



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

File Ref: ES10170005

**RSPO PUBLIC SUMMARY REPORT**

**CLIENT : SIME DARBY PLANTATION BERHAD – SOU 17 KEMPAS**

**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	
KEMPAS Strategic Operating Unit (SOU 17)	Kempas Oil Mill	N 2.3211	E 102.4269	77000, Jasin, Melaka
	Kempas Estate	N 2.2770	E 102.4652	71000, Jasin, Melaka
	Kemuning Estate	N 2.4643	E 102.3380	76460, Tebong, Melaka
	Tangkah Estate	N 2.3435	E 102.6375	84900, Tangkak, Johor
	Serkam Estate	N 2.3060	E 102.4610	71000, Jasin, Melaka

**MAP :** See Attachment 1

**AUDIT DATE :** 26-29 April 2021

**DURATION :** 16 auditor days (onsite)

**TYPE OF AUDIT :** ☒ Annual Surveillance Audit No. 1

☐ Recertification Audit

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

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

**VALIDITY OF RSPO CERTIFICATE :** 20/5/2020-19/5/2025

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

Non-conformity Report(s) ☒

List of additional site(s) ☐

**Report by Audit Team Leader**

**Name :** ROZAIMEE BIN AB RAHMAN

**Signature :**

**Date :** 19/05/2021

**Acknowledgement by Client's Representative**

**Name :**

**Signature :**

**Date :**

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

SENIOR MANAGER  
MD RAPIH BIN SUMAN  
20/05/2021

## SUMMARY OF AUDITS

Recertification Audit 2				
On-site audit date	:	10 - 14 February 2020		No. of auditor days : 25 Auditor Days
Audit team	:	Mohd Ab Raouf bin Asis (LA), Mohd Zulfakar bin Kamaruzaman, Rozaimee bin Ab Rahman, Rahayu binti Zulkifli, Mohd Norddin bin Abd Jalil.		
No. of major NCR	:	3	Indicator: 4.1.1, 4.2.1, 3.6.2	Closing date : 4/5/2020
No. of minor NCR	:	5	Indicator: 1.1.5, 2.1.3, 3.5.1, 6.5.4, 6.7.2	
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities
		√	N/A	√
		Contract workers	NGOs	Govt. agency
		√		Independent growers
		Indigenous people	Contractor	Others (Please specify)
		N/A	√	
Supply base sampled	:	Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate		
Justification of audit planning		Total allocation of auditor days for Kempas CU were: Mill = 5 days (1 day for social, 1 day for supply chain certification systems and 2 days for safety and health, environment, mill best practices, GHG verification, TBP, Partial Certification). Kempas, Kemuning, Tangkah & Serkam Estate = 5 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.		
Changes since the last audit	:	1) In ASA4, Serkam Division was excluded from Kempas CU. However, it was included back into the supply base of Kempas CU during this recertification audit. 2) Kempas CU has applied to change their supply chain model from MB to IP. The application has been submitted in June 2019 and approved by RSPO EB. It has been noted that during this reporting period, Kempas CU was receiving the outside crop until May 2019.		
Report approved by		Kamini Sooriamoorthy		Date: 29/05/2020

Annual Surveillance Audit 1				
On-site audit date	:	26-29 April 2021 (16.0 a.d)	No. of auditor days :	22 Auditor Days
Remote audit date	:	22-24 February 2021 (6.0 a.d)		
Audit team	:	Rozaimee Ab Rahman (LA), Mohd Ab Raof Asis, Mohd Nordin Abdul Jalil, Ismail Adnan, Amir Bahari, Mohd Zulfakar Kamaruzaman (LA remote), Dzulfikar Azmi (remote)		
No. of major NCR	:	NA	Indicator: NA	Closing date : NA
No. of minor NCR	:	2	Indicator: 3.3.2, 3.7.2	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees / Workers organizations	Settlers	Villagers / Local communities
		√		√
		Contract workers	Local & National NGOs	Govt. agency / Statutory bodies
		√		√
		Indigenous people	Contractor	Others (Please specify)
		NA	√	
Supply base sampled	:	Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate, Kempas POM		
Changes since the last audit	:	No changes		
Justification of audit planning	:	Total allocation of auditor days for Kempas CU (onsite) were: Mill = 4.0 days (1 day for social, 1 day for supply chain certification systems and 2 days for safety and health, environment, mill best practices, GHG verification, TBP, Partial Certification). Kempas, Kemuning, Tangkah & Serkam 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.		
Report approved by	:	Kamini Sooriamoorthy	Approval date : 19/05/2021	

## SUMMARY OF INFORMATION

**TABLE 1**

	RA	ASA 1	ASA 2	ASA 3	ASA 4
<b>Projection Period</b>	March 2020 – April 2021	May 2021-April 2022			
<b>Certified FFB Processed (MT)</b>	238,205.46	231,102.16			
<b>Production of Certified CPO (MT)</b>	59,818.48	49,865.00			
<b>Production of Certified PK (MT)</b>	15,302.40	12,379.00			
<b>Certified Areas (Ha)</b>	*12,031.81	**11,828.51			
<b>Planted Areas (Ha)</b>	*11,268.75	10,918.96			
<b>Production Areas (Ha)</b>	10,151.12	9,396.69			
<b>HCV Areas / Conservation Areas (Ha)</b>	47.79	***48.69			
<b>REMARKS</b>	<p><b><u>Recertification audit – 2020</u></b>            *Changes in Certified &amp; Planted area includes the following:            → Addition of Serkam Estate into Kempas CU.            → Inaccuracy in Kemuning Estate reported figure. Previously, they reported the amount of hectareage of the quit rent instead of the land title.            → Land acquisition by the government to build Rumah Mampu Milik at Kempas Estate.</p> <p><b><u>ASA 1- 2021</u></b>            **Updates on reduction of Certified area as follows:            → Kempas: Land sold to Third Party, Armada Warak Sdn Bhd in March 2020.            → Tangkah, Serkam, &amp; Kemuning: Reduction of area due to the revision on Internal SAP System for planted hectares.            ***HCV areas including the one in Serkam Estate.</p>				

**TABLE 2**

	PO	PK
<b>Last years certified volume (MT)</b>	59,818.48	15,302.40
<b>Last years actual certified sold (MT)</b>	32,450.69	7,800.00
<b>Last years actual sold under other schemes (MT)</b>	-	-
<b>Last years sold conventional (MT)</b>	20,160.62	5,715.73
<b>New year certified volume (MT)</b>	49,865.00	12,379.00

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## 1.0 AUDIT PROCESS

### 1.1 Certification Body

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

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

### 1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Rozaimie bin Ab Rahman	Lead Auditor Supply Chain, Safety and Environment	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.
Mohd Ab Raouf bin Asis	Auditor Social	Holds a B.Sc. in Manufacturing (Production and Operation). He had 7 years of working experience in the oil palm operation and 5 years in auditing related to oil palms operation. He is a qualified Lead Auditor for RSPO P&C and MSPO.
Mohd Norddin bin Abdul Jalil	Auditor GAP & Safety	Holds a B.Sc. in Agriculture from Universiti Pertanian Malaysia. He has over 35 years working experience in the oil palm plantation operation. He is qualified auditor for RSPO P&C.
Mohd Amir Bahari	Auditor GAP, Safety, Environment & TBP	Holds a B.Sc. in Agriculture from Universiti Pertanian Malaysia. He has over 35 years working experience in the oil palm plantation operation. He is qualified lead auditor for RSPO P&C.
Ismail Adnan	Auditor Social & HCV	Has more than 10 years' experience in forestry industries with 25 years' experience as a lecturer in Forestry Department. Universiti Putra Malaysia. He is qualified auditor for RSPO P&C and Forest Management System.

### 1.3 Audit methodology

The audit covered the Kempas palm oil mill and all four (4) of its supply bases. The supply bases are Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate. The audit included an on-site audit to the estates, mill, linesite, local communities, contractors and suppliers to verify the implementation of the requirement of the RSPO certification system. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

#### 1.4 Stakeholder Consultation

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

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (including migrant workers)	<p>All The following were confirmed during the conduct of audit as there was no evidence to prove otherwise:</p> <ul style="list-style-type: none"> <li>All workers ( a total of 67) had signed the employment agreements with the estate. They understood the contents of agreement, as these were prepared in Bahasa as the case may be. For those who couldn't read, the contents were explained to them in language they understood, usually by fellow countrymen who has worked in Malaysia longer.</li> <li>They are aware of their working hours (8 hours) and confirmed they were paid overtime for any work in excess of 8 hours. There was no forced overtime.</li> <li>They have been getting salaries above RM1,200 since January 2021. Salaries were paid before the 7th of every month.</li> <li>No abuse at work, and no sexual harassment. They understand what constitutes sexual harassment.</li> <li>No discrimination between migrant workers and local workers, between male and female workers. The present workforce includes Indonesian, Nepalese, Indian, Bangladeshi as well as Malaysian.</li> <li>Comfortable housing with treated water and electricity provided. All workers choose to stay in the houses provided by the estate.</li> <li>Have access to affordable food as able to buy commodities from the canteen/sundry shops located nearby estates.</li> <li>Entitled to free medical facilities at the Estate clinic located at Kempas Main Division.</li> <li>Have workers representatives/ NUPW representative who attend regular meetings with the management where they can put forward any complaints and or raise any issues. They are aware of the complaints form. They have used them to complain about house defects.</li> <li>They knew the types of work offered at estate when they were in their own countries.</li> <li>All foreign workers keep their own passports.</li> </ul>
2) Settlers	Not applicable
3) Villagers / Local communities (including women representatives, displaced communities)	Interviewed Head of local community i.e. from Kg. Kuala Sungga, confirmed no land dispute between villagers and Kempas SOU 17 CU.
4) Suppliers	Interviewed representatives of supplier for Agrolite Sdn Bhd (Fertilizer supplier), confirmed fair dealings between them and SDPB. Payments are from made within 3 months of invoice produced by suppliers for purchased items.
5) Contract workers	Workers employed by contractors were present in the CU. Sampled for interviews accordingly.
6) Local & national NGOs	Local and national NGOs (including WWF etc) listed in the Estates Stakeholders' lists were contacted by SIRIM QAS Int Sdn Bhd for comments. However, no comments were received. Nevertheless, document review confirmed no grievances and user rights issues.
7) Government agencies / Statutory bodies	Government agencies/statutory bodies such as Johor Forestry Department, Johor State Park Authority and Johor Wildlife Department, listed in the Estates Stakeholders' lists was contacted by SIRIM QAS Int Sdn Bhd for comments. However, no comments were received. Nevertheless, document review confirmed no grievances and user rights issues.
8) Independent growers / Smallholders	Not applicable
9) Indigenous people	No indigenous people living in Kempas SOU 17 CU

	10) Contractor	Interviewed contractors confirmed fair dealings between them and SDPB. Payments are from made within 3 months of invoice produced by contractors for rendered service.																																																											
	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 9 months from this audit. (For RA, the next RA will be conducted at least 4 months prior to expiry date of the certificate).																																																												
2.0	<b>SCOPE OF CERTIFICATION AUDIT</b>																																																												
2.1	<p><b>Description of the certification unit</b></p> <p>The Kempas Certification Unit (Kempas CU) is one of the Strategic Operating Unit (SOU) of Sime Darby Plantation Sdn. Bhd. (SDPB). The CU is also known as SOU 17 and was initially certified to the RSPO P&amp;C by SIRIM QAS International Sdn Bhd in 2015.</p> <p>The Kempas CU comprises of the Kempas Palm Oil Mill (Kempas POM) and four (4) supply base i.e. Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate. All the estates are owned by SDPB. The Kempas POM has a mill capacity of 60 mt/hr. All the estates have been fully developed before 2005, hence Principle 7 of the RSPO P&amp;C is therefore not applicable.</p> <p>Kempas CU has applied to change their supply chain model from MB to IP. The application has been submitted in June 2019 and approved by RSPO EB. It has been noted that during this reporting period, Kempas CU was receiving the outside crop until May 2019. Starting from June 2019 onwards, only 100% certified crop received and processed.</p>																																																												
2.2	<p><b>Description of the Supply Base (including the planting profile)</b></p> <p>The FFB is sourced from company owned estates that were certified with RSPO P&amp;C. Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.</p> <p style="text-align: center;"><b><u>Table 1: Actual FFB production by the supply base for the last reporting period</u></b> <b><u>(March 2020 – April 2021)</u></b></p> <table border="1" data-bbox="310 1390 1385 1890"> <thead> <tr> <th data-bbox="310 1390 558 1478" rowspan="2">Estates</th><th colspan="2" data-bbox="558 1390 1011 1428">FFB Production</th><th data-bbox="1011 1390 1385 1478" rowspan="2">Certifying CB</th></tr> <tr> <th data-bbox="558 1428 808 1478">Tonnes</th><th data-bbox="808 1428 1011 1478">Percentage (%)</th></tr> </thead> <tbody> <tr><td>KEMPAS</td><td>74320.46</td><td>0.312</td><td>SIRIM</td></tr> <tr><td>KEMUNING</td><td>56465.68</td><td>0.237</td><td>SIRIM</td></tr> <tr><td>SERKAM</td><td>32205.15</td><td>0.135</td><td>SIRIM</td></tr> <tr><td>TANGKAH</td><td>36170.09</td><td>0.152</td><td>SIRIM</td></tr> <tr><td>BUKIT ASAHAN</td><td>7181.00</td><td>0.030</td><td>BSI</td></tr> <tr><td>DIAMOND JUBILEE</td><td>23261.95</td><td>0.098</td><td>BSI</td></tr> <tr><td>LANADRON</td><td>2032.96</td><td>0.009</td><td>BSI</td></tr> <tr><td>WELCH</td><td>164.32</td><td>0.001</td><td>BSI</td></tr> <tr><td>PENGKALAN BUKIT</td><td>2489.42</td><td>0.010</td><td>BSI</td></tr> <tr><td>PAGOH</td><td>1961.84</td><td>0.008</td><td>BSI</td></tr> <tr><td>SG BAHRU</td><td>219.63</td><td>0.001</td><td>CUC</td></tr> <tr><td>KOK FOH</td><td>633.24</td><td>0.003</td><td>MUTU AGUNG</td></tr> <tr><td>SG SABALING</td><td>97.95</td><td>0.000</td><td>MUTU AGUNG</td></tr> </tbody> </table>			Estates	FFB Production		Certifying CB	Tonnes	Percentage (%)	KEMPAS	74320.46	0.312	SIRIM	KEMUNING	56465.68	0.237	SIRIM	SERKAM	32205.15	0.135	SIRIM	TANGKAH	36170.09	0.152	SIRIM	BUKIT ASAHAN	7181.00	0.030	BSI	DIAMOND JUBILEE	23261.95	0.098	BSI	LANADRON	2032.96	0.009	BSI	WELCH	164.32	0.001	BSI	PENGKALAN BUKIT	2489.42	0.010	BSI	PAGOH	1961.84	0.008	BSI	SG BAHRU	219.63	0.001	CUC	KOK FOH	633.24	0.003	MUTU AGUNG	SG SABALING	97.95	0.000	MUTU AGUNG
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ST HELIAR	269.03	0.001	MUTU AGUNG
BUKIT PILAH	107.62	0.000	MUTU AGUNG
SG SENARUT	625.12	0.003	MUTU AGUNG
<b>Total</b>	<b>238,205.46</b>		-

**Table 2: Projected FFB production by supply base for the next reporting period  
(May 2021 – April 2022)**

CU own estates	FFB Contribution	
	Tonnes	Percentage (%)
Kempas	85,908.27	37%
Tangkah	45,524.72	2%
Kemuning	55,352.38	20%
Serkam	38,670.99	24%
<b>Grand Total</b>	<b>231,102.16</b>	<b>100%</b>

**Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period  
(March 2020 – April 2021)**

	Total (MT)
FFB Received	238,205.46
FFB Processed	238,205.46
CPO Production	52,611.31
PK Production	13,515.73
CPO delivered as IP	32,450.69
CPO delivered as non-RSPO certified	20,160.62
PK delivered as IP	7,800.00
PK delivered as non-RSPO certified	5,715.73
Product sold under Book & Claim	-

**Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period  
(May 2021 – April 2022)**

	Total (MT)
FFB Received	231,102.16
FFB Processed	231,102.16
CPO Production	49,865.00
PK Production	12,379.00



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

Estate	Planted (ha)	Certified (ha)
Kempas	4,368.22	4,505.45
Kemuning	2,368.66	2,671.05
Tangkah	2,360.19	2,537.78
Serkam	1,821.89	2,114.232
<b>Total</b>	<b>10,918.96</b>	<b>11,828.51</b>

**Table 6: Planting profile for Kempas Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
1991	1 <sup>st</sup> cycle	Mature	30.39	0.70%
1992	1 <sup>st</sup> cycle	Mature	260.53	5.96%
1993	1 <sup>st</sup> cycle	Mature	133.02	3.05%
1994	1 <sup>st</sup> cycle	Mature	585.71	13.41%
1995	1 <sup>st</sup> cycle	Mature	650.58	14.89%
1998	1 <sup>st</sup> cycle	Mature	81.51	1.87%
2000	2 <sup>nd</sup> cycle	Mature	289.57	6.63%
2001	2 <sup>nd</sup> cycle	Mature	44.47	1.02%
2003	2 <sup>nd</sup> cycle	Mature	40.18	0.92%
2005	2 <sup>nd</sup> cycle	Mature	8.00	0.18%
2006	2 <sup>nd</sup> cycle	Mature	19.17	0.44%
2009	2 <sup>nd</sup> cycle	Mature	57.09	1.31%
2011	2 <sup>nd</sup> cycle	Mature	199.36	4.56%
2013	2 <sup>nd</sup> cycle	Mature	158.77	3.63%
2014	2 <sup>nd</sup> cycle	Mature	231.11	5.29%
2016	2 <sup>nd</sup> cycle	Mature	312.46	7.15%
2017	2 <sup>nd</sup> cycle	Mature	322.19	7.38%
2018	2 <sup>nd</sup> cycle	Immature	300.94	6.89%
2019	2 <sup>nd</sup> cycle	Immature	200.89	4.60%
2020	2 <sup>nd</sup> cycle	Immature	251.35	5.75%
2021	2 <sup>nd</sup> cycle	Immature	190.93	4.37%
<b>TOTAL</b>			<b>*4,368.22</b>	

\*Land sold to Third Party, Armada Warak Sdn Bhd in March 2020, 37.51ha.

**Table 7: Planting profile for Kemuning Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted Hectares (ha)	Percentage of planted area (%)
1995	1 <sup>st</sup> cycle	Mature	3.82	0.16%
1999	1 <sup>st</sup> cycle	Mature	172.30	7.27%
2000	2 <sup>nd</sup> cycle	Mature	518.49	21.89%
2001	2 <sup>nd</sup> cycle	Mature	196.10	8.28%
2002	2 <sup>nd</sup> cycle	Mature	287.66	12.14%
2005	2 <sup>nd</sup> cycle	Mature	118.34	5.00%
2006	2 <sup>nd</sup> cycle	Mature	67.32	2.84%
2007	2 <sup>nd</sup> cycle	Mature	154.11	6.51%
2008	2 <sup>nd</sup> cycle	Mature	41.41	1.75%
2009	2 <sup>nd</sup> cycle	Mature	109.66	4.63%
2010	2 <sup>nd</sup> cycle	Mature	206.59	8.72%
2011	2 <sup>nd</sup> cycle	Mature	53.95	2.28%

2012	2 <sup>nd</sup> cycle	Mature	51.62	2.18%
2013	2 <sup>nd</sup> cycle	Mature	151.05	0.00%
2014	2 <sup>nd</sup> cycle	Mature	104.74	6.38%
2015	2 <sup>nd</sup> cycle	Mature	58.09	4.42%
2017	2 <sup>nd</sup> cycle	Mature	73.41	0.00%
Total			*2,368.66	100.00

\*Revision on internal SAP System for planted hectares.

**Table 8: Planting profile for Tangkah Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted Hectares (ha)	Percentage of planted area (%)
1995	1st cycle	Mature	47.12	2%
1998	1st cycle	Mature	22.38	1%
1999	1st cycle	Mature	46.80	2%
2000	2 <sup>nd</sup> cycle	Mature	158.49	7%
2001	2 <sup>nd</sup> cycle	Mature	374.81	16%
2002	2 <sup>nd</sup> cycle	Mature	235.62	10%
2005	2 <sup>nd</sup> cycle	Mature	137.59	6%
2006	2 <sup>nd</sup> cycle	Mature	271.76	12%
2007	2 <sup>nd</sup> cycle	Mature	49.53	2%
2008	2 <sup>nd</sup> cycle	Mature	151.77	6%
2009	2 <sup>nd</sup> cycle	Mature	291.13	12%
2010	2 <sup>nd</sup> cycle	Mature	73.39	3%
2011	2 <sup>nd</sup> cycle	Mature	68.26	3%
2012	2 <sup>nd</sup> cycle	Mature	67.26	3%
2013	2 <sup>nd</sup> cycle	Mature	82.84	4%
2018	2 <sup>nd</sup> cycle	Immature	54.04	2%
2020	2d cycle	Immature	227.40	10%
Total			*2360.19	100

\*Revision on internal SAP System for planted hectares.

**Table 9: Planting profile for Serkam Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
2001	2nd cycle	Mature	33.52	1.84%
2002	2nd cycle	Mature	220	12.08%
2005	2nd cycle	Mature	154.47	8.48%
2006	2nd cycle	Mature	120.99	6.64%
2007	2nd cycle	Mature	87.13	4.78%
2009	2nd cycle	Mature	98.54	5.41%
2010	2nd cycle	Mature	116	6.37%
2013	2nd cycle	Mature	257.84	14.15%
2015	2nd cycle	Mature	128.07	7.03%
2016	2nd cycle	Mature	167.8	9.21%
2017	2nd cycle	Mature	140.81	7.73%
2018	2nd cycle	Immature	90.95	4.99%
2019	2nd cycle	Immature	205.77	11.29%
Total			*1,821.89	100%

\*Revision on internal SAP System for planted hectares.

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

The details of the contact person are as shown below:

Name	:	Ahmad Fauzi bin Hj Jantan
Position	:	Mill Manager
Address	:	KKS Kempas, K/B No.1711, 77000 Jasin, Melaka
Phone no.	:	019-3807356
Fax no.	:	NA
Email	:	ahmad.fauzi.jantan@sime-darbyplantation.com

### 3.0 AUDIT FINDINGS

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

There was no significance change to the certified products since last assessment. Only reduced planted area related to Kempas: Land sold to Third Party, Armada Warak Sdn Bhd in March 2020. As for Tangkah, Serkam, & Kemuning: Reduction is due to revision on Internal SAP System for planted hectares

#### 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 certified?

☐

Yes

☒

No

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

**INDONESIA:**

The property was disposed on 25 June 2019 and official letter on disposal of PT Mas was sent to RSPO Secretariat on 27 June 2019. Last meeting with all relevant stakeholders was done with RSPO CP during recent RT in Bangkok last November 2019. Both parties have responded to the legal reviewer report and submitted the comment to RSPO CP.

**LIBERIA:**

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).

<http://www.simedarbyplantation.com/media/press-releases/sime-darby-plantation-completes-divestment-of-its-liberia-operations>

**NBPOL:**

Markham Farming Company Limited (MFCL) The Remediation and Compensation Process is at the submission of Compensation Plan. RSPO Main Assessment is planned on 10-14 March as public notification letter. <https://www.rspo.org/certification/public-announcement>

ii. Are there any changes to the organization's time bound plan?

☐

Yes

☒

No

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

iii.	Are there associated smallholders (including scheme smallholders) in the CU	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No							
	If yes, have ALL the associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, in its certification?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No							
	If no, please state reasons _____ _____									
iv.	Any new acquisition which has replaced primary forests or HCV areas	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No							
3.3 Other changes (e.g. organizational structure, new contact person, addresses, etc.) <b>NA</b>										
3.4	Status of previous non-conformities *	<input checked="" type="checkbox"/> Closed	<input type="checkbox"/> 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.									
<b>4.0 DETAILS OF NON-CONFORMITY REPORT</b>										
4.1	For P&C (Details checklist refer to Attachment 3) :  <table style="width: 100%;"> <tr> <td style="width: 35%;">Total no. of minor NCR(s)</td> <td style="width: 15%;">List :2 -</td> <td style="width: 50%;">3.7.2 (MN 01 2021) &amp; 3.3.2 (RAR 01 2021)</td> </tr> <tr> <td>Total no. of major NCR(s)</td> <td>List :NA</td> <td></td> </tr> </table>				Total no. of minor NCR(s)	List :2 -	3.7.2 (MN 01 2021) & 3.3.2 (RAR 01 2021)	Total no. of major NCR(s)	List :NA	
Total no. of minor NCR(s)	List :2 -	3.7.2 (MN 01 2021) & 3.3.2 (RAR 01 2021)								
Total no. of major NCR(s)	List :NA									
4.2	For SC (Details checklist refer to Attachment 3) :  <table style="width: 100%;"> <tr> <td style="width: 35%;">Total no. of minor NCR(s)</td> <td style="width: 15%;">List : NA</td> <td style="width: 50%;"></td> </tr> <tr> <td>Total no. of major NCR(s)</td> <td>List :NA</td> <td></td> </tr> </table>				Total no. of minor NCR(s)	List : NA		Total no. of major NCR(s)	List :NA	
Total no. of minor NCR(s)	List : NA									
Total no. of major NCR(s)	List :NA									
<b>5.0 AUDIT CONCLUSION</b> The audit team concludes that the organization has established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.										

## 6.0 RECOMMENDATION

☐

No NCR recorded. Recommended to continue certification.

☒

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

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

☐

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

☒

Recommended to continue certification.

☐

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

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

## 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 :

ROZAIMEE BIN AB RAHMAN

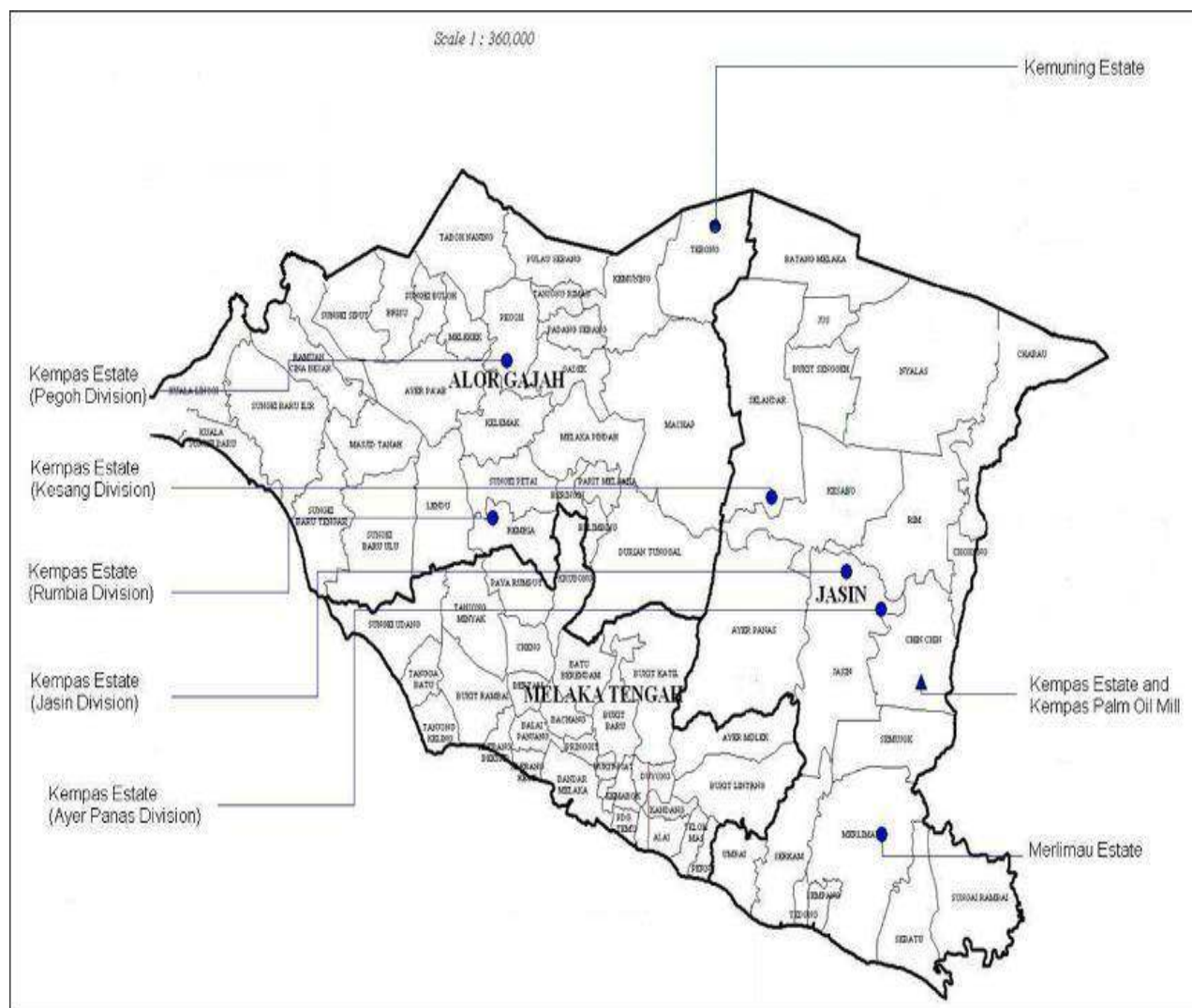


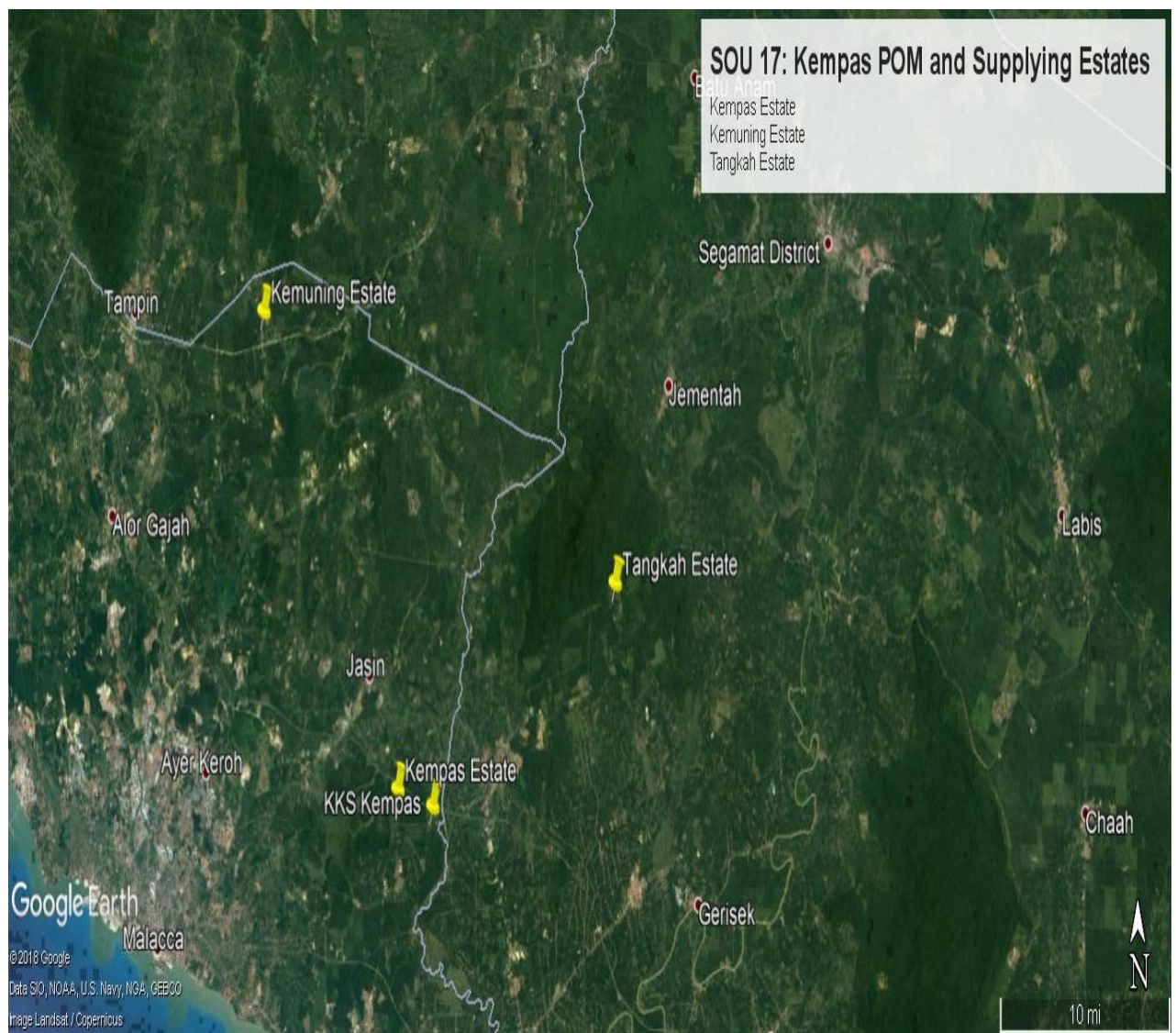
19/05/2021

(Name)

(Signature)

(Date)





**ANNUAL SURVEILLANCE 1 AUDIT PLAN****1. Objectives**

The objectives of the audit are as follows:

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

**2. Date of assessment** : 26-29 April 2021.

**3. Site of assessment** : Kempas Palm Oil Mill,  

- Kempas Estate,
- Kemuning Estate,
- Serkam Estate,
- Tangkah Estate

**4. Scope of certification:**

Production of Sustainable Crude Palm Oil and Palm Kernel Using the Identity Preserved Supply Chain Model

**5. Reference Standard:**

- a. MYNI 2019 of RSPO P&C 2018
- b. RSPO Certification Systems, Nov 2020
- c. Company's audit criteria including Company's Manual/Procedures

**6. Assessment Team**

- (i) Audit Team Leader : Rozaimée Ab Rahman **(RAR)**
- (ii) Auditor : Mohd Ab Raof Asis **(MAR)**  
 Ismail Adnan **(IA)**  
 Amir Bahari **(AB)**  
 Mohd Nordin Abdul Jalil **(MNAJ)**

*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. Repeated major non-compliance in consecutive audits will also result in recommendation for suspension.

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

**9. Confidentiality Requirements**

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

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

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

**11. Reporting**

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

**12. Facilities Required**

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

**13. Assessment Programme Details : As below**

**Day 1: 26 April 2021 (Monday)**

Time	Activities / areas to be visited					Auditee
8.00am	Opening Meeting – Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.					Management Representative
8.30am	Organization Representative - Briefing on RSPO implementation, significant change on organization activity, structure, certified areas, machinery, FFB supply bases, Time bound plan, actions taken to address previous audit findings. Logistics discussion to the sites to be visited.					
9.00am	To assign each audit team members – site and the P&C requirements					
	Kempas Estate			Serkam Estate		
	IA	MNAJ	AB	RAR	MAR	
	Site visit and assessment on implementation: Social aspects - SIA, management plan & implementation, workers’ quarters. Interview with gender committee, worker representative, contractors, supplier, etc Linesite inspection Complaints and grievances Stakeholder consultation with affected communities surrounding the CU Consultation with relevant stakeholder/ government /NGO / etc Inspection of protected sites with HCV attributes Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone HCV Assessment management plan & implementation	Site visit and assessment on implementation: Good Agriculture practices IPM implementation, training and safe use of agro-chemicals. Occupational safety & health practice witness activities at site Monitoring on peat Interview with workers, safety committee and contractors Time bound plan and uncertified management units	Site visit and assessment on implementation: Laws and regulations Environmental management – witness activities at site Chemical store/fertilizer Waste & chemical management Facilities at workplace Training and skill development programmes Interview with workers, environmental issues Continuous improvement Monitoring buffer zones areas	Site visit and assessment on implementation: Good Agriculture practices IPM implementation, training and safe use of agro-chemicals. Occupational safety & health practice witness activities at site Monitoring on peat Interview with workers, safety committee and contractors Laws and regulations Environmental management – witness activities at site Chemical store/fertilizer Waste & chemical management Facilities at workplace Training and skill development programmes Interview with workers, environmental issues Continuous improvement Monitoring	Site visit and assessment on implementation: Social aspects - SIA, management plan & implementation, workers’ quarters. Interview with gender committee, worker representative, contractors, supplier, etc Linesite inspection Complaints and grievances Stakeholder consultation with affected communities surrounding the CU Consultation with relevant stakeholder/ government /NGO / etc	Guide(s) for each auditor

## RSPO P&C AUDIT REPORT

				buffer zones areas		
1.00pm	<b>LUNCH BREAK / ZUHUR PRAYER</b>					All
2.00pm	Continue assessment at Estate					
4.30 - 5.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / End of Day 1 audit					All
9.00 – 9.30pm	Discussion on potential NCRs					Audit team only

### Day 2: 27 April 2021 (Tuesday)

Time	Activities / areas to be visited					Auditee
8.00am	Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements					Management Representative
9.00am	To assign each audit team members – site and the P&C requirements					
	<b>Kemuning Estate</b>			<b>Serkam Estate</b>		
	<b>IA</b>	<b>MNAJ</b>	<b>AB</b>	<b>RAR</b>	<b>MAR</b>	
	Site visit and assessment on implementation: Social aspects - SIA, management plan & implementation, workers' quarters. Interview with gender committee, worker representative, contractors, supplier, etc Linesite inspection Complaints and grievances Stakeholder consultation with affected communities surrounding the CU Consultation with relevant stakeholder/ government /NGO / etc Inspection of protected sites with HCV	Site visit and assessment on implementation: Good Agriculture practices IPM implementation, training and safe use of agro-chemicals. Occupational safety & health practice witness activities at site Monitoring on peat Interview with workers, safety committee and contractors Time bound plan and uncertified management units	Site visit and assessment on implementation: Laws and regulations Environmental management – witness activities at site Chemical store/fertilizer Waste & chemical management Facilities at workplace Training and skill development programmes Interview with workers, environmental issues Continuous improvement Monitoring buffer zones areas	Site visit and assessment on implementation: Good Agriculture practices IPM impl., training and safe use of agro-chemicals. Occupational safety & health practice witness activities at site Monitoring on peat Interview with workers, safety committee and contractors Laws and regulations Environmental management – witness activities at site Chemical store/fertilizer Waste & chemical management	Site visit and assessment on implementation: Social aspects - SIA, management plan & implementation, workers' quarters. Interview with gender committee, worker representative, contractors, supplier, etc Linesite inspection Complaints and grievances Stakeholder consultation with affected communities surrounding the CU Consultation with relevant stakeholder/ government /NGO / etc	Guide(s) for each auditor

## RSPO P&C AUDIT REPORT

	attributes Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone HCV Assessment management plan & implementation			Facilities at workplace Training and skill development programmes Interview with workers, environmental issues Continuous improvement Monitoring buffer zones areas		
1.00pm	<b>LUNCH BREAK / ZUHUR PRAYER</b>					All
2.00pm	Continue assessment at Estate			<b>Kempas POM</b> Site visit and assessment on implementation: Good Milling practices training and safe use of - chemicals. Occupational safety & health practice witness activities at site Interview with workers, safety committee and contractors Laws and regulations Environmental management – witness activities at site Chemical store/fertilizer Waste & chemical management Facilities at workplace Training and skill development programmes Interview with workers,	<b>Kempas POM</b> Site visit and assessment on implementation: Social aspects - SIA, management plan & implementation, workers’ quarters. Interview with gender committee, worker representative, contractors, supplier, etc Linesite inspection Complaints and grievances Stakeholder consultation with affected communities surrounding the CU Consultation with relevant stakeholder/ government /NGO / etc	

## RSPO P&C AUDIT REPORT

		environmental issues Continuous improvement		
4.30 - 5.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / End of Day 2 audit			All
9.00 – 9.30pm	Discussion on potential NCRs			Audit team only

### Day 3: 28 April 2021 (Wednesday)

Time	Activities / areas to be visited					Auditee
8.00am	Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements					Management Representative
9.00am	To assign each audit team members – site and the P&C requirements					
	Tangkah Estate			Kempas POM		
	IA	MNAJ	AB	RAR	MAR	
	Site visit and assessment on implementation: Social aspects - SIA, management plan & implementation, workers' quarters. Interview with gender committee, worker representative, contractors, supplier, etc Linesite inspection Complaints and grievances Stakeholder consultation with affected communities surrounding the CU Consultation with relevant stakeholder/ government /NGO / etc Inspection of protected sites with HCV attributes Forested area,	Site visit and assessment on implementation: Good Agriculture practices IPM implementation, training and safe use of agro-chemicals. Occupational safety & health practice witness activities at site Monitoring on peat Interview with workers, safety committee and contractors Time bound plan and uncertified management units	Site visit and assessment on implementation: Laws and regulations Environmental management – witness activities at site Chemical store/fertilizer Waste & chemical management Facilities at workplace Training and skill development programmes Interview with workers, environmental issues Continuous improvement Monitoring buffer zones areas	<b>Kempas POM</b> Site visit and assessment on implementation: Good Milling practices training and safe use of - chemicals. Occupational safety & health practice witness activities at site Interview with workers, safety committee and contractors Laws and regulations Environmental management – witness activities at site Chemical store/fertilizer Waste & chemical management Facilities at workplace Training and skill development	<b>Kempas POM</b> Site visit and assessment on implementation: Social aspects - SIA, management plan & implementation, workers' quarters. Interview with gender committee, worker representative, contractors, supplier, etc Linesite inspection Complaints and grievances Stakeholder consultation with affected communities surrounding the CU Consultation with relevant stakeholder/ government /NGO / etc	Guide(s) for each auditor

## RSPO P&C AUDIT REPORT

	plantation boundary, adjacent and neighbouring land use, riparian zone HCV Assessment management plan & implementation			programmes Interview with workers, environmental issues Continuous improvement		
1.00pm	<b>LUNCH BREAK / ZUHUR PRAYER</b>					All
2.00pm	Continue assessment at Estate			<b>Kempas POM</b> Site visit and assessment on implementation: Good Milling practices training and safe use of - chemicals. Occupational safety & health practice witness activities at site Interview with workers, safety committee and contractors Laws and regulations Environmental management – witness activities at site Chemical store/fertilizer Waste & chemical management Facilities at workplace Training and skill development programmes Interview with workers, environmental issues Continuous improvement	<b>Kempas POM</b> Site visit and assessment on implementation: Social aspects - SIA, management plan & implementation, workers' quarters. Interview with gender committee, worker representative, contractors, supplier, etc Linesite inspection Complaints and grievances Stakeholder consultation with affected communities surrounding the CU Consultation with relevant stakeholder/ government /NGO / etc	

## RSPO P&C AUDIT REPORT

4.30 - 5.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / End of Day 3 audit/	All
9.00 – 9.30pm	Discussion on potential NCRs	Audit team only

### Day 4: 29 April 2021 (Thursday)

Time	Activities / areas to be visited		Auditee
8.30am-10.00am	Continue unfinished assessments at Kempas POM/ Estate		Respective Manager
			Guide(s) for each auditor
	<b>RAR</b>	<b>MAR</b>	
	Site visit and assessment on Supply Chain Implementation incl. the <ul style="list-style-type: none"><li>Model used</li><li>General Chain of Custody</li><li>System Requirements for the supply chain</li><li>Documented procedures</li><li>Purchasing and goods in</li><li>Outsourcing activity</li><li>Sales and goods out</li><li>Processing</li><li>Records keeping</li><li>Registration</li><li>Training</li><li>Claims</li><li>Interview with PIC SCCS, contractors, etc.</li></ul>	<ul style="list-style-type: none"><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, worker representative, contractors, supplier, etc</li><li>Linesite inspection</li><li>Complaints and grievances</li><li>Consultation with relevant government agencies</li><li>Continuous improvement</li></ul>	
10.00am - 11.00am	Verification on outstanding issues for CU Auditor to inform auditee on the required document / records Continue Audit Team discussion and preparation of assessment findings.		All
11.00am - 12.00pm	Discussion and acceptance on assessment findings with Management Representative. Closing meeting at CU		

## RSPO P&C AUDIT REPORT

Attachment 3

### 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	SOU 17 Kempas CU 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 SDPB website address is <a href="http://www.simedarbyplantation.com/">http://www.simedarbyplantation.com/</a> and <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	Information is available both in Bahasa Malaysia and English and accessible to the relevant stakeholders through correspondence and request as sighted in the "External Communication" files at Kempas SOU.
	1.1.3 (C) Records of requests for information and responses are maintained.	YES	Requests for information and responses were maintained accordingly through the inspections book and letters in the mill and supply bases.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	YES	The relevant procedure available and has detail out the process of handling complaints from stakeholders and the time frame for external communication to be dealt with. The time frame to provide feedback is within two weeks of the date of receipt for communication and within one week of the completion of the investigation. The procedure was made available on the notice boards in the Estate and Mill offices and Muster Grounds. The procedure was documented, disclosed, implemented, made available, and explained to all relevant stakeholders as verified through stakeholders meeting with SOU 17 Kempas CU representatives. All interviewed acknowledged that they understood the procedures as they had been briefed by CU representatives during stakeholders meetings held on earlier dates.
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	YES	Stakeholder Lists for all estates and Mill at Kempas SOU 17 CU were available and sighted. The CU continued to maintain and update the stakeholder's information (name of parties, address, contact number, nominated representatives) which included the contractors, vendors/suppliers, foreign recruitment agencies, embassy, government agencies, schools, local communities, CPO/PK customers, and others.
1.2 The unit of certification commits to ethical conduct in all business	1.2.1 A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.	YES	The Kempas SOU 17 CU subscribes to Sime Darby Plantations Sdn Bhd's Code of Business Conduct (COBC). Awareness training on the COBC was given to all levels of employees as evidenced from training records. The training module sighted for the COBC training include support fundamental human rights, bribery, conflict of interest, ways to lodge complaint, whistle blowing policy, and confirmed by workers during audit



## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
operations and transactions.			interviews.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	YES	SDPB's Vendor COBC has been developed to outline the standards of behaviour required by Sime Darby Berhad's vendors which includes expectation to uphold human rights. The Vendor COBC applies to all its suppliers, consultants, agents, contractor's /service providers who have direct dealings with the Group. All vendors will be required to declare their compliance to the Vendor COBC through the Sime Darby Berhad Vendor Integrity Pledge which includes a declaration to eradicate all forms of exploitation, including but not limited to modern day slavery and human trafficking. This was evidenced through document review and interviews with vendors's representatives.

### **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.	YES	It was evident that Kempas CU continue to comply with most of the applicable laws and regulations.
	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	The CU continued to implement and maintain the established documented system for identifying, accessing, tracking and monitoring of compliance with the legal requirements that were applicable to them. Each estate and mill had its own Legal and Other Requirements Register (LORR) and were being evaluated individually annually for compliance. The legal registers were updated by the person in-charge and approved by the respective Managers.
	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	The Estates have maps showing the locations of boundary stones that have been physically located and marked. Inspection of boundary stones/markers/trenching at the 4 estates, during the field inspection confirmed that they were clearly marked and maintained. All the physical markers/boundary stones along the legal boundaries between was visibly available.
2.2 All contractors	2.2.1 A list of contracted parties is maintained.	YES	A list of contracted parties is maintained at Kempas SOU 17 CU.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
providing operational services and supplying labour and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.	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 workers, service providers and labour contractors, is available.	YES	There is evidence that agreements with third parties contain clauses on meeting applicable legal requirements. Evidence of legal due diligence carried out include getting the vendors to sign the Vendor Integrity Pledge where they undertake to comply with rules relating to labour and human rights, company ethics and management practices, and would comply with all laws and regulations relating to anti-bribery, fraud and corruption.
	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. Contractors also signed the Vendor Integrity Pledge in which Vendors undertake to comply with the Vendor COBC. The Vendor COBC in turn, contains provisions which state that Vendors shall not employ anyone under the age of 18 or the applicable minimum legal age in the countries they operate, unless in vocational and/ or formal and structured apprenticeship, educational and training programmes.
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	Since May 2020, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources from SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable.
	2.3.2 For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1.	YES	As above. Therefore, Kempas Palm Oil Mill does not process any FFB from any collection centres, agents or intermediaries.

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

## RSPO P&C AUDIT REPORT

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 Kempas SOU 17 continued to make commitment to long-term economic and financial viability. The annual budgets for 2021 to 2024 which included Capital and Operating Expenditures in addition to FFB yield/Ha, OER and CPO were sighted. The budget provisions cover activities for machinery and plant upkeep, expenditure for mature and immature oil palm upkeep, harvesting and evacuation, welfare, capital expenditure and RSPO compliance.
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	YES	The replanting programme for the next five years had been prepared as sighted in the Long-Range Replanting Programme (LRRP) 2021 to 2025. This programme reviewed once a year and is incorporated in 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	Several meetings to discuss on issues related to sustainability such as Kempas Mill meeting with its supply bases, Estate meeting (within SOU 17) and operation meeting (estate manager and estate key personnel) were held for effective implementation of RSPO.
3.2 The unit of certification regularly monitors and reviews their economic, social and env. performance and develops and implements action plans that allow demonstrable cont. improvement in key ops.	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	This has been established in the Continuous Improvement Plan 2021 updated on 25/1/2021. This compilation was made with subject to the consideration of the main social and environmental impacts. These include to continue engagement with relevant stakeholders (workers, surrounding communities, government agencies, agencies, suppliers and contractors. Management documents related to environmental plans and impact assessments maintained available.
	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.	YES	<i>Not applicable - since effective date of reporting this indicator on June 2021</i>
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	SOU 17 Kempas continued to use and implement SOPs for each of the processes. Brief version of the SOPs was displayed at the appropriate locations. Copies of the documented SOPs were presented to the audit team. It was observed that activities being implemented which involved safety, health, environmental, quality, employees, and others, had followed the established SOPs. The ARM included all operations 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.	NO	Kempas SOU 17 continued to implement the mechanism to ensure consistent implementation of operation as per SOPs. At Serkam Estate the mechanisms to check the implementation of procedures were carried out through RSPO internal audit report on visits made by RSQM team, safety and health meeting and routine inspection (workplace

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
			inspection) by assistant manager, staff and hospital assistant. The mechanisms to check the implementation of procedures were further carried out in Tangkah Estate through the Estate Structured Crop Recovery Assessment report done on Feb 2021. During the audit, random interviews with the estate workers revealed that they understood the requirements stated in the SOPs. For example, it was observed that harvesting stds and pesticides usage had been properly understood by the estate harvesters and sprayers respectively. However, during site visit at Serkam Estate (Serkam Division) oil trap at skid tank was full of mud and not maintained accordingly. <b>#MINOR NCR RAR 01 2021</b> has been raised
	3.3.3 Records of monitoring and any actions taken are maintained and available.	Yes	Records of monitoring and the actions taken by the Kempas SOU 17 continued to be maintained. This is to ensure that the established procedures were consistently implemented. There were system of having other audits by PSQM, Agronomist and GCAD to ensure compliance against Company policies and procedures in relation to operations, finance, safety, health and welfare requirements. The Regional Head also performed unscheduled visits to the SOUs. Performances are tabled and discussed in the monthly SOU and Regional meetings.
3.4 A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and env. management and monitoring plan is implemented and regularly updated in ongoing operations.	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	There are no new plantings or operations within SOU 17 Kempas CU.
	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	There are no new plantings or operations within SOU 17 Kempas. The CU has separate Social Impact Assessment and Environmental Impact Assessment reports. It mentioned the objectives, category, action, frequency, person in charge and monitoring period. Feedbacks from the stakeholders were recorded in the assessment report. Social profile such as social background of employees, background of local community, education, safety & health, living condition, stakeholder engagement and infrastructure and amenities. The participation of internal and external stakeholders, namely workers, union, contractors, suppliers, local community, local government and private entities. Records of feedback with the relevant stakeholders were properly documented and verified.
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	Yes	The Social/Environmental Action Plan available for each unit were available having information i.e issues, management plan, PIC and time frame. The input are gathered from the meeting minutes Gender Committee, NUPW, Safety Meeting, Complaint & Request from internal & external stakeholders and muster briefing) and Stakeholders meeting.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
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 where applicable.	Yes	The recruitment process was clearly stated in the procedure where the recruitment was based age, medical fitness and etc. There is no discrimination based on religion, gender, nationality and etc during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary and etc. Meanwhile, for promotion process are available for the local & foreign workers in the amended procedures under "Title: Career Progression for Workers Level".
	3.5.2 Employment procedures are implemented, and records are maintained.	Yes	Employment procedures were implemented and records were maintained for both local and foreign workers at Kempas SOU 17 CU. Records of employment were sighted from "Employee Master List" and "Checkroll book". Audit team has also verified all new recruitment workers from Indonesia, India, Bangladesh and Nepal through personal file by employment no./ name of employee, employment contract, offer letter, passport consent form. etc.
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 estates had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. HIRARC is subject for a review in event of the following; Change in work process, Revision/changes in legislative requirement and Occurrence of <b>accidents</b> . The of review on HIRARC dated Jan 2021 respectively for the estates and mill. Amendments are summarized in a list detailing dates and reasons for updates.
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people is monitored.	Yes	SDPB Health and Safety plan among others include the following: a) Reduction of LTI by 50% ass I & class II). b) No fatality / penalty c) to enhance OSH awareness through ESH training The implementation of OSH plan was monitored by internal audits conducted by OSH officers from RSQM department.
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 programs for 2020/21 that covered aspects of the RSPO Principles and Criteria, with regular assessments of training needs were available for all the audited sites. The training plan for each operating unit were established covered staff, workers, pregnant women, etc. 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.	No	SOU 17 Kempas 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. During the visit to both Kemuning and Tangkah Estates, it was found out that trainings on HIRARC and

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
			PPE were not done, although both the trainings were listed in the training matrix. <b>#Minor NCR MN 01 2021</b> has been raised
	3.7.3 Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.	Yes	Sighted an evidence training on supply chain has been conducted in Feb & march 2020 to employees handle critical operation i.e weighbridge operator, auxiliary police, & weighbridge operator.

### SUPPLY CHAIN REQUIREMENTS FOR MILLS

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	Kempas POM has continued to maintain Identity Preserved model. Kempas POM POM obtained certified FFB from owned estate such as: <ul style="list-style-type: none"> <li>• Kempas Estate</li> <li>• KemuningEstate</li> <li>• Tangkah Estate</li> <li>• Serkam Estate</li> </ul> Thus, Kempas POM has qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.
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	Not applicable due to Kempas POM using Identity preserved model.

## RSPO P&C AUDIT REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.3	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be 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 annual surveillance report.		As provided in the report above – Table 3 (actual) & 4 (projection).
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: Kempas Oil Mill Country: Malaysia. Member Category: Oil Mil Core product: Palm Oil (Upgraded to Identity Preserved on June 2019) Copy of Shipping Announcement was provided during the audit as evident of compliance to reporting requirement as listed by the standard.

## RSPO P&C AUDIT REPORT

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><b>Kempas</b> POM had revised their documented procedure title 'Standard operating procedure for Sustainability Supply Chain and Traceability SD/SDP/PSQM/001' The procedure described the following:</p> <p>Clause 4.0 ~ the responsibility of for the implementation of RSPO SCC i.e. head of operating unit</p> <p>Clause 5.0 ~ Control of document &amp; records such as weighbridge tickets, consignment note, training record &amp; contracts. Record retention for 10 years. Define the critical control point (CCP) :estate – weighbridge, mill – weighbridge, admin office, ramp, CPO despatch area, CPO storage tank. Kernel silos.</p> <p>Clause 6.0 ~ Delivery of FFB from the estate – relevant record involved, flowchart for crop diversion, list of mill and their supply chain model i.e. IP or MB</p> <p>Clause 7.0 ~ Receiving FFB at the mill – list of supply base, rules for determining diverted FFB destination, relevant record</p> <p>Clause 8.0 ~ Production of ISCC certified Waste/Residues – Follow SOP Separate Oil Recovery System</p> <p>Clause 9.0 ~ process monitoring – for IP model mill need to ensure no mixing of RSPO certified and non-certified</p> <p>Clause 10.0 ~ CPO and PK despatch – [Clause 9.1] all delivery of CPO and PK shall be in accordance with the contract allocated by Global Trading &amp; Marketing (GTM) department. [Clause 9.2] Outgoing document for CPO and PK 9e.g. contract, weighbridge ticket / despatch note) shall specify the following information which can be either presented in single document or across a range of document Trade name / RSPO IP, RSPO certificate no. : RSPO 0025,</p> <p>Clause 11.0 ~ Non-conforming material / product – requirement to downgrade the RSPO Product</p> <p>Clause 12.0 ~ product claim – shall follow RSPO rules on market communication &amp; claim</p> <p>Clause 13.0 ~ Outsourced contractor - the mill has established list of outsourced contractor. Sighted list of transporter for CPO and PK.</p> <p>Clause 14.0 ~ Training – the mill shall provide training for relevant personnel carrying the task at tech critical control point (CCP).</p> <p>Clause 15.0 ~ Reclassification of mill's supply chain model - Reclassification of mill's supply chain model may be determined by GTM/ PSQM. CB shall be notified. All communicated shall be recorded.</p> <p>Clause 16.0 ~ Production volume</p> <p>Clause 17.0 ~ Conversion Factors</p> <p>Clause 18.0 ~ Internal Audit</p> <p>Clause 19.0 ~ Complaints</p> <p>Clause 20.0 ~ Management Review</p>



## RSPO P&C AUDIT REPORT

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>As describe under para 18.0 SOP for sustainable Supply Chain and Traceability, KPOM refer to Internal Audit Procedure which is following the RSPO Supply Chain Certification Standard Revision 2017 requirements. Audit report has also been established. The audit was conducted against the RSPO Supply Chain Certification Standard Revision 2017 requirements.</p> <p>RSPO internal audit was conducted in November 2020 by the internal auditors' team. The internal audit has followed the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. There are 0 nonconformance report (NCR) were raised by auditor. Audit Attendance sheet, audit plan, audit notes, was sighted by auditor.</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>KPOM had continued to receive certified FFBs from the CU's own supply bases as well as non-certified FFBs from outsiders. There were 4 supply bases (estates) sending certified FFBs to KPOM. Monitoring records titled as <i>"RSPO &amp; MSPO Mass Balancing Records for Oil Mills"</i> has recorded the tonnage of certified FFB and its supplying estate.</p>
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-</p>	Yes	<p>Documented procedures related to sales and goods out were sighted and found adequate.</p>

## RSPO P&C AUDIT REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>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>		

## RSPO P&C AUDIT REPORT

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 is 1 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 in Nov 2020 for the transporter contractor was sighted by the auditor.</p>

## RSPO P&C AUDIT REPORT

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 Feb 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	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.
	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 as per Standard operating procedure for Sustainability Supply Chain and Traceability.
	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	Sighted record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.
	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 from the material accounting system according to	YES	Not applicable CU used IP model

## RSPO P&C AUDIT REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	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	Kempas 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). OER & KER has been updated by daily basis and monthly summary has been used as guidance.
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.	YES	
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	Global Trading & Marketing (GTM) office informed KPOM by e-mail on the dispatch of RSPO certified CPO/ PK to relevant buyer. The dispatch of the RSPO certified CPO/ PK to buyer by Kempas POM were made based on a specific contract.
3.8.16	Registration of Transactions i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not	YES	The registration of transaction being carried out by Group Plantation Marketing. Mill receive copy of transaction input to the system on monthly basis based on contract summary (buyer weight being put in).

## RSPO P&C AUDIT REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>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>		
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	<p>Relevant information on product claim (including applicable Supply Chain model and certificate number) being correctly indicated in the relevant outgoing paperwork. KPOM has not use RSPO corporate logo as well as trademark logo.</p>

### **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
<p>4.1</p> <p>The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.</p>	<p>4.1.1 (C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders, 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.</p>	YES	<p>Policy to respect human rights is available and documented in the Sime Darby Plantations Human Rights Charter. Training on the Human Rights Charter was given at Kempas Palm Oil Mill in February 2020. The Policy was communicated to stakeholders which included FFB suppliers during stakeholder meeting in January 2020.</p> <p>The Sime Darby Plantations Human Rights Charter was revised as Sime Darby Plantations Human Rights Charter (revised 2019). Although paragraph 6.3 of the draft document provides for protection of Human Rights Defenders, whistle blowers, complainants and community spokespersons, this Charter is finalised for implementation and communicated to all levels of the workforce, operations, FFB suppliers and local communities..</p> <p>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 was available at Kempas SOU 17 CU.</p> <p>This policy was communicated to all levels of the workforce and operations and also the external stakeholders.</p>

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations.	YES	It has been verified that the land is now legitimately owned by Kempas SOU 17 CU. The audit team, through records review, confirmed that there was no land issues related to previous owners.
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 Kempas SOU 11 in resolving disputes and grievances exists in the procedure called "Procedure for Handling Social Issues", and "Carta Aliran Pengendalian Isu Sosial". The Mill and Estates within Kempas CU each has its own Internal Complaint Book and External Communication Book. The Internal Complaint Books are for employees to lodge complaint pertaining to their houses. The external book was reviewed and found no complaints against the CU. When ensuring anonymity of complainants and whistleblowers, the Sime Darby Code of Business Conduct also provides an avenue to direct the grievances to a Hotline number, toll-free numbers, email, fax and letters to the Whistleblowing Units at SDPB HQ. The disputes and grievance resolving system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistleblowers without risk of reprisal or intimidation towards whistleblowers and Human Right Defenders follows the RSPO Human Rights and Whistleblowing Policies respectively.
	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. This was confirmed by foreign workers interviewed at the estates and mill. There is evidence that parties to a grievance are kept informed of the progress of the complaints.
	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	The Kempas CU keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders through stakeholders meeting and using methods of questionnaire due to COVID 19 MCO Restriction.
	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	The system used by the Kempas CU in resolving disputes and grievances exists in the procedure called "Procedure for Handling Social Issues", and "Carta Aliran Pengendalian Isu Sosial". The Estates within Kempas CU each has its own Internal Complaint Book and External Communication Book. The Internal Complaint Books are for employees to lodge complaint pertaining to their houses. The external book was reviewed and found no complaints against the CU. The conflict resolution mechanism includes the option of access to independent legal and technical advice. The complainants may choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
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	Contribution of Kempas SOU 17 CU to local communities were evident.
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 Free, Prior and Informed Consent (FPIC) process. Documents related to the history of land tenure and/or the actual legal or customary use of the land are available.	YES	Evidence of legal ownership of the land including history of land tenure was verified during this audit. For Tangkah Estate the land was previously owned by The Kundong Rubber Estate Limited, Tangkah Rubber Estate Limited and The Kundong Tanjong Pau Limited. The land was acquired during the merger between Golden Hope, Kumpulan Guthrie Berhad and Sime Darby in 2007. The Land Title was then transferred under the name of Sime Darby Plantation Berhad. While Kemuning Estate was originated from Sime Darby which was bought from Negeri Sembilan State Government. For Kempas Estate and Mill, was originated from Sime Darby which was bought from Melaka State Government. Each estate had legal use of the land through an Ownership signed by the Sultan of Johore and Director of Lands and Surveys of Negeri Sembilan and Melaka following the payment of premium and Land fee.
	4.4.2 Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	YES	Documents review and interview with representative from adjacent local confirmed that no claim and conflict on tenure and legal/customary use of Kempas SOU 17 Estate's land had occurred. This Indicator is not applicable.
	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	
	4.4.2b Evidence that the unit of certification has respected communities' decisions to give or	YES	



## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	withhold their consent to the operation at the time that these decisions were taken.		No land dispute as mentioned above, hence this requirement is not needed and not applicable for the CU.
	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	
	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.	YES	No land dispute as mentioned above, hence this requirement is not needed and not applicable for the CU.
	4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	YES	No land dispute as mentioned above, hence this requirement is not needed and not applicable for the CU.
	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	No land dispute as mentioned above, hence this requirement is not needed and not applicable for the CU.
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	YES	No land dispute as mentioned above, hence this requirement is not needed and not applicable for the CU.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
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 institutions.	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 Kempas 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 Kempas since 1980. 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 since 1980. The audit team had confirmed that there were no land issues related to previous owners.
	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 ops.	YES	Documents review and interview with representative from adjacent local community confirmed that no claim and conflict on tenure and legal/customary use of Kempas SOU 17 Estate's land had occurred. This Indicator is not applicable.
	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,	YES	Documents review and interview with representative from adjacent local community to and it has been confirmed that no claim and conflict on tenure and legal/customary use of Kempas SOU 17 Estate's land had occurred. This Indicator is not applicable.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	the full range of food and water provisioning options are considered. There is transparency of the land allocation process.		
	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	Documents review and interview with representative from adjacent local community confirmed that no claim and conflict on tenure and legal/customary use of Kempas SOU 17 Estate's land had occurred. This Indicator is not applicable.
	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	Documents review and interview with representative from adjacent local community confirmed that no claim and conflict on tenure and legal/customary use of Kempas SOU 17 Estate's land had occurred. This Indicator is not applicable.
	4.5.7 New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations.	YES	Documents review and interview with representative from adjacent local community confirmed that no claim and conflict on tenure and legal/customary use of Kempas SOU 17 Estate's land had occurred. This Indicator is not applicable.
4.6 Any negotiations concerning compensation for loss of legal, customary or user	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	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Sustainable Plantation Management System document entitled "Procedures for Handling Boundaries Disputes". 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.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
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.	4.6.2 (C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation 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", 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 Kempas SOU 17 CU. The Fresh Fruit Bunches are supplied from SDPB owned estates which are certified to RSPO.
	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 FPIC and negotiated agreements.	4.7.1 (C) A mutually agreed procedure for identifying people entitled to compensation is in place.	YES	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Sustainable Plantation Management System document entitled "Procedures for Handling Boundaries Disputes". 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 is in place and documented and made available to affected parties.	YES	There was no issue regarding compensation (monetary or otherwise) to villagers, local community and neighbouring estate.
	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	YES	It has been verified that the land is legitimately owned by Kempas SOU 17. 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.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
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	It has been verified that the land is legitimately owned by Kempas SOU 17. 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. So far, there were no issues regarding land with villagers, local community and neighbouring estate. It has been verified that the land is now legitimately owned by Sime Darby since 1980. The audit team had confirmed that there were no land issues related to previous owners.
	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 (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms.	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 reqs.	YES	Land conflict is not present in the area of the unit of certification.
	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 (including neighbouring communities where applicable).	YES	Land conflict is not present in the area of the unit of certification.

## RSPO P&C AUDIT REPORT

### **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	Since May 2020, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	YES	Since May 2020, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable.
	5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.	YES	Since May 2020, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable.
	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	Since May 2020, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable.
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	YES	There is evidence that contracts entered into with FFB and CPO transporters are fair, legal and transparent. Among others, the contracts are dated, with clear provisions on contract duration, scope of services, payment of fee, obligation and undertaking of parties, provisions related to default and termination, rights and obligations upon termination, clause on dispute, etc. Annex 2 and 3 of the contracts specify schedule of transportation rates and transport rate adjustment mechanism, respectively.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.	YES	Contracts with suppliers contain a provision that payments would be made within one month of invoice.
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis.	YES	Weighing equipment verified through Metrology Department, the inspection was done in January 2021.
	5.1.8 The unit of certification supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the ICS, who holds the certificates, and who holds and sells the certified material.	YES	Sime Darby Plantation 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. Noted that SOU Kempas has invited nearby smallholders to attend the Stakeholder meeting scheduled in Dec 2019 to promote on RSPO certification. Sighted letter invitation to the smallholder dated in Aug 2019. During surveillance 1 audit, there was stakeholder meeting in Jan 2020 and CU Kempas has invited smallholders to promote on RSPO certification.
	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	A grievance mechanism which respects anonymity and protects complainants is in place at the SOU Kempas as per the SOM Procedure for External Communication dated 1/8/2008, and as per SOP Carta Aliran Pengendalian Isu Sosial. The procedures have been communicated to all levels of workforce and to all stakeholders and as at to date there is no complaint by stakeholders.
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	Since May 2020, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable.
	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.	YES	Since May 2020, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable.
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.	YES	Since May 2020, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is NA.

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Clause	Indicators	Comply Yes/No	Findings
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	YES	There are no Scheme Smallholders for SOU 17 Kempas, and therefore this Indicator is not applicable.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.	YES	Since May 2020, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable.

### **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 Group Sustainability & Quality Policy Statement, December 2019 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. This policy was displayed on notice boards in both Bahasa Malaysia and English.
	6.1.2 (C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against including charging of recruitment fees for migrant workers.	YES	Apart from this policy which states that all employees shall be treated equally, there is also no evidence that there has been any form of discrimination against any employee, or group of employees. As confirmed by the workers during interviews and field observation, payment of wages/salaries, provision of housing and access to benefits and amenities is fair based on observation, review of pay checks, contracts of employment, and interviews of staff, local and foreign workers. Foreign workers are also accorded the same living standards and accommodations as local workers.
	6.1.3 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 Kempas, Kemuning and Tangkah Estates 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. 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



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Clause	Indicators	Comply Yes/No	Findings
			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. These documents are contained in the workers' personal files.
	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	Currently, there were no pregnant women at SOU Kempas as verified with medical assistant and during interview session with women workers. If there is any pregnant women found by management or informed by staff and workers, the management of estate and mill will transfer the pregnant worker to do any light job as per stated in the available policy states that all employees shall be treated equally. There is also no evidence of pregnancy testing conducted as a discriminatory measure and discriminatory practices against any employee, or group of employees including pregnant women.
	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	A Gender Committee has been formed or appointed committee member and it was noted the committee was formed in line with Sime Darby Manual on Implementation of the Gender Policy. The minutes of meeting were verified by auditor and found that gender committee was in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women in Kempas CU.
	6.1.6 There is evidence of equal pay for the same work scope.	YES	The equal opportunities policy 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. This policy was displayed on notice boards in both Bahasa Malaysia and English.
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	For Kempas CU documentation of pay is in the form of monthly pay slips. Conditions of pay are contained in the workers' respective employment contracts. Samples of the monthly pay slips and employment contracts were made available and reviewed during the remote audit. Labour laws, union and/or other collective agreements detailing payments and other conditions, was made available in the languages understood by the workers and explained to them by a management during induction. Each pay slip documents the name of employee, month of pay, income (basic, overtime, reimbursement, allowances), deductions (statutory such as EPF, SOCSO and non-statutory such as donation to mosque funds, Temple funds), net salary, annual leave and medical leave taken, etc.
	6.2.2 (C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give	YES	Contracts and conditions of employment are contained in employment contracts signed between the Mill and respective estates on one hand, and their workers on the other. The employment contracts sampled were prepared in either Bahasa Indonesia or in dual-language, namely English and the language commonly used in the worker's country of origin. Among others, the contracts defined the regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. Details on monthly salary and deductions for every worker and staff are reflected in their pay slips which are issued to the workers during pay day.

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Clause	Indicators	Comply Yes/No	Findings
	accurate information on compensation for all work performed. This includes a form of record for work done by family members.		The employment contracts and conditions of employment for contractor workers contained in employment contracts signed between the respective contractor on one hand, and their workers on the other. Among others, the contracts defined the regular working hours, deductions, overtime, EPF/SOCSSO contribution, sick leave, holiday entitlement, maternity leave, notice of termination of contract & time of payment of wages, etc. in compliance with Employment Act, 1955.
	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	The Kempas CU has complied with legal requirements and MAPA/NUPW Agreement 2019 on regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements. The working hours as per MAPA/NUPW Agreement 2020 were, working hours for 8 hours and 0.5 hours break in the between the time. The time for break at the all Estate is 1030-1100am. For overtime, it has been mutually agreed upon between the management and workers and met the legal requirements. Overtime will be offered when there is additional job and no discrimination observed. Apart from statutory salary deductions for EPF, EIS and SOCSSO, deductions are also made for electricity, water, NUPW membership, temple and mosque funds. There is evidence that workers' request for salary deductions and approval from the Labour Office have been duly obtained.
	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 detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.	YES	Visits were made to the workers' housing facilities of each estate reveal that the estates and mill have provided adequate housing to their employees. The houses provided with rent-free, subsidized electricity and water by Tenaga Nasional Berhad and SAJ respectively, which are available 24 hours a day. The houses are generally well-maintained. Each house has between 2 – 3 rooms and generally, not more than 6 persons live in each house. They are also furnished with the basic necessities such as cupboard, mattresses, pillows and cooking facilities. Each house has three rooms and accommodate 3 to 6 workers for each house. At all housing in the Estates Workers, maintenance are being implemented i.e. tiling of hall and toilet, roofing and installing of kitchen tabletop, furniture (bed and fan). Among the facilities provided included surau, football field, takraw/badminton court, dispensary, playground, surau, temple, and clinic which is managed by a Medical Assistant and a support staff. A visiting Medical Officer comes for regular visits once a fortnight to assist with linesite inspections, dispensing medical advice and treating patients. Housing inspection was conducted by twice monthly.
	6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.	YES	All Divisions within Kempas SOU 17 CU are located near the towns. Workers have access to adequate, sufficient and affordable food from grocery shops in the vicinity of Jasin town where affordable food is readily available. A vendor is allowed to come in daily to sell wet food items such as fish, vegetables to those who live at the housing complex. Workers who were interviewed also confirmed that the items are reasonably priced.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	<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 (amendment 2020). Calculation of prevailing wages and in-kind benefits have also been carried out for SOU 17 Kempas certification unit. The prevailing wages and in-kind benefits for local workers is RM1,661.41 per month, and RM1,592.80 per month for foreign workers. The benefits in-kind include medical treatment, free housing and amenities available, and are deemed reasonable.</p>
	<p>6.2.7 Permanent, full-time employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.</p>	YES	<p>All Kempas SOU 17 permanent and full time workers are used for core work such as Harvesting, Manuring, Spraying, Milling Operation, Grading, Engine driver and workshop. There are no temporary workers and contractors use in Kempas SOU 17 CU</p>

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
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	The Group Sustainability & Quality Policy Statement signed by Group Managing Director includes as below: We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to: <ul style="list-style-type: none"> <li>▪ Providing Equal Opportunities: We promote diversity and inclusion and will not condone discrimination.</li> <li>▪ Respecting Freedom of Association: We respect the rights of employees to join and form organisations of their own choice and to bargain collectively.</li> </ul> Company respect the rights of all personnel to form and join trade unions of their choice to bargain collectively. The workers have their freedom to join the NUPW/MAPA union.
	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	The National Union Plantation Workers (NUPW) is the union that represents workers of Kempas SOU 17 CU. Union membership is open to both local and foreign workers and the workers representative elected by the NUPW/MAPA itself which is independent party.
	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	The National Union Plantation Workers (NUPW) is the union that represents workers of Kempas SOU 17 CU. The Workers Representative in the Union is selected by workers itself. At Kempas SOU 17. Respecting the SDSB Group Sustainability & Quality Policy, Kempas CU 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.
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 Group Sustainability & Quality Policy Statement signed by Group Managing Director includes the following: We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to: <ul style="list-style-type: none"> <li>• Providing Equal Opportunities: We promote diversity and inclusion and will not condone discrimination.</li> <li>• Respecting Freedom of Association: We respect the rights of employees to join and form organisations of their own choice and to bargain collectively.</li> <li>• Ensuring Favourable Working Conditions: We ensure decent living and working conditions for all our employees. We strive to provide a fair wage and access to basic needs for all our employees and workers in our operations.</li> <li>• Enhancing Safety and Health: We provide a safe and healthy working environment for our employees and workers in our operations and support the wellbeing of our communities.</li> <li>• Respecting Community Rights and the Rights of Indigenous People: We uphold the process of Free, Prior and Informed Consent and recognise that the local communities have the right to give or withhold their consent to proposed projects that may affect the</li> </ul>

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
			lands they own, occupy or otherwise use. <ul style="list-style-type: none"> <li>Protecting the Rights of Vulnerable People: We respect the rights of vulnerable people such as marginalised groups, persons of different abilities and refugees.</li> <li>Protecting the Rights of Children: We seek to promote the wellbeing of children and safeguard them from any form of maltreatment or exploitation, including child sex tourism, child trafficking, child labour and child pornography.</li> </ul>
	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	There is evidence that minimum age requirements are met at Kempas SOU 17 CU. On contrary, there was no evidence that the estates and the mill at Kempas CU have employed anyone below the age of 18 years. This was verified by examining the workers master lists, personal file, contracts and payslip of each operating unit where details of the workers' IC numbers and dates of birth are available.
	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 the estates and the mill at Kempas SOU 17 CU have employed anyone below the age of 18 years or young persons. Auditor also verified through the contractors in the CU. This was verified by examining the master lists, personal file, contracts and payslip of each operating unit where details of the workers' IC numbers and dates of birth are available. Interviews with workers and staff, as well as observations made during field visits confirmed that only those above 18 are employed.
	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	The policy protection of children is available. There was no evidence that the estates and the mill at SOU Kempas employ anyone below the age of 18 years. Auditor also has verified training record on Sime Darby Child Protection Policy at Kempas SOU 17 CU for staff, workers.
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 Group Sustainability & Quality Policy Statement signed by Group Managing Director includes as below: We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to: <ul style="list-style-type: none"> <li>Eliminating Violence and Sexual Harassment: We seek to promote an environment where all forms of harassment and abuse are eliminated and to provide support for victims.</li> <li>Eradicating any form of Exploitation: We endeavour to eradicate any form of forced or bonded labour, slavery, human trafficking and sexual exploitation.</li> </ul> The policy was communicated through the Gender Committee meetings at all Estates in Kempas SOU 17 CU.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	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	SDPB has implemented Group Sustainability & Quality Policy Statement, December 2019 where the management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights. The policy was displayed on the notice board which was accessible by the workers. Briefing of the policies was conducted during morning muster and safety town hall. The policies were displayed at the notice board outside the office.
	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	In the Kempas SOU 17 CU, Gender Committee have been established at the Mill and Estate levels to help disseminate awareness on issues relating to reproductive rights and need of new mothers. Awareness on reproductive rights need of new mothers was also briefed during muster and Gender Committee meetings held at each Mill and Estates. Kempas, Kemuning and Tangkah Estates assessed new mothers needs by interviewing them as per assessment record at the Estate Clinic. Based on interview between auditor and the female workers, they were satisfied with Sime Darby's Estates welfare where the estate had paid all their expenses during delivery and 2-month maternity leaves.
	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	A grievance mechanism which respects anonymity and protects complainants is in place at the CU as per the Sime Darby Gender Committee Handbook 1st Edition 2014. The procedures have been communicated to all levels of workforce. Training regarding Grievance mechanism has been briefed to all workers.
6.6 No forms of forced or trafficked labour are used.	<p>6.6.1 (C) All workers have entered into employment voluntarily, and the following are prohibited:</p> <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> <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>	YES	<p>All workers in Kempas SOU 17 CU Estates and Mill have entered into employment voluntarily, it was verified during the interview with Indonesian, Nepali, Bangladesh and Indian workers. The workers know they will work in Oil Palm Sector since from their country.</p> <p>The mill and all visited estates at Kempas CU had given passport to foreign workers as verified during interviews with the workers. However, foreign workers have requested the office to keep their passport due to safety reason without any force from Kempas SOU CU management as verified through 'Consent for Passport Safekeeping. Foreign workers have keys to their locker and also can freely take back their passport after filling in 'Borang Pengambilan Passport' at all times. All passports are stored in the safe locker with name of worker and passport number.</p> <p>Workers also confirmed there is no involuntary overtime as they will work for overtime willingly if the management asks to. They also understand their contract requirement in case they want to resign from Sime Darby with 8 weeks of notice, they won't be having debt of bondage.</p> <p>Foreign workers also confirmed that they paid for the service fee and the others for passport, visa, medical, food, transportation from village and flight ticket. There was no contract substitution, debt bondage and withheld wages.</p>

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.	YES	The Kempas SOU 17 CU adopts the policy, Group Sustainability & Quality Policy Statement, December 2019 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". Foreign workers interviewed also confirmed that they underwent an orientation programme at Kempas, Kemuning and Tangkah Estates. New workers at the Estates were briefed upon arrival, induction training modules were sighted at the Estates. The Special Migrant Worker Policy was also committed in the SDPB Human Rights Charter (Revised 2020).
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 CU management conduct regular two-way communication with their employees through the quarterly ESH meeting. The dates of meeting held by all estates are recorded. Workers during the meeting participated in the discussion mainly online site and safety. All estates will adopt a new guideline in the agenda as introduced by GSQM. The agenda discussed follows the guidelines provided by GSQM. Discussions as sighted in the minutes are bilateral involving participation from both employer and employees. Additional important issues were included in the discussion by the committee.
	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	The procedures for accident and emergencies has been established. There is formation of ERP Team & ERP for all the identified incidences. In addition the procedures have been summarised in a chart flow form and displayed for information of all employees in the mill. 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 complex including laboratory, office, workshop, process control room etc. Similarly, the estates distributed the first aid box to the mandores and brought along to the field during operations. In addition, there are also first aid boxes kept in the office, store and workshops. 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.
	6.7.3 (C) Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the 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	YES	Training and briefing on the operations were provided for workers to educate them on safe working practices. This is also made to ensure that the applicable precautions are adhered. Training for employees is conducted from time to time based on needs through various method such as on the job training, briefings, meetings, etc. The staff and workers such as the storekeepers, Mill workers, harvesters, pruners, field workers, sprayers, fertilizer and rat bait workers were trained, and they had understood the hazards involved and how the chemicals should be used in a safe manner. Based on the HIRARC carried out at both estates and the mill the PPE types for the various activities were identified and

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	available, so that workers can change out of PPE, wash and put on their personal clothing.		recommended.
	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	Both the Estates and Mill in the SOU 17 uses SOCSO for the coverage for the local and foreign workers. The insurance coverage has ceased effective 2018 following the Government directive on the coverage.
	6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	YES	The OSH injuries were properly recorded. Sighted action by CU to investigated, risk assessed, reported to DOSH, and insurance claims has been carried out.

### **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	Kempas SOU 17 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) Section 15 -Plant Protection. The IPM program among others includes pest management of rats, bagworms, nettle caterpillars, rhinoceros beetles and ganoderma. For bagworm control the program includes the planting of beneficial plants such as Cassia cobanensis, Antigonon leptopus and Turnera subulata and for rhinoceros beetles is by using pheromone traps. In order to minimize use of pesticides the estates had planted beneficial plants mainly Tunera subulata, Cassia cobanensis and Antigonon leptopus with maps indicating areas planted. All 4 estates carried out census on rat damage and diseases like Ganoderma. The IPM technique to control rats includes rearing barn owls (Tyto alba) and rat baiting was by calendar baiting at 2 campaigns per year. Rat baiting would continue until bait acceptance fell below 20%. The procedure referred was in the Agricultural Reference Manual (ARM) Section 15 - Plant Protection.
	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 prevent and monitor their spread are implemented.	YES	Species referenced in the Global Invasive Species Database and CABI.org. are not used in managed areas of the 4 estates.
	7.1.3 There is no use of fire for pest control unless in exceptional	YES	Kempas SOU 17 continued to use the Sime Darby Plantation Berhad's policy of no open burning. As advocated, all 4 estates practiced Zero burning thus no use of fire for pest control. In the 2017, 2018



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Clause	Indicators	Comply Yes/No	Findings
	circumstances, i.e. where no other effective methods exist, and with prior approval of government authorities.		and 2019 replants visited during the audit in the estates, it was evident that all palms were felled, shredded, windrowed, and left to decompose.
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	Kempas SOU 17 continued to use agrochemicals based on its Agricultural Reference Manual (ARM) Section 15 and 16, SSOP and Pictorial Safety Standard Book (PSS) where written justifications had been provided for various fields operations. The Manual has included a chemical register list which indicates the use of selective products that are specific to the target pest, weed or disease. The procedures also covered the use of PPE when handling the chemicals. The estates continued to use pesticides as per the SOPs.
	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	Kempas SOU 17 had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and active ingredients applied per ha. Pesticides are used only when justified and areas used were recorded in bin cards, program sheets, chemical register, field cost books and in progress reports. All the estates had documented programs for spraying pesticides and for rat baiting. Records of pesticides used were available for verification.
	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) Section 16.5. The implementation in the field were consistent with the ARM and the following practices were adopted by the estates.
	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 Kempas SOU 17 except in immature and young fields, where prophylactic spraying using diluted cypermethrin are still practiced for the Pest and Diseases management such as control of Rhinoceros Beetle as per SOP. Kempas SOU 17 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. The use of paraquat had been banned in all Sime Darby Plantation Berhad estates since 2006.
	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 validated by a due diligence	YES	Kempas SOU 17 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. The use of paraquat had been banned in all Sime Darby Plantation Berhad estates since 07/11/2006. 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 had been used. Methamidophos was used in 2015 for trunk injection to treat bagworm attack. Since 2016 Sime Darby Plantation Berhad had replaced the usage of Methamidophos to Acephate a class III chemical. From records and interviews with workers, staff and estate assistants, found that they were trained, all precautions taken

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	process, or when authorised by government authorities for pest outbreaks. The due diligence refers to:		and all legal requirements met. Signboards indicated 'AWAS Dilarang Masuk', block, dates of operation, type of operation and chemical were used.
	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 judgement of the threat assessment does not apply on the Kempas SOU 17
	7.2.5b Why there is no other alternative which can be used.	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 other alternative which can be used does not apply on the Kempas SOU 17.
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.	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 other less hazardous alternative does not apply on the Kempas SOU 17.
	7.2.5d What is the process to limit the negative impacts of the application.	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 the process to limit the negative impacts of the application does not apply on the Kempas SOU 17.
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.	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 an estimation of the timescale of the application and steps taken to limit application to the specific outbreak does not apply on Kempas SOU 17.
	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 (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge	YES	Persons who handled chemical such as spraying and manuring operators have been given proper training by the SOU and external bodies.

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Clause	Indicators	Comply Yes/No	Findings
	about the activity they carry out.		
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	YES	The chemical stores in all the 4 estates were found to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149). Records of purchase, storage and use were maintained. All of the stores were equipped with exhaust fans and the door was secured and keys held by only the storekeeper and attendant. Only authorized personnel are allowed to handle the chemicals. All chemicals were segregated and fertilisers were well stacked. Relevant MSDS/CSDS were available in the stores. Empty pesticides containers were triple rinsed, holes punched in them and stored separately in the scheduled wastes store awaiting proper disposal.
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.	YES	In Kempas SOU 17, all empty pesticides containers were triple-rinsed at washing station prior to storage and disposed through a recycle company. Also observed there is a letter from DOE which exempted the container as scheduled waste. Further, there is also a letter from DOA acknowledged that the recycle company participated under "Program Kitar Semula Bekas Racun Perosak & Sisa Plastik Pertanian". Inventory and disposal documents were verified for confirmation of proper management and disposal. The wastes were disposed through DOE approved.
	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	Kempas SOU 17, aerial spraying was not practised by all the estates.
	7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.	YES	The medical surveillances were carried out accordingly and the recommendation from the CHRA is mainly on the training for operators working in laboratory, ETP, WTP, Boiler, workshop, scheduled waste and chemical store. In addition, the assessor recommended medical surveillance be conducted for the categories of employees in the workshop and laboratory and chemicals handlers. Similar CHRA was compiled for the estates with details provided therein. below. The CHRA report among others described requirement of medical surveillance to be made for the listed category of employees.
	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 the estates and mill in the CU complied with procedure and guidelines provided the Standard Operating Procedure adopted by the Organisation whereby; No work with pesticides is given to pregnant or breast-feeding women. <i>Tidak dibenarkan pekerja wanita yang MENGANDUNG / MENYUSUKAN anak membuat kerja-kerja penyemburan</i> The estates maintained the list of sprayers. Identification of pregnancy status is made by the respective appointed Medical Assistant during the monthly check-up. Field interviews with the lady workers confirmed that such a regulation is a standard practice in the estates and in compliance.

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings																																																																																												
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	<p>The Estates and Mill had established the waste and pollution management plan 2021, completed with the PIC and time frame.</p> <table><tr><th></th><th>Activities</th><th>Source</th><th>Waste /Pollution</th><th>Affected Environment</th></tr><tr><td>1</td><td>Gen store</td><td>Petrol oil, lubricant</td><td rowspan="2">Spillage &amp; contamination</td><td rowspan="2">Land, water</td></tr><tr><td></td><td></td><td>Chemical</td></tr><tr><td>2</td><td>SW store</td><td>Scheduled waste</td><td>All type of SW</td><td>Environmental</td></tr><tr><td>3</td><td>office</td><td>Domestic/office waste</td><td>paper plastic</td><td rowspan="2">Land, water</td></tr><tr><td></td><td></td><td>Toilet &amp; kitchen</td><td>sewage</td></tr><tr><td>4</td><td>Workshop</td><td>Used oil &amp; grease</td><td>Spillage</td><td rowspan="3">Recycled</td></tr><tr><td></td><td></td><td>Metal waste</td><td rowspan="2">Wastage</td></tr><tr><td></td><td></td><td>Oil drum/tank</td></tr><tr><td>5</td><td>Labour line</td><td>Domestic waste</td><td>Solid waste</td><td rowspan="2">Land, water</td></tr><tr><td></td><td></td><td>Toilet/kitchen waste</td><td>sewage</td></tr><tr><th>.</th><th>Activities</th><th>Source</th><th>Prevention</th><th>Action Plan</th></tr><tr><td>1</td><td rowspan="2">Gen store</td><td>Petrol oil, lubricant</td><td rowspan="2">Keep items in designated area i.e. bund 110% of capacity</td><td rowspan="2">Establish recovery procedure - accidental spillage. Kit available</td></tr><tr><td></td><td>Chemical</td></tr><tr><td>2</td><td>SW store</td><td>Scheduled waste</td><td>Comply to EQA requirement</td><td>Dispose as SW &amp; maintain record.</td></tr><tr><td>3</td><td rowspan="2">office</td><td>Domestic/office waste</td><td rowspan="2">Implement recycling of waste Provide bins</td><td rowspan="2">Continuous education on environmental issues and program.</td></tr><tr><td></td><td>Toilet &amp; kitchen</td></tr><tr><td>4</td><td rowspan="3">Workshop</td><td>Used oil &amp; grease</td><td>Display signboards &amp; provide litter bins</td><td rowspan="3">Provide training on recycling</td></tr><tr><td></td><td>Metal waste</td><td rowspan="2">Collect discarded materials for recycling</td></tr><tr><td></td><td>Oil drum/tank</td></tr><tr><td>5</td><td>Labour line</td><td>Domestic waste</td><td>Display signboards &amp; provide litter bins</td><td>Provide training on recycling</td></tr><tr><td>6</td><td>Labour line</td><td>Toilet &amp; kitchen waste</td><td>Ensure no accidental spillage</td><td>Cease using facilities in event of non functional</td></tr></table>		Activities	Source	Waste /Pollution	Affected Environment	1	Gen store	Petrol oil, lubricant	Spillage & contamination	Land, water			Chemical	2	SW store	Scheduled waste	All type of SW	Environmental	3	office	Domestic/office waste	paper plastic	Land, water			Toilet & kitchen	sewage	4	Workshop	Used oil & grease	Spillage	Recycled			Metal waste	Wastage			Oil drum/tank	5	Labour line	Domestic waste	Solid waste	Land, water			Toilet/kitchen waste	sewage	.	Activities	Source	Prevention	Action Plan	1	Gen store	Petrol oil, lubricant	Keep items in designated area i.e. bund 110% of capacity	Establish recovery procedure - accidental spillage. Kit available		Chemical	2	SW store	Scheduled waste	Comply to EQA requirement	Dispose as SW & maintain record.	3	office	Domestic/office waste	Implement recycling of waste Provide bins	Continuous education on environmental issues and program.		Toilet & kitchen	4	Workshop	Used oil & grease	Display signboards & provide litter bins	Provide training on recycling		Metal waste	Collect discarded materials for recycling		Oil drum/tank	5	Labour line	Domestic waste	Display signboards & provide litter bins	Provide training on recycling	6	Labour line	Toilet & kitchen waste	Ensure no accidental spillage	Cease using facilities in event of non functional
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5	Labour line	Domestic waste	Solid waste	Land, water																																																																																											
		Toilet/kitchen waste	sewage																																																																																												
.	Activities	Source	Prevention	Action Plan																																																																																											
1	Gen store	Petrol oil, lubricant	Keep items in designated area i.e. bund 110% of capacity	Establish recovery procedure - accidental spillage. Kit available																																																																																											
		Chemical																																																																																													
2	SW store	Scheduled waste	Comply to EQA requirement	Dispose as SW & maintain record.																																																																																											
3	office	Domestic/office waste	Implement recycling of waste Provide bins	Continuous education on environmental issues and program.																																																																																											
		Toilet & kitchen																																																																																													
4	Workshop	Used oil & grease	Display signboards & provide litter bins	Provide training on recycling																																																																																											
		Metal waste	Collect discarded materials for recycling																																																																																												
		Oil drum/tank																																																																																													
5	Labour line	Domestic waste	Display signboards & provide litter bins	Provide training on recycling																																																																																											
6	Labour line	Toilet & kitchen waste	Ensure no accidental spillage	Cease using facilities in event of non functional																																																																																											
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	YES	<p>At Kempas Estate and Kempas POM domestic waste has been disposed based on procedure “Scheduled Waste (Hazardous Waste) Management”. Sighted an evidence waste has been disposed to Pusat Perlupusan Sampah Sungai Udang Melaka, by the approved contractor.</p>																																																																																												

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	7.3.3 The unit of certification does not use open fire for waste disposal.	YES	During site visit at Kempas CU units, there were no evidence on waste material has been disposed using fire. All the waste material (domestic & scheduled waste) has been disposed accordingly.
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	Kempas 17 SOU practised the maintenance of long-term soil fertility by annual application of fertilizers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and EFB, POME and compost application, water management and by maintaining soft weeds within interlines. The SOPs for manuring was in Section 8 of the Agricultural Reference Manual and Section 14 of the EQMS. Fertilizer application, which was of paramount importance for maintenance of soil fertility, was carried out based on the recommendation made by the Agronomist Sime Darby Plantation Sdn Bhd. Annual fertilizer recommendations were made based on annual foliar sampling carried out in Oct 2020. The recommendation by the Agronomist were also available during the inspection and the application of fertilizers had been carried out as recommended and scheduled.
	7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.	YES	Kempas 17 SOU practised the maintenance of long-term soil fertility by annual application of fertilizers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and EFB, POME and compost application, water management and by maintaining soft weeds within interlines. The SOPs for manuring was in Section 8 of the Agricultural Reference Manual and Section 14 of the EQMS. Fertilizer application, which was of paramount importance for maintenance of soil fertility, was carried out based on the recommendation made by the Principal Agronomist, Plant Nutrition & Protection, Central West Region, based in Tanah Merah Estate. Annual fertilizer recommendations were made based on annual foliar sampling carried out in 2020 for each estates.
	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 the 4 Estates, Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate continued to have a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose and EFB, compost and POME were also applied. EFB was applied 30 mt/ha in mature and 40 mt in immature oil palm areas. It was applied on the stacked palm fronds in the mature areas while for immature palm was applied in the circles.
	7.4.4 Records of fertiliser inputs are maintained.	YES	Kempas SOU 17 continued to monitor their fertilizer inputs as recommended by their Chief Agronomist 1, Plant Nutrition & Protection, Central West Region. 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. Records of programs and applications of fertilisers were made available to auditors.
7.5 Practices minimise and control erosion and degradation of	7.5.1 (C) Maps identifying marginal and fragile soils, including steep terrain, are available.	YES	During the field visit and the soil maps provided and reviewed by the auditors it was observed that no fragile or marginal soils were found in Kempas SOU 17. As per the Soil Maps the soil series were as follows:

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Clause	Indicators	Comply Yes/No	Findings																																																																																								
soils.			<table><tr><th>Kempas Estate</th><th>Kemuning Estate</th><th>Tangkah Estate</th><th>Serkam Estate</th></tr><tr><td>Bungor</td><td>Batu Anam</td><td>Bungor</td><td>Bungor</td></tr><tr><td>Gajah Mati</td><td>Bungor</td><td>Durian</td><td>Jerangau</td></tr><tr><td>Holyrood</td><td>Bungor/Kedah Shallow</td><td>Durian Shallow</td><td>Local Alluvium I</td></tr><tr><td>Jeram</td><td>Colluvium I</td><td>Jerangau</td><td>Local Alluvium II</td></tr><tr><td>Kg Kubur</td><td>Colluvium I I</td><td>Klau/Bungor</td><td>Rengam</td></tr><tr><td>Local Alluvium I</td><td>Durian</td><td>Local Alluvium I</td><td>Gajah Mati</td></tr><tr><td>Local Alluvium I I</td><td>Gajah Mati</td><td>Malacca</td><td>Munchong</td></tr><tr><td>Munchong</td><td>Jitra</td><td>Malacca Very Shallow</td><td>Serdang</td></tr><tr><td>Organic Clay</td><td>Local Alluvium</td><td>Local Alluvium II</td><td>Chat</td></tr><tr><td>Muck</td><td>Malacca</td><td>Organic Clay</td><td>Malacca</td></tr><tr><td>Tavy</td><td>Munchong</td><td>Kelau</td><td>Pohoi</td></tr><tr><td>Rengam</td><td>Munchong Shallow</td><td>Rengam</td><td>Malacca/Tavy</td></tr><tr><td>Serdang</td><td>Older Alluvium</td><td>Serdang/Munchong</td><td></td></tr><tr><td>Seremban</td><td>Padang Besar</td><td>Sungai Buloh</td><td></td></tr><tr><td></td><td>Prang</td><td>Tampin</td><td></td></tr><tr><td></td><td>Rengam</td><td>Tavy Shallow</td><td></td></tr><tr><td></td><td>Rengam Shallow</td><td>Unclassified</td><td></td></tr><tr><td></td><td>Sungai Buloh/Holyrood</td><td></td><td></td></tr><tr><td></td><td>Tavy</td><td></td><td></td></tr><tr><td></td><td>Tebok</td><td></td><td></td></tr><tr><td></td><td>Unclassified</td><td></td><td></td></tr></table>	Kempas Estate	Kemuning Estate	Tangkah Estate	Serkam Estate	Bungor	Batu Anam	Bungor	Bungor	Gajah Mati	Bungor	Durian	Jerangau	Holyrood	Bungor/Kedah Shallow	Durian Shallow	Local Alluvium I	Jeram	Colluvium I	Jerangau	Local Alluvium II	Kg Kubur	Colluvium I I	Klau/Bungor	Rengam	Local Alluvium I	Durian	Local Alluvium I	Gajah Mati	Local Alluvium I I	Gajah Mati	Malacca	Munchong	Munchong	Jitra	Malacca Very Shallow	Serdang	Organic Clay	Local Alluvium	Local Alluvium II	Chat	Muck	Malacca	Organic Clay	Malacca	Tavy	Munchong	Kelau	Pohoi	Rengam	Munchong Shallow	Rengam	Malacca/Tavy	Serdang	Older Alluvium	Serdang/Munchong		Seremban	Padang Besar	Sungai Buloh			Prang	Tampin			Rengam	Tavy Shallow			Rengam Shallow	Unclassified			Sungai Buloh/Holyrood				Tavy				Tebok				Unclassified		
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	7.5.2 No replanting on steep slopes (above 25 degress) unless approved by state governments. In case of replanting is permitted, no replanting in contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the Unit of Certification.	YES	<p>Kempas SOU 17 had a management strategy for planting on slopes to minimise and control erosion and degradaton of soils. The plantings on slopes between 9 and 25 degrees was guided by:</p> <ul style="list-style-type: none"><li>• Buffer Zone &amp; 25 degree slope and in item 8 Section 4 in ARM Manual.</li><li>• Land Preparation for Terracing in ARM Manual.</li></ul> <p>It was observed that no replanting of any individual, contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the SOU.</p> <p>It was also observed that practices to minimise and control erosion and degradation of soils were in place through proper stacking of fronds, EFB application, avoidance of blanket spraying, construction terraces, road maintenance and maintenance of soft vegetation in interlines.</p> <p>Cover crop were planted in the replants and in some mature areas. The cover crop <i>Mucuna bracteata</i> had been planted along some slopes by management. Large areas with <i>Neprolepis biserrata</i> in the inter rows were sighted during the visit.</p>																																																																																								
	7.5.3 There is no new planting of oil palm on steep terrain.	YES	<p>Kempas SOU 17 had a management strategy for planting on slopes to minimise and control erosion and degradaton of soils. It was observed that there is no new planting of oil palm on steep terrain.</p>																																																																																								
7.6 Soil surveys and topographic	7.6.1 (C) To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or	YES	<p>Kempas SOU 17 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</p>																																																																																								

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.	soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations.		marginal soils were found in Kempas SOU 17. There were no marginal and fragile soils in the 4 estates.
	7.6.2 Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices.	YES	Kempas SOU 17 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 was provided and reviewed by the auditors.
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	YES	Kempas SOU 17 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 Kempas SOU 17.
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	This is <i>not applicable</i> as there is no peat soil in the entire 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates.
	7.7.2 Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 Nov 18) to RSPO Secretariat. PROCEDURAL NOTE: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO PLWG audit guidance (see Procedural Note for 7.7.5 below).	YES	This is <i>not applicable</i> as there is no peat soil in the entire 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates.
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	YES	This is <i>not applicable</i> as there is no peat soil in the entire 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates.
	7.7.4 (C) A documented water and ground cover management programme is in place.	YES	This is <i>not applicable</i> as there is no peat soil in the entire 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates.

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Clause	Indicators	Comply Yes/No	Findings
	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 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. 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.	YES	This is <i>not applicable</i> as there is no peat soil in the entire 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates.
	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	This is <i>not applicable</i> as there is no peat soil in the entire 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates.
	7.7.7 (C) All areas of unplanted	YES	This is <i>not applicable</i> as there is no peat soil in the entire 4 estates in Kempas SOU 17 as supported by



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Clause	Indicators	Comply Yes/No	Findings
	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 Vegetation Associated with Oil Palm Cultivation on Peat’, version 2 (2018) and associated audit guidance.		the soil maps of respective estates.
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	SOU 17 Mill /estates had established its Water Management Plan 2021 which was developed to maintain the quality and availability of natural water resources. This is made by practicing efficient water consumption through various methods such as; a) Implementation of rain water harvest, b) Construction of water gate and scheduled water pumping for effective management of field drains and field water level. c) daily monitoring of bund / scheduled maintenance d) Establishment of <i>mucuna bracteata</i> to prevent erosion, e) Side drain at field road to control water, frond stacking, f) Enhancement of ground vegetation at bare ground area.
	7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.	YES	Based on stakeholder consultation with local communities and field visit, there was evidence that the CU 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.	YES	As verified at SOU facilities for workers and through interview with workers, all workers have obtained adequate access to clean water via Syarikat Air Melaka Berhad (SAMB), Syarikat Air Negeri Sembilan and Syarikat Air Johor (SAJ).
	7.8.2 (C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with ‘RSPO	YES	The Estates continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along the natural waterways. The estates adopted the existing SDP policy to maintain the buffer by restricting agrochemical application and left undeveloped during replanting. Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The guidelines are detailed in the River Reserve Management (Management of River

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Clause	Indicators	Comply Yes/No	Findings
	Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017).		Reserve in Sime Darby Plantation dated April 2014).
	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	Analysis of the final discharge was carried out on monthly basis through Lab Services Laboratories R&D Centre. Review of the results indicated that all parameters were within the regulatory limit.
	7.8.4 Mill water use per tonne of FFB is monitored and recorded.	YES	For year 2020 total ration water used per FFB processed were 0.91, slightly above the CU target which was ratio 1.5liter per FFB process
7.9 Efficiency of fossil fuel use and the use of renewable energy is optimised.	7.9.1 A plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented.	YES	<p>There is no opportunity for the estates to capitalize the utilisation of fibre/shell produced from the mill as part of their energy production in replacement of fossil fuel with the current technology limitation. A plan for improving the efficiency of the use of fossil fuels is in place incorporated into the Environmental Aspect and Impact activities report for 2021.</p> <p>The estates and mill record and monitor the diesel utilization over the running hours of gen-set and other vehicles running. Performance variation in view of several factors i.e.</p> <ul style="list-style-type: none"> <li>a) Infrastructure of estates,</li> <li>b) Community size / no of gen-sets,</li> <li>c) No. of vehicles / age of machine.</li> <li>d) Weather interference / crop production volume</li> </ul> <p>Renewable energy usage &amp; diesel consumption 2020 was established and monitored by monthly basis. Among others effort to reduce diesel usage includes the following;</p> <ul style="list-style-type: none"> <li>a) By maintenance of the boiler &amp; machinery to ensure at optimum level,</li> <li>b) to monitor diesel usage,</li> <li>c) provide training to workers regarding reduce fuel and diesel usage for boiler.</li> </ul>
7.10 Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are	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 2020. CU calculated the emission through RSPO Palm GHG (data as table below). CU also submitted GHG footprint report to the RSPO and RSPO annual communication of progress (ACOP) (publicly available report) -:</p> <p><u>Summary of Net GHG Emissions</u></p>

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Clause	Indicators	Comply Yes/No	Findings					
designed to minimise GHG emissions.			Emissions per Product		tCO2e/tProduct	Extraction	%	
			CPO		1.28	OER	20.90	
			PK		1.28	KER	5.28	
			Land Use				Ha	
			OP planted area				30635.99	
			OP planted on peat				0	
			Conservation (forested)				0	
			Conservation (non-forested)				0	
			Total				30635.99	
			<u>Summary of Field Emissions and Sinks</u>					
					Own Crop		Group	
					tCO2e	tCO2e/tFFB	tCO2e	tCO2e/tFFB
			Emissions					
			Land Conversion		97640.05	0.49	37097.32	0.95
			*CO2 Emissions from Fertiliser		7697.74	0.04	2723.67	0.07
			**N2O Emissions - fertilizer		3716.81	0.02	1371.11	0.04
			Fuel Consumption		1084.43	0.01	371.98	0.01
			Peat Oxidation		0	0	0	0
			Sinks					
			Crop Sequestration		-84195.74	-0.42	-34927.66	-0.90
			Conservation Sequestration		0	0	0	0
			Total		25943.28	0.13	6636.42	0.17
			<u>Summary of Mill Emissions and Credits</u>					

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Clause	Indicators	Comply Yes/No	Findings																														
			<table><tr><td></td><td>tCO2e</td><td>tCo2e/tFFB</td></tr><tr><td>Emissions</td><td></td><td></td></tr><tr><td>POME</td><td>46733.63</td><td>0.20</td></tr><tr><td>Fuel Consumption</td><td>65.88</td><td>0</td></tr><tr><td>Grid Electricity Utilisation</td><td>454.44</td><td>0</td></tr><tr><td>Credits</td><td></td><td></td></tr><tr><td>Export of Grid Electricity</td><td>0</td><td>0</td></tr><tr><td>Sales of PKS</td><td>0</td><td>0</td></tr><tr><td>Sales of EFB</td><td>0</td><td>0</td></tr><tr><td>Total</td><td>47253.95</td><td>0.20</td></tr></table>		tCO2e	tCo2e/tFFB	Emissions			POME	46733.63	0.20	Fuel Consumption	65.88	0	Grid Electricity Utilisation	454.44	0	Credits			Export of Grid Electricity	0	0	Sales of PKS	0	0	Sales of EFB	0	0	Total	47253.95	0.20
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Total	47253.95	0.20																															
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 RSPO GHG Assessment Procedure for New Development).	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 CU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.																															
7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.	YES	An assessment of all polluting activities has been conducted and monitored. This included the gaseous emissions, particulate / soot emissions and effluent. The CU has continued to maintain its environmental aspects/impacts register associated with their activities. Environmental aspect and impact (EAI) records which covers estates and mill activities / operation. ‘Pollution Identification Environmental Improvement Action Plan’ is used to identify the waste products and sources of pollution, was in place and is reviewed accordingly.																															
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 land preparation of existence or new planting in SOU 26 and Estates by burning ever since SDB practiced zero burning as per the policy in: a) EQMS-SOP-SectionB2 - Under felling/clearing & land preparation b) Carbon Policy  SDP has a policy of no open burning. As advocated, the estates practiced zero burning. In the replants visited during the audit in the Estates, it was evident that all palms were felled, shredded, windrow-ed and left to decompose. There was no evidence that fire had been used to prepare land for the OP cultivation.																														
	7.11.2 The unit of certification	YES	This is established in the ERP procedure <i>Kertas Kerja Program Simulasi Kebakaran</i> containing																														

## RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
	establishes fire prevention and control measures for the areas under its direct management.		<ul style="list-style-type: none"> <li>a) Objective</li> <li>b) Activity and prevention.</li> <li>c) Function of Fire and Rescue Team</li> <li>d) Emergency Evacuation Plan / Drill</li> </ul> <p>The procedure was formalised by RGSM for use in all operating units in SDP Estates and mills. Training related to fire drill are conducted annually.</p>
	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.	YES	<p>Both the estates and the mill in SOU 17 held engagement with the adjacent stakeholders via briefing sessions as stated in ERP procedure <i>Kertas Kerja Program Simulasi Kebakaran</i> and Fire Prevention and Control Measure. Therein containing</p> <ul style="list-style-type: none"> <li>a) Objective</li> <li>b) Activity and prevention.</li> <li>c) Function of Fire and Rescue Team</li> <li>d) Emergency Evacuation Plan / Drill</li> </ul>
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	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 CU since 15 November 2018. Hence, this Indicator is not applicable.
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	Kempas SOU 17 has reviewed their HCV with new assessment conducted on 10-13 February 2014. Report was lodged on April 2015 for the new HCV assessment titled 'HCV Re-Assessment for Strategic Operating Unit (SOU 17 – Kempas) which included both the planted area and relevant wider landscape-level considerations with villages and forest reserved. For Serkam Estate, HCV Re - Assessment has been conducted in April 2017 titled HCV Re-Assessment for Strategic Operating Unit (SOU 18 – Diamond Jubilee). Based on the HCV assessment report, there is only HCV 4 declare in SOU Kempas and the total area of HCV area for Kempas SOU 17 CU is 48.69 ha.
	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 those plantations remains valid.	YES	
	7.12.2b: Any new land clearing (in existing plantations or new plantings) after 15 November	YES	

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Clause	Indicators	Comply Yes/No	Findings
	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 (where these are identified).	YES	<p>Progress of implementation of the action plans i.e. 'Environmental Management Plan FY: 2020 Objectives &amp; Target – for All Estate were reviewed and verified on the ground.</p> <p>The HCV Action Plan integrated in the Environmental Management Plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified). Some of action highlighted in the plan are:</p> <ul style="list-style-type: none"> <li>- Providing the Signage</li> <li>- Continuous monitoring</li> <li>- Training</li> <li>- Rehabilitation Buffer zones by planting a beneficial plant</li> <li>- Meeting with Government bodies/authorities Department.</li> </ul>
	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 agreement, obtained through FPIC, encouraging their	YES	Not applicable as no local community was identified in HCV areas.

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Clause	Indicators	Comply Yes/No	Findings
	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	Although there was no RTE species found in the CU, Kempas SOU 17 still conduct programme to regularly educate the workforce about the status of RTE species in Malaysia. Sime Darby also established their own disciplinary measures if any of their staff or workers found to capture, harm, collect or kill the RTE species. If found any activities to capture, harm, collect or kill RTE species, the estates will make a report to the Wildlife Department immediately.
	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	Kempas SOU 17 has conducted an on-going monitoring of their HCV4 areas as evidenced by the records in the 'Monitoring of HCV & Conservation Area' files at all Estates. No RTE species were found within the estates area.
	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 RaCP applies.	YES	Not applicable since no new land clearing without prior HCV assessment since November 2005 and or without prior HCV-HCSA assessment since 15 November 2018 where the Remediation and Compensation Procedure (RaCP) applies.

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Clause	Indicators	Comply	Findings
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		Yes/No	
<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>	<p>YES</p> <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=00P90000010ioYJEAZ">https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P90000010ioYJEAZ</a></p> <p><b>PT Sandika Natapalma &amp; PT Budidaya Agro Lestari</b>  Perijinan informasi lahan is obtained in 2015 while the other 'perijinan' is still in processing.  As at June 2017, the smallholders with the total of 29,914 Ha (58% from the total Ha, 51,715 Ha) of associated smallholders in Indonesia has been certified. Certification process for the remaining associated smallholder's areas was on-going. SDP expect to achieve 100% RSPO certification of associated smallholders and out growers by end 2020.</p> <p><b>PT Bersama Sejahtera Sakti</b>  The new project at KKPA Maju Bersama by the plasma community is currently in nursery stage and not yet due for harvesting, the year of planting was in 2014.</p> <p><b>PT Ladang Rumpun Subu Rubadi</b>  SAP 1 Estate PLASMA will be undergone 2<sup>nd</sup> stage audit on 2019.</p> <p><b>PT Guthrie Pecconina</b>  Sungai Jernih Estate and the KKPA Estates has undergone audit.</p> <p><b>PT Sime Indo Agro</b>  Only East estate not yet certified – land legalization still in progress.</p> <p><b>Liberia</b>  SDPL has undergone RSPO Main Certification audit scheduled on 19 to 23/3/2018, but the assessment was only completed conducted and put on-hold due to security &amp; safety issue. After due consideration on the current engagement with the House of Representative in Liberia, SDP management decided to postpone the time bound plan of RSPO Certification to 2019 until satisfactory resolution and demonstration of progress towards the 15 recommendations by the</p>



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				<p>Special Legislative Committee of the House of Representative, Liberia in managing the potential risks resulting from the RSPO Certification process.</p> <p>A letter of Request for Extension of RSPO Certification Time Bound Plan for Sime Darby Plantation dated 22/5/2019 was sent to RSPO Secretariat, Head of Certification, and with response to Sime Darby Plantation on 23/5/2019 with no objections on the extension. The Liberia operation has been ceased since at the time of this audit.</p> <p><b><u>Papua New Guinea (NBPOL)</u></b></p> <p>Markham Farming Company Limited (MFCL) / Markham Agro Pte. Ltd. Estimate to be certified on year 2020.</p> <p>The majority of Markham Farms has already been planted by the former owner without following RSPO NPP. Therefore, the Remediation and Compensation Procedure will be required to be fulfilled to achieve certification. The Disclosure has been initiated on 18.10.18. Currently HCV/HCS, SEIA and LUCA are being undertaken to submit and mitigation and remediation plan to RSPO. As this process has never been completed through RSPO in less than 2 years, the time frame for the 100% certification of Markham Farms is set to that duration.</p> <p><a href="https://rspo.org/certification/remediation-and-compensation/racp-tracker-no-82">https://rspo.org/certification/remediation-and-compensation/racp-tracker no 82</a></p>
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the ASA 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	<p>Time bound plan was verified by CB and it can be confirmed that there were several changes to the current time bound plan as verified during this audit. Liberia has received and extension of Timebound Plan which is until 2020 and PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera. Refer letter dated 27/6/2019 to RSPO Secretariat and announcement at Bursa Malaysia.</p> <p><a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a></p>
	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to	YES	<p>Time bound plan was verified by CB and it can be confirmed that there were several changes to the current time bound plan as verified during this audit. Liberia has received and extension of Timebound Plan which is until 2020 and PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera. Refer letter dated 27/6/2019 to RSPO Secretariat and announcement at Bursa Malaysia.</p> <p><a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a></p>

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		the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or eq.);		
4.5.4 Requirements for uncertified management units:	(a)	No replacement of primary forest or any area required to maintain or enhance HCVs in acc. with RSPO P&C criterion 7.3. Any new plantings since 1 <sup>st</sup> Jan 2010 shall comply with the RSPO NPP. For each new planting dev., 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 no 82">https://rspo.org/certification/remediation-and-compensation/racp-tracker no 82</a>
	(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 dated 27/6/2019 to RSPO Secretariat and announcement at Bursa Malaysia. <a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a>
	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO	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

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		P&C criterion 6.3;		at June 2019.												
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	YES	Based on internal and external audit (ISPO certified) there was no 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 dated 27/6/2019 to RSPO Secretariat and announcement at Bursa Malaysia. <a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a>												
		<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><tr><td>2</td><td>PT Ladang Rumpun Subur abadi</td><td>Subur Abadi Plasma 1</td><td>Internal assessment has been conducted for Subur Abadi Plasma 1 on 22/2/2017. 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</td></tr></table>	#	Name of SOU	Name of Units	Positive assurance statement and self-assessment	1	PT Sime Indo Agro	East Sei Mawang	Internal assessment was conducted on 29 May – 3 June 2017 by PT Mutuagung Lestari Auditor	2	PT Ladang Rumpun Subur abadi	Subur Abadi Plasma 1	Internal assessment has been conducted for Subur Abadi Plasma 1 on 22/2/2017. 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
#	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													

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							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	<p>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.</p> <p>Confirmation of the status is in progress. Sime Darby Plantation does not have management control over the plasma scheme. 1 out of 6 Koperasi Unit Desa (KUD) has been RSPO Certified. And all KUD is planned to undergo RSPO Certification by 2020 as reported in the timebound plan. Land Use Change Analysis has been completed for Plasma BGR. Refer to RSPO Certificate &amp; Report for PT BGR -</p> <p><a href="https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ">https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&amp;file=00P9000001OioYJEAZ</a></p> <p><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></p>

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				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	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	<p>Further information can be obtained from <a href="https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail">https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail</a></p> <p>However, Sighted as at June 2019 PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera. Refer letter dated 27/6/2019 to RSPO Secretariat and announcement at Bursa Malaysia. <a href="http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965">http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965</a></p>			
4.6.4 The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall consult directly with all of these		No additional indicators	YES	<p>As it has been mentioned in 2.2.1 of this checklist, The Land Title for All Estate has been verified, for all estates.</p> <p>a) The Land Title was under the name of Sime Darby Plantation Bhd.</p> <p>b) Each estate had legal use of the land through Lands and Surveys Department following the payment of premium and Land fee.</p> <p>c) 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>			

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parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.				
<p>Note:</p> <ol style="list-style-type: none"> <li>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;</li> <li>2. Failure to address any outstanding NC within uncertified unit(s) regarding 4.5.4 (a)-(d) may lead to certificate suspension(s) to the certified unit(s), in accordance with the provisions of these Certification Systems.</li> </ol>				

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### ATTACHMENT 4

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

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
3.3.2 RAR 01 2021	Minor	<p>Requirement: A mechanism to check consistent implementation of procedures is in place.</p> <p>Finding: During site visit at Serkam Estate (Serkam Division) oil trap at skid tank was full of mud and not maintained accordingly.</p>	<p>Correction: The skid tank area was cleaned</p> <p>Corrective Action: Workplace inspection has included checking on oil trap and surrounding of skid tank in quarterly basis. Workplace inspection will be done quarterly by OSH committees.</p>	<p>Corrective action plan was accepted by assessor.</p> <p><b>Status: Open. Will be verify the implementation and effectiveness during next audit.</b></p>
3.7.2 MN 01 2021	Minor	<p>Requirement: Records of training are maintained, where appropriate on an individual basis.</p> <p>Finding: During the visit to both Kemuning and Tangkah Estates, it was found out that trainings on HIRARC and PPE were not done, although both the trainings were listed in the training matrix.</p>	<p><u>Kemuning Estate</u></p> <ol style="list-style-type: none"> <li>1) Briefing on types and usage of PPE to all workers on 4<sup>th</sup> May 2021 is recorded.</li> <li>2) Briefing on hazards at workplace and risk control to workers on 4<sup>th</sup> May 2021. Refresher training on HIRARC to be conducted to OSH committees on 24<sup>th</sup> May 2021</li> </ol> <p><u>Tangkah Estate</u></p> <ol style="list-style-type: none"> <li>1) Estate had arranged supplier Mycrop to conduct awareness training on PPE to sprayers on 4<sup>th</sup> May 2021.</li> <li>3) Briefing on hazards at workplace and risk control to workers on 4<sup>th</sup> May 2021. Refresher training on HIRARC to be conducted to OSH committees on 25<sup>th</sup> May 2021</li> </ol>	<p>Corrective action plan was accepted by assessor.</p> <p><b>Status: Open. Will be verify the implementation and effectiveness during next audit.</b></p>

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### ATTACHMENT 5

#### STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Verification by Assessor	Status
1.1.5 RZ 01 2020	Minor	<p>Requirement: There is a current list of contact and details of stakeholders and their nominated representatives.</p> <p>Finding: Stakeholder lists of Kempas Palm Oil Mill, Kempas Estate, Kemuning Estate and Serkam Estate do not have complete information on stakeholders and the stakeholders' nominated representatives.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> <li>1. The stakeholder list of Kempas Palm Oil Mill does not contain details of Indonesian and Nepal Embassies despite employing workers from those countries.</li> <li>2. The stakeholder list of Serkam Estate does not contain details of Bangladesh High Commission and Nepal Embassy despite employing workers from those countries.</li> <li>3. The stakeholder list of Kemuning Estate does not contain details of Indian and Bangladesh High Commissioners, Indonesian and Nepal Embassies despite employing workers from those countries.</li> <li>4. The stakeholder lists of Kempas Palm Oil Mill, Kempas, Kemuning and Serkam Estates do not contain details of contractors, vendors, suppliers, and local authorities' nominated representatives.</li> </ol>	The stakeholder list is updated to contain the details of the embassies, contractor/vendor/supplier/local authorities and its nominatives representative. Kempas POM and Serkam Estate has the details of their respective stakeholders.	Closed
3.5.1 RZ 02 2020	Minor	<p>Requirement: Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives.</p> <p>Finding: The procedures for promotion is not available for workers.</p>	Employment procedures for retirement and termination are available in the local workers' employment contracts. Similarly, foreign workers' contracts also contain provision for mutual termination. Retirement procedure is not applicable to foreign workers.	Closed



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		Objective Evidence: Employment procedures for promotion is only available for executives and not the local & foreign workers.	There was Career Progression for Workers Level updated on 1/1/2020, Doc Ref SDP/HRUM/2020/SOP01. Therefore, previous NCR RZ 02 2020 was satisfactorily closed.	
4.1.1 RZ 03 2020	Major	Requirement: 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. Finding: Sime Darby Plantations Berhad does not have a documented policy that prohibits retaliation against Human Rights Defenders. Objective Evidence: Sime Darby Plantations Berhad's Human Rights Charter (revised 2019) provides for protection of Human Rights Defenders, whistle blowers, complainants and community spokespersons. However, this Policy is still in a draft stage and yet to be finalized, implemented and communicated to all levels of the workforce, operations, FFB suppliers and local communities.	The Group has established a specific Policy on Human Right Defenders, Whistleblowers and Complainants and the Policy had been finalized by GSQM on 25 March 2020.	Closed
4.2.1 RZ 04 2020	Major	Requirement: 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. Finding: The dispute and grievance procedure does not prohibit retaliation against Human Rights Defenders, community spokespersons and whistleblowers where requested. Objective Evidence: There existing dispute and grievance procedure called "Tatacara Perundingan Dalam Menangani Rungutan Dan Aduan", and "Procedures for	The Group Policies & Authorities (GPA) No. B5 WHISTLEBLOWING POLICY dated 29 AUGUST 2019. At section 4.3 (g) self-explanatory that "For the purposes of this policy, the following improprieties are referred to as 'Wrongdoing' whether committed within the Group or in connection with the Group's business: Breaches of any Group policies and/or COBC which also refer to Policy on the Protection of Human Rights Defenders (HRDs).	Closed

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		handling Social Issues" dated 1 November 2008 does not prohibit retaliation against Human Rights Defenders, community spokespersons and whistleblowers where requested.		
6.5.4 RZ 05 2020	Minor	Requirement: A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce. Finding: The grievance mechanism which respects anonymity and protects complainants have not been effectively communicated to all levels of workforce. Objective Evidence: 9 sampled workers and 1 executive at Tangkah Estate were not aware of the mechanism that the Company has which provides anonymity and protects complainants. Therefore, the grievance mechanism and provisions for whistleblowing have not been effectively communicated to all levels of workforce.	In this Audit, interviewed workers and executive at Kempas, Kemuning and Tangkah Estates demonstrated their awareness of the grievance mechanism which provides anonymity and protects to whistleblowers and complainants. The sighted training program at all Estates in Kempas CU also showed training on Whistleblowing response procedures, COB, "Suara Kami" helpline and others relevant to Human Rights which had been implemented in 2020.	Closed
2.1.3 MAR 01 2020	Minor	Requirement: Indicator 2.1.3: Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries. Finding: Legal or authorised boundaries are not clearly demarcated and visibly maintained. Objective evidence: Based on site visit at Kemuning Estate (Kru Div), there was not clearly authorized boundaries demarcated between Kru Div and small grower.	This area Kemuning Kru Division has been contracted out effective 01/1/2021 and the management the area is run by a contractor. The boundary has been marked with markers of red and white strips and visible to reflect a boundary in existence. There was also a signboard displayed. As such the corrective action for NCR raised is accepted and concluded. All estates visited displayed adequate markers and signage to reflect existence of a boundary.	Closed
3.6.2 MAR 02 2020	Major	Requirement: The effectiveness of the H&S plan to address health and safety risks to people is monitored. Finding: Safety risks has not been monitored for worker's quarters (Kemuning Estate-Kru Div) and crèche (Tangkah Estate-Kundong Div). Objective evidence: Based on workplace inspection document reviewed at Kemuning Estate (Kru Div) and crèche (Tangkah Estate-Kundong Div), there	During the site visit to the workers housing complex, there was no notable inferior condition of the building. The entire CU has introduced and implemented the following forms in assistance for monitoring during the line site inspection. Housing Unit Inspection (EWR) - Pemeriksaan Unit Perumahan (EWR) made min 2x/month among others to include a) house condition, leaking pipes, compound tidiness, b) open burning, unsafe condition,	Closed

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		was no inspection for worker's quarters in term of broken roof and side floor and fencing around the creche.	c) working tools, obsolete vehicles etc  Inspection report dated 23/04/2021 for all respective estates were sighted and verified. As such the corrective action for NCR raised is accepted and concluded.	
6.7.2 RAR 01 2020	Minor	<p>Requirement : 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.</p> <p>Finding :</p> <ul style="list-style-type: none"> <li>i) First aid kit was not available at worksite at Kempas Estate (Merlimau and Main Div).</li> <li>ii) Assigned operative was not trained for using of first aid kit at Tangkah Estate (Kundong Div).</li> </ul> <p>Objective evidence :</p> <ul style="list-style-type: none"> <li>i) During site visit at Kempas Estate, first aid boxes was not available at spraying and harvesting operation.</li> <li>ii) Based on site visit and documentation review, no evidence of the assigned operative for first aid were attend the training.</li> </ul>	During the site visit to the assigned estates all operations were equipped with 1st Aid boxes and appropriate PPE. Trainings were provided to the assigned personnel.	Closed

# RSPO P&C AUDIT REPORT

ATTACHMENT 6 – Timebound Plan

## 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		

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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		

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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	-		Certified		

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		Estate					
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 been merged into Salak Estate and Bradwall Estate.
		Sua Betong Estate	-		Certified		
		Sengkang Estate	-		Certified		
		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		

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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		



## RSPO P&C AUDIT REPORT

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 Pulai 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		

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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		

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		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

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

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		

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4	PT Langgeng Muaramakmur	<b>Bebunga Mill</b>	-		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	<b>Sukamandang Mill</b>	-		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	<b>Ladang Panjang Mill</b>	-		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.
		Ladang Panjang Estate	-			Certified	9-Jul-12	
		Plasma BGR Estate	2020	Nov-19		-		Sime Darby Plantation does not have mgmt 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 Cert by 2020 as reported in the TBP. Socialisation with the entire KUD is currently ongoing. LUCA has been completed for Plasma BGR.

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	PT Tunggal Mitra Plantations	<b>Manggala Mill</b>	-		Rokan Hilir District – Riau	Certified	25-Nov-10	-
		Manggala 1 Estate	-			Certified		-
		Manggala 2 Estate	-			Certified		
		Manggala 3 Estate	-			Certified		
8	PT Paripurna Swakarsa	<b>Pondok Labu Mill</b>	-		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	<b>Gunung Aru Mill</b>	-		Kotabaru District – South Kalimantan	Certified	5-Jul-11	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.
		Gunung Aru Estate	-			Certified		
		Gunung Kemas Estate	-			Certified		
		Laut Timur Estate	-			Certified		
		Pantai Timur Estate	-			Certified		
		KKPA MBP	2020	Dec-19		-		
10	PT Guthrie Pecconina	<b>Rantau Panjang Mill</b>	-		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.

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11	PT Laguna Mandiri	<b>Rantau Mill</b>	-		Kotabaru District – South Kalimantan	Certified	30-Dec-11	
		Rantau Estate	-			Certified		
		Matalok Estate	-			Certified		
		<b>Betung Mill</b>	-			Certified	1-Apr-14	
		Betung Estate	-			Certified		
		Sekayu Estate	-			Certified		
12	PT Indotruba Tengah	<b>Sekunyir Mill</b>	-		Seruyan and West Kotawaringin District – Central Kalimantan	Certified	23-Nov-10	
		Sekunyir	-			Certified		
		Seruyan Estate	-			Certified		
13	PT Swadaya Andika	<b>Selabak Mill</b>	-		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	<b>Sungai Pinang Mill</b>	-		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	<b>Pemantang Mill</b>	-		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		

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16	PT Bhumireksa Nusa Sejati	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		



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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		-		
		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 Perijinan' process is ongoing  Perijinan informasi lahan is obtained in 2015 while the other 'perijinan' is still in processing HGU obtained as per May 2018 Perijinan informasi lahan is obtained in 2015 while the other 'perijinan' is still in processing
		Sungai Putih (PT BAL) Estate	2020	May-19		-		
		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

## RSPO P&C AUDIT REPORT

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

No	Management Unit	Supply Base	Time Bound Plan	Location	Status	Certified Date
	SOU Name					
1	Guadalcanal Plains Palm Oil Limited (GPPOL)	Tetere Oil Mill	NA	Guadalcanal Province, Solomon Islands	Certified	18-Mar-11
		Tetere Estate				
		Ngalimbiu Estate				
		Mbalisuna Estate				
		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)				

# RSPO P&C AUDIT REPORT

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)				

# RSPO P&C AUDIT REPORT

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				

## RSPO P&C AUDIT REPORT

		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. 'https://www.rspo.org/certification/public-announcement

# RSPO P&C AUDIT REPORT

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

No	Management Unit	Mill and Supply Base	Time Bound Plan	Location	Status	Certified Date	Remarks
	SOU Name						
1	Sime Darby Plantation (Liberia) Grand Cape Mount	Grand Cape Mount Mill	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					