SUMMARY OF INFORMATION

**TABLE 1**

	RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period	Aug 2020 – July 2021				***May 2019 – Apr 2020
Certified FFB Processed (MT)	211,166.48				230,184.84
Production of Certified CPO (MT)	51,148.52				48,118.90
Production of Certified PK (MT)	11,202.88				10,509.41
Certified Areas (Ha)	*11,545.71				11,597.67
Planted Areas (Ha)	*10,337.20				10,453.32
Production Areas (Ha)	8,854.54				9,240.78
HCV Areas, including the Conservation Area (Ha)	**161.23				161.23
REMARKS	<p>*The planted area has been revised based on re-survey carried out for Tiger and Merotai Estate during replanting 2020.</p> <p>** This figure is including the Buffer Zones and Planted area &gt; 25 degree which are considered into the Conservation area provided by the Merotai CU.</p> <p>***This was the projected period based on audit carried out last year. However, during the conduct of RA in August 2020, the actual reporting period has been extended to 15 months as the recertification audit was delayed due to Covid-19 pandemic restrictions. The actual reporting period i.e. May 2019-July 2020 was reflecting the actual stocks and transactions carried out by the CU.</p>				

**TABLE 2**

	PO	PK
Last years certified volume (MT)	*71,216.90	*14,701.41
Last years actual certified sold (MT)	3,529.47	10,942.63
Last years actual sold under other schemes (MT)	N/A	N/A
Last years sold conventional (MT)	18,211.00	0.00
New year certified volume (MT)	51,148.52	11,202.88

\*Extension of volume for both CPO (23,098MT) and PK (4,192MT) has been requested and approved by RSPO on 7/08/2020.

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

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International was approved by the RSPO as a RSPO certification body on 21 March 2008 and re-accredited by ASI on 3 October 2019 (accredited since 2014).

**1.2 Qualification of audit team**

<b>Member of the Audit Team</b>	<b>Role/area of RSPO requirements</b>	<b>Qualifications</b>
Mohd Zulfakar bin Kamaruzaman	Lead Auditor / Supply Chain, Social, HCV	Holds a B.Sc. Forestry from UPM. He had 5 years of working experience in the oil palm operation. He is a qualified lead auditor for RSPO P&C, RSPO Supply Chain and MSPO Certification.
Rozaimie bin Ab Rahman	Auditor / GAP, Safety and Environment, GHG	Holds a B. Sc. of Agriculture. He had 7 years of working experience in the oil palm operation. He is a qualified Lead Auditor for RSPO P&C and MSPO Certification.
Mohd. Ab Raouf bin Asis	Auditor / Social (Mill & Plantation)	Holds a B.Sc. in Manufacturing (Production and Operation). He had more than 7 years of working experience in the oil palm operation. Currently he qualified as Lead Auditor for RSPO P&C and MSPO Certification.

### **1.3 Audit methodology**

The audit covered Merotai palm oil mill and 4 of its supply bases, namely Merotai Estate, Table Estate, Imam Estate and Tiger Estate. The audit included an on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

### **1.4 Stakeholder Consultation**

SIRIM QAS International had initiated the stakeholder consultation by announcing the invitation in the RSPO and SIRIM QAS International's websites in 10/07/2020. In addition, SIRIM QAS International had also sent invitations through letters to the relevant stakeholders, including government agencies and Non-Governmental Organisations (NGOs). Stakeholder consultation was carried out during the on-site audit. In general, there was no negative comments made against this Certification Unit.

In summary, the stakeholders interviewed during the audit and the evidence from the stakeholder consultation carried out were as tabulated below:

<b>Stakeholders interviewed</b>	<b>Evidence from stakeholder consultation</b>
1) Employees / Workers Organizations (including migrant workers)	<p>Workers:</p> <ul style="list-style-type: none"> <li>a. Workers work 6 days a week with one rest day (Sunday). They work 8 hours with a minimum of 30 minutes' break in between.</li> <li>b. All workers sampled confirmed that they receive a minimum of RM1200 per month. They receive their salaries before 7<sup>th</sup> of every month. As of the date of this audit, all of sampled workers understood on Minimum Wages.</li> <li>c. Any overtime work is mutually agreed between workers and management, and that there is no element of forcing. However, it has been noted that in certain circumstances, female workers need to do overtime at night exceeded 10 pm. This issued has been raised in indicator 2.1.1.</li> <li>d. Foreign workers are not subjected to any recruitment fee. Foreign workers who choose to keep their passports at the office have done so with their written consent.</li> <li>e. Workers are generally satisfied with the way complaints lodged are acted upon. Delays in house repairs, if any, are usually due to the need to order repair parts.</li> <li>f. Workers, including foreign workers get to appoint their own representatives. There is no interference of influence exerted by the employer.</li> <li>g. For newly-arrived foreign workers who do understand Bahasa or English, translations are provided during briefings.</li> </ul>
2) Settlers	Not applicable
3) Villagers / Local communities (including women representatives, displaced communities)	No issue.
4) Suppliers	No issue raised. Payments are received in time.
5) Contract workers	At time of visit there were no contract workers.
6) Local & national NGOs	Not available for this audit.
7) Government agencies / Statutory bodies	No complaints received.
8) Independent growers / Smallholders	No complaints. Fair & timely payments for FFB supplied.
9) Indigenous people	Not applicable
10) Contractor	No issue. Contracts are fair and payments are promptly received within less than one month.

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11) Previous land owner (if any)	Not applicable.
12) Others (please specify)	Not applicable

### 1.5 Audit plan:

Refer to Attachment 2.

### 1.6 Date of next audit:

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

## 2.0 SCOPE OF CERTIFICATION AUDIT

### 2.1 Description of the certification unit

The Merotai Certification Unit (Merotai CU) is one of the Strategic Operating Unit (SOU) of Sime Darby Plantation Berhad (SDPB). Located in Tawau, Sabah, East Malaysia, the CU is also known as SOU 30. The CU was initially certified to the RSPO P&C by SIRIM QAS International Sdn Bhd in 2009 until 2014. However, since the renewal was not carried out prior to the expiry of the certificate, a new stage 2 was carried out in 2015 and was later certified again on 13 July 2015.

The Merotai CU comprises of the Merotai Palm Oil Mill (Merotai POM) and four supply base i.e. Merotai Estate, Tiger Estate, Table Estate and Imam Estate. All the estates are owned by SDPB and were fully developed, hence, the principle 7 of the RSPO Principles & Criteria is not applicable. Merotai POM has a milling capacity of 90 mt/hr.

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

The FFB sourced from company owned estates that are certified and a small proportion from third party suppliers. Details of the FFB contribution from each source to the Merotai Palm Oil Mill were as follow:

**Table 1: Actual FFB production by the supply base for the last reporting period May 2019 to July 2020**

Estates	FFB Production	
	Tonnes	Percentage (%)
Merotai Estate	78,651.90	24.57
Tiger Estate	50,961.16	15.92
Imam Estate	70,878.08	22.14
Table Estate	37,556.30	11.73
<b>Total</b>	238,047.44	-
3 <sup>rd</sup> Parties FFB Supplier (OCP)	81,783.60	25.57
<b>Overall Total</b>	319,831.05	100

**Table 2: Projected FFB production by the supply base for the next reporting period Aug 2020 to July 2021**

CU own estates	FFB Contribution	
	Tonnes	Percentage (%)
Merotai Estate	66,160.64	31.33
Tiger Estate	44,183.97	20.92
Imam Estate	67,580.81	32.00
Table Estate	33,241.06	15.74
<b>Total</b>	211,166.48	-
<b>Other Supply Bases</b>		
Third parties (non-certified)	116,000.00	35.46
<b>Grand Total</b>	327,166.48	100

**Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period May 2019 to July 2020**

RSPO Supply Chain Model : MB	Total (MT)
FFB Received	319,831.05
FFB Processed	319,831.05
Certified FFB Processed	238,047.44
Non-certified FFB Processed	81,783.60
Crude Palm Oil (CPO)	
Overall CPO Production	71,217.72
Certified CPO Production	53,006.72
Certified CPO delivered as RSPO certified	3,529.47
Certified CPO delivered as Conventional	18,211.00
Certified CPO delivered under other sustainable schemes	N/A
Credits traded through Books and Claim	N/A
Palm Kernel (PK)	
Overall PK Production	14,702.08
Certified PK Production	10,942.63
Certified PK delivered as RSPO certified	10,942.63
Certified PK delivered as Conventional	N/A
Certified PK delivered under other sustainable schemes	N/A
Credits traded through Books and Claim	N/A



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Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period  
August 2020 – July 2021

RSPO Supply Chain Model : MB	Total (MT)
FFB Received	327,166.48
FFB Processed	327,166.48
Certified FFB Processed	211,166.48
Non-certified FFB Processed	116,000.00
Crude Palm Oil (CPO)	
Overall CPO Production	76,934.39
Certified CPO Production	51,148.52
Palm Kernel (PK)	
Overall PK Production	16,422.88
Certified PK Production	11,202.88

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Merotai Estate	2,683.17	3,052.66
Tiger Estate	2,235.21	2,497.86
Table Estate	2,071.76	2,221.63
Imam Estate	3,347.06	3,773.56
<b>Total</b>	<b>10,337.2</b>	<b>11,545.71</b>

Table 6: Planting profile for Merotai Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1999	2 <sup>nd</sup>	Mature	175.24	6.53
2000	1 <sup>st</sup>	Mature	355.62	13.25
2000	2 <sup>nd</sup>	Mature	57.07	2.13
2001	2 <sup>nd</sup>	Mature	245.88	9.16
2002	2 <sup>nd</sup>	Mature	286.89	10.69
2004	3 <sup>rd</sup>	Mature	86.16	3.21
2005	2 <sup>nd</sup>	Mature	282.80	10.54
2007	2 <sup>nd</sup>	Mature	290.02	10.81
2008	3 <sup>rd</sup>	Mature	301.00	11.22
2009	3 <sup>rd</sup>	Mature	182.73	6.81
2010	3 <sup>rd</sup>	Mature	126.12	4.70
2018	3 <sup>rd</sup>	Immature	62.97	2.35
2019	2 <sup>nd</sup>	Immature	230.67	8.60
<b>Total</b>			<b>2683.17</b>	<b>100</b>

## RSPO P&C PUBLIC SUMMARY REPORT

Table 7: Planting profile for Tiger Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1995	1 <sup>st</sup>	Mature	74.13	3.32
1996	1 <sup>st</sup>	Mature	45.89	2.03
1997	1 <sup>st</sup>	Mature	369.39	16.53
1998	1 <sup>st</sup>	Mature	875.39	39.16
1999	1 <sup>st</sup>	Mature	308.40	13.80
2007	2 <sup>nd</sup>	Mature	109.03	4.88
2010	2 <sup>nd</sup>	Mature	46.75	2.09
2016	2 <sup>nd</sup>	Mature	193.69	8.67
2017	2 <sup>nd</sup>	Immature	212.54	9.51
<b>Total</b>			<b>2235.21</b>	<b>100</b>

Table 8: Planting profile for Table Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1995	1 <sup>st</sup>	Mature	28.08	1.36
1997	1 <sup>st</sup>	Mature	340.16	16.42
1998	1 <sup>st</sup>	Mature	1204.37	58.13
1999	1 <sup>st</sup>	Mature	428.57	20.69
2015	2 <sup>nd</sup>	Mature	70.58	3.41
<b>Total</b>			<b>2071.76</b>	<b>100</b>

Table 9: Planting profile for Imam Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2017	2 <sup>nd</sup>	Immature	280.88	8.39
2018	3 <sup>rd</sup>	Immature	278.41	8.32
2019	2 <sup>nd</sup>	Immature	279.12	8.34
2020	3 <sup>rd</sup>	Immature	138.07	4.13
2000	2 <sup>nd</sup>	Mature	137.17	4.10
2002	2 <sup>nd</sup>	Mature	206.04	6.16
2004	3 <sup>rd</sup>	Mature	243.54	7.28
2005	2 <sup>nd</sup>	Mature	246.59	7.37
2008	3 <sup>rd</sup>	Mature	221.67	6.62
2009	3 <sup>rd</sup>	Mature	481.79	14.39
2010	3 <sup>rd</sup>	Mature	317.97	9.50
2011	3 <sup>rd</sup>	Mature	312.75	9.34
2014	3 <sup>rd</sup>	Mature	109.02	3.26
2016	3 <sup>rd</sup>	Mature	94.04	2.81
<b>Total</b>			<b>3347.06</b>	<b>100</b>

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### 2.3 Organizational Information/Contact Person

The details of the contact person is as shown below:

Name	:	Muslimin Sulta
Position	:	Manager / SOU Merotai Chairman
Address	:	PO Box 135, 91007 Tawau, Sabah
Phone no.	:	019-380 7332
Fax no.	:	089-902843
Email	:	ldg.merotai@simerdarbyplantation.com

### 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 6 for the time bound plan)

- i. Have all the estates under the parent company been ☐ Yes ☒ No  
If no, comments on the organization's compliance with the RSPO partial certification rules:

Details issues related to these were covered in the section - RSPO Certifications Systems for Principles & Criteria June 2017, in this report.

- ii. Are there any changes to the organization's time bound ☐ Yes ☒ No  
If yes, comment in terms of acceptance or non-acceptance on the changes in the time-bound plan?

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

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

If no, please state reasons NA

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

N/A

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

No

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### 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 significant complaints from stakeholders were observed.

## 4.0 DETAILS OF NON-CONFORMITY REPORT

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

Total no. of minor NCR(s)  
(details refer to Attachment 4) **List :-** NA

Total no. of major NCR(s)  
(details refer to Attachment 4) **List : 1** MAR 01 2020 (2.1.1)

### 4.2 For SC (Details checklist refer to Attachment 3) :

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

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

## 5.0 AUDIT CONCLUSION

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

## RSPO P&C PUBLIC SUMMARY REPORT

### 6.0 RECOMMENDATION

☐ No NCR recorded. Recommended to continue certification.

☐ Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit.

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

☒ Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.

☒ Recommended to continue certification.

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

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

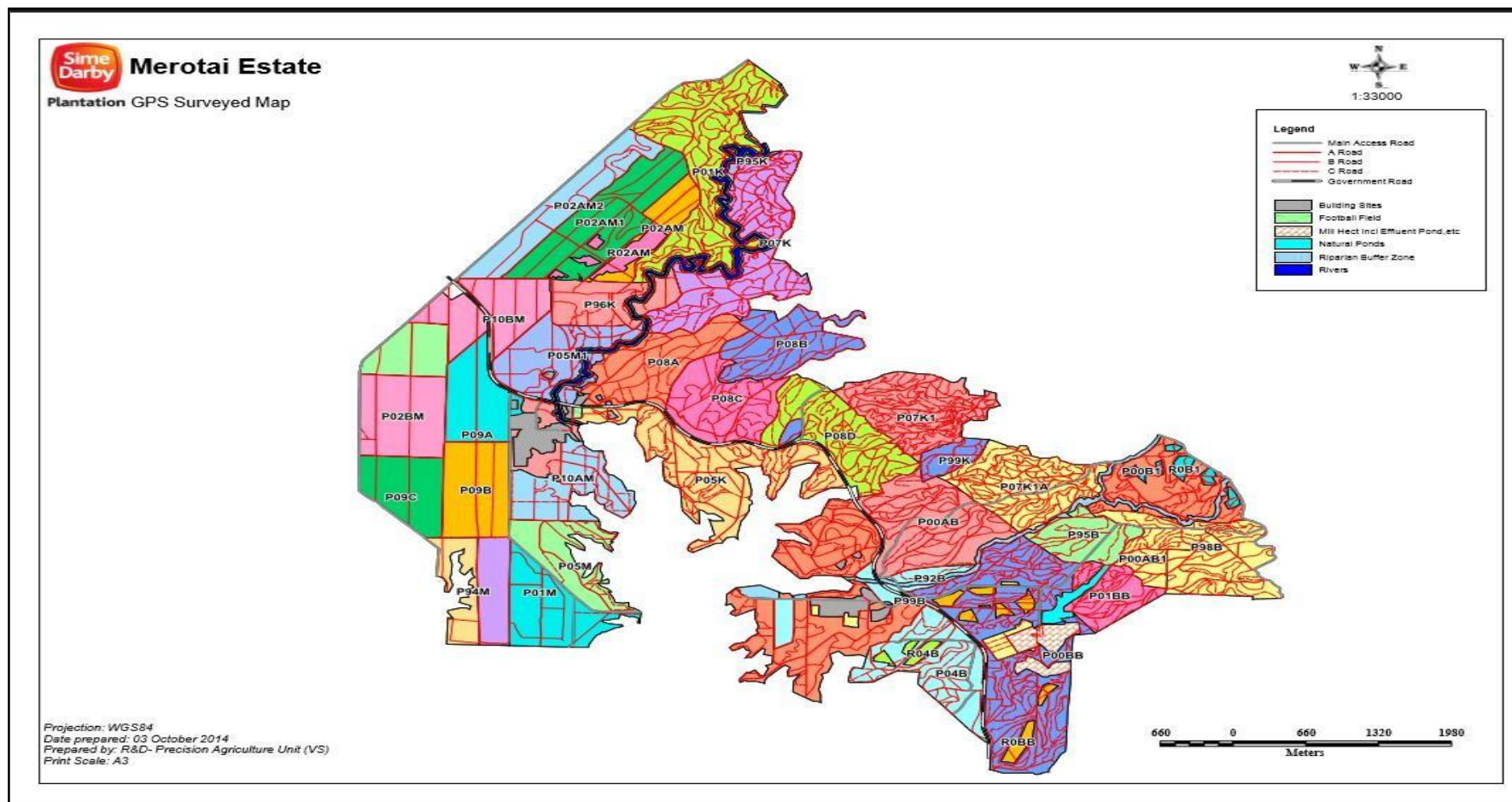
**7.0 IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN ON MAJOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED, ACCEPTED AND VERIFIED AND ALL CORRECTIVE ACTIONS PLANS PROVIDED ON MINOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED AND ACCEPTED. RECOMMENDED FOR CONTINUATION OF RSPO P & C CERTIFICATION.**

**Audit Team Leader :** MOHD ZULFAKAR BIN KAMARUZAMAN  
(Name)

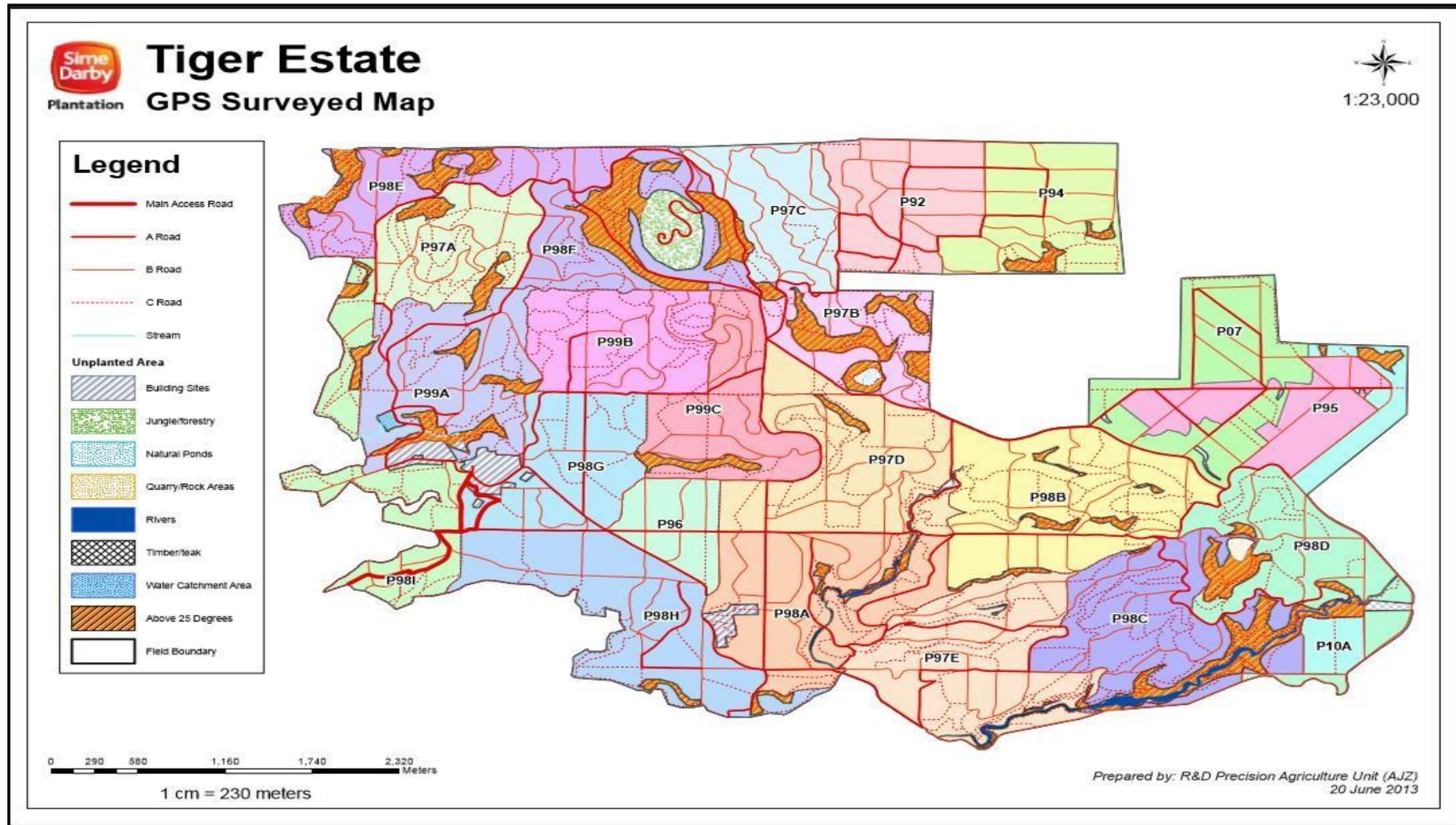
  
(Signature)

6/11/2020  
(Date)

# Map Merotai Estate

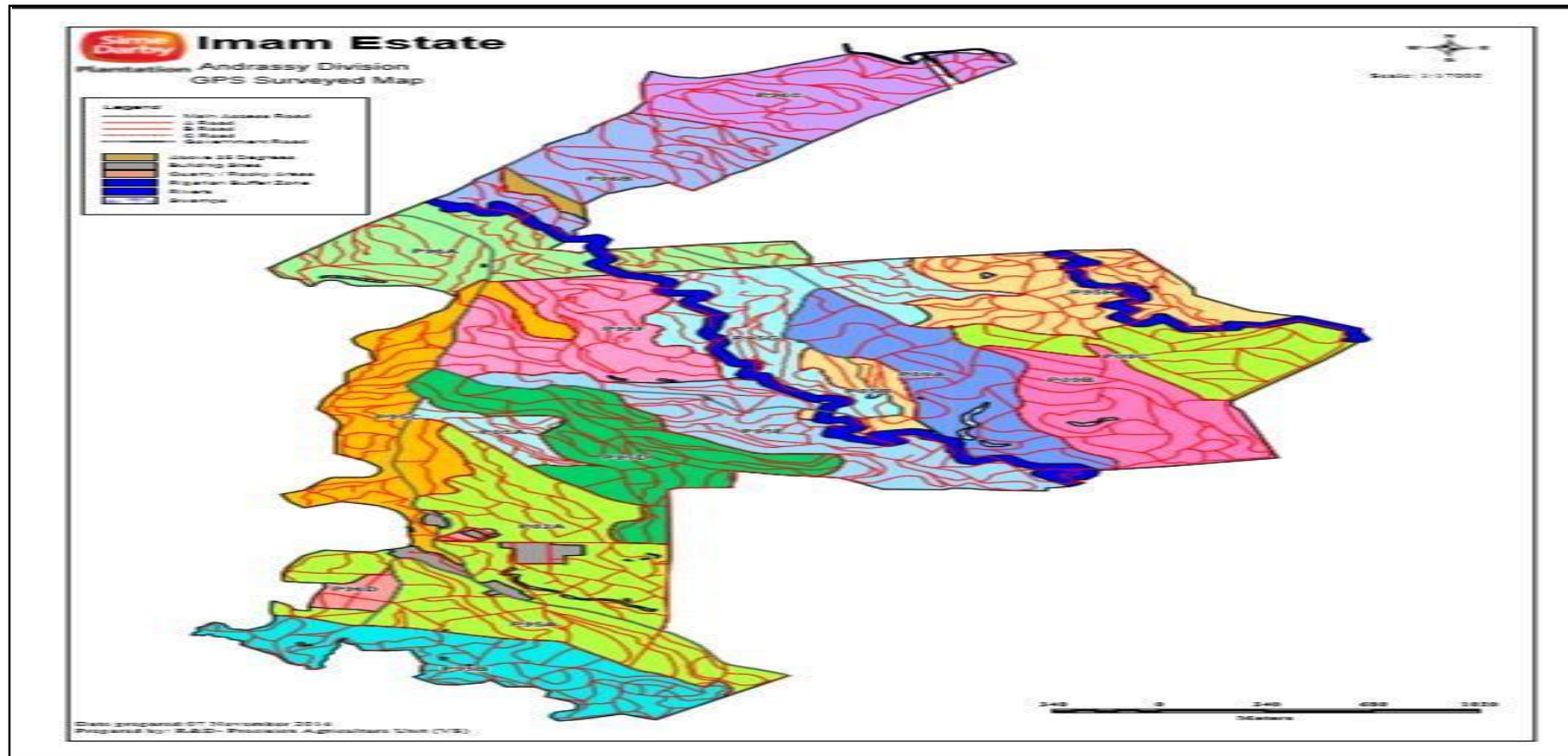


## Map of Tiger Estate





## Map of Imam Estate





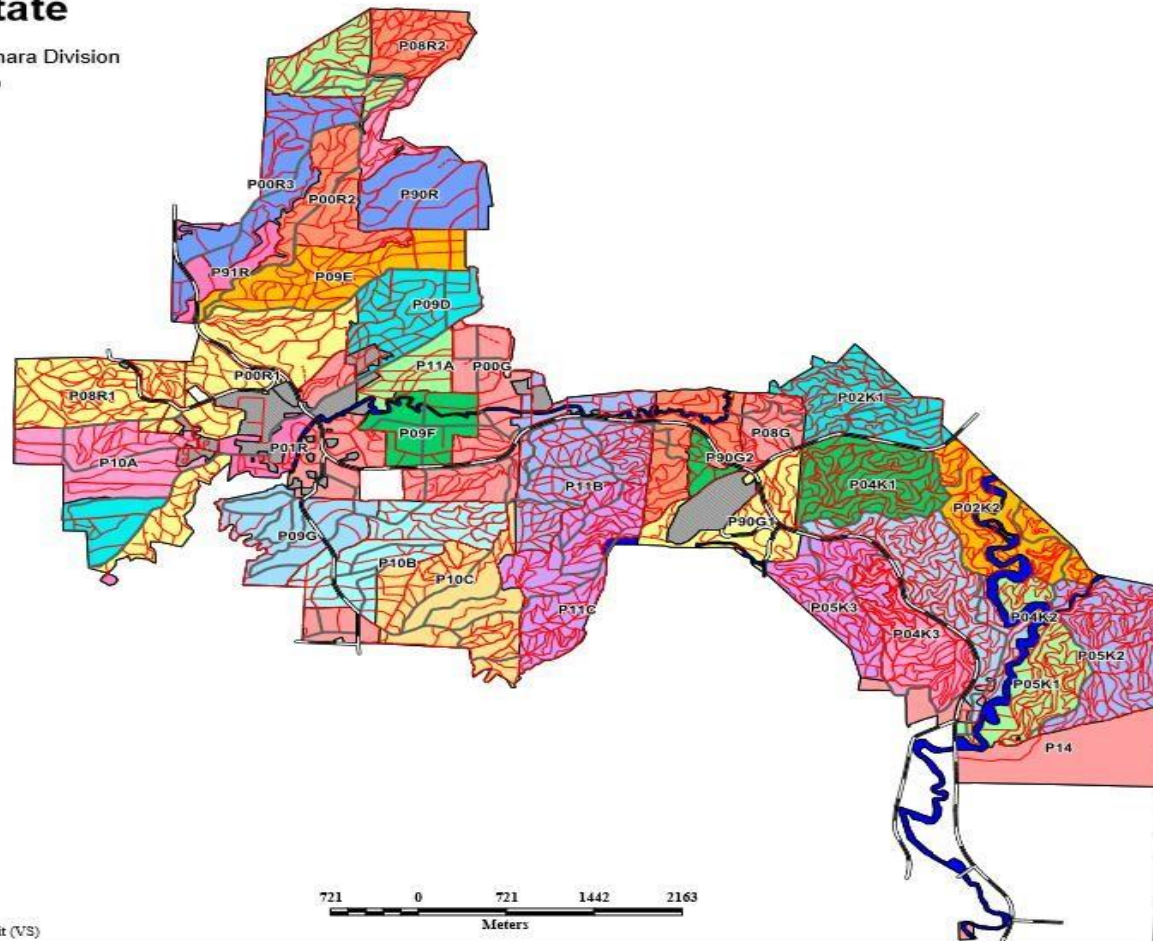


## Imam Estate

Plantation Riaih, Gemok & Kuhara Division  
GPS Surveyed Map

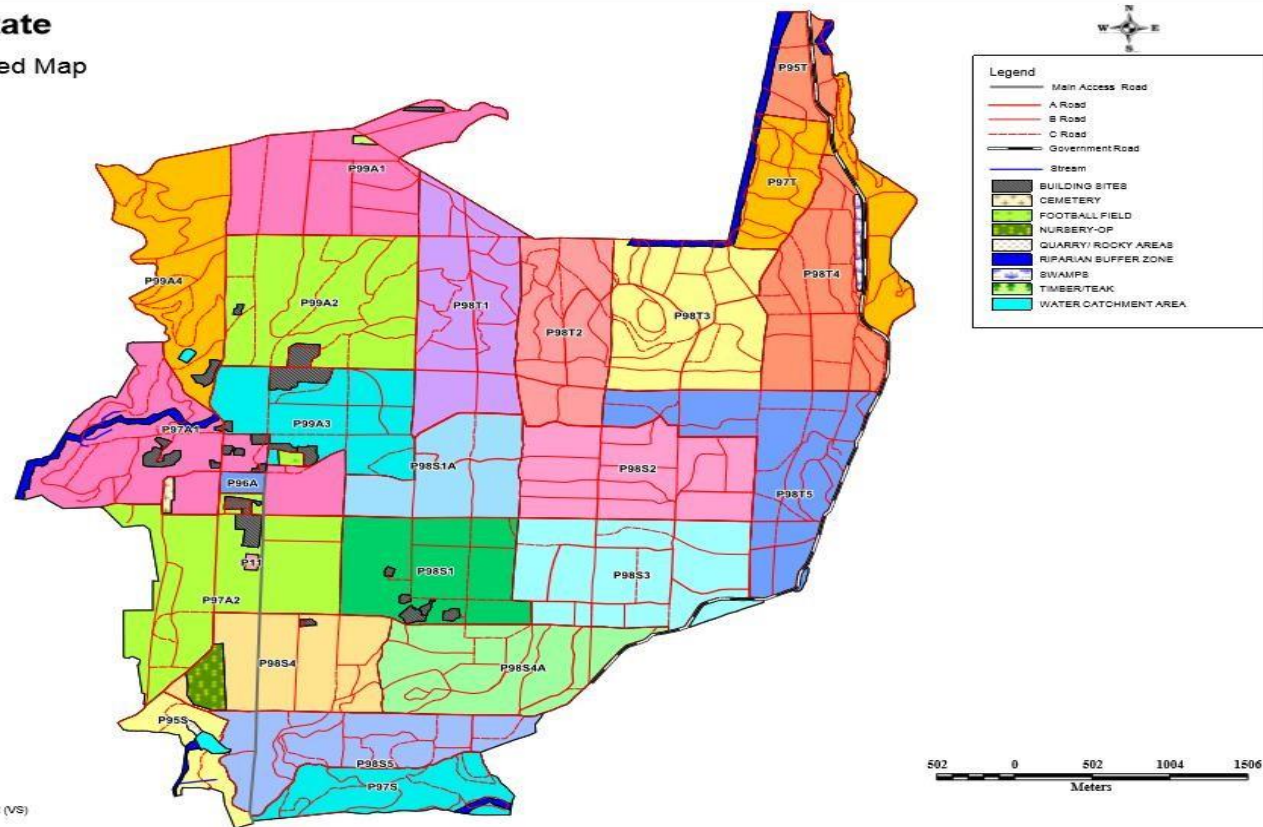


Scale: 1:36,000



Date prepared: 07 November 2014  
Prepared by: R&D- Precision Agriculture Unit (VS)

**Sime Darby**  
Plantation **Table Estate**  
GPS Surveyed Map



Prepared by: R&D Precision Agriculture Unit (VS)  
04 November 2014

## RSPO RECERTIFICATION 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** : 10 - 14 August 2020

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

- Merotai Palm Oil Mill
- Merotai Estate
- Imam Estate
- Table Estate
- Tiger Estate

**4. Scope of certification** : Production of Sustainable Crude Palm Oil and Palm Kernel Using the Mass Balance Supply Chain Model

## 5. Reference Standards used

- (i) RSPO P&C MYNI:2019
- (ii) RSPO Certification Systems, June 2017
- (iii) Company's audit criteria including Company's Manual/Procedures

## 6. Assessment team members

- (i) Audit Team Leader : Mohd Zulfakar bin Kamaruzaman - Supply chain, Social (land title & external stakeholders), HCV, TBP  
(ii) Auditor : i) Rozaimie bin Ab Rahman - Safety, Environment, GAP  
ii) Mohd Ab Raouf bin Asis - Social (employees related issue for mill & estates)

*(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. For major non conformities raise in the surveillance audit, correction shall be verified 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**
- (i) Language : English
  - (ii) Format : Verbal and Written
  - (iii) 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** :

Date / Time	Coverage of assessment / Activity / Site	Zulfakar	Raouf	Rozaimée
<b>Day 1: 10 August 2020 (Monday)</b>				
8.30am – 9.15am	<b>Opening Meeting – Venue: Merotai POM</b> <ul style="list-style-type: none"> <li>Audit team Leader - Briefing on assessment objectives, scope, methodology, confidentiality clarification, audit criteria and programmes</li> <li>Organization Representative - Briefing RSPO implementation, significant change on organization activity, structure, certified areas, machinery, FFB supply bases, Time bound plan, actions taken to address previous audit findings.</li> </ul>	/	/	/
9.15am – 12.30pm	<b>Site observation to Merotai POM</b> <b>RSPO Supply Chain 2017</b> <ul style="list-style-type: none"> <li>RSPO Supply chain standard implementation including model requirements</li> </ul> <b>P1, P2, P3, P4, P5, P6, P7</b> <ul style="list-style-type: none"> <li>Occupational safety &amp; health aspects, chemical management</li> <li>Interview with workers, contractors etc.</li> <li>Environmental management, waste &amp; chemical management</li> <li>Land titles user rights</li> <li>Social aspects - SIA, management plan &amp; implementation, workers' quarters,</li> <li>Stakeholder consultation with affected communities surrounding the CU</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM,</li> <li>New planting</li> <li>Occupational safety &amp; health aspects, chemical management</li> <li>Interview with workers, contractors etc.</li> <li>Environmental management, waste &amp; chemical management</li> </ul>	/	/	/
12.30pm – 1.30pm	Lunch Break	/	/	/
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/
Date / Time	Coverage of assessment / Activity / Site	Zulfakar	Raouf	Rozaimée
<b>Day 2: 11 August 2020 (Tuesday)</b>				
8.30am – 12.30pm	<b>Site observation to Tiger Estate</b> <ul style="list-style-type: none"> <li><b>P1, P2, P3, P4, P5, P6, P7</b></li> <li>Verification of basic information estate</li> <li>Confirmation of time bound plan &amp; review of partial certification</li> <li>Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>Occupational safety &amp; health aspects, chemical management</li> <li>Interview with workers, contractors etc.</li> <li>Environmental management, waste &amp; chemical management</li> <li>Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>Stakeholder consultation with affected communities surrounding the estate</li> <li>Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>Land titles user rights</li> <li>Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM,</li> <li>New planting</li> <li>Interview with workers, contractors etc.</li> <li>Occupational safety &amp; health aspects, chemical management</li> <li>Interview with workers, contractors etc.</li> <li>Environmental management, waste &amp; chemical management</li> </ul>	/	/	/
12.30pm – 1.30pm	Lunch Break	/	/	/

1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/
<b>Date / Time</b>	<b>Coverage of assessment / Activity / Site</b>	<b>Zulfakar</b>	<b>Raouf</b>	<b>Rozaimiee</b>
<b>Day 3: 12 August 2020 (Wednesday)</b>				
8.30am – 12.30pm	<b>Site observation to Imam Estate</b> <ul style="list-style-type: none"> <li>• <b>P1, P2, P3, P4, P5, P6, P7</b></li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Interview with workers, contractors etc.</li> <li>• Environmental management, waste &amp; chemical management</li> <li>• Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>• Stakeholder consultation with affected communities surrounding the estate</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Land titles user rights</li> <li>• Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM,</li> <li>• New planting</li> <li>• Interview with workers, contractors etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Interview with workers, contractors etc.</li> <li>• Environmental management, waste &amp; chemical management</li> </ul>	/	/	/
12.30pm – 1.30pm	Lunch Break	/	/	/
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/
<b>Date / Time</b>	<b>Coverage of assessment / Activity / Site</b>	<b>Zulfakar</b>	<b>Raouf</b>	<b>Rozaimiee</b>
<b>Day 4: 13 August 2020 (Thursday)</b>				
8.30am – 12.30pm	<b>Site observation to Table Estate</b> <ul style="list-style-type: none"> <li>• <b>P1, P2, P3, P4, P5, P6, P7</b></li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Interview with workers, contractors etc.</li> <li>• Environmental management, waste &amp; chemical management</li> <li>• Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>• Stakeholder consultation with affected communities surrounding the estate</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Land titles user rights</li> <li>• Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM,</li> <li>• New planting</li> <li>• Interview with workers, contractors etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Interview with workers, contractors etc.</li> <li>• Environmental management, waste &amp; chemical management</li> </ul>	/	/	/
12.30pm – 1.30pm	Lunch Break	/	/	/
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/

Date / Time	Coverage of assessment / Activity / Site	Zulfakar	Raouf	Rozaimée
<b>Day 4: 14 August 2020 (Friday)</b>				
8.30am – 12.30pm	<b>Site observation to Merotai Estate</b> <ul style="list-style-type: none"> <li>• <b>P1, P2, P3, P4, P5, P6, P7</b></li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Interview with workers, contractors etc.</li> <li>• Environmental management, waste &amp; chemical management</li> <li>• Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>• Stakeholder consultation with affected communities surrounding the estate</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Land titles user rights</li> <li>• Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM,</li> <li>• New planting</li> <li>• Interview with workers, contractors etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Interview with workers, contractors etc.</li> <li>• Environmental management, waste &amp; chemical management</li> <li>• Confirmation of time bound plan &amp; review of partial certification</li> </ul>	/	/	/
12.30pm – 1.30pm	Lunch Break	/	/	/
1.30pm – 3.30pm	Continue assessment at respective sites	/	/	/
3.30pm – 4.00pm	<ul style="list-style-type: none"> <li>• Verification on outstanding issues</li> <li>• Audit team discussion, preparation on audit findings and issuance of nonconformity report (if any)</li> </ul>	/	/	/
4.00pm -5.00pm	<ul style="list-style-type: none"> <li>• Closing meeting – venue at <b>Merotai Estate</b></li> <li>• Presentation of audit findings, positive comment,</li> <li>• Question &amp; answer</li> </ul>	/	/	/

**RSPO P&C AUDIT CHECKLIST AND FINDINGS  
(MYNI 2019 FOR RSPO P&C 2018)**

**Principle 1: Behave ethically and transparently**

Drive ethical business behaviour, build trust and transparency with stakeholders to ensure strong and healthy relationships.

Clause	Indicators	Comply Yes/No	Findings
1.1 The unit of certification provides 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 (C) Documents that are specified in the RSPO P&C are made available to the public.	YES	SDPSB continued to use the internet to disseminate public information relating to land titles, human rights, FPIC, safety and health plans, pollution prevention plans and the procedure for complaints and grievances. The SDPSB website address is <a href="http://www.simedarbyplantation.com/">http://www.simedarbyplantation.com/</a> . For social programmes on education, environment, community and health, etc, Yayasan Sime Darby as the Foundation has expanded its wings from offering scholarships to outstanding and deserving individuals to funding impactful conservation, outreach and development programmes and the website address, <a href="http://www.yayasansimedarby.com/">http://www.yayasansimedarby.com/</a> .
	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.	YES	SDPSB 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 SDPSB website is available in English at <a href="http://www.simedarbyplantation.com/">http://www.simedarbyplantation.com/</a> .
	1.1.3 (C) Records of requests for information and responses are maintained.	YES	Merotai CU has continued to implement the communication procedure. At the point of audit, there was no request for information from the stakeholders. Merotai POM, Merotai Estate and Tiger Estate management documents relating to environment, social and legal issues were made available to the public except for those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	YES	SOU Merotai continued to implement the communication procedure and maintain records on requests for information. The procedure was made available on the notice boards in the Estate and Mill offices and Muster Grounds.
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	YES	All units within SOU 30 Merotai has its own stakeholder list and nominated representatives.
1.2 The unit of certification commits to ethical conduct in	1.2.1 A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.	YES	All Operating Units within the SOU 30 Merotai subscribes to the Sime Darby Plantations Group's Code of Business Conduct (COBC). This Code applies to all its employees, counterparts, business partners, affiliates and associates. Among the contents of the COBC include avoiding conflict of interest, guarding against bribery and corruption, ethics



Clause	Indicators	Comply Yes/No	Findings
all business operations and transactions.			on gifts and corporate hospitality, donations and sponsorships, dealing with counterparts and business partners, government agencies and public officials.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	YES	The system in place to monitor compliance and implementation of the Policy and overall business conducts include trainings and internal audits conducted by the Group Integrity & Group Assurance Unit from HQ.

## **Principle 2: Operate legally and respect rights**

Implement legal requirements as the basic principles of operation in any jurisdiction.

Clause	Indicators	Comply Yes/No	Findings
2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1 (C) The unit of certification complies with applicable legal requirements.	NO	Generally, SOU 30 Merotai continue to comply with applicable local, national and ratified international laws and regulations. However it was found that, during the site visit and review of the attendance card at Merotai POM, female workers who are working at the weighbridge has worked more than 10.00 pm on 16,17, 30 Jun and 3, 27 of July 2020 without written approval from authority. It contravenes with Sabah Labor Ordinance Chapter XIA Employment of Women – Prohibition of Night Work. (Section 75 (1) SLO). Thus, Major NCR MAR 01 2020 has been raised.
	2.1.2 A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.	YES	SQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.
	2.1.3 Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.	YES	Boundary stones / markers along the legal boundaries observed visibly maintained by the CU. Auditor has verified the boundary stone and pegs at Merotai Estate, Imam Estate, Table Estate and Tiger Estate. The boundary pegs were visible along the boundary adjacent to another plantation area. All the physical markers/Boundary stones along the legal boundaries between was visibly available.
2.2 All contractors providing operational services and supplying labour and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.	2.2.1 A list of contracted parties is maintained.	YES	The list of contracted parties are available in the stakeholder lists of all units within SOU 30 Merotai, and duly updated when necessary. They include harvesting contractors, suppliers, transporters, replanting contractors, etc.
	2.2.2 All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/accredited) for migrant	YES	All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements as verified through Online Vendor Registration (OVR) and the Vendor Code of Business Conduct (VCOBC) which apply to all contractors for due diligence and meeting legal requirements.

Clause	Indicators	Comply Yes/No	Findings
	workers, service providers and labour contractors, is available.		
	2.2.3 All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection.	YES	All contracts signed with contractors contain a clause on compliance with employment laws, which would include laws related to employment of children and young persons..
2.3 All FFB supplies from outside the unit of certification are from legal sources.	2.3.1 (C) For all directly sourced FFB, the mill requires: <ul style="list-style-type: none"> <li>Information on geo-location of FFB origins.</li> <li>Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder</li> <li>One or more supporting documents for claims</li> <li>Valid MPOB license</li> </ul>	YES	Merotai POM is currently on the drafting for the following for the directly source of FFB: <ul style="list-style-type: none"> <li>a) Information on geo-location of FFB origins.</li> <li>b) Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder</li> </ul>
	2.3.2 For all indirectly sourced FFB, the unit of cert. obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1.	YES	Currently in Merotai POM there is no indirectly source of FFB. All FFB are received direct from the suppliers.

### **Principle 3: Optimise productivity, efficiency, positive impacts and resilience**

Implement plans, procedures and systems for continuous improvement.

Clause	Indicators	Comply Yes/No	Findings
3.1 There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.	3.1.1 (C) A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders.	YES	The mill has a business plan prepared annually in the form of year budget and the projection for 5 years prepared as guidance for future planning. The business plan among others contains; <ul style="list-style-type: none"> <li>a) FFB yield &amp; CPO production forecast</li> <li>b) Extraction Ratios – OER / KER,</li> <li>c) Cost of production</li> <li>d) EVIT running accounts</li> <li>e) CAPEX - capital expenditure mainly for buildings, furniture and others asset related expenses.</li> </ul>
	3.1.2 An annual replanting programme	YES	The long-range replanting program (LRRP) until 2024 was sighted for all the estates. This

Clause	Indicators	Comply Yes/No	Findings
	projected for a minimum of five years with yearly review, is available.		program is reviewed once a year and incorporated into their annual financial budget
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	YES	The management review meeting for SOU Merotai were held by individual site.
3.2 The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.	3.2.1 (C) The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification.	YES	The management documents in relation to environmental plans and impact assessments were made available and maintained at all audited operating units.
	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template.	N/A	NOT APPLICABLE
3.3 Operating procedures are appropriately documented, consistently implemented and monitored.	3.3.1 (C) Standard Operating Procedures (SOPs) for the unit of certification are in place.	YES	Merotai CU adopted the manuals / guidelines established by the company for the day-to-day operations of the estates and mill. It includes the operation activities in the estates from seedlings in nursery to planting of young palms and plantation upkeep to mill FFB receipt, grading, processing, quality analysis and security.
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	YES	The mechanisms to check the implementation of procedures were carried out through internal audit, safety and health meeting and routine inspection (workplace inspection) by Assistant Managers, Engineers, field and office staff including the Medical Assistant.
	3.3.3 Records of monitoring and any actions taken are maintained and available.	YES	Available.
3.4 A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and	3.4.1 (C) In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/outgrower scheme, is documented.	YES	SOU Merotai has established its environmental aspects/impacts register associated with their activities. Environmental aspect and impact (EAI) which covers from upstream activities such as FFB reception until downstream processes was sighted during assessment. The Social Impact Assessment (SIA) for CU Merotai was available. The assessment was carried out by PS-RSPO Unit, TQEM Dept, SDSB from 2 – 6 September 2013. It covered the Merotai Palm Oil Mill, Merotai Estate, Imam Estate, Table Estate and Tiger Estate. The SIA Report was entitled “Baseline Social Impact Assessment (SIA), Sabah Zone, SOU 30” dated in September 2013. Records of meetings were documented and made available during the audit.

Clause	Indicators	Comply Yes/No	Findings
monitoring plan is implemented and regularly updated in ongoing operations.	3.4.2 For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.	YES	Review of the SIA report and document review at Merotai POM, Merotai Estate, Tiger Estate, Table Estate and Imam Estate showed that the assessment has been carried out with the participation of the affected parties.
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	YES	There is no change of current practices required to mitigate negative effects based on identified impacts for both the mill and estates. The mill and estates have conducted periodical review on the aspects and impacts identified and evaluated as registered in participatory way.
3.5 A system for managing human resources is in place.	3.5.1 Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives.	YES	Procedures documented and made available.
	3.5.2 Employment procedures are implemented, and records are maintained.	YES	Evidence of implementation is available from workers' files such as application form, interview, medical test and issuance of letter of offer.
3.6 An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.	3.6.1 (C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.	YES	The mill/estates had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment.
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people is monitored.	YES	The implementation of OSH plan was monitored by internal audits conducted by OSH officers from SQM department/Regional Office.
3.7 All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.	3.7.1 (C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and outgrowers, taking into account gender-specific needs, and which covers applicable aspects of the RSPO P&C, in a form they understand, and which includes assessments of training.	YES	Formal training programmed for 2020 that covered aspects of the RSPO Principles and Criteria, with regular assessments of training needs were available for all the audited sites. Training Plan was for each operating unit were established. A training need identification matrix has been established with target dates for the training identified.
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	YES	SOU continued to train its executives, staff and workers. Records of training were kept in the training file. The records included information on the title of the training, name and signature of the attendees, name of the trainer, time and venue.
	3.7.3 Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the RSPO	YES	Appropriate training for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS) has been conducted in Feb 2020.

Clause	Indicators	Comply Yes/No	Findings
	SCCS. Training is specific and relevant to the task(s) performed.		

### **SUPPLY CHAIN REQUIREMENTS FOR MILLS**

**Disclaimer text:** The following section is taken verbatim from the RSPO Supply Chain Certification Standard (14 June 2017) (RSPO SCCS), general requirements as well as modules D & E for mills. The RSPO SCCS is the document in vigour for these requirements and should be referred to in any cases of uncertainty. Any references to other modules or sections contained in the table below, refer to the RSPO SCCS document. As per RSPO SCCS, **all requirements are major Indicators** (i.e. **equivalent of critical Indicators in P&C 2018**).

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.1	Identity Preserved Module A mill is deemed to be IP is the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO P&C, or against a Group Certification Scheme Certification for the CPO mills is necessary to verify the volumes and sourced of certified FFB entering the mill, the implementation of any processing control as and volume sales of RSPO certified products. If a mill processes certified and uncertified FFB without physically separating them, the inly MB Module is applicable.	YES	Not applicable since this mill is Mass Balance.
3.8.2	Mass balance Module A mill is deemed to be MB is the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3 <sup>rd</sup> party certified supply base.	YES	Merotai POM received certified FFB from own Estate Which is Merotai Estate, Table Estate, Tiger Estate and Imam Estate. And Uncertified FFB from Surrounding Smallgrower and Small holder. Details as in Table 3 of this report.
3.8.3	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be	YES	This has been made available, as in Table 4 of this report.

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent surveillance report.		
3.8.4	The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organisation (RSPO IT platform).	YES	The mill observed to have met registration and reporting requirements for supply chain through the RSPO Palm Trace. The registration information were: Name: Merotai Oil Mill - Sime Darby Country: Malaysia. Member Category: Oil Mil Core product: Palm Oil Copy of Shipping Announcement was provided during the audit as evident of compliance to reporting requirement as listed by the standard.

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.5	<p>The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> <li>• Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> <li>• Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organisation's procedures for the implementation of this standard.</li> <li>• The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</li> </ul>	YES	<p>Merotai POM's documented procedure title 'Standard operating procedure for Sustainability Supply Chain and Traceability dated April 2019.</p> <p>The Assistant Engineer have overall responsible and authority over the implementation of RSPO supply chain requirement in RSPO Merotai POM. MPOM had continued to implement the procedures it had on receiving and processing of RSPO certified and non-certified FFBs.</p>

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.6	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organisation;</p> <ul style="list-style-type: none"> <li>Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</li> <li>Effectively implements and maintains the standard requirements within its organisation.</li> <li>Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non- conformities shall be subject to management review at least annually. The organisation shall be able to maintain the internal audit records and reports.</li> </ul>	YES	<p>MPOM refer to Internal Audit Procedure dated Nov 2017 which is follow the RSPO Supply Chain Certification Standard Revision 2017 requirements.</p> <p>Audit report has also been established. RSPO internal audit was conducted in February 2020 by the internal auditors. The internal audit has followed the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. Management review meeting has been conducted in April 2020 (combine RSPO, RSPO SCCS and MSPO).</p>
3.8.7	<p>The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p> <p>The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p> <p>The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.</p>	YES	<p>MPOM had continued to receive certified FFB from own Estate Which is Merotai Estate, Table Estate, Tiger Estate and Imam Estate. And Uncertified FFB from Surrounding Smallgrower and Small holder which is 25 suppliers. The validity of the certificate of the supplier has been checked accordingly.</p>



Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.8	<p>Sales and Goods Out</p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single-documents or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documentation and specification documentation):</p> <ul style="list-style-type: none"> <li>a) The name and address of buyer;</li> <li>b) The name and address of the seller</li> <li>c) The leading or shipment/delivery date;</li> <li>d) The date on which the documents were issued;</li> <li>e) RSPO certificate number;</li> <li>f) A description of the product, including the applicable supply chain model (IP or MB or the approved abbreviations);</li> <li>g) The quantity of the products delivered;</li> <li>h) Any related transport documentation</li> <li>i) A unique identification number</li> </ul>	YES	<p>The procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Sime Darby Plantations Berhad and Global Trade Marketing Department (HQ) on behalf of Merotai POM.</p>

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.9	<p>Outsourcing Activities</p> <p>(i) The mill shall not outsource its milling activities. In cases where the mill outsourced activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO SC Certification.</p> <p>(ii) The mill shall ensure the following:</p> <p>a) The mill has legal ownership of all input material to be included in outsourced processes</p> <p>b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that CB has access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to the respective operations, systems, and all information, when this is announced in advance.</p>	YES	<p>There are 2 outsource company CPO transporter. The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. There is a clause regarding Supply chain in the 'annexure 5' of agreement. Record of training dated May 2020 for transporter contractor was sighted by the auditor.</p>

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.10	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	YES	List of contact person for both transporters were made available and up-to-date in the stakeholder list. And was updated in January 2020.
3.8.11	The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.	YES	No new contractors used and will be used in the future for the processing or production of RSPO certified materials.
3.8.12	i) The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.	YES	Sighted CPO and PK delivery note, weighbridge ticket, production data, internal audit and management review records were found up-to-date.
	ii) Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	YES	Relevant record was maintained for more than 2 years.
	iii ) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.	YES	Merotai POM has maintained the Real Time basis accounting system to record RSPO certified FFB and deliveries of RSPO certified CPO and PK.
	iv) For Mass Balance Module, the mill: a. shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. b. All volumes of certified CPO and PK that are delivered are deducted	YES	The records of of the volume purchased (input) and claimed (output) over a period of 12 months was updated in 'RSPO&MSPO Mass Balancing Records for Oil Mill'.

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	from the material accounting system according to conversion ratios stated by RSPO. c. The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)		
3.8.13	Extraction rate The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.	YES	Merotai POM process all the received certified crop & their processing output will be based on their actual Oil Extraction Rate (OER) as well as Kernel Extraction Rate (KER).
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.	YES	Extraction rates has been updated monthly as per stated in Monthly Production Report (Physical Movement)
3.8.15	Processing For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.	YES	Not Applicable since this mill is MB Mill
3.8.16	Registration of Transactions i) Shipping Announcement in the	YES	Documented procedures related to sales and goods out were sighted and found adequate. The requirement of sales & goods out especially on notation of applicable

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p> <p>ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform</p>		Supply Chain model & Certificate number being complied by indicating in weighbridge dispatch ticket.
3.8.17	<p>Claims</p> <p>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</p>	YES	Relevant information on product claim (including applicable Supply Chain model and certificate number) being correctly indicated in the relevant outgoing paperwork. Merotai POM has not use RSPO corporate logo as well as trademark logo.

#### **Principle 4: Respect community and human rights and deliver benefits**

Respect community rights, provide equal opportunities, maximise benefits from engagement and ensure remediation where needed.

Clause	Indicators	Comply Yes/No	Findings
4.1 The unit of Cert. respects human rights, which includes respecting the rights of Human Rights Defenders.	4.1.1 (C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRD), is documented and communicated to all levels of the workforce, operations, FFB suppliers and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.	YES	The Group has established a specific Policy on Human Right Defenders, Whistleblowers and Complainants and the the Policy had been finalised by GSQM in March 2020.
	4.1.2 The unit of certification does not	YES	There is no evidence that SOU 30 Merotai instigates any violence or use any form of

Clause	Indicators	Comply Yes/No	Findings
	instigate violence or use any form of harassment in their operations.		harassment in its operations.
4.2 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.	4.2.1 (C) The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistleblowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD.	YES	The system used by the SOU 30 Merotai in resolving disputes and grievances exists in the procedure called "Tatacara Perundingan Dalam Menangani Rungutan Dan Aduan", and "Procedures for handling Social Issues" dated in Nov 2008. The Mill and Estates within SOU 30 each have its own Internal Complaint Book and External Communication Book. The Internal Complaint Book was used for employees to lodge complaint pertaining to their houses, and there is evidence that the complaints were resolved in a timely and appropriate manner. The external book was reviewed and found no complaints against the CU.
	4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.	YES	The documented system in dealing with complaints and grievances are briefed during muster briefing. To ensure that illiterate parties also understand the procedures, verbal briefings are given are translated into the language the affected parties understand.
	4.2.3 The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.	YES	There was evidence that parties to a grievance were kept informed of the progress of the complaints.
	4.2.4 The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.	YES	Therefore, the conflict resolution mechanism includes options to access independent legal and technical advice.
4.3 The unit of certification contributes to local sustainable development as agreed by local communities.	4.3.1 Contributions to community development that are based on the results of consultation with local communities are demonstrated.	YES	There is evidence that contributions to community development was provided based on consultations. There is a donation to the surrounding schools, Mosque and Government agencies. The most important thing is 80% of the staff and non clerical staff are from surrounding villagers which is the main Contributions to community development.

Clause	Indicators	Comply Yes/No	Findings
4.4 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.	4.4.1 (C) Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a FPIC process. Documents related to the history of land tenure and/or the actual legal or customary use of the land are available.	YES	The legal ownership and the maps to indicate the boundary stone were sighted at Merotai, Table, Imam and Tiger Estate. The Land Title for All Estate has been verified, for all Estate (Merotai, Table, Imam, Tiger and POM), all the land title is originally from Borneo Abaca Limited and company has change their names to Bal Estates Sdn Bhd in Aug 1985. The company has bought the land from Colony of North Borneo (Sabah Govt) in January 1937. The company then merge with Golden Hope Plantations (Sabah) Sdn Bhd in Nov 1996. And soon after that, Golden Hope has merge with Sime Darby in 2008.
	4.4.2 Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by SOU Merotai since 1951. The audit team had confirmed that there were no land issues related to previous owners.
	4.4.2a Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by SOU Merotai since 1951. The audit team had confirmed that there were no land issues related to previous owners.
	4.4.2b Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these decisions were taken.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by SOU Merotai since 1951. The audit team had confirmed that there were no land issues related to previous owners.
	4.4.2c Evidence that the legal, economic, environmental and social implications of 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 unit of certification's title, concession or lease on the land.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by SOU Merotai since 1951. The audit team had confirmed that there were no land issues related to previous owners. It can be concluded that there was no evidence of any land dispute at SOU Merotai, hence the evidence required under this clause was not available.

Clause	Indicators	Comply Yes/No	Findings
	4.4.3 (C) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighboring communities where applicable, and relevant authorities).	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Merotai since 1951. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate, hence the evidence required under this clause was not available.
	4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	YES	This requirement in this indicator does not apply to SOU Merotai.
	4.4.5 (C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose.	YES	This requirement in this indicator does not apply to SOU Merotai.
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	YES	This requirement in this indicator does not apply to SOU Merotai.
4.5 No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative	4.5.1 (C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available.	YES	Based on Social Impact Assessment (SIA) Report for SOU Merotai and land title, there was no new plantings are established on local peoples' land. It has been verified that the land is legitimately owned by Sime Darby SOU Merotai since 1951. The audit team had confirmed that there were no land issues related to previous owners.
	4.5.2 (C) FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Merotai since 1951. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate.



Clause	Indicators	Comply Yes/No	Findings
institutions.	4.5.3 Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Merotai since 1951. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate.
	4.5.4 To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Merotai since 1951. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate.
	4.5.5 Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Merotai since 1951. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate.
	4.5.6 Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator.	YES	As reported in 4.4.1 of this checklists, it has been verified that the land is now legitimately owned by Sime Darby SOU Merotai since 1951. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate.
	4.5.7 New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later)	YES	There were no new lands acquired for plantation and mills after 15/11/2018. The current operation area including mill and estates as per stated in the land title

Clause	Indicators	Comply Yes/No	Findings
	expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations.		
4.6 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with thru a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	4.6.1 (C) A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place.	YES	In accordance with the Procedures for Handling Boundaries Disputes, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Sime Darby Head Office. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures.
	4.6.2 (C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.	YES	In accordance with the 'Tatacara Perundingan Dalam Menangani Rungutan Dan Aduan"/ Procedures for Handling Boundaries Disputes, the procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established. However, there was no issue/case related to this indicator as verified by audit team during consultation with staff and workers at mill and visited estates.
	4.6.3 Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings.	YES	There was no scheme small holdings at SOU Merotai. The Fresh Fruit Bunches are supplied from SDPB owned estates which are certified to RSPO and surrounding Smallholder which is not bound to Sime Darby and the Smallholder can send their FFB to other mill.
	4.6.4 The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them.	YES	There was no process and outcomes of any negotiated agreements, compensation and payments to any affected parties.
4.7 For new planting, where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their	4.7.1 (C) A mutually agreed procedure for identifying people entitled to compensation is in place.	YES	In accordance with the Procedures for Handling Boundaries Disputes, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Sime Darby Head Office. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures.
	4.7.2 (C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is in place and documented and made available to affected parties.	YES	There was no issue regarding compensation (monetary or otherwise) with villagers, local community and neighbouring estate.

Clause	Indicators	Comply Yes/No	Findings
FPIC and negotiated agreements.	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	YES	As reported in 4.4.1 of these checklists, it has been verified that the land is now legitimately owned by Sime Darby SOU Merotai since 1951. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate.
4.8 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.	4.8.1 Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC.	YES	As reported in 4.4.1 of these checklists, it has been verified that the land is now legitimately owned by Sime Darby SOU Merotai since 1951. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate.
	4.8.2 (C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of cert. addresses any unresolved conflict through appropriate conflict resolution mechs.	YES	Land conflict is not present in the area of the unit of certification.
	4.8.3 Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant requirements.	YES	There was no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations.
	4.8.4 For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties.	YES	There was no conflict or dispute over the land.

**Principle 5: Support smallholder inclusion**

Include smallholders in RSPO supply chains and improve their livelihoods through fair and transparent partnerships.

Clause	Indicators	Comply Yes/No	Findings
5.1 The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.	5.1.1 Current and previous period prices paid for FFB are publicly available and accessible by smallholders.	Yes	Merotai POM has displayed the current prices paid for FFB at the mill's weighbridge counter.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	Yes	There is evidence that SOU Merotai regularly explains the FFB Pricing to Smallholders surrounding. Latest Training/briefing were conducted i.e. at Merotai POM in July 2020.
	5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.	Yes	In Merotai POM Price for FFB adopted the MPOB Pricing. All prices are calculated by the MPOB and the mill take the price and follow what MPOB guided.
	5.1.4 (C) Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms where applicable.	Yes	There is no bound contract for FFB outside supplier sending crop to the Merotai POM. The Suppliers are freely to choose the mill choice of theirs. Except contract for payment rate, Quality of crop, and how payment has been made and it was found that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts.
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	YES	There is no bound contract for FFB outside supplier sending crop to the Merotai POM. The Suppliers are freely to choose the mill choice of theirs. Except contract for payment rate, Quality of crop, and how payment has been made and it was found that all parties, agrees that the contract was fair, legal and transparent and have an agreed timeframe.
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.	YES	All contractor confirmed that payments were received within a reasonable timeframe which is 7-10 days after submission of invoice. And receipts contain specifying price, weight, deductions and amount paid are given.
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis.	YES	Weighing Equipment in SOU Merotai has been calibrated on a yearly basis.
	5.1.8 The unit of certification supports Independent Smallholders with certification, where applicable, ensuring	YES	Sime Darby SOU Merotai supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates,

Clause	Indicators	Comply Yes/No	Findings
	mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material.		and who holds and sells the certified material. Sighted that latest Stakeholder (Mesyuarat Kerjasama Dua Hala) meeting on in July 2020 to promote on RSPO certification. However, currently the Growers and villagers were not in favor in the implementation due to high cost. Their only focus for MSPO first.
	5.1.9 (C) The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner.	YES	The Dispute and Resolution Procedure commences with the receipt of complaint from any party, its investigation, proposed solutions and acceptance of the solutions or otherwise. If the proposed solution was rejected, the dispute will be brought for third party arbitration. Grievance or dissatisfaction and request for services on the part of the smallholder can be conveyed through the "Borang Aduan (Complaints Form)"- and the "Borang Permohonan (Request Form)".
5.2 The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.	5.2.1 The unit of certification consults with interested smallholders (irrespective of type) including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.	Yes	Sime Darby SOU Merotai supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material. Sighted that latest Stakeholder (Mesyuarat Kerjasama Dua Hala) meeting in July 2020 to consults with interested smallholders including women or other partners in their supply base to assess their needs for support to improve their livelihoods and to promote on RSPO certification. However, the Growers and villagers were not in favor in the implementation due to high cost. Their only focus for MSPO first.
	5.2.2 The unit of certification develops and implements smallholder support program to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Standard for Independent Smallholder).	Yes	As above.
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.	Yes	As above.
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	Yes	As above.
	5.2.5 The unit of certification regularly reviews and publicly reports on the	Yes	Currently Sime Darby SOU Merotai has created a system to trace their stakeholder around their estates. But so far growers and smallholders in Sabah are willing to join the WAGS to get certification but for smallholder in Sabah doesn't want to involve because of

Clause	Indicators	Comply Yes/No	Findings
	progress of the smallholder support programme.		financial restriction.

### **Principle 6: Respect workers' rights and conditions**

Protect workers' rights and ensure safe and decent working conditions.

Clause	Indicators	Comply Yes/No	Findings
6.1 Any form of discrimination is prohibited.	6.1.1 (C) A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.	YES	The equal opportunities policy is contained within the Sime Darby Social Policy dated January 2015, which states that all employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. The Social Policy was displayed on notice boards in both Bahasa Malaysia and English. Interviews conducted with workers confirmed the implementation of this Policy.
	6.1.2 (C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against incl. charging of recruitment fees for migrant workers.	YES	Based on documentation reviewed such as employment contracts and letters of offer, pay slips, allocation of housing at the linesite and audit interviews, there is no evidence that local and foreign workers, women and local communities have been discriminated against. There is also no evidence of payment of recruitment fees by migrant workers.
	6.1.3 The unit of certification demonstrates that recruitment selection, hiring, access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available.	YES	Based on interviews with the estate and mill management including documentation review (interview assessment and medical report), recruitment selection, hiring and promotion are based on suitable job vacancies, experience, qualification/skill and medical fitness appropriate for the job. Interview of candidates will be done by Manager and the Assistant Managers where an evaluation form is filled up to determine the suitability of the candidate.
	6.1.4 Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women.	YES	As of the date of the audit, it was confirmed by the worker during interview, there is no evidence that pregnancy testing was carried out in a discriminatory manner. Pregnancy test was done on the worker own free will. Based on the interview, if there any case of pregnancy, the female worker will assigned to do light general work.
	6.1.5 (C) A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.	YES	At SOU Merotai, Gender Committee was formed since 2008, sighted also Sime Darby has Manual on Implementation of The Gender Policy. The gender committee comprise female employees of all levels, including wives of male employees. Among the activities carried out by the Gender Committee include training on sexual harassment, reproductive rights and opportunities to improve members' income.

Clause	Indicators	Comply Yes/No	Findings
	6.1.6 There is evidence of equal pay for the same work scope.	YES	It was evident that sampled workers receive equal pay for equal work.
6.2 Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).	6.2.1 (C) Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in national languages (English or Bahasa Malaysia) and explained to them in language they understand.	YES	Documentation of pay are available in the form of monthly pay slips, and conditions of pay are contained in employment contracts and letters of employment offer. Copies of these documents are provided to the workers. Briefing on relevant provisions on the Sabah Labor Ordinance (e.g. hours of work, rest day) Minimum Wages Order, were also given to the workers. Pay slips and employment contracts are prepared in English.
	6.2.2 (C) Employment contracts and related documents detailing payments and conditions of employment and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.	YES	The employment contracts signed between the estate/mill management contain employment and payment terms and provisions covering duration of employment, place of work, salary, working hours, medical, accommodation, SOCSO, transportation, public holidays, sick leave, annual leave, mutual termination of service, etc. The pay slip is the document that give accurate information on compensation for all work performed. It contains the following information: employee name, IC/passport, gang, month of pay, pay description, (basic, price bonus, productivity incentive, allowances, deductions for SOCSO, EIS, KSWP, total income for the month, total deductions, net pay. None of the workers have family members working to help them with their work.
	6.2.3 (C) There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.	YES	There is evidence that workers observe regular working hours including overtime hours within the legal confines of the Sabah Labor Ordinance. This was verified from the mill workers' employment contracts, punch cards and interviews with the workers themselves. They are also entitled to at least 30 minutes' rest after 5 hours of work. Similarly, workers with medical certificates are given a paid medical leave, and female workers are given 3 months maternity leave. There is no evidence of termination, and so compliance with reasons for dismissal and period of notice could not be verified during this audit. Salary deductions are made for statutory deductions such as SOCSO, EPF, and EIS. For non-statutory deductions such as for payment of electricity and water bills, records are available of written permits from the Department of Labour, Sabah.
	6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed	YES	Evidence is available that the SOU 30 Merotai provide adequate housing and facilities to its employees in accordance with the requirements of the Workers' Minimum Standard of Housing and Amenities Act 1990 and others required by the standard.



Clause	Indicators	Comply Yes/No	Findings
	detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.		
	6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.	YES	All units have its own canteen and grocery store which sells basic items such as eggs, flour, rice, vegetables, frozen food such as fish, meat, onions, etc. Items seen in the stores are adequate, clearly labelled and within its expiry period.
	<p>6.2.6 A "DLW" is paid to all workers, including those on piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours.</p> <p>PROCEDURAL NOTE: A written policy with specific implementation plan, committing to payment of a "decent living wage" is in place. The implementation plan with specific targets, and a phased implementation process will be in place, including the following:</p> <ul style="list-style-type: none"> <li>• An assessment is conducted to determine prevailing wages and in-kind benefits already being provided to workers.</li> <li>• There is annual progress on the implementation of living wages</li> <li>• Where a minimum wage, based on equivalent basket of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment.</li> <li>• The unit of certification may choose to implement the "living wage" payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before an eventual scale-up of the living wage implementation</li> </ul> <p>Until such time where the Malaysian version of "decent living wage" has been endorsed by RSPO and implemented by the unit of certification, the Malaysian minimum wage has to be paid.</p>	YES	<p>All sampled workers receive at least minimum wages based on Minimum Wages Order 2018. The new Minimum Wages Order 2020 gazetted on 10 Jan 2020 and came into effect on 1 February 2020.</p> <p>Merotai POM, Tiger Estate, Table Estate, Imam Estate and Merotai Estate had calculated the prevailing wages and in-kind benefits for their workers. The calculation included housing, electricity, water, transport to work, sports and recreation facilities, education, childcare and healthcare. The auditor had verified the calculation and though the calculation was in line with RSPO Guidance on Calculationg Prevailing Wages.</p>
	6.2.7 Permanent, full-time employment is used for all core work performed by the unit	YES	All the estates and mill employ full-time employees. Foreign workers are full-time employees but have a contractual duration which is stipulated in their employment



Clause	Indicators	Comply Yes/No	Findings
	of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.		contracts which is 2 years for Indonesians and 3 years for other nationalities.
6.3 The unit of certification 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.	6.3.1 (C) A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.	YES	Recognition of freedom of association is available in the Sime Darby Plantation Social Policy dated January 2015. The policy states that the company respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively.
	6.3.2 Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages (English and/or Bahasa Malaysia) and made available upon request.	YES	Records of meetings between SOU 30 Merotai and workers representatives are available.
	6.3.3 Management does not interfere with the formation or operation of registered unions/ labour organisations or associations, or other freely elected representatives for all workers including migrant and contract workers.	YES	Evidence is available that all worker representatives were freely appointed by the workers as confirmed by the workers' representatives themselves as confirmed by a spraying mandore from Imam Estate and FFB grader from Merotai Palm Oil Mill.
6.4 Children are not employed or exploited.	6.4.1 A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements.	YES	The formal Policy on protection of children and non-employment of children is contained in the Sime Darby Social Policy dated January 2015. This undertaking to not hire child labour is included in all service contracts and supplier agreements.
	6.4.2 (C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure.	YES	Based on interviews, documentation review and observations in the field, evidence is available that minimum age requirements are met throughout SOU 30 Merotai.
	6.4.3 (C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.	YES	There was no evidence that any young persons were employed in any of the units at SOU 30 Merotai as evidenced from documentation review, field observations and interviews.

Clause	Indicators	Comply Yes/No	Findings
	6.4.4 The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.	YES	Based on the documents sighted, communication about its no child labour Policy was communicated to all levels of employees.
6.5 There is no harassment or abuse in the workplace, and reproductive rights are protected.	6.5.1 (C) A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce.	YES	The policy to prevent sexual and other forms of violence is contained in the Sime Darby Social Policy dated January 2015. Based on interviews conducted and documents reviewed, there is evidence that the Policy is being implemented. Workers interviewed confirmed their understanding of the Policy, what constitutes sexual harassment and knows how to lodge a complaint. There is no evidence of any sexual harassment or any form of harassment having occurred.
	6.5.2 (C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce.	YES	The policy to protect reproductive rights of women is contained in the Sime Darby Plantation Gender Policy.dated January 2015. Based on interviews conducted and documents reviewed, there is evidence that the Policy is being implemented. Workers interviewed, especially women employees from all levels of the workforce confirmed their understanding of the Policy.
	6.5.3 Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified.	YES	During this audit, there has been no evidence of any new mothers and therefore this indicator could not be verified.
	6.5.4 A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce.	YES	The grievance mechanism which respects anonymity and protects complainants have been effectively communicated to all levels of workforce.
6.6 No forms of forced or trafficked labour are used.	6.6.1 (C) All workers have entered into employment voluntarily , and the following are prohibited: <ul style="list-style-type: none"> <li>• Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes)</li> <li>• Charging the workers for recruitment fees</li> </ul>	YES	Collective evidence is available that all sampled workers have entered into employment voluntarily.

Clause	Indicators	Comply Yes/No	Findings
	<ul style="list-style-type: none"> <li>• Contract substitution</li> <li>• Involuntary overtime</li> <li>• Lack of freedom of workers to resign</li> <li>• Penalty to the workers for termination of employment</li> <li>• Debt bondage</li> <li>• Withholding of wages</li> </ul>		
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.	YES	<p>The SOU 30 Merotai adopts the Social Policy dated January 2015 which states that "All employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work and representation race, caste, nationality". There is also a procedure entitled "Sourcing Process for Foreign Workers".</p> <p>Based on observations and interviews of foreign workers (harvesters, sprayers, mill workers), there is no evidence of contract substitution and no discriminatory practices against foreign workers. A post-arrival briefing is also given, in particular on the contents of their employment contracts, safety, benefits, etc.</p>
6.7 The unit of certification ensures that the working environment under its control is safe and without undue risk to health.	6.7.1 (C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.	YES	The letter of appointment for the Managers signed by the Regional CEO was sighted. The Managers subsequently assigned duties of ESH coordinator to the Assistants for the down line implementation of ESH practices in the estates. Similar appointment was made for all the estates and the mill. All identified Executives were officially given a letter for such an appointment. All estates and the mill management conduct regular two-way communication with their employees through the quarterly ESH meeting. Minutes of meeting cited.
	6.7.2 Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.	YES	<p>There was formation of ERP Team &amp; 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.</p> <p>The trained personnel for the First Aid were among the employees working in the mill on shift and also the estates staff/mandores. The first aid boxes were available at various points in the mill and estates.</p> <p>Records of all accidents are kept and filed. The methodology of occupational injuries is recorded using LTA. (Lost Man day MC.) This is summarized officially in the JKPP 8. Records are kept in the office. Summary for the year is described in the JKPP 8 a mandatory requirement for submission to DOSH by Jan of the subsequent year. Cases if any are reviewed during safety meetings.</p>
	6.7.3 (C) Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the	YES	All staff and workers such as the storekeepers, harvesters and sprayers were continuously trained, and random interviews conducted showed that they had understood the hazards involved and the usage and handling of chemicals in a safe manner.

Clause	Indicators	Comply Yes/No	Findings
	place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.		Appropriate PPE were given free of charge to all employees of estates visited.
	6.7.4 All workers are provided with medical care and covered by accident insurance. Costs incurred from work-related incidents leading to injury or sickness are covered in accordance with Malaysian law.	YES	Local & Foreign workers are covered by SOCSO (Pertubuhan Keselamatan Sosial). The “Jadual Caruman Bulanan” were sampled accordingly.
	6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	YES	Records of all accidents are kept and filed. The methodology of occupational injuries is recorded using LTA. (Lost Man day MC.) This is summarized officially in the JKPP 8. Records are kept for a minimum 10 years in the office. Summary for the year is described in the JKPP 8 a mandatory requirement for submission to DOSH by Jan of the subsequent year. Cases if any are reviewed during safety meetings.

#### **Principle 7: Protect, conserve and enhance ecosystems and the environment**

Protect the environment, conserve biodiversity and ensure sustainable management of natural resources.

Clause	Indicators	Comply Yes/No	Findings
7.1 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.	7.1.1 (C) IPM plans are implemented and monitored to ensure effective pest control.	YES	SOU Merotai continued to implement Integrated Pest Management (IPM) in the 4 estates and continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the Agricultural Reference Manual (ARM). 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. All 4 estates carried out census on rat damage and diseases like Ganoderma.
	7.1.2 Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to	YES	Species referenced in the Global Invasive Species Database and CABI.org. were not used in managed areas of the 4 estates.

Clause	Indicators	Comply Yes/No	Findings
	prevent and monitor their spread are implemented.		
	7.1.3 There is no use of fire for pest control unless in exceptional circumstances, i.e. where no other effective methods exist, and with prior approval of government authorities.	YES	SOU Merotai continued to use the Sime Darby Plantation Berhad's policy of no open burning. As advocated, the 4 estates practised Zero burning thus no use of fire for pest control.
7.2 Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.	7.2.1 (C) Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritized.	YES	<b>Remote</b> All 4 estates only used pesticides that are officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision Pesticides Act 1974 (Act 149) (Section 53A); and in accordance with USECHH Regulations (2000). There was no evidence of pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, had been used. The chemical store and chemical list indicated All 4 estates had none of the chemicals. The use of paraquat was banned in all SDPSB estates. Most pesticides used were class III & class IV.
	7.2.2 (C) Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) are provided.	YES	All 4 Estates, Merotai Estate, Table Estate, Tiger Estate and Imam Estate had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and Ai/Ha. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, field cost books and in progress reports. Both estates had documented programs for spraying pesticides and for rat baiting.
	7.2.3 (C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.	YES	As part of the IPM plans, the quantity of pesticides required for various field conditions are documented and justified in Sime Darby Plantation Berhad Agriculture Reference Manual (ARM).
	7.2.4 There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.	YES	There was no evidence of prophylactic use of pesticides in SOU Merotai except in immature and young fields, where prophylactic spraying using diluted cypermethrin are still practised for the Pest and Diseases management such as control of Rhinoceros Beetle as per SOP.
	7.2.5 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, unless in exceptional circumstances, as	YES	<b>Remote</b> SOU Merotai 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 are of class III & class IV.

Clause	Indicators	Comply Yes/No	Findings
	validated by a due diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to:		
	7.2.5a Judgment of the threat and verify why this is a major threat.	YES	As mentioned above in 7.2.5 of this check list and based on audit findings, there was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat had been used. Hence, the need for a judgment of the threat assessment does not apply on the SOU Merotai.
	7.2.5b Why there is no other alternative which can be used.	YES	As above.
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.	YES	As above.
	7.2.5d What is the process to limit the negative impacts of the application.	YES	As above.
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.	YES	As above.
	7.2.6 (C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers. Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.	YES	<b>Remote</b> The staff and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained, and they had understood the hazards involved and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to the workers through the SDS training. It was also noted that SDS are available at all sites during the audit. Trainings on pesticide handling were available in all the visited estates. Among others extracted for records are; The training included the safety aspects and usage of PPE when handling with pesticides.
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	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). a) Records of purchase, storage and use were maintained. b) All store buildings were equipped with exhaust fans with the door secured.

Clause	Indicators	Comply Yes/No	Findings
			c) Only authorized personnel are assigned to handle the chemicals. d) All the chemicals were segregated in storage accordingly.
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.	YES	Disposed through DOE licensed contractors.
	7.2.9 (C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.	YES	There was no aerial spraying has been practiced in the Merotai <i>SOU</i> .
	7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.	YES	Satisfactorily demonstrated by all estates.
	7.2.11 (C) No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.	YES	All estates complied with procedure and guidelines provided the Standard Operating Procedure adopted by the Organisation whereby no work with pesticides is given to pregnant or breast-feeding women. <i>Tidak dibenarkan pekerja wanita yang MENGANDUNG / MENYUSUKAN anak membuat kerja-kerja penyemburan</i> ). During site visits there was no breastfeeding women and under age of 18 workers involved in chemical applications.
7.3 Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.	YES	<i>SOU Merotai</i> has identified all wastes and sources of pollution. The Waste Management Action Plan FY 2020 were established to mitigate and control the identified wastes and source of pollution.
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by	YES	At <i>Merotai SOU</i> domestic waste has been disposed through <i>Majlis Daerah Tawau Bukit Gemok</i> land fill area which is nearby to all estate.

Clause	Indicators	Comply Yes/No	Findings																												
	workers and managers, is demonstrated.																														
	7.3.3 The unit of certification does not use open fire for waste disposal.	YES	During site visit at SOU Merotai, there were no evidence on waste material has been disposed using fire. All the waste material (domestic & scheduled waste) has been disposed accordingly. Site visits at replanting areas showed all the palms have been chipped and left for decomposed.																												
7.4 Practices maintain soil fertility at, or where improve soil fertility to, a level that ensures optimal and sustained yield.	7.4.1 Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts.	YES	Merotai 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 applications. The process of the fertilizer application follows a flow chart Fertilizer application, which was of upmost importance for maintenance of soil commencing from an agronomist visit for a leaf sampling to determine the level of nutrient therein. Thereafter the calculation will be made for an input of fertilizer to maintain/improve the nutrient at the desired level. Estates will use this input for the entire requirement in the field identified.																												
	7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.	YES	The periodic tissue and soil sampling were carried out in the estates to monitor changes in nutrient status. The results formed the basis for the fertilizers input recommendation. The soil analysis provided the indication of soil health and monitors the changes in the organic carbon and total nitrogen. The soil sampling analysis by Sime Darby Plantations Research Centre was carried out to facilitate the 2020 fertilizer program.																												
	7.4.3 A nutrient recycling strategy is in place, which includes the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers.	YES	All 4 Estates had a nutrient recycling strategy in place which included stacking pruned fronds in the respective fields to decompose, grass cutting harvesters paths and letting the cut mass to decompose in the field, EFB mulching and application of Solid POME. In addition, during replanting, palms were felled, chipped, windrowed and left to decompose. It has been confirmed that no compost and POME were applied in all estates.																												
	7.4.4 Records of fertiliser inputs are maintained.	YES	SOU Merotai continued to monitor their fertilizer inputs as recommended by their Principal Agronomist, Plant Nutrition & Protection, Sabah Region, based in Bombalai who visited both estates during the annual foliar sampling. Fertiliser application program was monitored using records like manuring master plan, program sheets, bin cards, field cost book, manuring audits by Planning and Monitoring Department (PMU) under Upstream Department from Headquarters. Records of programs and applications of fertilisers were made available to auditors. From the review of the records, it was noted that the actual fertilizer application for 2019 was in line with the recommendation.																												
7.5 Practices minimise and control erosion and degradation of soils.	7.5.1 (C) Maps identifying marginal and fragile soils, including steep terrain, are available.	YES	The soil series for the 4 estates comprises of the following. Soil maps are prepared by SDP <i>Research and Advisory Dept (Precision Agriculture Unit)</i> . Respective dates of map preparation was recorded; <table border="1" data-bbox="965 1197 1523 1375"> <thead> <tr> <th colspan="4">Merotai Estate – source dated 1/8/19</th> </tr> <tr> <th></th> <th>Soil type</th> <th></th> <th>Soil type</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Kinabutan</td> <td>8</td> <td>Gong chenak</td> </tr> <tr> <td>2</td> <td>Mai</td> <td>9</td> <td>Bukit Tuku</td> </tr> <tr> <td>3</td> <td>Table</td> <td>10</td> <td>Tebok</td> </tr> <tr> <td>4</td> <td>Kechor</td> <td>11</td> <td>Apas</td> </tr> <tr> <td>5</td> <td>Dagat</td> <td>12</td> <td>Bombalai</td> </tr> </tbody> </table>	Merotai Estate – source dated 1/8/19					Soil type		Soil type	1	Kinabutan	8	Gong chenak	2	Mai	9	Bukit Tuku	3	Table	10	Tebok	4	Kechor	11	Apas	5	Dagat	12	Bombalai
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7.5.2 No replanting of any individual, contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the Unit of Certification.	YES	It was observed that no replanting of any individual, contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the SOU.																						
7.5.3 There is no new planting of oil palm on steep terrain.		SOU Merotai had a management strategy for planting on slopes to minimise and control erosion and degradation of soils. It was observed that there is no new planting of oil palm on steep terrain.																						
7.6 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and	7.6.1 (C) To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations.	YES	SOU Merotai had a management strategy for palm oil cultivation taking into account the soil maps and surveys identifying marginal and fragile soils, including steep terrain for the palm oil long term suitability. The soil maps were provided and reviewed by the auditors it was observed that no fragile or marginal soils were found in SOU Merotai.																					
	7.6.2 Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil	YES	Based on document review and site visits, there is no new extensive planting on marginal and fragile soils in Merotai CU																					

Clause	Indicators	Comply Yes/No	Findings
operations.	management plan for best practices.		
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	YES	SOU Merotai had a management strategy for palm oil cultivation taking into account the soil surveys and topographic information in planning of drainage and irrigation systems, roads and other infrastructure. The topographic information were provided and reviewed by the auditors.
7.7 No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.	7.7.1 (C) There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas.	YES	Auditors have verified through checking the <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to all four estates. Based on the audit findings, it has been confirmed that there were no new planting or new development of areas at SOU Merotai.
	7.7.2 Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. PROCEDURAL NOTE: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peat land Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below).	YES	It has been confirmed that SOU Merotai did not have peat land. It is consistent with the new soils map provided by Precision Agriculture Unit (NHM) of Sime Darby Research. Hence, this requirement is not applicable.
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	YES	It has been confirmed that SOU Merotai did not have peat land. It is consistent with the new soils map provided by Precision Agriculture Unit (NHM) of Sime Darby Research. Hence, this requirement is not applicable.
	7.7.4 (C) A documented water and ground cover management programme is in place.	YES	It has been confirmed that SOU Merotai did not have peat land. It is consistent with the new soils map provided by Precision Agriculture Unit (NHM) of Sime Darby Research. Hence, this requirement is not applicable.
	7.7.5 (C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil	YES	It has been confirmed that SOU Merotai did not have peat land. It is consistent with the new soils map provided by Precision Agriculture Unit (NHM) of Sime Darby Research. Hence, this requirement is not applicable.

Clause	Indicators	Comply Yes/No	Findings
	<p>palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation.</p> <p>This is subject to transitional (5 years: 2019 to 2025) arrangement stated in the Drainability Assessment Procedure. Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition.</p>		
	7.7.6 (C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2018) and associated audit guidance.	YES	It has been confirmed that SOU Merotai did not have peat land. It is consistent with the new soils map provided by Precision Agriculture Unit (NHM) of Sime Darby Research. Hence, this requirement is not applicable.
	7.7.7 (C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural	YES	It has been confirmed that SOU Merotai did not have peat land. It is consistent with the new soils map provided by Precision Agriculture Unit (NHM) of Sime Darby Research. Hence, this requirement is not applicable.

Clause	Indicators	Comply Yes/No	Findings
	Vegetation Associated with Oil Palm Cultivation on Peat', version 2 (2018) and associated audit guidance.		
7.8 Practices maintain the quality and availability of surface and groundwater.	7.8.1 A water management plan is in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment. The plan addresses the following:	YES	The four estates had established and implemented their water management plans. Plans for 2020 were sighted. This is compiled on Group basis and amended to meet demands of specific issue in Operating Units. It was reviewed annually for the 2020 plan. Included therein are the following documents which were sighted and verified;
	7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.		
	7.8.1b Workers have adequate access to clean water.		
	7.8.2 (C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017).	YES	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones has been verified at the Imam Estate and Table Estate. Riparian buffer zones have been identified and demarcated. No chemicals and fertilizer application observed been used in their maintenance. In some area's <i>vetiver</i> grass had been planted along the river banks. Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. During the field visit to all the estates it was observed that all the buffer zones and watercourses boundaries were maintained without noting any sign of spraying made in the identified areas.
	7.8.3 Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.	YES	The effluent treatment plant was made in accordance and interview with operator in charge revealed that the operation was in accordance with standard operation procedure and legal requirements. No overflow was observed, and flow meter reading was recorded daily. Merotai POM records of effluent monitoring for DOE submission in the ' <i>Borang Penyata Suku Tahunan</i> '.
	7.8.4 Mill water use per tonne of FFB is monitored and recorded.	YES	Processing water is obtained from water catchment near to the mill. The mill water usage per tonne of fresh fruit bunches (FFB) continued to be monitored on monthly basis. Noted the high consumption of water in variation attributed to peak crop and mill cleaning during the monsoon months.
7.9 Efficiency of fossil fuel use and the use of	7.9.1 A plan for efficiency of the use of fossil fuels and to optimise	YES	Plan for improving efficiency of the use of fossil fuels and to optimise renewable energy has established such accordingly.

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renewable energy is optimised.	renewable energy is in place, monitored and documented.																																																																								
7.10 Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.	7.10.1 (C) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported.	YES	<p>GHG emission has been identified and assessed to the all estates and mill through list of waste, EIA, pollution prevention plan, etc. for year 2019CU calculated the emission through RSPO Palm GHG calculator version 4 (data as table below).</p> <p><b><u>Summary of Net GHG Emissions</u></b></p> <table><tr><th>Emissions per Product</th><th>tCO2e/tProduct</th><th>Extraction</th><th>%</th></tr><tr><td>CPO</td><td>0.51</td><td>OER</td><td>22.11</td></tr><tr><td>PK</td><td>0.51</td><td>KER</td><td>4.58</td></tr></table> <table><tr><th>Production</th><th>t/yr</th></tr><tr><td>FFB Processed</td><td>290,136.20</td></tr><tr><td>CPO Produced</td><td>64,160.97</td></tr></table> <table><tr><th>Land Use</th><th>Ha</th></tr><tr><td>OP planted area</td><td>17936.03</td></tr><tr><td>OP planted on peat</td><td>0</td></tr><tr><td>Conservation (forested)</td><td>0</td></tr><tr><td>Conservation (non-forested)</td><td>0</td></tr><tr><td>Total</td><td>17936.03</td></tr></table> <p><b><u>Summary of Field Emissions and Sinks</u></b></p> <table><tr><th></th><th colspan="2">Own Crop</th><th colspan="2">Group</th></tr><tr><th></th><th>tCO2e</th><th>tCO2e/tFFB</th><th>tCO2e</th><th>tCO2e/tFFB</th></tr><tr><td>Emissions</td><td></td><td></td><td></td><td></td></tr><tr><td>Land Conversion</td><td>102895.80</td><td>0.48</td><td>144.57</td><td>0.53</td></tr><tr><td>*CO2 Emissions from Fertiliser</td><td>10819.7</td><td>0.05</td><td>14.35</td><td>0.05</td></tr><tr><td>**N2O Emissions</td><td>5684.16</td><td>0.03</td><td>7.83</td><td>0.03</td></tr><tr><td>Fuel Consumption</td><td>1921.15</td><td>0.01</td><td>1.78</td><td>0.01</td></tr><tr><td>Peat Oxidation</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td></tr></table>	Emissions per Product	tCO2e/tProduct	Extraction	%	CPO	0.51	OER	22.11	PK	0.51	KER	4.58	Production	t/yr	FFB Processed	290,136.20	CPO Produced	64,160.97	Land Use	Ha	OP planted area	17936.03	OP planted on peat	0	Conservation (forested)	0	Conservation (non-forested)	0	Total	17936.03		Own Crop		Group			tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB	Emissions					Land Conversion	102895.80	0.48	144.57	0.53	*CO2 Emissions from Fertiliser	10819.7	0.05	14.35	0.05	**N2O Emissions	5684.16	0.03	7.83	0.03	Fuel Consumption	1921.15	0.01	1.78	0.01	Peat Oxidation	0.00	0.00	0.00	0.00
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7.10.2 (C) Starting 2014, the carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development are estimated and a plan to minimise them prepared and implemented (guided by the	YES	Auditors has verified through checking the <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at SOU Merotai. Hence RSPO GHG Assessment Procedure for New Development was not applicable.																																																																	

Clause	Indicators	Comply Yes/No	Findings
	RSPO GHG Assessment Procedure for New Development).		
	7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.	YES	Available and monitored.
7.11 Fire is not used for preparing land and is prevented in the managed area.	7.11.1 (C) Land for new planting or replanting is not prepared by burning.	YES	There was no burning has been used for replanting activities. All palm has been chipped and left for decomposed.
	7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management.	YES	SOU Merotai had established the fire prevention and control measures for the areas under its direct management. Procedures guidelines were issued by SQM and amended to tailor to the situation differences in the estates and mills.
	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.	YES	Merotai SOU has conducted stakeholder meeting in July 2020 and discussed related fire prevention and control measures.
7.12 Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.	7.12.1 (C) Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCVs or HCS forests. A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document.	YES	No new land clearing since Nov 2015 available at SOU Merotai, thus this Indicator was not Applicable.
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	The report of "HCV Re-Assessment for Strategic Operating Unit (SOU) Sabah Central – South Zone" prepared by the PSQM Department was available to the audit team. The report was completed in January 2014 had covered all the High Conservation Value (HCV) within and adjacent to the CU. The HCV assessment had identified 4 potential HCV in the Merotai CU. Total hectarage for HCV area at SOU Merotai is 23.72ha as per "HCV Re-Assessment for Strategic Operating Unit (SOU) Sabah Central – South Zone" However SOU Merotai management decide to declare their HCV area 161.23 ha to include the Buffer Zones and Planted area > 25 degree into the Conservation area and reported to CB.
	7.12.2a For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November 2018, the current HCV assessment of		

Clause	Indicators	Comply Yes/No	Findings
	those plantations remains valid.		
	7.12.2b: Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.		
	7.12.4 (C) Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations.	YES	There was no RTE observed present in the SOU in the assessment. The CU had a regular programmes to educate its employees pertaining to the protection of the RTE as well as the protection of buffer zone. The CU has conducted a regular patrol of HCV areas, access and boundary of estates. Signage, such as "No Hunting", "No Fishing", "Buffer Zone" were available. No use of chemicals observed been applied in the buffer zone as prohibited by the CU. In general, the action plan has been implemented accordingly.
	7.12.5 Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peatland and other conservation areas, there is no reduction of these rights without evidence of a negotiated	YES	HCV Re Assessment has been done on April 2014, but no rights of local communities have been identified in HCV areas. Thus this indicator was not applicable.



Clause	Indicators	Comply Yes/No	Findings
	agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.		
	7.12.6 All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.	YES	In all 4 estates, the training programs for 2020 has included HCV training programme. HCV briefing were carried out during muster. Attendance lists were available. SOU Merotai management will notify the relevant authorities immediately if any individual working for the company is found to capture, harm, collect or kill these species.
	7.12.7 The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.	YES	The CU had continued to monitor its HCV areas and presence of RTE. During the field audit, there was no presence of RTE in the areas found and the monitoring records also confirmed that no significant outcomes detected. On-going monitoring of the HCV area at Merotai Estate and Tiger Estate was conducted accordingly.
	7.12.8 (C) Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.	YES	Not applicable since there is no new land clearing

## RSPO Certifications Systems for Principles & Criteria June 2017

Clause	Indicators		Comply Yes/No	Findings
<p>4.5.3 Time-bound plan</p> <p>Note: Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised;</p>	(a)	<p>As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.</p>	YES	<p>SDP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills.</p> <p><b>Indonesia</b>  <b>PT Bahari Gembira Ria</b>  Sime Darby Plantation does not have management control over the plasma scheme. 1 out of 6 Koperasi Unit Desa (KUD) has been RSPO Certified. And all KUD is planned to undergo RSPO Certification by 2020 as reported in the timebound plan. Socialisation with the entire KUD is currently ongoing. Land Use Change Analysis has been completed for Plasma BGR. Refer to RSPO Certificate &amp; Report for PT BGR - <a href="https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ">https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ</a>  <b>PT Sandika Natapalma &amp; PT Budidaya Agro Lestari</b>  Perijinan informasi lahan is obtained in 2015 while the other 'perijinan' is still in processing. As at June 2017, the smallholders with the total of 29,914 Ha (58% from the total Ha, 51,715 Ha) of associated smallholders in Indonesia has been certified. Certification process for the remaining associated smallholder's areas was on-going. SDP expect to achieve 100% RSPO certification of associated smallholders and out growers by end 2020.  <b>PT Bersama Sejahtera Sakti</b>  The new project at KKPA Maju Bersama by the plasma community is currently in nursery stage and not yet due for harvesting, the year of planting was in 2014.  <b>PT Ladang Rumpun Subu Rubadi</b>  SAP 1 Estate PLASMA will be undergone 2<sup>nd</sup> stage audit on 2019.  <b>PT Guthrie Pecconina</b>  Sungai Jernih Estate and the KKPA Estates has undergone audit.  <b>PT Sime Indo Agro</b>  Only East estate not yet certified – land legalization still in progress.</p> <p><b>Liberia</b>  As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI).</p> <p><b>Papua New Guinea (NBPOL)</b>  Markham Farming Company Limited (MFCL) / Markham Agro Pte. Ltd. Estimate to be certified on year 2020. The majority of Markham Farms has already been planted by the former owner without following RSPO NPP. Therefore, the Remediation and Compensation Procedure will be required to be full filled in order to achieve certification. The Disclosure has been initiated on 18/10/18. Currently HCV/HCS, SEIA and LUCA are being undertaken in order to submit and mitigation and</p>

				remediation plan to RSPO. As this process has never been completed through RSPO in less than 2 years, the time frame for the 100% certification of Markham Farms is set to that duration. <a href="https://rspo.org/certification/remediation-and-compensation/racp-tracker">https://rspo.org/certification/remediation-and-compensation/racp-tracker</a> no 82
	(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 reviewed by CB and it can be confirmed that there were several changes to the current time bound plan as verified during this audit. Update as in (a).
	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary	YES	Time bound plan was verified by CB and it can be confirmed that there were several changes to the current time bound plan as verified during this audit. Update as in (a). Latest revision of the TBP as at Attachment 6 of this report.

		from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);		
4.5.4 Requirements for uncertified management units:	(a)	No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. Any new plantings since 1 <sup>st</sup> January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;	YES	Based on internal and external audit (ISPO certified) there was no replacement of primary forest or HCV areas in the uncertified management unit. Except for NBPOL area which have potential liabilities of RSPO grower members and the stages of the Remediation and Compensation Procedures (RaCP) that the management units (MUs) are currently undergoing. <a href="https://rspo.org/certification/remediation-and-compensation/racp-tracker">https://rspo.org/certification/remediation-and-compensation/racp-tracker</a> no 82
	(b)	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6;	YES	Regular discussion was ongoing between Sime Darby Plantation and the group of community (PAC) through bi-monthly Tim Kerja Perwakilan Petani (TKPP) meeting since November 2012. In October 2013, representatives from two of nine villages (Kerunang and Entapang) left TKPP. These two villagers are supported by and working with TuK and OXFAM. They have then requested SDP to enter into Dispute Settlement Facility (DSF) in June 2014. Hence, there were two groups of communities: The TKPP (7 of 9 villages) and the Kerunang & Entapang team (2 of 9 villages). 21 TKPP meetings have been conducted. The most recent one was held on 2/11/2016. Issues related to the 14 demands made by TKPP were closed except for two. As per current status (23/01/2019) SDP and affected parties will be resolved all the issues to proceed with legal review. <a href="https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail">https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail</a> However, sighted as at June 2019 PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera. Refer letter from Sime dated 27 June 2019 to RSPO Secretariat.
	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with	YES	Based on the internal audit report, there were no labour dispute that were not being resolved yet through an agreed process for all uncertified units for all 7 uncertified units of Sime Darby Plantation Sdn Bhd - Indonesia as at June 2019.

		RSPO P&C criterion 6.3;									
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	YES	Based on internal and external audit (ISPO certified) there was no legal non-compliance recorded at the CU.							
	(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:	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. However, it has been noted that as at June 2019, PT Mitra Austral Sejahtera was sold to PT Inti Nusa Sejahtera. Refer letter from Sime dated 27 June 2019 to RSPO Secretariat.							
		<ul style="list-style-type: none"><li>A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by organization. This would require evidence of the self-assessment against each requirement;</li></ul>	YES	<table><tr><th>#</th><th>Name of SOU</th><th>Name of Units</th><th>Positive assurance statement and self-assessment</th></tr><tr><td>1</td><td>PT Sime Indo Agro</td><td>East Sei Mawang</td><td>Internal assessment was conducted on 29 May – 3 June 2017 by PT Mutuagung Lestari Auditor</td></tr></table>	#	Name of SOU	Name of Units	Positive assurance statement and self-assessment	1	PT Sime Indo Agro	East Sei Mawang
#	Name of SOU	Name of Units	Positive assurance statement and self-assessment								
1	PT Sime Indo Agro	East Sei Mawang	Internal assessment was conducted on 29 May – 3 June 2017 by PT Mutuagung Lestari Auditor								

				2	PT Ladang Rumpun Subur abadi	Subur Abadi Plasma 1	Internal assessment has been conducted for Subur Abadi Plasma 1 on 22/2/2017. The Subur Abadi Plasma 1 Scheme is currently undergoing RSPO Certification under PT Ladangrumpun Suburabadi pending certification. RSPO Pre-assessment has been completed on 20-24/3/2017. The contract between the Certification Body (PT Mutuagung Lestari) and PT Ladangrumpun Suburabadi is available (dated 6/3/2017) which includes the scope of the supply base of Subur Abadi Plasma stated under Clause 2, 1a. There is no outstanding land and social conflicts on the ground. HCV Assessment for Subur Abadi Plasma smallholders have been conducted (by Pollito) in July 2011 before commencement of any new planting. Land Use Change Analysis for the Plasma is in progress.
				3	PT Bersama Sejahtera Sakti	KKPA BSS	New smallholder project currently under preparation to undergo RSPO Certification by 2019, internal audit for PT BSS has been undertaken, the latest internal audit has been conducted on 21/4/2018.
				4	PT Bahari Gembira Ria	Plasma BGR	There is no outstanding social and land conflicts on the ground. The plasma scheme has already undergone HCV Assessment (conducted by Pollito) in July 2011 before commencement of New Planting. Land Use Change Analysis is in progress. Confirmation of the status is in progress. Sime Darby Plantation does not have management control over the plasma scheme. 1 out of 6 Koperasi Unit Desa (KUD) has been RSPO Certified. And all KUD is planned to undergo RSPO Certification by 2020 as reported in the timebound plan. Land Use Change Analysis has been completed for Plasma BGR. Refer to RSPO Certificate & Report for PT BGR - <a href="https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ">https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ</a> <a href="https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioXOEAZ">https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioXOEAZ</a>
				5	PT Guthrie Pecconina Indonesia	Sungai Jernih Estate and GPI KKPA	Sungai Jernih Estate and GPI KKPA were audited by Mutuagung as verified through Recertification Audit report. The assessment was conducted on 15 – 20/5/2017.
				6	PT Sandika Nata Palma	Karya Palma KKPA SNP	Internal assessment was conducted on 10/2/2017.
				7	PT Budidaya Agro Lestari	Pelanjau (PT BAL) Sungai Putih (PT BAL) Beturus (PT BAL) KKPA BAL	Internal assessment was conducted on 18 – 23/9/2016. This PT also has conducted Stage 1 audit on RSPO Certification System, P&C RSPO (2016) and RSPO Supply Chain Certification Standard on 17 – 22/4/2017. Smallholder project – targeted for certification by 2020.

		<ul style="list-style-type: none"> <li>Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team.</li> </ul>	YES	PT Mutuagung Lestari had conducted the consultation with relevant NGO's as verified by audit team through the Mutuagung Assessment Report.
		<ul style="list-style-type: none"> <li>Desktop study e.g. web check on relevant complaints</li> </ul>	YES	It was evident that in handling uncertified management unit, SDP engaged with TuK-Indonesia and continued to work on direct engagement with PAC in order to achieve the consensus with the PAC to address all unresolved issues.
		<ul style="list-style-type: none"> <li>If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements.</li> </ul>	YES	Further information can be obtained from <a href="https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail">https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail</a> . However, as at June 2019 PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera. Refer letter from Sime dated 27 June 2019 to RSPO Secretariat.
4.6.4The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall consult directly with all of these parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.		No additional indicators	YES	As it has been mentioned in 4.4.1 of this checklists, it has been verified that the land is now legitimately owned by SOU Merotai since 1951. The Land Title for All Estate has been verified, for all estates. The Land Title was under the name of Sime Darby Plantation Bhd. Each estate had legal use of the land through Lands and Surveys Department following the payment of premium and Land fee. Based on this, it has been confirmed that there was no such case concerning the rights of local communities or indigenous people in the SOU.
<p>Note: 1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&amp;C. For example, if an NC against a major indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless that is actively addressed;</p> <p>2. Failure to address any outstanding NC within uncertified unit(s) regarding 4.5.4 (a)-(d) may lead to certificate suspension(s) to the certified unit(s), in accordance with the provisions of these Cert. Systems.</p>				

## 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 MAR 01 2020	Major	<p><b>Finding :</b> Non- compliance against Sabah Labor Ordinance Chapter XIA Employment of Women – Prohibition of Night Work. (Section 75 (1) SLO).</p> <p><b>Objective evidence :</b> During Site visit and Document review of attendance card at Merotai POM, it was found that female workers who is working at weighbridge are working more than 10.00 pm on 16,17, 30 Jun and 3, 27 of July 2020 without written approval from authority. It contravenes with Sabah Labor Ordinance Chapter XIA Employment of Women – Prohibition of Night Work. (Section 75 (1) SLO).</p>	<ol style="list-style-type: none"> <li>1. Mill management have informed dispatch tankers that they will not allow late arrival of tankers and informed auxiliary police at mill entrance to not allow any late arrival of tankers.</li> <li>2. Mill management have reminded female weighbridge operators to punch-out before 10 p.m. as it is incompliance to SLO. Any re-occurrence of such incidence will proceed with disciplinary action.</li> <li>3. Mill executive Tn. Mohd Pahmi will be incharge to monitor compliance of above actions.</li> <li>4. On long term corrective action, Merotai Mill will obtain JTK Approval for female worker night work. Mill have submitted a follow up letter on the earlier application on 26 August 2020.</li> </ol>	<p>Auditor received the evidence training has been given to all dispatch tankers, women workers including weighbridge workers and AP dated 25/9/2020. And management already prohibit women workers from night work until get approval from JTK. Auditor also received evidence follow up letter to JTK dated 26/8/2020 and another email dated 2/11/20, but JTK only reply through call stated that they couldn't renew the License due to MCO and election and will get back after MCO release.</p> <p><b>Status: Closed</b> The effectiveness of implementation will be verified during next audit</p>



**STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED**

<b>P &amp; C Indicator</b>	<b>Specificati on Major/ Minor</b>	<b>Detail Non-conformances</b>	<b>Verification by Auditor</b>
Indicator 1.1.2  MZK 01 2019	Major	Finding: Records of request and Information regarding Certified Area was found incorrect Objective evidence : The information given to CB regarding Certified Area at SOU Merotai since 2015 (Stage 2 Audit) was not correct due to not tally with stated Land Title.	During this Recertification audit Auditor has verified the details of information for every each of estates through SEMUA system and also the Land Title, all the information are correct as per stated in Land Title <b>Status: Closed</b>
Indicator 4.1.2  RAR 01 2019	Minor	Finding: Consistent implementation of procedure Schedule Waste (Clinical waste) was not in place. Objective evidence: Lapse on disposal of waste items (15/12/2017 – 14/01/2019) and contractor (Sedafiat) of clinical waste was not in the DOE approval contractor (list of licensed scheduled waste facility / transporter).	During this Recertification Audit, assessor has verified that clinical waste (SW 404) has been disposed through DOE contractor Sedafiat Sdn Bhd on 30/06/2020. Thus, previous NCR RAR 01 2019 was satisfactory closed. <b>Status: Closed</b>
Indicator 5.2.4  MZK 02 2019	Minor	Finding: Records of monitoring was not properly do, documented and reported. Objective evidence : Merotai Estate - Records of monitoring RTE species that are affected by plantation was not properly documented and reported	Auditor has verified the latest HCV monitoring activity for natural pond as recorded in the 'HCV Monitoring' book dated 13/8/20, 3/8/20, 25/7/20, 21/7/20, 21/6/20, 5/6/20 etc. Thus Past NCR MZK 02 2019 has been satisfactorily closed. <b>Status: Closed</b>
Indicator 6.5.1  IAM/1/2019	Major	Finding: Daily & hourly rate workers did not receive wages in compliance with Minimum Wage Order 2018 and details of wages and conditions of employment were not available in the employment contract Objective evidence : 1. Wages for Daily Rated Worker of Contractor at Merotai Palm Oil Mill did not comply with Minimum Wage Order 2018 (RM42.31/day) 2. Review of employment contract between Contractor and their workers at Imam Estate found that Terms of wages and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) were not available	1. Auditor has interviewed and verified the evidence all the contractor has paid their employees based on Minimum Wages Order 2019. 2. Auditor has verified the contractor new employment contract which is indicated the term of wages condition which is meet the minimum wages order 2019. <b>Status: Closed</b>

## SIME DARBY PLANTATION TIMEBOUND PLAN AS AT JAN 2020

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

No	Management Unit	Supply Base	Time Bound Plan	Location	Status	Certified Date	Remarks
	SOU Name						
1	Sg. Dingin	Sungai Dingin Oil Mill	-	Karangan, Kedah	Certified	12-Aug-11	
		Anak Kulim Estate	-		Certified		
		Sungai Dingin Estate	-		Certified		
		Somme Estate	-		Certified		
		Bukit Selarong Estate	-		Certified		
		Padang Buluh Estate	-		Certified		
		Bukit Hijau Estate	-		Certified		
		Jentayu Estate	-		Certified		
2	Chersonese	Chersonese Oil Mill	-	Kuala Kurau, Perak	Certified	5-Oct-11	
		Chersonese Estate	-		Certified		
		Kalumpang Estate	-		Certified		
		Tali Ayer Estate	-		Certified		
		Holyrood Estate	-		Certified		
3	Elphil	Elphil Oil Mill	-	Sg Siput, Perak	Certified	18-Jun-11	
		Kamuning Estate	-		Certified		
		Elphil Estate	-		Certified		
		Kinta Kellas Estate	-		Certified		
4	Flemington	Flemington Oil Mill	-	Teluk Intan, Perak	Certified	5-Oct-11	

		Flemington Estate	-		Certified		
		Bagan Datoh Estate	-		Certified		
		Sabak Bernam Estate	-		Certified		
		Sg. Samak Estate	-		Certified		
5	Seri Intan/Selaba	Seri Intan Oil Mill	-	Teluk Intan, Perak	Certified	3-Mar-11	
		Selaba Oil Mill	-		Certified		
		Seri Intan (+ Selaba) Estate	-		Certified		
		Sabrang Estate	-		Certified		
		Sogomana Estate	-		Certified		
		Sg. Wangi Estate	-		Certified		
		Bikam Estate	-		Certified		
		Cluny (+ Bedford) Estate	-		Certified		
6	Tennamaram	Tennamaram Oil Mill	-	Bestari Jaya, Selangor	Certified	3-Mar-11	
		Tennamaram Estate	-		Certified		
		Sungai Buluh Estate	-		Certified		
		Bukit Talang Estate	-		Certified		
7	Bkt Kerayong	Bukit Kerayong Oil Mill	-	Kapar, Selangor	Certified	15-Apr-11	
		Bukit Kerayong Estate	-		Certified		
		Bukit Cheraka Estate	-		Certified		
		Elmina Estate	-		Certified		
8	East	East Oil Mill	-	Carey Island, Selangor	Certified	19-May-10	
		East Estate	-		Certified		

		Sepang Estate					
		Dusun Durian Estate	-		Certified		
9	West	West Oil Mill	-	Carey Island, Selangor	Certified	19-May-10	
		West Estate	-		Certified		
10	Bukit Puteri	Bukit Puteri Oil Mill	-	Raub, Pahang	Certified	7-Jul-11	
		Bukit Puteri Estate	-		Certified		
11	Kerdau	Kerdau Oil Mill	-	Temerloh, Pahang	Certified	7-Jul-11	
		Kerdau Estate	-		Certified		
		Jentar Estate	-		Certified		
		Mentakab Estate	-		Certified		

No	Management Unit	Supply Base	Time Bound Plan	Location	Status	Certified Date	Remarks
	SOU Name						
		Chenor Estate	-		Certified		
		Sg Mai Estate	-		Certified		
12	Jabor	Jabor Oil Mill	-	Kuantan, Pahang	Certified	7-Jul-11	
		Jabor Estate	-		Certified		
13	Labu	Labu Oil Mill	-	Nilai, Negeri Sembilan	Certified	30-Dec-11	New Labu Estate has become a division of Labu Estate.
		Labu Estate	-		Certified		
14	Tanah Merah	Tanah Merah Oil Mill	-	Port Dickson, Negeri Sembilan	Certified	19-May-10	
		Tanah Merah Estate	-		Certified		
		Bukit Pelandok Estate	-		Certified		
15	Sua Betong	Sua Betong Oil Mill	-	Port Dickson, Negeri Sembilan	Certified	18-Feb-14	Siliao Estate has now been merged into Salak Estate and Bradwall Estate. Siliao Estate has now
		Sua Betong Estate	-		Certified		

		Sengkang Estate	-		Certified		been merged into Salak Estate and Bradwall Estate.
		Bradwall Estate	-		Certified		
		PD Lukut Estate	-		Certified		
		Tampin Linggi Estate	-		Certified		
		Sg. Bahru Estate	-		Certified		
		Salak Estate	-		Certified		
16	Kok Foh	Kok Foh Oil Mill	-	Bahau, Negeri Sembilan	Certified	7-Jul-11	
		Muar River Estate	-		Certified		
		Sg. Senarut Estate	-		Certified		
		Sg. Gemas Estate	-		Certified		
		Kok Foh Estate	-		Certified		
		Bukit Pilah Estate	-		Certified		
		St. Helier Estate	-		Certified		
		Sungai Sabaling Estate	-		Certified		
		Pertang Estate	-		Certified		
17	Kempas	Kempas Oil Mill	-	Jasin, Melaka	Certified	19-May-10	
		Kempas Estate	-		Certified		
		Tangkah Estate	-		Certified		
		Kemuning Estate	-		Certified		

18	Diamond Jubilee	Diamond Jubilee Palm Oil Mill	-	Jasin, Melaka	Certified	5-Oct-11	
		Serkam Estate	-		Certified		
		Diamond Jubilee Estate	-		Certified		
		Bukit Asahan Estate	-		Certified		
19	Pagoh	Pagoh Oil Mill	-	Muar, Johor	Certified	28-Jan-14	
		Pagoh Estate	-		Certified		
		Welch Estate	-		Certified		
		Lanadron Estate	-		Certified		
		Pengkalan Bukit Estate	-		Certified		
20	Chaah	Chaah Oil Mill	-	Chaah, Johor	Certified	18-Nov-10	
		Chaah Estate	-		Certified		
		Sg. Simpang Kiri Estate	-		Certified		
		North Labis Estate	-		Certified		
21	Gunung Mas	Gunung Mas Oil Mill	-	Kluang, Johor	Certified	19-May-10	* SDP acquired Lian Seng Estate in Johor in April 2017. Lian Seng Estate is merged into Bk Paloh Estate of SOU 21 Gunung Mas, Lian Seng has been incorporated in the RSPO Certification Scope of SOU Gunung Mas in 2018.
		Gunung Mas Estate	-		Certified		
		Kempas Klebang Estate	-		Certified		
		Bukit Paloh Estate	-		Certified		
		Yong Peng Estate	-		Certified		

No	Management Unit	Supply Base	Time Bound Plan	Location	Status	Certified Date	Remarks
	SOU Name						
22	Bukit Benut	Bukit Benut Estate	-	Kluang, Johor	Certified	5-Oct-11	* SDP acquired Talisman Estate in Johor in April 2017. Talisman Estate is merged into CEP Nyior Estate of SOU 22 Bk Benut and has been incorporated in the RSPO Certification Scope of SOU Bk Benut in 2018.
		Bukit Benut Oil Mill	-		Certified		
		Lambak Elaeis Estate	-		Certified		
		CEP Nyior Estate	-		Certified		
23	Ulu Remis	Ulu Remis Oil Mill	-	Layang-layang, Johor	Certified	11-Apr-11	
		Ulu Remis Estate	-		Certified		
		Cenas Estate	-		Certified		
		Bukit Badak Estate	-		Certified		
		Tun Dr. Ismail Estate	-		Certified		
		Pekan Estate	-		Certified		
		Sembrong Estate	-		Certified		
24	Hadapan	Hadapan Oil Mill	-	Layang-layang, Johor	Certified	29-Mar-11	
		Sri Pulau Estate	-		Certified		
		Kulai Estate	-		Certified		
		Layang Estate	-		Certified		
		CEP Renggam Estate	-		Certified		
26	Sandakan Bay	Sandakan Bay	-	Sandakan, Sabah	Certified	1-Oct-08	
		Tun Tan Siew Sin	-		Certified		
		Tunku Estate	-		Certified		
		Tigowis Estate	-		Certified		
		Sentosa Estate	-		Certified		
		Segaliud Estate	-		Certified		

27	Melalap	Melalap Oil Mill	-	Tenom, Sabah	Certified	21-Jan-11	
		Melalap Estate	-		Certified		
		Sapong Estate	-		Certified		
28	Binuang	Binuang Oil Mill	-	Kunak, Sabah	Certified	16-Jan-09	
		Binuang Estate	-		Certified		
		Sungang Estate	-		Certified		
		Tingkayu Estate	-		Certified		
		Jeleta Bumi Estate	-		Certified		
29	Giram	Giram Oil Mill	-	Kunak Sabah	Certified	16-Jan-09	
		Giram Estate	-		Certified		
		Mostyn Estate	-		Certified		
30	Merotai	Merotai Oil Mill	-	Tawau, Sabah	Certified	16-Jan-09	
		Merotai Estate	-		Certified		
		Imam Estate	-		Certified		
		Tiger Estate	-		Certified		
		Table Estate	-		Certified		
31	Lavang	Lavang Oil Mill	-	Bintulu, Sarawak	Certified	30-Dec-11	
		Lavang Estate	-		Certified		
		Rasan Estate	-		Certified		
		Belian Estate	-		Certified		
		Kelida Estate	-		Certified		
		Lavang (Special) Estate	-		Certified		
		Pekaka Estate	-		Certified		
		Ruai Estate	-		Certified		
		Dulang Estate	-		Certified		



		Charquest Estate	-		Certified		
		Paroh Estate	-		Certified		
32	Rajawali	Rajawali Oil Mill	-	Bintulu, Sarawak	Certified	30-Dec-11	
		Rajawali Estate	-		Certified		
		Samudera Estate	-		Certified		
		Semarak Estate	-		Certified		
		Bayu Estate	-		Certified		
33	Derawan	Derawan Oil Mill	-	Bintulu, Sarawak	Certified	30-Dec-11	
		Derawan Estate	-		Certified		
		Sahua Estate	-		Certified		
		Takau Estate	-		Certified		
		Damai Estate	-		Certified		
34	Pekaka	Pekaka Mill	-	Bintulu, Sarawak	Withdrawn	NA	Pekaka Mill is being mothballed and all the supply bases certified to it (Pekaka Estate; Ruai Estate, Dulang Estate, Paroh Estate & Chartquest Estate.) has been transferred to SOU Lavang.
35	Bintang	Bintang Oil Mill	-	Johor	NA	NA	* SDP acquired Bintang Palm Oil Mill in Johor in April 2017. As at Dec 2017, the selling off process of this mill is being initiated hence the RSPO certification process for Bintang Oil Mill is being put on hold. As at 1st Oct 2018, the mill has completed the selling off transaction.

Legends

NA - NOT APPLICABLE

**SIME DARBY PLANTATION - RSPO Certification for Time Bound Plan - Indonesia Operation**

No	Management Unit	Mill and Supply Base	Time Bound Plan	Latest Internal / External Audit Date	Location	Status	Certified Date	Remarks (for uncertified unit)
	SOU Name							
1	PT Lahan Tani Sakti	Alur Dumai Mill	-		Rokan Hilir District – Riau	Certified	16-Jan-12	
		Alur Dumai Estate	-			Certified		
2	PT Sajang Heulang	Mustika Mill	-		Tanah Bumbu District – South Kalimantan	Certified	3-Jul-13	
		Mustika Estate	-			Certified		
		KKPA-2 PT.SHE Estate	-			Certified		
		KKPA-3 PT.SHE Estate	-			Certified		
		KKPA-5 PT.SHE Estate	-			Certified		
3	PT Ladangrumpun Suburabadi	Angsana Mill	-		Tanah Bumbu District – South Kalimantan	Certified	6-Jul-11	PT LSI Plasma has been audited by the Certification Body in 2017. The identified legal issue on HGU is being address.
		Angsana Estate	-			Certified		
		Pantai Bonati Estate	-			Certified		
		Gunung Sari Estate	-			Certified		
		Subur Abadi Plasma 1 Estate	2020	Jul-19		Stage Two		
		KKPA-1 PT.SHE Estate	-			Certified	6-Jul-11	
		KKPA-4 PT.SHE Estate	-			Certified		

4	PT Langgeng Muaramakmur	Bebunga Mill	-		Kotabaru District – South Kalimantan	Certified	16-Mar-12	Previously KKPA Sg. Cengal. Sime Darby Plantation does not have management control over the plasma scheme.
		Bebunga Estate	-			Certified		
		Sungai Cengal Estate	-			Certified		
		Bakau Estate	-			Certified		
		KKPA LMR	2020			-		
5	PT Kridatama Lancar	Sukamandang Mill	-		Seruyan and East Kotawaringin District – Central Kalimantan	Certified	5-Jul-11	
		Sukamandang Estate	-			Certified		
		Sapiri Estate	-			Certified		
		Barasdanum Estate	-			Certified		
		Kuala Kuayan Estate	-			Certified		
6	PT Bahari Gembira Ria	Ladang Panjang Mill	-		Muaro Jambi District - Jambi	Certified	9-Jul-12	Only Division 3 (1200ha) was certified . Division 1 & 2 with 1792 Ha received HGU recently. The unit is getting ready for certification. Plan for certification in 2020. Total Ladang Panjang Estate is 2992 ha.  Sime Darby Plantation does not have management control over the plasma scheme. 1 out of 6 Koperasi Unit Desa (KUD) has been RSPO Certified. And all KUD is planned to undergo RSPO Certification by 2020 as reported in the timebound plan. Socialisation with the entire KUD is currently ongoing. Land Use Change Analysis has been completed for Plasma BGR.
		Ladang Panjang Estate	-			Certified	9-Jul-12	
		Plasma BGR Estate	2020	Nov-19		-		

7	PT Tunggal Mitra Plantations	Manggala Mill	-		Rokan Hilir District – Riau	Certified	25-Nov-10	-
		Manggala 1 Estate	-			Certified		
		Manggala 2 Estate	-			Certified		
		Manggala 3 Estate	-			Certified		
8	PT Paripurna Swakarsa	Pondok Labu Mill	-		Kotabaru District – South Kalimantan	Certified	16-Mar-12	
		Pondok Labu Estate	-			Certified		
		Binturung Estate	-			Certified		
		Rampa Estate	-			Certified		
		Sesulung Estate	-			Certified		
9	PT Bersama Sejahtera Sakti	Gunung Aru Mill	-		Kotabaru District – South Kalimantan	Certified	5-Jul-11	
		Gunung Aru Estate	-			Certified		
		Gunung Kemas Estate	-			Certified		
		Laut Timur Estate	-			Certified		
		Pantai Timur Estate	-			Certified		
		KKPA MBP	2020	Dec-19		-		The new project at KKPA Maju Bersama by the plasma community is currently in nursery stage and not yet due for harvesting, the year of planting was in 2014. Internal Audit for 2019 is planned in Dec 2019.
10	PT Guthrie Pecconina	Rantau Panjang Mill	-		Musi Banyuasin District – South Sumatera	Certified	16-Mar-12	Remarks: Land legalisation process for 4152.70 ha is still in process.
		Rantau Panjang Estate	-			Certified		
		Bumi Ayu Estate	-			Certified		
		Karang Ringin Estate	-			Certified		
		Napal Estate	-			Certified		
		Mangun Jaya Estate	-			Certified		

		Sungai Jernih Estate and GPI KKPA Estate	2020	Oct-19		-		Sungai Jernih Estate and the KKPA Estates (1-5) has undergone audit. Land legalisation process is still in process.
11	PT Laguna Mandiri	Rantau Mill	-		Kotabaru District – South Kalimantan	Certified	30-Dec-11	
		Rantau Estate	-			Certified		
		Matalok Estate	-			Certified		
		Betung Mill	-			Certified	1-Apr-14	
		Betung Estate	-			Certified		
		Sekayu Estate	-			Certified		
12	PT Indotruba Tengah	Sekunyir Mill	-		Seruyan and West Kotawaringin District – Central Kalimantan	Certified	23-Nov-10	
		Sekunyir	-			Certified		
		Seruyan Estate	-			Certified		
13	PT Swadaya Andika	Selabak Mill	-		Kotabaru District – South Kalimantan	Certified	16-Mar-12	Mill closed down and all the supply bases was transferred to Rantau Mill - PT Laguna Mandiri. The Selabak Est, Randi Est, Sangkoh Est, Lanting Est is currently under PT Laguna Mandiri - Rantau Factory certification.
		Selabak Estate	-			Certified		
		Randi Estate	-			Certified		
		Sangkoh Estate	-			Certified		
		Lanting Estate				Certified		
14	PT Bina Sains Cemerlang	Sungai Pinang Mill	-		Musi Rawas District – South Sumatera	Certified	11-Sep-12	Remarks: Land legalisation process for 308.35 ha is still in process.
		Sungai Pinang Estate	-			Certified		
		Bukit Pinang Estate	-			Certified		
15	PT Teguh Sempurna	Pemantang Mill	-		Seruyan and East Kotawaringin District – Central Kalimantan	Certified	5-Jul-11	
		Pemantang Estate	-			Certified		
		Kawan Batu Estate	-			Certified		
		Hatan Tiring Estate	-			Certified		
		Batang Garing Estate	-			Certified		

16	PT Bhumireksa Nusa Sehati	Teluk Bakau Mill	-		Indra Giri Hilir District – Riau	Certified	11-Oct-11		
		Teluk Bakau Estate	-			Certified			
		Nusa Lestari Estate	-			Certified			
		Nusa Perkasa Estate	-			Certified			
		Mandah Mill	-			Certified	1-Apr-14		
		Mandah Estate	-			Certified			
		Rotan Semelur Estate	-			Certified			
17	PT Aneka Intipersada	Teluk Siak Mill	-		Pekanbaru, Siak District – Riau	Certified	11-Oct-11		
		Teluk Siak Estate	-			Certified			
		Pinang Sebatang Estate	-			Certified			
		Aneka Persada Estate	-			Certified			
18	PT Tamaco Graha Krida	Ungkaya Mill	-		Morowali District – Sulawesi Tengah	Certified	10-Jul-12		Perijinan' process is ongoing
		Ungkaya Estate	-			Certified			
		Plasma TGK Estate	-	Mar-20		-			
19	PT SIME Indo Agro	Bukit Ajong Mill	-		Sanggau District –West Kalimantan	Certified	18-Oct-10	Land legalisation process for East Est for 5815.64 ha is still in process.	
		West Estate	-			Certified			
		East Estate	-			Certified			
		East* Estate /Sei Mawang Estate	2020	Jul-19		-		Land legalisation for Sei Mawang is still in process	
		East Plasma Estate	-			Certified	18-Jul-16		
		West Plasma Estate	-			Certified			
20	PT Padang Palma Permai / PT Perkasa Subur Sakti	Blang Simpo Mill	-		Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam	Certified	3-May-13		
		Tamiang (PT PPP) Estate	-			Certified			
		Batang Ara (PT PSK) Estate	-			Certified			
		Blang Simpo-01 Estate	-			Certified			
		Blang Simpo-02 Estate	-			Certified			

21	PT Sandika Natapalma	Lembiru Mill	-		Ketapang District – West Kalimantan	Certified	3-Jul-14	PT Sandika Natapalma and PT Budidaya Agro Lestari is sharing one mill i.e. Lembiru Mill.	
		Lembiru Estate	-			Certified			
		Awatan Estate	-			Certified			
		Karya Palma Estate	2020	Jul-19		-			Perijinan' process is ongoing
		KKPA SNP Estate	2020	Jul-19		-			
22	PT Budidaya Agro Lestari	Pelanjau (PT BAL) Estate	-		Ketapang District – West Kalimantan	Certified	3-Jul-19	Perijinan' process is ongoing	
		Sungai Putih (PT BAL) Estate	2020	May-19		-			Perijinan informasi lahan is obtained in 2015 while the other 'perijinan' is still in processing
		Beturus (PT BAL) Estate	2020	May-19		-			
		KKPA BAL Estate	2020	May-19		-			
23	PT Mitral Austral Sejahtera	MAS Mill	NA	NA	Sanggau District – West Kalimantan	NA	NA	The properties was sold and currently SDP have no control in the management. Please find latest information on 'Updates on PT MAS' worksheet and updates to RSPO Secretariat.	
		MAS 1 Estate	NA	NA		NA			
		MAS 2 Estate	NA	NA		NA			
		MAS 4 Estate	NA	NA		NA			
		Plasma MAS Estate	NA	NA		NA			

#### Legends

Properties was sold.

Mill closed down/Mothballed

NA - NOT APPLICABLE

**SIME DARBY PLANTATION - RSPO Certification for Time Bound Plan - NBPOL Operations**

No	Management Unit	Supply Base	Time Bound Plan	Location	Status	Certified Date
	SOU Name					
1	Guadalcanal Plains Palm Oil Limited (GPPOL)	Tetere Oil Mill	NA	Guadalcanal Province, Solomon Islands	Certified	18-Mar-11
		Tetere Estate				
		Ngalimbiu Estate				
		Mbalisuna Estate				
		Smallholders – West Zone (83)				
		Smallholders – Central Zone (53)				
		Smallholders – MBA East Zone (59)				
		Smallholders – MBE East Zone (37)				
2	Milne Bay Estates (MBE)	Hagita Oil Mill	NA	Milne Bay Province, Papua New Guinea	Certified	15-Feb-18
		Giligili Estate				
		Hagita Estate				
		Waigani Estate				
		Sagarai Estate				
		Padipadi Estate				
		Mariawatte Estate				
		Smallholders - East Gurney Estate (264)				
		Smallholders - West Gurney Estate (229)				
		Smallholders - East Sagarai Estate (157)				
		Smallholders - West Sagarai Estate (221)				



3	Poliamba (POL)	Poliamba Oil Mill		New Ireland Province, Papua New Guinea	Certified	19-Mar-12
		Kara Estate				
		Nalik Estate				
		West Coast Estate				
		Noatsi Estate				
		Madak Estate				
		Smallholders -North Division (615)				
		Smallholders- South Division (868)				
		Smallholders -West Division (309)				
4	Ramu Agricultural Industries Ltd (RAIL)	Gusap Mill	NA	Morobe Province, Papua New Guinea	Certified	5-Aug-10
		Gusap East (Gusap) Estate				
		Gusap West (Paddox) Estate				
		Surinam Estate				
		Dumpu Estate				
		Ngaru Estate				
		J Estate (Jephcott) Estate				
		Smallholders - Madang VOPs (71)				
		Smallholders - Morobe VOPs (253)				

5	Higaturu Oil Palm (HOP)	Sangara Oil Mill	NA	Oro Bay Province, Papua New Guinea	Certified	1-Feb-13
		Mamba Oil Mill				
		Embi Estate				
		Ambogo Estate				
		Sangara Estate				
		Sumbiripa Estate				
		Mamba Estate				
		Sambogo Estate				
		Scheme Smallholder Sorovi Division(2019)				
		Scheme Smallholder Saiho Division(842)				
		Scheme Smallholder Aeka Division (911)				
		Scheme Smallholder Igora Division (1367)				
		Scheme Smallholder Ilimo Division (671)				
6	West New Britain (WNB)	Mosa Oil Mill	NA	Kimbe, West New Britain, Papua New Guinea	Certified	10-Sep-08
		Kumbango Oil Mill				
		Kapiura Mill				
		Numundo Mill				
		Waraston Mill				
		Bebere Estate				
		Kumbango Estate				
		Togulo Estate				
		Dami Estate				
		Waisisi Estate				
		Kautu Estate				
		Karaus Estate				
		Moroa Estate				
		Bilomi Estate				
		Loata Estate				
		Haella Estate				

		Garu Estate Daliavu Estate Sapuri Estate Malilimi Estate Rigula Estate Nomundo Estate Navarai / Karato ME /KDC EU Estate Volupai / Lotomgam / Natupi / Goruru Estate Lolokoru Estate Ove Estate Tamare Estate Smallholders LSS Mosa (1822) Smallholders VOP East (1817) Smallholders VOP Central (1964) Smallholders VOP West (1279) Smallholders LSS Kapiura (551) Smallholders VOP Kapiura (850) Smallholders Kaulong/Akami/Pushiki/Repamira/Sakapei (20)				
7	Markham Farming Company Limited (MFCL) / Markham Agro Pte. Ltd.	Munum Estate Erap Estate	Sep-20	Markham Farms	Planned	The Remediation and Compensation Process is at the submission of Compensation Plan. <a href="https://www.rspo.org/certification/public-announcement">https://www.rspo.org/certification/public-announcement</a>

**SIME DARBY PLANTATION - RSPO Certification for Time Bound Plan - Liberia Operations**

No	Management Unit	Mill and Supply Base	Time Bound Plan	Location	Status	Certified Date	Remarks
	SOU Name						
1	Sime Darby Plantation (Liberia) Grand Cape Mount	Grand Cape Mount Mill	Not Applicable - Property disposed	Grand Cape Mount County	Not yet Certified	NA	<p>As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI).</p> <p><a href="http://www.simedarbyplantation.com/media/press-releases/sime-darbyplantation-completes-divestment-of-its-liberia-operations">http://www.simedarbyplantation.com/media/press-releases/sime-darbyplantation-completes-divestment-of-its-liberia-operations</a></p>
		Bomi Estate					
		Lofa Estate					
		Matambo Estate					
		Grand Cape Mount Estate					