	SIRIM QAS INTERNATIONAL SDN. BHD. Building 4, SIRIM Complex, No. 1 ,Persiaran Dato' Menteri, Section 2, 40700 Shah Alam, Selangor, Malaysia.	**File Ref. : ES10170016**
	RSPO PUBLIC SUMMARY REPORT	

CLIENT : GIRAM STRATEGIC OPERATING UNIT – SOU 29 GIRAM

PARENT COMPANY : SIME DARBY PLANTATION BERHAD

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

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

Certification Unit	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
SOU 29 – Giram	Giram Palm Oil Mill	4° 35' N	118° 12' E	Kilang Kelapa Sawit Giram, 91207 Kunak, Sabah
	Giram Estate	4° 35' N	118° 12' E	Giram Estate, 91207 Kunak, Sabah
	Mostyn Estate	4° 39' N	118° 07' E	Mostyn Estate, 91207 Kunak, Sabah

MAP : See Attachment 1

AUDIT DATE : 14 – 16 & 18 May 2018 **DURATION : 9 auditor days**

TYPE OF AUDIT : [√] **Annual Surveillance Audit No. 3** [ ] **Recertification Audit**

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

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

VALIDITY OF RSPO CERTIFICATE : 13 July 2015 - 12 July 2020

The following attachments form part of this report:
Non-conformity Report(s) [√] List of additional site(s) [ ]

Report by Audit Team Leader		**Acknowledgement by Client's Representative**	
Name :	**Selvasingam T Kandiah**	Name :	Saifullizan Kamaruddin
Signature :		Signature :	
Date :	**27 August 2018**	Date :	29 August 2018

SUMMARY OF AUDITS

Stage 2 audit / Recertification audit					
On-site audit date	:	9 - 11 December 2014		No. of auditor days :	9
Audit team	:	Khairul Najwan Ahmad Jahari (LA), Valence Shem, Mohamed Hidhir Zainal Abidin			
No. of major NCR	:	6	Indicator: 2.1.1, 2.3.1, 2.3.2, 4.7.1, 4.8.1 & 6.5.1		Closing date : 8/4/2015
No. of minor NCR	:	5	Indicator : 2.1.4, 2.2.3.2, 2.3.3, 6.4.3 & 6.5.2		
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities	Suppliers
		√		√	√
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
			√		
Supply base sampled	:	Mostyn and Giram Estate			

Annual Surveillance Audit 1					
On-site audit date	:	12 – 14 April 2016		No. of auditor days :	9
Audit team	:	Mahzan Bin Munap (LA), Khairul Najwan Bin Ahmad Jahari, Selvasingam T Kandiah, Ruzita Binti Abd Ghani			
No. of major NCR	:	1	Indicator: 4.7.3		Closing date : 13/06/2016
No. of minor NCR	:	2	Indicator : 4.1.2 & 6.1.4		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities	Suppliers
		√		√	√
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
			√		
Supply base sampled	:	Mostyn and Giram Estates			
Changes since the last audit	:	No changes			

Annual Surveillance Audit 2					
On-site audit date	:	23 – 25 May 2017		No. of auditor days :	9
Audit team	:	Mohd Razman Salim, Mohd Zulfakar Kamaruzaman, & Rozaimee Ab. Rahman			
No. of major NCR	:	1	Indicator: 2.1.1		Closing date : 20/07/2017
No. of minor NCR	:	1	Indicator : 2.2.2		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities	Suppliers
		√		√	√
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
			√		
Supply base sampled	:	Giram and Mostyn Estate			
Changes since the last audit	:	No changes			

Annual Surveillance Audit 3					
On-site audit date	:	14 to 16 & 18 May 2018		No. of auditor days :	9
Audit team	:	Selvasingam T. Kandiah, Rozaimee Ab Rahman, Mohd Zulfakar Kamaruzaman and Mohd Norddin Abdul Jalil			
No. of major NCR	:	1	Indicator : 1.1.2		Closing date : 13/08/2018
No. of minor NCR	:	-	Indicator : -		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities	Suppliers
		√		√	√
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
		NA	√		
Supply base sampled	:	Giram and Mostyn Estate			
Changes since the last audit	:	No changes			
Justification of audit planning	:	Total allocation of auditor days for Giram CU were: 9 days Mill = 3 days (2 day for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Mostyn Estate = 3 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title. Giram Estate = 3 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.			
Report approved by	:	Radziah Mohd. Daud		Approval date : 27/08/2018	

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

SUMMARY OF INFORMATION

TABLE 1

	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period	Dec 2015 – Nov 2016	Jan 2016 – Dec 2016	May 2017 – April 2018	May 2018 – April 2019	
Certified FFB Processed (MT)	203,571.32	148,484.22	158,966.23	136,068.02	
Production of Certified CPO (MT)	43,272.58	36,753.22	36,867.70	30,384.06	
Production of Certified PK (MT)	11,226.94	7,886.33	7,748.24	6,803.42	
Certified Areas (Ha)	8,245.01	8,245.01	8,245.01	*8,345.02	
Planted Areas (Ha)	7,602.13	7,666.85	7,666.85	7,519.92	
Production Areas (Ha)	6,264.60	6,735.07	6,767.81	6,515.59	
HCV Areas (Ha)	89.39	89.39	89.39	89.39	
REMARKS	This information is for ASA 3 i.e. May 2018 – April 2019 : *The Certified Area has been revised as the corrected figure was consistent with Giram SOU Land Title. Major NCR against indicator 1.1.2 was raised to address this reporting error.				

TABLE 2

	PO	PK
Last years certified volume (MT)	36,867.70	7,748.24
Last years actual certified sold (MT)	0.00	1,087.78
Last years actual sold under other schemes (MT)	0.00	0.00
Last years sold conventional (MT)	33,927.64	6,387.14
New year certified volume (MT)	30,384.06	6,803.42

Table of contents

		Page
1.0	AUDIT PROCESS	6
	1.1 Certification body	6
	1.2 Qualification of audit team	6
	1.3 Audit methodology	6
	1.4 Audit plan	6
	1.5 Date of next audit	6
2.0	SCOPE OF CERTIFICATION AUDIT	7
	2.1 Description of the certification unit	7
	2.2 Description of the Supply Base (including planting profile)	7
	2.3 Organization Information / Contact Person(s)	9
3.0	AUDIT FINDINGS	10
	3.1 Changes to certified products in accordance to the production of the previous year	10
	3.2 Time bound plans including changes and reasons for the changes see below	10
	Overall comment in terms of acceptance or non-acceptance on the changes in the time-bound plan (including details of non-adherence or the conditions justifying a time-bound plan have changed)	10
	All associated smallholders (including scheme smallholders) where their fruit supply is included , by the mill, are audited within 3 years from when their fruit was first included in the mill certification.	10
	Any new acquisition which has replaced primary forests or HCV areas	10
	3.3 Other changes (e.g. organizational structure, new contact person, addresses, etc.)	10
	3.4 Status of previous non-conformities * (refer to Attachment 6)	10
	3.5 Complaint received from stakeholder (if any)	10
4.0	DETAILS OF NON-CONFORMITY REPORT	11
	4.1 For P&C (Details checklist refer to Attachment 3)	11
	4.2 For SC (Details checklist refer to Attachment 5)	11
5.0	AUDIT CONCLUSION	11
6.0	RECOMMENDATION	11

List of Attachment

Attachment 1	:	Map of Giram CU	13
Attachment 2	:	RSPO Surveillance Audit Plan	14
Attachment 3		RSPO P&C Audit Checklist And Findings	22
Attachment 4	:	Details of Non-conformities and Corrective Actions Taken	59
Attachment 5		RSPO Supply Chain at the palm oil mill – Identity Preserved Model – Module D	60
Attachment 6	:	Status of Non-conformities Previously Identified	68
Attachment 7	:	Time-bound Plan	69

AUDIT PROCESS

1.1 Certification Body

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

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International was approved by the RSPO as a RSPO certification body on 21 March 2008 and accredited by ASI on 27 September 2014.

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Selvasingam T Kandiah	Trainee Lead Auditor / OHS & Environment	Holds a B.Sc. of Agriculture University of Agricultural Sciences, Hebbal, Bangalore, India. He had more than 28 years of working experience in plantation management covering cocoa, rubber and oil palm.
Mohd Zulfakar Kamaruzaman	Auditor / Social, HCV & Supply Chain	Holds a B.Sc. Forestry from University Putra Malaysia. He had more than 4 years of working experience in the oil palm operation. He has been trained as a RSPO Lead Auditor
Rozaimee Ab Rahman	Auditor / Environmental & OHS	Holds a B.Sc. of Agriculture from University Putra Malaysia. He had more than 5 years of working experience in the oil palm operation.
Mohd Nordin Abdul Jalil	Auditor / GAP	Holds B.Sc. Agriculture (weed management) and had more than 35 years of working experience in plantation management covering rubber and oil palm.

1.3 Audit methodology

The audit covered the Giram palm oil mill and 2 of its supply base. The sampling of the number of the supply base was using the formula of $0.8\sqrt{y}$. The 2 supply base covered during the audit are Giram Estate and Mostyn Estate. The audit included an on-site audit to the estates, mill, linesites, amenities and facilities to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder Consultation

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

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.

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

The Giram Certification Unit (Giram CU) is one of the Strategic Operating Unit (SOU) of Sime Darby Plantation Sdn. Bhd. (SDPSB). Located in Kunak, Sabah, East Malaysia, the CU is also known as SOU 29. The CU was certified to the RSPO MYNI:2014 P&C by SIRIM QAS International Sdn Bhd on 13 July 2015.

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

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

The FFB is sourced from company owned estates that were certified. Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

Table 1: Actual FFB production by the supply base for the last reporting period (May 2017 to April 2018)

Estates	FFB Production	
	Tonnes	Percentage (%)
Giram Estate	81,668.89	52.52
Mostyn Estate	73,825.15	47.48
Total	155,494.04	100

Table 2: Projected FFB production by supply base for the next reporting period (May 2018 to April 2019)

CU own estates	FFB Contribution	
	Tonnes	Percentage (%)
Giram Estate	72,783.00	53.49
Mostyn Estate	63,285.02	46.51
Total	136,068.02	100

Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period (May 2017 to April 2018)

	Total (MT)
FFB Received	155,494.040
FFB Processed	155,147.745
CPO Production	34,150.838
PK Production	7,572.336
CPO delivered as RSPO certified	0.000
CPO delivered as non-RSPO certified	33,927.640
PK delivered as RSPO certified	1,087.780
PK delivered as non-RSPO certified	6,387.140

Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period (May 2018 to April 2019)

	Total (MT)
FFB Received	136,068.32
FFB Processed	136,068.32
CPO Production	30,384.06
PK Production	6,803.42
CPO delivered as Identity Preserved	30,384.06
CPO delivered as non-RSPO certified	0.00
PK delivered as Identity Preserved	6,803.42
PK delivered as non-RSPO certified	0.00

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)	HCV (ha)
Giram Estate	3924.07	4166.98	49.40
Mostyn Estate	3595.85	4178.04	39.99
Total	7519.92	8345.02	89.39

Table 6: Planting profile for Giram Estate

Year of planting	Planting cycle (Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
MAIN DIV.				
1993T2	1	Mature	116.86	2.98
1995B1	1	Mature	116.86	2.98
1995B2	1	Mature	65.71	1.67
1995B2A	1	Mature	103.61	2.64
1995B3	1	Mature	126.05	3.21
1995B3A	1	Mature	88.16	2.25
1995T1	1	Mature	120.70	3.08
1995T1A	1	Mature	90.29	2.30
1995T2	1	Mature	97.30	2.48
1995T2A	1	Mature	90.67	2.31
1996B	1	Mature	73.61	1.88
1996B1	1	Mature	69.51	1.77
1996K	1	Mature	122.69	3.13
1996K1	1	Mature	107.92	2.75
1996T	1	Mature	159.34	4.06
1996T1	1	Mature	121.57	3.10
1999B	1	Mature	145.84	3.72
1999T	1	Mature	100.56	2.56
1999T1	1	Mature	64.78	1.65
2016A	2	Immature	65.98	1.68
2016B	2	Immature	94.03	2.40
2018A	2	Immature	49.29	1.25
2018B	2	Immature	69.12	1.76
2018C	2	Immature	78.60	2.00
2018D	2	Immature	86.93	2.22

Year of planting	Planting cycle (Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2009A	2	Mature	106.81	2.72
2009B	2	Mature	67.40	1.72
2011A	2	Mature	75.64	1.93
2011B	2	Mature	101.44	2.59
2011C	2	Mature	94.41	2.41
2011D	2	Mature	68.19	1.74
2012A	2	Mature	87.65	2.23
2012B	2	Mature	98.62	2.51
2013A	2	Mature	100.09	2.55
2013B	2	Mature	74.83	1.91
2014A	2	Mature	85.31	2.17
2015A	2	Immature	79.67	2.03
2015B	2	Immature	88.62	2.26
ULU Balung DIV.				
1995K	1	Mature	38.11	0.97
1995L	1	Mature	39.81	1.01
1995M	1	Mature	30.11	0.77
1995N	1	Mature	44.50	1.13
1995P	1	Mature	36.35	0.93
1995Q	1	Mature	31.15	0.79
1995R	1	Mature	36.48	0.93
1995S	1	Mature	39.13	1.00
1995T	1	Mature	38.52	0.98
1995U	1	Mature	35.25	0.90
Total for GIRAM Estate			3,924.07	100.00

Table 7: Planting profile for Mostyn Estate

Year of Planting	Planting cycle (Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
03M	3	Mature	63.73	1.77
03M2	3	Mature	54.71	1.52
05M	3	Mature	70.72	1.97
P02F	3	Mature	55.33	1.54
P02F1	3	Mature	58.23	1.62
2010B	3	Mature	72.17	2.01
2010C	3	Mature	36.8	1.02
2011B	3	Mature	89.99	2.50
2011C	3	Mature	36.79	1.02
2015B	3	Immature	43.78	1.22
2016A	3	Immature	61.54	1.71
2016B	3	Immature	81.24	2.26
92M	2	Mature	78.93	2.20
93M	2	Mature	55.07	1.53
96T1A	2	Mature	64.24	1.79
96T1B	2	Mature	95.33	2.65
07M	3	Mature	13.83	0.38
2011A	3	Mature	78.91	2.19
2013B	3	Mature	95.18	2.65
94M2	2	Mature	70.14	1.95
95M	2	Mature	14.99	0.42
96M	2	Mature	78.15	2.17
96M1	2	Mature	93.1	2.59
96M2	2	Mature	86.01	2.39
97M3	2	Mature	57.38	1.60
97M1	2	Mature	67.92	1.89
97M2	2	Mature	76.77	2.13
2009A	3	Mature	52.01	1.45
2009B	3	Mature	102.27	2.84
2013A	3	Mature	101.89	2.83
2014A	3	Mature	66.34	1.84

2014B	3	Mature	32.26	0.90
2014C	3	Mature	56.12	1.56
2015A	3	Immature	68.5	1.90
2017A	3	Immature	101	2.81
2017B	3	Immature	36.03	1.00
80M2	2	Mature	46.6	1.30
03M1	3	Mature	38.87	1.08
2009D	3	Mature	42.2	1.17
2010A	3	Mature	59.51	1.65
2010A1	3	Mature	45.85	1.28
57M	1	Mature	1.82	0.05
97M3A	2	Mature	65.93	1.83
97M3B	2	Mature	67.21	1.87
97M3C	2	Mature	76.49	2.13
97M4	2	Mature	79.92	2.22
97M4A	2	Mature	55.13	1.53
97M4B	2	Mature	70.29	1.95
97M5	2	Mature	63.65	1.77
97M5A	2	Mature	91.45	2.54
97M5B	2	Mature	48.27	1.34
97M6	2	Mature	98.62	2.74
97M6A	2	Mature	93.21	2.59
P02R	3	Mature	65.17	1.81
90M	2	Mature	1.00	0.03
91M1	2	Mature	1.00	0.03
P02RA	3	Mature	58.94	1.64
P02RB	3	Mature	57.32	1.59
		Total	3,595.85	100

2.3 Organizational Information/Contact Person(s)

The details of the contact person is as shown below: **SOU Giram**

Name	:	Saifullizan bin Kamaruddin
Position	:	Sr. Manager
Address	:	PO Box 19, 91207 Kunak, Sabah
Phone no.	:	019-380 7243
Fax no.	:	089-851081
Email	:	saifullizan.kamaruddin@simedarbyplantation.com

3.0 AUDIT FINDINGS

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

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

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

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

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

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

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

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

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

iii. Are there associated smallholders (including scheme smallholders) in the CU [ ] Yes [√] No

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

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

iv. Any new acquisition which has replaced primary forests or HCV areas [ ] Yes [√] No

NA

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

No.

3.4 Status of previous non-conformities * [X] Closed [ ] Not closed*

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

3.5. Complaint received from stakeholder (if any)

There were no complaints received from stakeholders.

4.0 DETAILS OF NON-CONFORMITY REPORT

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

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

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

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

5.0 AUDIT CONCLUSION

The audit team concludes that the organization has / ~~has not~~* established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.

6.0 RECOMMENDATION

☐ No NCR recorded. Recommended to continue certification.

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

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

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

■ Recommended to continue certification.

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

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

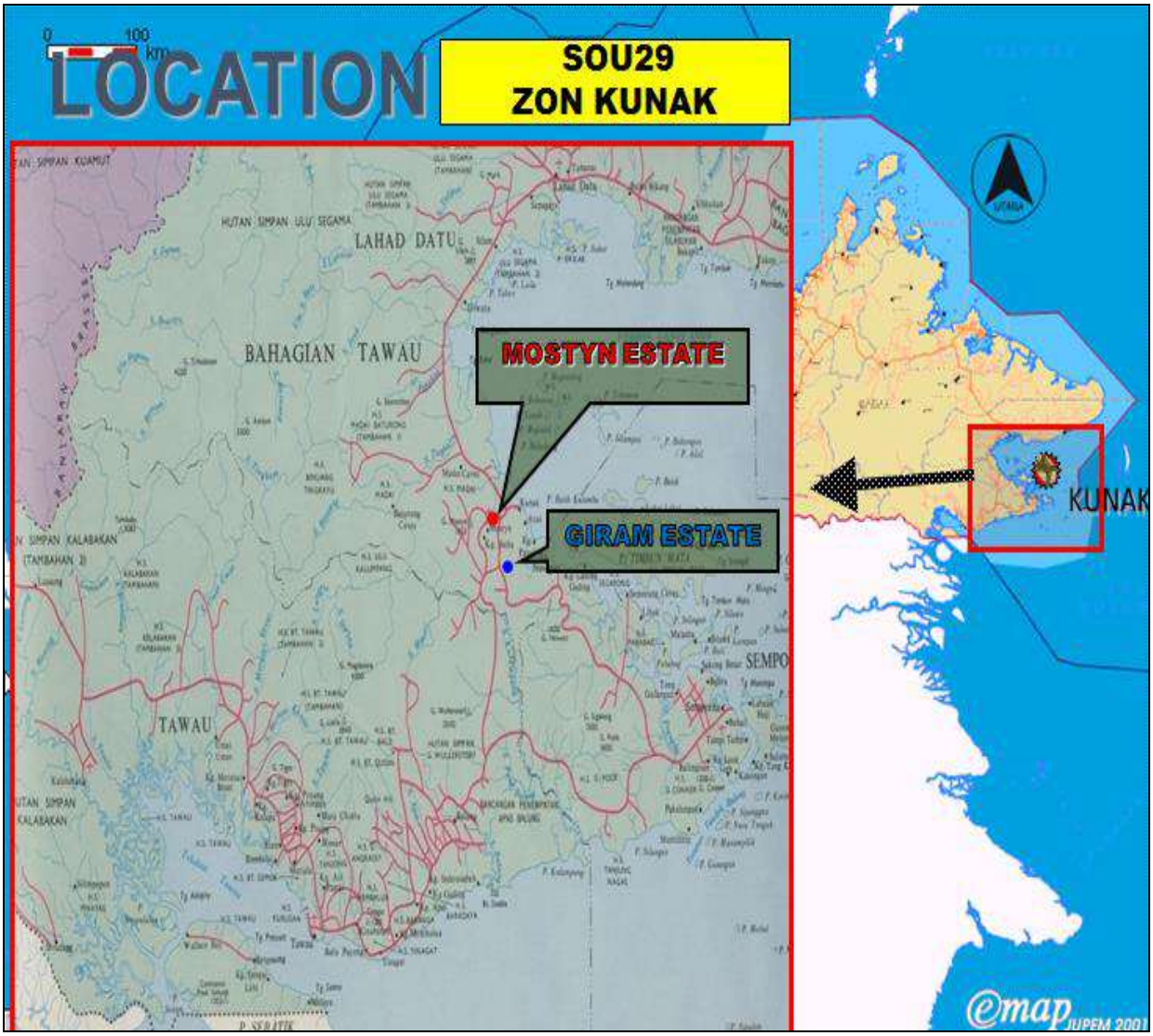
7.0 IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN ON MAJOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED, ACCEPTED AND VERIFIED AND ALL CORRECTIVE ACTIONS PLANS PROVIDED ON MINOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED AND ACCEPTED. RECOMMENDED FOR CONTINUATION OF RSPO P & C CERTIFICATION.

Audit Team Leader : SELVASINGAM T KANDIAH  13/08/2018

(Name)	(Signature)	(Date)

Attachment 1

Map of SOU 29 – Giram CU



Attachment 2

SURVEILLANCE AUDIT PLAN

1. Objectives

The objectives of the audit are as follows:

- To evaluate SOU Giram continued conformance against the RSPO Principles & Criteria Malaysian National Interpretation (MYNI) and RSPO Supply Chain Requirements
- To verify the effective implementation of corrective actions arising from the findings of last assessment.
- To make appropriate recommendations based on the assessment findings.

2. Date of assessment : 14-16 & 18 May 2018

3. Site of assessment : SOU Giram
   Giram Palm Oil Mill
   Giram Estate
   Mostyn 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. RSPO P&C MYNI:2014
   b. RSPO Certification Systems, June 2007
   c. RSPO Supply Chain Standard, 14 June 2017
   d. Company's audit criteria including Company's Manual/Procedures

6. Assessment Team
   Assessor: Selvasingam T. Kandiah (Good Agriculture Practices, Safety)
   Rozaimee Ab Rahman (Environment, Safety)
   Mohd Zulfakar Kamaruzaman (HCV, Supply Chain, Social)
   Mohd Norddin Abdul Jalil (Good Agriculture Practices)
   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 nonconformities are still not addressed within another 90 days, the certificate shall be terminated.

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

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

9. Confidentiality Requirements

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

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

10. Working Language : English and Bahasa Malaysia

11. Reporting

a) Language : English
b) Format : Verbal and written

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.

Date / Time	Coverage of assessment / Activity / Site	Zulfakar	Selva	Rozaimee	Norddin
Day 1: 14 May 2018 (Monday)					
8.30am – 9.15am	Opening Meeting – Venue: Giram POM • Audit team Leader - Briefing on assessment objectives, scope, methodology, confidentiality clarification, audit criteria and programmes • Organization Representative - Briefing RSPO implementation, significant change on organization activity, structure, certified areas, machinery, FFB supply bases , Time bound plan, actions taken to address previous audit findings.	/	/	/	/
9.15am – 12.30pm	Site observation to Giram POM RSPO Supply Chain 2014 • RSPO Supply chain standard implementation including model requirements P1, P2, P3, P4, P5, P6, P7, P8 • Occupational safety & health aspects , chemical management • Interview with workers, contractors etc. • Environmental management, waste & chemical management • Land titles user rights • Social aspects - SIA, management plan & implementation, workers' quarters, • Stakeholder consultation with affected communities surrounding the CU • Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.	/		/	
	Site observation to Mostyn Estate P1, P2, P3, P4, P5, P7, P8 • Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, • New planting • Occupational safety & health aspects , chemical management • Interview with workers, contractors etc. • Environmental management, waste & chemical management		/		/
12.30pm – 1.30pm	Lunch Break				
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/	/
Date / Time	Coverage of assessment / Activity / Site	Zulfakar	Selva	Rozaimee	Norddin
Day 2: 15 May 2018 (Tuesday)					

8.30am – 12.30pm	Site observation to Giram Estate • P1, P2, P4, P5, P6, P7, P8 • Verification of basic information estate • Confirmation of time bound plan & review of partial certification • Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and neighbouring land use, riparian zone • Occupational safety & health aspects , chemical management • Interview with workers, contractors etc. • Environmental management, waste & chemical management • Social aspects -SIA, management plan & implementation, workers' quarters, • Stakeholder consultation with affected communities surrounding the estate • Interview with gender committee, safety committee, worker representative, contractors, supplier, etc. • Land titles user rights	/			
	Site observation to Mostyn Estate P1, P2, P3, P4, P6, P7, P8 • Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, • New planting • Interview with workers, contractors etc. • Occupational safety & health aspects , chemical management • Interview with workers, contractors etc. • Environmental management, waste & chemical management		/		/
12.30pm – 1.30pm	Lunch Break				
1.30pm – 5.00pm	Continue assessment at respective sites	/	/		/
Date / Time	Coverage of assessment / Activity / Site	Zulfakar	Selva	Rozaimee	Norddin
Day 3: 16 May 2018 (Wednesday)					
8.30am – 12.30pm	Site observation to Giram Estate P1, P2, P3, P4, P6, P7, P8 • Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, • New planting • Interview with workers, contractors etc. • Occupational safety & health aspects , chemical management • Interview with workers, contractors etc.		/		/
	• Environmental management, waste & chemical management				

	Site observation to Giram POM P1, P2, P3, P4, P5, P6, P7, P8 • Occupational safety & health aspects , chemical management • Interview with workers, contractors etc. • Environmental management, waste & chemical management • Land titles user rights • Social aspects - SIA, management plan & implementation, workers' quarters, • Stakeholder consultation with affected communities surrounding the CU Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.	/			
12.30pm – 1.30pm	Lunch Break				
1.30pm to 5.00pm	Continue assessment at respective sites	/	/		/
Date / Time	Coverage of assessment / Activity / Site	Zulfakar	Selva	Rozaimee	Norddin
Day 4: 18 May 2018 (Friday)					
8.30am to 12.30pm	Site observation to Giram Estate • P1, P2, P4, P5, P6, P7, P8 • Verification of basic information estate • Confirmation of time bound plan & review of partial certification • Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and neighbouring land use, riparian zone • Occupational safety & health aspects , chemical management • Interview with workers, contractors etc. • Environmental management, waste & chemical management • Social aspects -SIA, management plan & implementation, workers' quarters, • Stakeholder consultation with affected communities surrounding the estate • Interview with gender committee, safety committee, worker representative, contractors, supplier, etc. Land titles user rights		/		
	Site observation to Mostyn Estate P1, P2, P3, P4, P5, P7, P8 • Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, • New planting • Occupational safety & health aspects , chemical management • Interview with workers, contractors etc. Environmental management, waste & chemical management	/			
12.30pm to 2.30pm	Lunch Break				

2.30pm – 4.00pm	• Verification on outstanding issues • Audit team discussion, preparation on audit findings and issuance of nonconformity report (if any)				
4.00pm -5.00pm	• Closing meeting – venue at Giram POM • Presentation of audit findings, positive comment, • Question & answer	/	/		

Attachment 3

RSPO P&C AUDIT CHECKLIST AND FINDINGS

Principle 1: COMMITMENT TO TRANSPARENCY

Clause	Indicators		Comply Yes/No	Findings
C 1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	1.1.1	There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.	Yes	Giram CU continued to provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision. It continued to implement the procedure for responding to any communication as outlined in their Estate/Mill Quality Management System documents. SDPSB continued to use their website for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances were readily made available through SDPSB website at http://plantation.simedarby.com
	1.1.2	Records of requests for information and responses shall be maintained. Major Compliance	No	Internal communication was kept in the 'Buku aduan/Buku Laporan Kerosakan rumah dan lain-lain' and it was mainly for request for repairs of employee houses. For, external communication records of minutes of meetings held were maintained. Records such as letter from Government department such as DOSH, DOE and Labour Department and their responses were maintained in the communication file. At time of visit, there were no request for any information from the public. Giram CU continued to maintain records of requests for information and responses except for information on certified area. It has been noted that the information given by the CB regarding Certified Area at SOU Giram was not correct as it did not tally with the Land Title. The Major NCR MZK 01 2018 was issued.
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	1.2.1	Land titles/user rights (Criterion 2.2);	Yes	Copies of land titles / user rights were sighted available at the audited sites. Refer to Indicator 2.2.1.
		Occupational health and safety plans (Criterion 4.7);	Yes	Both estates and the mill have established the Safety and Health plan. The SDPSB OHS Policy (available in both Bahasa and English) is available at all the operating units. Information relating to safety and health plan was available through SDPSB website at http://plantation.simedarby.com. Cross refer Criterion 4.7
		Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8)	Yes	Management documents related to environmental plans and impact assessments were made available at all audited operating units. Among the documents were: a) Environmental Aspect Identification (EAI) and Environmental Impact Evaluation (EIE) registers b) Identification and Management of Wastewater – FY2017/18 c) Environmental Management Plan FY 2017/18 d) Pollution Prevention Plan 2017/18

Clause	Indicators		Comply Yes/No	Findings
				e) Waste Management Action Plan 2017/18 f) Action Plan to Reduce Fresh Water Usage 2017/18 g) Water Management Plan 2017/18 h) Contingency Plan During Water Shortage 2017/18 Social impact assessments and social action plan were sighted at the audited estates and mill.
		HCV documentation summary (Criteria 5.2 and 7.3);	Yes	HCV documentation summary was available at Giram CU. Cross refer to 5.2
		Pollution prevention and reduction plans (Criterion 5.6);	Yes	Pollution prevention and reduction plans continued made available at all assessed operating units. Among the relevant documents were: (a) Pollution Prevention Plan – FY2017/18 (b) Identification and Management of Wastewater – FY2017/18 (c) Contingency plan during water shortage – FY2017/18 (d) Action plan to reduce fresh water usage -FY2017/18 (e) Water management plan – FY2017/18 (f) Waste Management Action Plan 2017/18
		Details of complaints and grievances (Criterion 6.3);	Yes	The system was open to all aggrieved parties and there is evidence that estate community as well neighbouring community's use of the complaints book. The complaints and their outcomes were recorded and kept in files.
		Negotiation procedures (Criterion 6.4);	Yes	Negotiation procedures were available during the audit. There was no claim against the CU by any party.
		Continual improvement plans (Criterion 8.1);	Yes	Sime Darby Plantation Sdn. Bhd. committed to utilise the established system to regularly monitor and review their key activities at the mill and estates. Relevant action plans were initiated for continuous improvement in key areas of operations, environmental, safety, health and welfare of the workers as well as social contribution to the community. Details of the CU continual improvement plans have been reported in indicator 8.1. The continuous improvement plans related to environment was established and update accordingly.
		Public summary of certification assessment report;	Yes	Public summary for RSPO certification assessment report can be assessed SIRIM QAS website.
		Human Rights Policy (Criterion 6.13).	Yes	The Social Humanity Management Policy was updated in January 2015. The policy was displayed at the notice boards at the mill and the estates' offices.
C 1.3 Growers and millers commit to ethical conduct in all business operations	1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and	Yes	A documented code of ethical conduct and integrity in all operations and transactions has been established as observed in a "Code of Business Conduct (COBC)" booklet, which available in the website: http://www.simedarby.com/about-us/governance/ and had been communicated to employees. These policies demonstrated the company's respect for fair conduct of business, prohibition of all forms of corruption, bribery and fraudulent use of

Clause	Indicators		Comply Yes/No	Findings
and transactions.		communicated to all levels of the workforce and operations. Minor Compliance		funds and resources. These policies have been communicated to all level of the workforce through display on notice boards at the mill and estates, memos, morning briefings and trainings on 18/10/17. The policies were also made accessible to the public. This showed the company's commitment to a proper disclosure of information in accordance with applicable regulations and accepted industry practices.

Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

Clause	Indicators		Comply Yes/No	Findings
C 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1	Evidence of compliance with relevant legal requirements shall be available. Major Compliance	Yes	Generally, Giram CU had demonstrated compliance with local, state, national and ratified international laws and regulations. Relevant licenses and permits such as MPOB license, Energy Commission and Ministry of Domestic Trade for diesel storage were valid and displayed at the estate office. Site audit at operational areas and supporting facilities confirmed evidence of compliance. Foreign Workers had valid work permits and passports. The renewal of work permits was carried by SDPB Foreign Workers Centre. Local workers have been covered with Socso while foreign workers were covered with foreign workers compensation scheme.
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	Yes	The CU continued to implement the established documented system for identifying, accessing, tracking and monitoring of compliance with the legal requirements that are applicable to them. Each estate and mill had its own Legal and Other Requirements Register 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	A mechanism for ensuring compliance shall be implemented. Minor Compliance	Yes	The CU had a documented system for identifying, updating changes to legal requirements and to monitor the status of legal compliance in their EQMS & MQMS (Estate & Mill Quality Management System) included under the Standard Operation Manual. The mechanism for ensuring compliance was ensured by PSQM RSPO Internal Audits, Plantation Advisors visits and Mill Advisors visits.
	2.1.4	A system for tracking any changes in the law shall be implemented.Minor Compliance	Yes	The tracking for changes in the law is carried by the PSQM Department at SDPSB's headquarters at Ara Damansara, Subang. Any change in the law is disseminated to all CUs which then updates its legal register from time to time.
C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised Native Customary Right (NCR) land) and the actual legal use of the	Yes	The legal ownership and the maps to indicate the boundary stone were sighted at Giram Estate and Mostyn Estate. The Land Title for both Estate has been verified, The Land Title are originated from 11 Smallholder and Sell to Company Name Harrisons Malaysian Plantations Sdn Bhd in year 1984-1992. Auditor has verified the record of Transfer from smallholder to Harrisons. Harrisons Malaysian Plantations Sdn Bhd merge with Sime Darby in year of 2008. Both estates still in progress to get the ownership of these land titles as verified through official letter from the Lands and Surveys Department of Sabah dated 17 June 2015.

Clause	Indicators		Comply Yes/No	Findings
they have legal, customary or user rights.		land shall be available. Major Compliance		
	2.2.2	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves. Minor Compliance	Yes	Giram Estate and Mostyn Estate has visibly maintained its boundary pegs adjacent with Ulu Kalumpang Forest Reserves, Borneo Samudera Estate, Intan Plantation Sdn Bhd and Skim Cocos (Main Division). Auditor also verify boundary area between Giram Estate and KLK Plantation, the boundary pegs were already visible and maintained.
	2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). Minor Compliance	Yes	During this audit, auditor has attempted to meet with Mr. A from Kg. Kadazan on the issue of electric poles and cables inside the village. But both of them were not available. Minutes of meeting between them and Mostyn Estate representative was sighted. Clear participatory mapping had been conducted to construct map that show the extent of his right. A certified copy of the surveyed map that showed the extent of his area was handed to Mr. A by the Mostyn estate representative. Mostyn estate representative also informed him on the action to be taken by the estate (removed electric poles and cables and construction new road inside estate's land). Further to the above, during this audit the auditor has verified and confirmed that Mr. A has withdrawn the claim as it was evident that Mostyn Estate has removed the electric poles and cable. Confirmation letter dated 15 January 2016 from Mr. A was sighted.
	2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. Major Compliance	Yes	Evidence of ownership (cross refer to section 2.2) was available and were sighted. It was also noted from records sighted, as well as through interviews with stakeholders, that there were no dispute on land rights in the area, except with Mr. A where action has been taken appropriately as explained in indicator 2.2.3. Mr. A has also withdrawn the claim.
	2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities and relevant authorities where applicable). Minor Compliance	Yes	Map to appropriate scale showing the extent of claims under dispute with Mr. A at Mostyn Estate was clearly defined during the meeting on 12 January 2015. This was confirmed during the previous consultation with the son of Mr. A. During this Surveillance Audit in 2018, the auditor has verified and confirmed that Mr. A has withdrawn the claim as it was evident that Mostyn Estate has removed the electric poles and cable. Confirmation letter dated 15 January 2016 from Mr. A was sighted.
	2.2.6	To avoid escalation of conflict, there shall be no evidence that	Yes	Site visit to Giram CU confirmed that there was no evidence that oil palm operations have instigated violence. Instead, peace and order was being maintained in the Giram CU current

Clause	Indicators		Comply Yes/No	Findings
		oil palm operations have instigated violence in maintaining peace and order in their current and planned operations. Major Compliance		and planned operations.
C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior, and informed consent.	2.3.1	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). Major Compliance	Yes	Evidence of ownership (cross refer to Criterion 2.2) was sighted. It was confirmed that from the records viewed, as well as through interviews with stakeholders, that there were no disputes on land rights in the area except with Mr. George A as highlighted under Indicator 2.2.3. As mentioned in Indicator 2.2.3, actions by Mostyn Estate had been taken. It was clear that participatory mapping had been conducted that showed the extent of Mr. A's right. The certified survey map was handed over to him, and actions plan (i.e. removed electric poles and cables, and construction new road inside estate's land) were also made known to him. During this Surveillance Audit in 2018, auditor has verified that Mr. George A already released the claim as Mostyn Estate already removed the electric poles and cable. The confirmation letter dated 15 January 2016 from Mr A was reviewed by the auditor.
	2.3.2	Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:	Yes	Copy of negotiated agreements detailing process of consent with Mr A at Mostyn Estate was made available. And, the auditor has verified and confirmed that Mr. A has withdrawn the claim as it was evident that Mostyn Estate has removed the electric poles and cable. Confirmation letter dated 15 January 2016 from Mr. A was sighted. There was also no other disputes in Giram CU. It was confirmed during the consultation with the stakeholders.
	a)	Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision-making;		
	b)	Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;		
	c)	Evidence that the legal,		

Clause	Indicators		Comply Yes/No	Findings
		economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. Minor Compliance		
	2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. Minor Compliance	Yes	Copy of negotiated agreements detailing process of consent with Mr A at Mostyn Estate was made available with appropriate forms and languages.
	2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. Major Compliance	Yes	There was no issue on legal, customary or user rights of other users without their free, prior and informed consent. This was confirmed during the consultation with the stakeholders.

Principle 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY

Clause	Indicators		Comply Yes/No	Findings
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1	A business or management plan (minimum three years) shall be documented. That includes, where appropriate, a business case for scheme smallholders. Major Compliance	Yes	Giram SOU continued to achieve long term economic and financial viability through documented management plans projected to year 2022/2023. The management plans which included crop forecast, capital expenditure, operational expenditure, general charges, profit and loss covering the period of 2017/2018 to 2022/2023 had been prepared for both estates and made available to the audit team. The annual budgets and projections were prepared on an annual basis. The costs of production were prepared and reviewed annually.
	3.1.2	An annual replanting programme projected for a minimum of five years (but longer where	Yes	The replanting programme for year 2017/2018 until 2022/2023 were sighted for both estates. The programme is reviewed once a year and incorporated into their annual financial budget.

Clause	Indicators		Comply Yes/No	Findings
		necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. Minor Compliance		

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

Clause	Indicators		Comply Yes/No	Findings
C 4.1 Operating procedures are appropriately documented, consistently implemented and monitored.	4.1.1	Standard Operating Procedures (SOPs) for estates and mills shall be documented. Major Compliance	Yes	SOU 29 Giram, the SOPs for each of the process had continued to be implemented. Brief version of the SOPs was displayed at the appropriate locations. Copies of the documented SOPs were presented to the audit team. It was observed that activities being implemented which involved safety, health, environmental, quality, employees, etc. had followed the established SOPs.
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	Yes	The mechanisms to check the implementation of procedures were carried out through internal audit, safety and health meeting and routine inspection (workplace inspection) by assistant manager, staff and hospital assistant.
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	Yes	Records of monitoring and actions taken by the estates continued to be maintained. This is to ensure that the established procedures were consistently implemented. Records of monitoring and actions taken by both estates were maintained and kept for a minimum of 12 months.
	4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). Major Compliance	Yes	The scope for Giram POM SC is Identity Preserved, hence, this indicator is not applicable.
C 4.2 Practices maintain soil fertility at or, where possible, improve oil fertility to a level that ensures optimal & sustained yield.	4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	Yes	Both estates practiced the maintenance of long-term soil fertility by annual application of fertilisers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB and compost application. Fertilizer application, which was of paramount importance for maintenance of soil fertility, were carried out based on the recommendation made by the agronomist from Sime Darby Research Sdn. Bhd. Annual fertilizer recommendations were made based on annual foliar sampling done in July and Nov 2017 for Giram and Mostyn Estate respectively while soil sampling was carried out on a 5 year cycle basis last done in Feb 2014 by Sime Darby Research Sdn. Bhd. The recommendation by the Agronomist were also available during the inspection and the application of fertilizers had been carried out as recommended and scheduled.

Clause	Indicators		Comply Yes/No	Findings
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	Yes	Giram SOU continued to monitor their fertilizer inputs as recommended by their agronomist. 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 under Upstream Department from headquarters. Records of programs and applications of fertilisers were made available to auditors.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	Yes	Periodic tissue and soil sampling were carried out in Giram SOU to monitor changes in nutrient status and its results formed the basis for the fertilizers input recommendation. The soil analysis provided the indication of soil health and monitor the changes in the organic carbon and total nitrogen.
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of EFB, POME, and palm residues. Minor Compliance	Yes	Giram SOU had a nutrient recycling strategy where palm fronds were properly stacked in the interrow to decompose and EFB were applied in the mature and immature area.
C 4.3 Practices minimise and control erosion and degradation of soils.	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance	Yes	During the field visit and the soil map provided it was observed that no fragile or marginal soils found in Giram SOU. In Mostyn Estate the soil comprises of Bombalai, Table, Binuang, Sogomana/Cherang Hangus and Luba series. As for Giram Estate, it was mainly Bedup, Kinabutan, Jarangan, Tanjong Lipat, Sipit, Kumansi and Paliu series.
	4.3.2	A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. Minor Compliance	Yes	Giram SOU had a management strategy for planting on slopes to minimise and control erosion and degradation of soils. The plantings on slopes between 9 and 25 degrees was guided by: • Slope & River Protection Policy • Buffer Zone & 25 degree slope and in item 8 Section 4 • Land Preparation for Terracing in ARM Manual.
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	Yes	Giram SOU continued to maintain its road, according to the road maintenance programmes. The programs had been supported by adequate provisions in the budgets. During the field visit, it was noted road conditions was well maintained in both estates. Accessibility was made possible by regular maintenance, guided by its road maintenance programmes. For road maintenance both estates had used motor graders and tractor drawn rollers, back hoes, tractors with back buckets and excavators. For resurfacing crusher run were purchased.
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance	Yes	NA as there were no peat soils in both estates.

Clause	Indicators		Comply Yes/No	Findings
	4.3.5	Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance	Yes	NA as there were no peat soils in both estates
	4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils). Minor Compliance	Yes	There were no fragile and problem soils in both estates.
C 4.4 Practices maintain the quality and availability of surface and ground water.	4.4.1	An implemented water management plan shall be in place. Minor Compliance	Yes	The implementation of the Water Management plan was evident. It included the recycling of processing water, recycling of condensate water, recycling of treated water from POME for cleaning purpose at the mill and hydrocyclone operation during water shortage, collection of rain water, Linesite water usage monitoring, and Contingency Plan to covered dry spell/shortage.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones shall be demonstrated. Major Compliance	Yes	Giram SOU continues to implement their SOP and Policy on maintenance of the riparian zone. Interviews with the workers revealed that they understood the requirement of keeping the riparian zones free from any agricultural activities such as application of fertilizer and chemical weeding. SOU 29 had maintained the protection on water courses, including maintaining and restoring appropriate riparian buffer zones along all natural waterways within the estate. There was no infringement of buffer zone sighted.
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations. Minor Compliance	Yes	Site visit at effluent treatment plant and interview with operator in charge was revealed the operation was in accordance with standard operation procedure and legal requirements. No sight of effluent over flow and flow meter reading was recorded daily. Giram POM Analysis of the final discharge was carried out on monthly basis. The analysis results were submitted to DOE through the quarterly report. Results indicated compliance to the regulatory limit.
	4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. Minor Compliance	Yes	The mill processed water obtained from Kalumpang River for its use. Water usage per tonne of fresh fruit bunches (FFB) continued to be monitored on monthly basis.
C 4.5 Pests, diseases, weeds and invasive	4.5.1	Implementation of IPM plans shall be monitored. Major Compliance	Yes	Giram SOU continued to implement Integrated Pest Management (IPM) in both estates and continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the Agricultural Reference Manual (ARM).

Clause	Indicators		Comply Yes/No	Findings
introduced species are effectively managed using appropriate Integrated Pest Management techniques.	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	Yes	Training related to IPM implementation as per the Agricultural Reference Manual (ARM) Section 15 - Plant Protection entitled Rat baiting was conducted by Assistant Managers of both estates in Oct 2017. Records of training were available for verification.
C 4.6 Pesticides are used in ways that do not endanger health or the environment.	4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance	Yes	Giram SOU continued to use agrochemicals based on its Agricultural Reference Manual (ARM) Section 15 and 16, SSOP and in the Pictorial Safety Standard Book where written justifications had been provided for various fields operations. The Manual has included a chemical register list which indicates the use of selective products that are specific to the targeted pest, weed or disease. The procedures also covered the use of PPE when handling the chemicals. The estates continued to use pesticides as per the SOPs. Chemical registers on both estates too indicate the purpose of usage (intended target), hazards signage, trade and generic names.
	4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per Ha and number of applications) shall be provided. Major Compliance	Yes	Both estates had records to show the types of pesticides used with active ingredients and their LD50, where these pesticides had been used, the total quantity, number of applications and active ingredients (ai) per ha. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, field-cost books and in progress reports. Records of pesticides used were available for verification.
	4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in industry's Best Practice. Major Compliance	Yes	Giram SOU were committed to minimise the usage of agrochemicals by implementing IPM. Blanket spraying was not practiced by this CU and soft grasses maintained in the field. It had also been the practice that insecticides are used only after a threshold level has been exceeded as per the Agricultural Reference Manual (ARM) Section 15 -Plant Protection and that no prophylactic use of such pesticides would be permitted.
	4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the	Yes	Both estates only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Reg. 2000. From the review of the chemical register, it was noted that all pesticides used were of class ii, iii & iv. The use of paraquat had been banned in all SDPB estates. There was no evidence of

Clause	Indicators		Comply Yes/No	Findings
		Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). Minor Compliance		pesticides that are categorised as World Health Organisation Class 1A or 1B, or that were listed by the Stockholm or Rotterdam Conventions been used. From records and interviews with workers, staff and estate assistants, found that they were trained, all precautions taken and all legal requirements met.
	4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers. Major Compliance	Yes	Records showed that pesticides were handled, used and applied by trained persons and as per the MSDS of the pesticide. The staff and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to the workers through the MSDS training. It was also noted that MSDS are available at all sites during the audit.
	4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). Pesticides shall be	Yes	The chemical stores in all estates were found to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149). Records of purchase, storage and use were maintained. All of the stores were equipped with exhaust fans and the door was secured. Only authorized personnel are allowed to handle the chemicals. All the chemicals were segregated accordingly. Empty pesticides containers were triple rinsed, holes punched in them and stored separately in the scheduled wastes store awaiting proper disposal.

Clause	Indicators		Comply Yes/No	Findings
		stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major Compliance		
	4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	Yes	Pesticide applications were guided by the company's SOPs such as Safety Standard Operating Procedure, Pictorial Safety Standards, and Security Guidelines and Agriculture Reference Manual (ARM). The chemicals used in the Company's estates are the common chemicals used and established in the palm oil industry. Proper PPE and tools were provided to ensure that the application of pesticides were carried out appropriately and thus minimise risks and impact to health and safety
	4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application.Major Compliance	Yes	Aerial application of agrochemicals was not practiced in Giram SOU.
	4.6.9	Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide-handling shall be demonstrated or made available (see Criterion 4.8). Minor Compliance	Yes	The staffs and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner. Attendance list was available for all the training carried out.
	4.6.10	Proper disposal of waste material, according to procedures that are fully-understood by workers and managers shall be demonstrated (see Criterion 5.3). Minor Compliance	Yes	Giram CU continued to dispose waste material according to procedures that are fully-understood by workers and managers. 5th schedule inventory was up-to-date and tally with the physical stock at the storage area. The inventory was submitted to DOE. Triple rinsing was continually implemented for empty pesticide containers. The rinsed containers were then pierced and stored prior disposal. 5th schedule inventory was evident. The 6th schedule consignment notes were verified.

Clause	Indicators		Comply Yes/No	Findings
	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance	Yes	The CU continued to demonstrate compliance in carrying out annual medical surveillance for all sprayers, store keepers, foremen, water treatment operator and workers handing pesticides. Records were reviewed by the audit team.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance	Yes	There was no evidence of pregnant and breast-feeding women sprayers performed spraying activity in Giram SOU. Workers interviewed were aware that pregnant and breast-feeding women should not handle chemicals. Monitoring of pregnancy and lactating was conducted on every month by the estate HA.
C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented. The occupational health and safety plan shall cover the following:	4.7.1	An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. Major Compliance	Yes	The CU continued to adopt SDPSB Occupational Safety and Health Policy signed by the managing director dated January 2015 which was in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139). The policy had been communicated to all employees through briefings and being displayed on the estates and mil notice boards. It has been communicated to all workers during roll call and by the worker's representative in OSH committee.
	4.7.2	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. Major Compliance	Yes	Risks of all operations were assessed and documented by the ESH committees. At Giram POM, HIRARC has been reviewed in Dec 2017 by the Assistant Engineer and approved by the Mill Manager. All hazard and risks associated with their operations have been identified and documented. No Accidents for year 2015 / 2016 & 2016 /2017. No changes for HIRARC.
	4.7.3	All workers involved in the operation shall be adequately trained in safe working practices. Adequate and appropriate protective equipment shall be available to all workers at the place of	Yes	Training and briefing on the operations were provided to workers to educate them on safe working practices and to ensure applicable precautions are adhered. Training for employees were conducted from time to time through various method such as on the job training, briefings, meetings, etc. Training program planned for year 2016/2017 had been implemented. The program included training for all categories of employees and carried out by the qualified Safety & Health Officer, Estate Managers and Assistant Managers and training records maintained.

Clause	Indicators		Comply Yes/No	Findings
		work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning. Major Compliance		
	4.7.4	The responsible person/s shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. Major Compliance	Yes	Giram POM The persons responsible for Environment Safety Health were the Mill Manager and the Assistant Engineer. Safety and Health Committee organization was established dated 1/7/2017. Quartely Safety & Health Committee meeting held – chaired by Mill Manager, discussion on the following : i) Passing of previous minutes and arising matters. ii) Hospital Assistant Report (Monthly Accident statistics) iii) Mill Health & Safety Inspection Report iv) Welfare issues v) Training & Safety related activities Verified the following Health & Safety Committee Meeting Minutes, which is held on a quarterly basis. Mostyn & Giram Estates The managements had appointed ESH committees Environment and for workers' safety and health and appointment letters sighted. On Mostyn Estate the committee was headed by the Senior manager, Secretary (Quality Assurance Supervisor). And 7 management & 7 worker representatives. Risk of operations had been assessed and HIRARC document produced. It was updated in Feb 2018.
	4.7.5	Accident and emergency procedures exist and instructionsclearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in 1stt Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. Minor Compliance	Yes	The CU had adhered to the SDPSB policy on 'Crisis Management & Emergency Response' plan, reference document: chapter 13 of PQMS, OSH manual and "Accident and Reporting and Investigation Procedure' in chapter 14 of the same manual. Each estates had procedures for responding to emergency such as fire, flood, chemical spillage, strikes and accident. The procedures were available in English and Bahasa. The procedures were displayed at the office, Muster Ground, Workshop and Dispensary.

Clause	Indicators		Comply Yes/No	Findings
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	Yes	SOU Giram continued to provide group insurance for all their foreign workers as required under the Workmen Compensation Act 1992. Sighting of records and cross check with workers showed that they were covered with valid insurance policy.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	Yes	Mostyn & Giram Estates Records of all accidents are kept. Accident incidences are reviewed during safety meetings. Accidents incidences were sighted for 2017/2018. On Mostyn Estate the JKKP 8 for 2017 sent in Jan 2018 showed 5 cases with a loss of 6 days and 1 case of suspected poisoning with loss of 2 days. On Giram Estate the same sent in Jan 2018 showed 2 cases with a loss of 5 days Giram POM Accident statistics are being maintained and periodically reviewed (quarterly basis) during 'Health and Safety' committee meeting – minutes reviewed. The following Accident reviewed : • JKKP 8 for Y 2017 submitted on 26/01/2018, there was 8 accidents has been recorded for year 2017. 1 major cases with losing 6 working days. Sighted incident has been recording using PSQM – ESH reporting form immediately after accident occur. ESH committee has been discussed the root course and preventive action has been taken.
C 4.8 All staff, workers, smallholders and contract workers are appropriately trained.	4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. Major Compliance	Yes	Formal training programmed for 2018 covered all aspects of the RSPO Principles and Criteria. Regular assessments of training needs were presented to auditors by the Giram POM and both estates (Giram and Mostyn). Training Plan was established in July 2018. Training needs identification matrix has been established with target dates for the training to be conducted.
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	Yes	The estates organized trainings for its employees. There were also sessions organized with presence of contractors and neigbouring community. The training records sighted.

Principle 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY – sampai sini 280818

Clause	Indicators		Comply Yes/No	Findings
C 5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.	5.1.1	An environmental impact assessment (EIA) shall be documented. Major Compliance	Yes	SOU Giram has established its environmental aspects / impacts register associated with their activities. Environmental aspect and impact (EAI) which covers form upstream activities such as FFB reception until downstream processes was sighted during assessment. Identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the most significant environmental receptors are the boiler stack emission which associated with air emission, palm oil mill effluent (POME) discharge and land contamination which related to managing the schedule waste and general waste. For the estate operation, all activities from harvesting, pest and disease, upkeep programme until delivery to mill has been identified.
	5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/persons. Minor Compliance		<u>Giram POM</u> Environmental Aspect and Impact Identification Form & Environmental Impact Evaluation Form was used to identify Aspect & Impact and take necessary action. The record was reviewed in July 2017 by the Assistant Engineer and approved by the Mill Manager. No changes were made to the record. Waste Management Plan FY 2017 / 2018 comprising of Pollution Prevention Plan 2017/2018. Among the pollution prevention being identified are control of black smoke emissions, monitoring water course, Schedule Waste and effluent discharge monitoring. Sighted records of monitoring by the mill. <u>Giram and Mostyn Estates</u> On Giram Estate the EIE for 2017/2018 was reviewed in July 2017 to include Changes on EIE/2017/08-01(1) – Welding at Workshop and the Frequency. On Mostyn Estate no changes were made to the environmental aspects and impacts or current practices which require changes in the environmental action plans during the review in Oct 2017. Nevertheless, the existing environmental action plans had identified timeframes and responsible person at each operating units assessed.
	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative	Yes	<u>Giram & Mostyn Estates</u> For FY 2017/2018 both estate have decided to minimize chemical usage in some area such as: i. to reduce usage of insecticide and pesticide (cypermethrin) by • Establish of pheromone trap • Prevention of pest breeding area by doing good agricultural practices during replanting – ensuring thin chipping of trunks and all trunk debris must stack in close ended trenches ii. to prevent of usage of chemical class 1 (methamidaphos) for control bagworm by • to plant more beneficial plants, • change to acephate

<table>
<tr><th>Clause</th><th colspan="2">Indicators</th><th>Comply Yes/No</th><th>Findings</th></tr>
<tr><td></td><td></td><td>environmental impacts.
Minor Compliance</td><td></td><td>iii. to reduce usage of rat bait by
• to establish and maintenance of barn owl boxes.
<u>Giram POM</u>
Pollution Identification Environmental improvement action plan' to monitor the effectiveness of the mitigation measures taken, are in place. The following indexes are being monitored:
i) Black Smoke Monitoring
ii) To monitored composition of gases and odor from treatment effluent
iii) Monitored leakage of lubricant oil during taking and maintenance of machineries</td></tr>
<tr><td rowspan="3">C 5.2
The status of rare, threatened or endangered species other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</td><td>5.2.1</td><td>Information shall be collated in a HCV assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). Major Compliance</td><td>Yes</td><td>Identification and assessment of HCV habitats and protected areas within landholdings; and attempt assessments of HCV habitats and protected areas surrounding landholdings was conducted on July, August and September 2013. A report titled 'HCV Re-Assessment for SOU Sabah Central – South Zone – January 2014 (Version II)' was verified.
The assessment had covered all the HCV within and adjacent to their estates. The SOU Giram had identified the significant HCV as reported in the assessment report as below:
<table>
<tr><th>Estate</th><th>No.</th><th>Assessment Area</th><th>HCV</th><th>Area (Ha)</th></tr>
<tr><td rowspan="2">Giram Estate</td><td>1</td><td>Unplantable (>25^0 slopes)</td><td>4.2</td><td>48.77</td></tr>
<tr><td>2</td><td>Water catchment</td><td>4.1</td><td>0.63</td></tr>
<tr><td rowspan="2">Mostyn Estate</td><td>1</td><td>Unplantable (>25^0 slopes)</td><td>4.2</td><td>10.10</td></tr>
<tr><td>2</td><td>Water catchment</td><td>4.1</td><td>29.89</td></tr>
<tr><td></td><td colspan="3">Total</td><td>89.39</td></tr>
</table></td></tr>
<tr><td>5.2.2</td><td>Where RTE species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan. Major Compliance</td><td>Yes</td><td>The HCV Assessment conducted showed there were HCVs area present in Giram CU. However, there was no RTE species present. The HCV management plan was developed. The action plan contained descriptions of HCV, action steps and monitoring activities.
Auditor has verified HCV action plan at Giram Estate titled 'Biodiversity Action Plan FY 2017/2018" which was reviewed in July 2017 and at Mostyn Estate, Oct 2017.</td></tr>
<tr><td>5.2.3</td><td>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted in accordance with company rules and national law if any individual working for the</td><td>Yes</td><td>In both estates, the training programs for 2017/2018 has included HCV training programme. HCV briefing were carried out during muster in March 2017 at both Giram & Mostyn Estate. Attendance lists were available. SOU Giram management will notify the relevant authorities immediately if any individual working for the company is found to capture, harm, collect or kill these species.</td></tr>
</table>

Clause	Indicators		Comply Yes/No	Findings
		company is found to capture, harm, collect or kill these species. Minor Compliance		
	5.2.4	Where an action plan has been created there shall be ongoing monitoring: The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; Outcomes of monitoring shall be fed back into the action plan. Minor Compliance	Yes	Progress of implementation of the action plans 'HCV Action Plan for FY: 2017/2018 for Mostyn and Giram Estate' were reviewed and verified on the ground. Mostyn has conducted an on-going monitoring of their HCV4 and no RTE species were found within the estates area. Noted the CU had continued to implement planned actions such as awareness to the staffs and public on enhancing biodiversity, posting of relevant information in the Sime Darby webpage and erection of signage at strategically locations.
	5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. Minor Compliance	Yes	There was no HCV set-asides with existing rights of local communities in SOU Giram. It was confirmed during the consultation with the stakeholders.
C 5.3 Waste is reduced, recycled, re-used, and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	Yes	SOU Giram has identified all wastes and sources of pollution. The Waste Management Action Plan FY 2017/2018 were established to mitigate and control the identified wastes and source of pollution.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	Yes	Among the identified wastes include empty chemical containers including pesticides containers. Empty pesticides containers were washed at washing station prior to disposal. Disposals were carried out in compliance with relevant regulation of scheduled waste. Inventory and consignment documents verified for confirmation of proper management and disposal. Chemical containers were triple rinsed, punctured and disposed to the licensed contractors.
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. Minor Compliance	Yes	Waste management and disposal plan to avoid or reduce pollution had been documented and implemented as discussed in Indicator 5.1.3 above. Procedures and guideline were used to guide the waste disposal activities and to reduce pollution on the routine operation. Mill wastes had been disposed as follows; EFBs were sent for mulching in the field, while crop residue/biomass i.e. fiber and shell were used as fuel in the boiler. On the monitoring of water and effluent discharge, a monthly and quarterly report for final discharge were submitted to DOE in a timely manner, as required by the written approval. On the scheduled waste management, a procedure "Handling of Scheduled Waste" established. The wastes were disposed through DOE's licensed contractors.

Clause	Indicators		Comply Yes/No	Findings
C 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.	5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. Minor Compliance	Yes	A plan for improving the efficiency of the use of fossil fuels is in place incorporated into the Environmental Aspect and Impact activities report for 2017, identified in the following i) Environmental Aspect Identification Summary FY 2017 / 2018 reviewed accordingly. ii) Environmental Impact Evaluation Summary FY 2017 / 2018 reviewed accordingly. Fossil fuel Reduction Plan for FY 2017 / 2018 was established and monitored. To Reduce Diesel usage – by maintenance of the boiler & machineries to ensure at optimum level, to monitor diesel usage, provide training to workers regarding reduce fuel and diesel usage for boiler.
C 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice	5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Major Compliance	Yes	There was no land preparation in Giram SOU by burning ever since SDPB practice zero burning as per the policy in: 1. EQMS-SOP-Section B2 - Under felling/clearing & land preparation 2. Carbon Policy The use of fire for waste disposal and for preparing land for oil palm cultivation or replanting was not practiced in both estates. From field visits (2016 Replants) and interviews with the workers there is no open burning being practiced in the estates The Group policy of "Zero open burning" has been enforced since July 2008. The operating units adhered to the policy of "Zero open burning" for any replanting.
	5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Minor Compliance	Yes	There was no evidence that fire had been used to prepare land for replanting in both Giram and Mostyn Estates. No fire was used for waste disposal.
C 5.6 Preamble Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).	Yes	The CU had conducted an assessment of all polluting activities including gaseous Emissions and effluent discharges in the identification of environmental impact assessment. Management plans called the 'Prevention Pollution Plan' FY 2017/2018 were established at each sites. These documents included all activities in the estates and mill including gaseous emissions from boiler, gensets, and transportation. The management monitored the use of fossil fuel and its renewable energy on monthly basis.
	5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	Yes	SOU Giram had identified significant pollutants and greenhouse gas (GHG) emissions and continued to maintain its documented plans to mitigate environmental pollution associates to its activities. The environmental aspects for air pollution were identified. The action plan and continuous improvement plan named Action Plan to reduce GHG was established. This document was reviewed July 2017. Example of the action plan that had been plan is to monitor diesel usage and construct biogas plant.
	5.6.3	A monitoring system shall be in		The CU had used RSPO Palm GHG version 3.0.1 Calculator as a tool to calculate the

<table>
<tr><th>Clause</th><th colspan="2">Indicators</th><th>Comply Yes/No</th><th>Findings</th></tr>
<tr><td>measured accurately with current knowledge and methodology. It is also recognised that it is not always feasible or practical to reduce or minimise these emissions.

Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO.
Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</td><td></td><td>place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.
Minor Compliance</td><td>Yes</td><td>GHG emissions. The SOU has used option 1 full version to calculate the data. The input data was verified and the following were determined:
Summary of Net GHG emission:
<table>
<tr><td>Emission sources</td><td>tCO2e/tonProduct</td></tr>
<tr><td>CPO</td><td>1.26</td></tr>
<tr><td>Fuel PK</td><td>1.26</td></tr>
</table>
<table>
<tr><td>Extraction</td><td>%</td></tr>
<tr><td>OER</td><td>21.72</td></tr>
<tr><td>KER</td><td>4.72</td></tr>
</table>
<table>
<tr><td>Production</td><td>t/yr</td></tr>
<tr><td>FFB processed</td><td>156827.13</td></tr>
<tr><td>CPO produced</td><td>34067.18</td></tr>
</table>
<table>
<tr><td>Land use</td><td>Ha</td></tr>
<tr><td>OP planted area</td><td>17307.09</td></tr>
<tr><td>Op planted on peat</td><td>0</td></tr>
<tr><td>Conservation (forested)</td><td>0</td></tr>
<tr><td>Conservation (non forested)</td><td>0</td></tr>
<tr><td>Total</td><td>17307.09</td></tr>
</table>
Mill emissions:
<table>
<tr><td>Emission sources</td><td>tCO2e</td><td>tCO2e/tFFB</td></tr>
<tr><td>POME</td><td>30740.77</td><td>0.2</td></tr>
<tr><td>Fuel consumption</td><td>2355.78</td><td>0.02</td></tr>
<tr><td>Grid electricity utilisation</td><td>140.34</td><td>0</td></tr>
<tr><td>Export of excess electricity to housing</td><td>0</td><td>0</td></tr>
<tr><td>Sale of PKS</td><td>0</td><td>0</td></tr>
<tr><td>Sale of EFB</td><td>0</td><td>0</td></tr>
<tr><td>Total</td><td>0</td><td>0</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><th>Clause</th><th colspan="2">Indicators</th><th>Comply Yes/No</th><th>Findings</th></tr>
<tr><td></td><td></td><td></td><td></td><td>Estate emissions:
<table>
<tr><td rowspan="2">Description</td><td colspan="2"></td></tr>
<tr><td>tCO2e</td><td>tCO2e/tFFB</td></tr>
<tr><td>Land conversion</td><td>71,984.63</td><td>71,984.63</td></tr>
<tr><td>CO2 emission from fertiliser</td><td>7412.35</td><td>7412.35</td></tr>
<tr><td>N2O emission</td><td>4983.01</td><td>4983.01</td></tr>
<tr><td>Fuel consumption</td><td>1254.46</td><td>1254.46</td></tr>
<tr><td>Peat Oxidation</td><td>0</td><td>0</td></tr>
<tr><td>Crop sequestration</td><td>-66,819.75</td><td>-0.47</td></tr>
<tr><td>Sequestration in conservation area</td><td>0</td><td>0</td></tr>
<tr><td>Total</td><td>18,814.7</td><td>0.15</td></tr>
</table>
Palm oil mill effluent (POME) treatment:
<table>
<tr><td>Divert to compost</td><td>0</td></tr>
<tr><td>Divert to anaerobic digestion</td><td>100</td></tr>
</table>
POME diverted to anaerobic digestion:
<table>
<tr><td>Diverted to anaerobic pond</td><td>100</td></tr>
<tr><td>Divert to methane capture (flaring)</td><td>0</td></tr>
<tr><td>Divert to methane capture (electricity generation)</td><td>0</td></tr>
</table></td></tr>
</table>

Principle 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES BY GROWERS AND MILLERS

Clause	Indicators		Comply Yes/No	Findings
C 6.1 Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.	6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. Major Compliance	Yes	The social impact assessment report for SOU Giram was prepared by the Sime Darby's Plantation Sustainable Quality Management (PSQM) in Aug 2013 covering the two estates, namely Mostyn and Giram, and Giram mill. The background setting of the assessment highlighted the social issues and proposed mitigation measures. Each of the estates and the mill had to formulate its own action plan to address the issues raised by the various stakeholders.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	Yes	The SIA report was prepared with the participation of various stakeholders, namely, estate workers, local communities, contractors, vendors and suppliers. Evidence on participation was shown by the schedules of interviews between the assessors of the report and the stakeholders concerned. Records of meeting including the attendance lists dated in August 2013 was verified. The latest stakeholder meeting has been conduct in March 2018 for Giram mill and estate and for Mostyn Estate in May 2017.
	6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. Major Compliance	Yes	Giram POM The SIA Action Plan (FY 2017/2018) for mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified was made available as verified by auditor. Among the issues discussed were waste collection, Payment late by POM, late wage increment and etc. Giram Estate Auditor has verified all issues as listed in the Social Action Plan FY 2016/2017 such as water pressure at workers quarters, Emergency Transport, Working Condition, boundary marking with neighbouring estates and local community, creche' and pavement of estate road from estate entrance to line site area. Mostyn Estate The estate has listed all significant issues in the Social Action Plan FY 2017/2018. Among the issues discussed were minimum wages, road grading, illegal poaching and domestic wastes collection.
	6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. Minor Compliance	Yes	Giram POM The SIA Action Plan (FY2016/2017) for Giram POM was reviewed in April 2018. The review was carried out in consultation with stakeholders in March 2018. The stakeholders included their staffs and workers, FFB transporter, contractors, Govt Agencies and Union. Giram Estate The Social Action Plan was reviewed in July 2017 after discussion with related stakeholders (workers, staffs and head of village, FFB transporter, contractors, Govt Agencies and Union) during stakeholders meeting Feb 2017. Mostyn Estate The estate has reviewed the action plan in June 2017 with their stakeholders (Labour

Clause	Indicators		Comply Yes/No	Findings
				Department, Hospital Kunak, representatives from nearby villages and Kunak Forest Officer) during stakeholders meeting in May 2017.
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes. Minor Compliance	Yes	There was no smallholder scheme available in SOU Giram.
C 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties	6.2.1	Consultation and communication procedures shall be documented. Major Compliance	Yes	The CU continues to refer to the documented consultation and communication procedures established by HQ, External and internal communication procedures developed by SDPB for the estates and mill maintained to be followed and available at the audited sites. Consultation and communications procedures for SOU Giram is documented in the Standard Operating Manual. This document was sighted during the audit. An examination of the records kept in the internal and external communication files found that the estates and mill followed the procedures and manuals developed by the company. In the case of internal communications, records of meetings, briefings and memos were sighted. Notices and posters / pamphlets observed displayed on notice boards at the office and the muster ground were also used as a means of internal communication. Regular morning briefings were used by the management to communicate policies, procedures, rules and regulations and other information to its employees. In the case of external communications, they were mainly in the form of correspondence, which were kept in the External Communication File.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	Yes	A nominated management official responsible for handling the social issues was available at each of the operating unit. Giram POM has appointed the Assistant Mill Manager as person-in-charge for social issues in Apr 2018. Giram Estate has appointed the Assistant Manager as social officer as verified the appointment letter dated Oct 2017. Mostyn Estate has appointed Assistant Manager as social officer in Jan 2017.
	6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. Minor Compliance	Yes	Giram POM has reviewed list of stakeholders FY2017/2018 in Oct 2017. Record of communications were recorded in the stakeholders meeting dated March 2018. Records of actions taken in response to input from the stakeholders were maintained in the stakeholders meeting and social action plan. Giram Estate has updated their stakeholders list FY2017/2018 in July 2017. Stakeholders meeting was conducted in March 2018. Mostyn Estate has updated their stakeholders list FY2017/2018 in Jan 2018. Minutes of meeting 'Minit Mesyuarat / Sesi Dialog Bersama Stakeholders 2017' dated May 2017 was also verified.
C 6.3 There is a mutually agreed and documented system for dealing with	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and	Yes	The procedure for responding to grievances and complaints were outlined in: i) Sustainable Plantation Management System (SPMS) – Section IV ii) Appendix 3 – Flow Chart and Procedure for Handling Land Disputes iii) Appendix 5 - Flow Chart and Procedure for Handling Social Issues and in Estate Quality Management System (EQMS), Quality Management Manual (QMM)

Clause	Indicators		Comply Yes/No	Findings
complaints and grievances, which is implemented and accepted by all affected parties		whistleblowers, where requested. Major Compliance		Section 5 Internal Communication & External Comm. The flow chart of the procedures was sighted also made available on notice boards at the mill and estate office. The system is open to all affected parties, set to resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistle-blowers.
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	Yes	Interviews with the mill and estate management and staffs revealed that there was no social and land dispute issues with external parties or workers. The above was confirmed during consultation with the stakeholders. Auditor has verified the complaint form and workshop work order at the Giram POM with latest complaint from foreman due to no pipe at the quarters dated in Mar 2018. The mill has repaired the pipe in Apr 2018. Complaint related to housing maintenance at Giram Estate was recorded in the complaint log book 'Buku Aduan Ladang Giram'. The latest complaint recorded was on Apr 2018 related to broken lamp at worker quarters. The lamp was replaced on the same day.
C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. Major Compliance	Yes	The SOU Giram has procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Sustainable Plantation Management System entitled: Procedures for Handling Boundaries Disputes & Procedures For Handling Squatters Dispute - land issues or ex-workers who remain in housing complex. The procedure stipulates that ex-workers issues be handled by Employee Relations, and the land issues by the Land Management Department, at Head Office. Both procedures stipulate the negotiation procedures, calculation and distribution of compensation to affected parties.
	6.4.2	A procedure for calculating and distributing fair compensation shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants & long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. Minor Compliance	Yes	In accordance with the Procedures for Handling Boundaries Disputes, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Sime Darby Head Office. The procedure stipulates for negotiation procedures to involve the respective estate management, Land Office, NGOs and the affected parties.
	6.4.3	The process and outcome of any negotiated agreements and	Yes	As verified during this surveillance audit, there was no negotiations concerning compensation for loss of legal, customary or user rights between the Giram CU and

Clause	Indicators		Comply Yes/No	Findings
		compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. Major Compliance		indigenous peoples, local communities and other stakeholders.
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	Yes	For the SOU Giram 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 audit. 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), net salary, annual leave and medical leave taken, etc. Interview with workers reveal that they understand the contents of the pay slips and seeks explanation from the office whenever they needed any clarifications. Samples of payslips were also sighted and verified that workers are being paid in accordance with the requirements stipulated under the Minimum Wages Order 2016 and Employment Act 1955.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance	Yes	Contracts for local and Indonesian foreign workers at Giram Estate, Mostyn Estate and Giram Palm Oil Mill were sampled. The terms and conditions of employment are contained in the employment contracts and include duration of employment, place of work, salary, working hours, medical benefits, accommodation, annual leave, sick leave, termination of service, and other benefits provided (housing, employment cost, etc). For contracts that were prepared in English, explanation and briefing were given to the workers prior to signing. This was further confirmed by the workers during interviews.
	6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible. Minor Compliance	Yes	Visit to linesite at Giram POM, Giram Estate and Mostyn Estate showed that the CU had provided adequate and appropriate housing including water supply and electricity, clinics and other amenities which were in line with requirement of Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). Health Assistant conducted weekly inspection at the quarters accordingly, and water analysis was carried out as required.
	6.5.4	Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and	Yes	SOU Giram had demonstrated efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food. There was no sundry shop at the Giram POM. Staffs and workers prefer to buy their goods at the estate's sundry shop because nearby with the worker's quarters.

Clause	Indicators		Comply Yes/No	Findings
		affordable food. Minor Compliance		
C 6.6 The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	Yes	Recognition of freedom of association is available in the Sime Darby Plantation Social Policy dated Jan 2015 which states that the company respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. This Social Policy is applicable throughout all operating units and is printed and translated in Bahasa Malaysia. The policy was seen displayed on notice boards in the estates and mill
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	Yes	The workers in the estates and mill were members of the Sabah Plantation Industry Employees Union while the administration staff were members of the All Malaysian Estate Staffs Union. At the estates and mill, it was evident that a SPIEU representative was selected among the workers. Annual SPIEU Committee Meeting at Giram POM was held in Apr 2018. The meeting was attended by representatives from each process (local and foreign workers) including representatives of SPIEU for Giram CU as verified through meeting minute. Giram Estate has conducted union meeting (SPIEU) with union representatives (chairman, secretary & treasurer) in Mar 2018. Auditor has verified the meeting minute. At Mostyn Estate, union meeting was conducted on 19 February 2017 as verified through meeting minute. For this year the management has plan to meet on June 2018.
C 6.7 Children are not employed or exploited.	6.7.1	There shall be documentary evidence that minimum age requirements are met. Major Compliance	Yes	Sime Darby adheres to the child labour policy. As revealed in the latest Employee Master Listing at Giram POM, Giram Estate and Mostyn Estate dated in May 2017, no person below 18 years old were recruited to work in Giram CU.
C 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.	6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. Major Compliance	Yes	The equal opportunities policy is contained within the Sime Darby Social Policy dated January 2015, which states that all employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. The Social Policy is exhibited on notice boards in both Bahasa Malaysia and English.
	6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance	Yes	Based on records such as contract of employment, pay slip and insurance including interview with local workers, foreign workers, gender community representative and union representatives, revealed that no case of discrimination based on race, religion, gender, national origin or any other form of discrimination as stated in Criterion 6.8. The payments and conditions of employment for foreign or local, male or female employees, were based on the SPIEU and MAPA-AMESU agreements and not decided

Clause	Indicators		Comply Yes/No	Findings
				arbitrarily by the estate/mill management. All workers, local or foreign and regardless of their colour, creed, gender, beliefs, socio-cultural and political backgrounds, were provided with the same housing and amenities as required by the law. Interviews with administration staff and workers, (foreign and local, male and female) confirmed the absence of any form of discrimination in the SOU Giram.
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance	Yes	An inspection of job advertisements and records of hiring and promotion showed that they were based on skills, capabilities, qualities and medical fitness. It was confirmed during interview with the employees at Giram POM, Giram Estate and Mostyn Estate.
C 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.	6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. Major Compliance	Yes	Sime Darby Plantation Sdn Bhd and thus cascaded to the Giram CU endeavour to prevent sexual harassment and all other forms of violence against women. This commitment was incorporated in the company Social & Humanity Management Policy and the Gender Policy statements both signed by the Managing Director. The policies were sighted display on notice boards in the estates and POM. They were also communicated to all levels of the workforce. Giram POM has briefed the policy on sexual harassment to all levels of the workforce in Oct 2017. Based on interview with representatives from Gender Committee at Giram POM, they also have briefed on sexual harassment during Gender Committee Meeting in Apr 2018. For Giram Estate and Mostyn Estate have briefed on the policy in April & May 2018.
	6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. Major Compliance	Yes	The Social & Humanity Management Policy statement signed by the Managing Director in January 2015 was available. The statement included commitment to protect the reproductive rights of women. The policy was also displayed at the estates and mill notice boards. Giram POM has briefed the policy on reproductive rights to all levels of the workforce on Policy Training dated Oct 2017. Based on interview with representative from Gender Committee at Giram POM, they also have briefed on reproductive rights during Gender Committee Meeting in Apr 2018. For Giram Estate and Mostyn Estate have briefed on the policy in Oct 2017 and May 2018.
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	Yes	A specific grievance mechanism which respects anonymity and protects complainants had been established and implemented in the Group Policies and Authorities and the staff of SOU Giram had been made aware on this mechanism. Giram POM has briefed the grievance mechanism to all levels of the workforce in Oct 2017. Based on interview with representatives from Gender Committee at Giram POM. They were also briefed on grievance mechanism during Gender Committee Meeting in Apr 2018. Giram Estate has briefed the grievance mechanism to all levels of the workforce in Apr 2018. The estate had also briefed the grievance mechanism during Gender and Child Protection

Clause	Indicators		Comply Yes/No	Findings
				Committee meeting in Feb 2018. For Mostyn Estate, the grievance mechanism was briefed to all staff and workers in Jan 2018 during Morning Muster. And, the estate had also briefed the grievance mechanism during Gender Committee meeting in Apr 2018.
C 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. Minor Compliance	Yes	The indicator was not applicable as the mill only accepting certified FFB from its owned estates.
	6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented. Major Compliance	Yes	The FFB were 100% supplied by Sime Darby Estate. The pricing was from MPOB website, directly controlled by the Global Marketing Trading, Sime Darby HQ. Based on interview with the sundry shops owners' and FFB transporters, confirmed that the Giram CU has explained the agreement condition especially on the pricing mechanisms for services provided.
	6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. Minor Compliance	Yes	Interview with the sundry shops owners' and FFB transporters confirmed that they understood the contractual agreements they entered into, and that contracts were fair, legal and transparent.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	Yes	Interview with the sundry shops owners' and FFB transporters confirmed that they understood the contractual agreements they entered into, and that contracts were fair, legal and transparent confirmed that payments were made in a timely manner (maximum 30 days).
C 6.11 Growers and millers contribute to local Sustainable development where appropriate.	6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor Compliance	Yes	Giram POM had employed local communities to work at the mill as the contribution to local development. The laying of water pipeline project across the Mostyn Estate were in progress pending approval from Sabah Water Department. In addition to the above, Mostyn Estate continued to maintain the road connecting to all related villages through the estate Kg. Kadazan to ensure that the road conditions were safe for use by the villagers.
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor Compliance	Yes	As verified by the auditor, there was no smallholder scheme in SOU Giram.
C 6.12 No forms of forced or trafficked labour are used.	6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. Major Compliance	Yes	An examination of the employee list, pay slips, SPIEU Collective Agreement and letter of job offer confirmed that the Giram CU did not use any form of forced or trafficked labour. Auditor had verified through interview with the foreign workers (Indonesian), union representative, and gender committee representative at SOU Giram (consecutive of

Clause	Indicators		Comply Yes/No	Findings
				Giram POM, Giram Estate and Mostyn Estate) that there was no forms of forced or trafficked labour were used. Foreign workers were allowed to keep their own passport as verified through interview and hand-over record titled 'Borang Penyerahan Passport'.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	Yes	Based on employment contract and interview with the foreign workers (Indonesian), union representative, and gender committee representative at SOU Giram (consecutive of Giram POM, Giram Estate and Mostyn Estate) there was no occurrence of contract substitution in the CU.
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	Yes	The policy and procedures for employment of foreign workers at the CU were made available titled 'Social Policy' and 'Social and Humanity Management Policy'. Company labour policy requires all foreign workers hired by the company to attend a one-week post-arrival orientation course i.e. Induction Course for Foreign Workers, before commencing work. Through this courses the workers were exposed among other things to various relevant laws of the country (such as labour and immigration laws), health and safety, work contract, sourcing process of foreign workers and language and cultures of Malaysia.
C 6.13 Growers and millers respect human rights	6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations. Major Compliance	Yes	The policy to respect human rights are documented in the Sime Darby Plantation's Social and Humanity Management Policy. This Policy states among others, that it will develop its businesses with a sense of humanity, ensuring that thet are socially beneficial and do not infringe on basic human rights. This Policy is exhibited on notice boards of the estates and POM.
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. Minor Compliance	Yes	The SOU had obliged and engaged in the process to secure children of foreign workers access to education by allowing and assisting the establishment of HUMANA school at their plantations. According to their ages, the children of foreign workers at CU attend either the Humana school, or the Community Learning Centre (CLC), both of which are located at Mostyn and Giram Estate. The buildings were maintained by the Both Estate, as well as costs of water and electricity. Teachers' accommodation are provided by Both Estate.

Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

Auditors has verified through checking the www.globalforestwatch.com , GOOGLE Maps, Estate Maps and also through site visit to the estate area of Mostyn Estate and Giram Estate. Based on the audit findings, it was confirmed that there were no new planting or new development of areas at Giram CU. Hence, the requirement of this principles were not assessed.

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

Clause	Indicators		Comply Yes/No	Findings
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1	The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to:		
	a)	Reduction in use of pesticides (Criterion 4.6);	Yes	Giram SOU had adopted several continuous improvement in reducing usage of pesticides i.e. increasing planting of beneficial plants mainly *Tunera subulata, Cassia cobanensis* and *Antigonon leptopus* and continue to monitor pest through Early Warning System. The CU also adopted planting of *Legominious* Cover Crop mainly *Pueraria Javanica* and *Calopogonium Mucunoides* at replanting area in order to minimizing circle and selective weeding. *Neprolephis biserata* was maintained and encouraged to be planted in Giram SOU. This can be seen in their continuous improvement plan. This was to suppress growth of noxious weeds and thus reduce the use of pesticides for selective weeding. Woody weeds sprayings were carried out whenever necessary or only twice a year. Blanket spraying was not practiced in order to encourage soft grasses in inter row. The Estates have now introduced barn owl boxes -on Mostyn 60 boxes have been established. The estates advocated use of Pheromone traps in young replants for control of RB. Mills waste such as EFB were for mulching thus reducing weed growth.
	b)	Environmental impacts (Criteria 4.3, 5.1 and 5.2);	Yes	Aspect and Impact assessment were carried out and the significant environmental impacts were identified. Environmental Aspect Identification Summary FY 2017 / 2018 reviewed accordingly. Environmental Impact Evaluation Summary FY 2017 / 2018reviewed accordingly. 'Pollution Identification Environmental improvement action plan' were established at each site and is being monitored.

Clause	Indicators		Comply Yes/No	Findings
	c)	Waste reduction (Criterion 5.3);	Yes	The CU continued to have documented and implemented waste management plan. i.e. "Waste Management Action Plan 2017/2018". No wastes chemicals were observed. However, scheduled wastes, including empty agrochemical containers continued to be disposed as per applicable regulation. Domestic wastes continued disposed to landfill. Use of EFB and compost were implemented.
	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	Yes	The management of both estates and mill had plan to reduce emission by daily inspection and monitoring for their farm tractor / lorry and gen set / water treatment plant to prevent any leakage and problem which can impact on smoke emission.
	e)	Social impacts (Criterion 6.1);	Yes	Giram CU has prepared a budget for corporate social responsibility (CSR) for year 2018 Verify the Capex Budget (2018-2021), Some of the Social Improvement are: - Repair Creche - Repair Playground - Upgrade Swimming Pool - Upgrade NEST - To Construct 39 Units Car Porch for Workers at Workers Quarters - Rewiring 108 Units House -Upgrade Mosque
	f)	Encourage optimising the yield of the supply base Major Compliance	Yes	As Giram SOU is part of a well-established organisation, Sime Darby Plantations Berhad, the yield performance has always been the top priority in ensuring long-term economic and financial viability. In general, various efforts had been done to optimise the yield of the plantation such as maximising crop recovery, optimum ripeness standard (harvest ripe bunches only and 100% loose fruit collection), the soil fertility were maintained and planting only high yielding planting material.

RSPO Certifications Systems for Principles & Criteria June 2017

<table>
<tr><th>Clause</th><th colspan="2">Indicators</th><th>Comply Yes/No</th><th>Findings</th></tr>
<tr><td>4.5.3
Time-bound plan
Note:
Where there are isolated lapses in implementation of a time-bound plan, a minor non- compliance</td><td>(a)</td><td>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.</td><td>YES</td><td>Sime Darby Plantation – Indonesian Operations is in progress to certify all 8 new SOUs from 2017 to 2020 as verified through Time Bound Plan as at December 2017 which are:
<table>
<tr><th>No</th><th>Name of SOU</th><th>Name of Units</th><th>Time Bound Plan</th></tr>
<tr><td>1</td><td>PT Sime Indo Agro</td><td>East and Sei Mawang</td><td>2019</td></tr>
<tr><td>2</td><td>PT Ladangrumpun Suburabadi</td><td>Subur Abadi Plasma 1</td><td>2019</td></tr>
<tr><td>3</td><td>PT Bersama Sejahtera Sakti</td><td>KKPA BSS</td><td>2019</td></tr>
</table></td></tr>
</table>

<table>
<tr>
<td>shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised;</td>
<td></td>
<td></td>
<td></td>
<td>
<table>
<tr><td>4</td><td>PT Bahari Gembira Ria</td><td>Plasma BGR</td><td>2020</td></tr>
<tr><td>5</td><td>PT Guthrie Pecconina Indonesia</td><td>Sungai Jernih Estate and GPP KKPA</td><td>2017</td></tr>
<tr><td rowspan="2">6</td><td rowspan="2">PT Mitra Austral Sejahtera (MAS)</td><td>MAS 1, MAS 2, MAS 3, Mas Factory</td><td>2019</td></tr>
<tr><td>Plasma MAS</td><td>2020</td></tr>
<tr><td rowspan="2">7</td><td rowspan="2">PT Sandika Nata Palma</td><td>Karya Palma</td><td>2018</td></tr>
<tr><td>KKPA SNP</td><td>2020</td></tr>
<tr><td rowspan="2">8</td><td rowspan="2">PT Budidaya Agro Lestari</td><td>Pelanjau, Sg. Putih and Beturus (PT BAL)</td><td>2018</td></tr>
<tr><td>KKPA BAL</td><td>2020</td></tr>
</table>
</td>
</tr>
<tr>
<td></td>
<td>(b)</td>
<td>Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;</td>
<td>YES</td>
<td>The time bound plan set for 8 new/uncertified SOUs was appropriate and within the timeframe of three years for RSPO certification.</td>
</tr>
<tr>
<td></td>
<td>(c)</td>
<td>Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);</td>
<td>YES</td>
<td>CB has received and verified time bound plan for 8 new/uncertified SOUs as at December 2017. The time bound plan was revised and endorsed by the Head of PSQM, Sime Darby Plantation Sdn Bhd - Indonesia.</td>
</tr>
<tr>
<td>4.5.4 Requirements for uncertified management units:</td>
<td>(a)</td>
<td>No replacement of primary forest or any required to maintain or enhance HCV accordance with RSPO P&C criterion 7.3. Any new plantings since 1st January 2010 shall comply with the RSPO NPP. For each new planting development,</td>
<td>YES</td>
<td>The status of 8 uncertified SOUs through Mutuagung Assessment Report were as follows:
<table>
<tr><th>No</th><th>Name of SOU</th><th>Name of Units</th><th>Replacement of primary forest or HCV area and new planting</th></tr>
<tr><td>1</td><td>PT Sime Indo Agro</td><td>East & Sei Mawang</td><td>No new planting since November 2005.</td></tr>
</table>
</td>
</tr>
</table>

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

<table>
<tr>
<td>(b)</td>
<td>Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in acc. with RSPO P&C 2.2, 6.4, 7.5, 7.6;</td>
<td>YES</td>
<td>The status of 8 uncertified SOUs through Mutuagung Assessment Report were as follows:
<table>
<tr><th>No</th><th>Name of SOU</th><th>Name of Units</th><th>Land conflicts</th></tr>
<tr><td>1</td><td>PT Sime Indo Agro</td><td>East & Sei Mawang</td><td>East Estate does not have existing land conflicts with the community, the land issue is currently under the process of legality under the purview of the Ministry of Forestry, Indonesia.</td></tr>
<tr><td>2</td><td>PT Ladangrumpun Suburabadi</td><td>Subur Abadi Plasma 1</td><td>Smallholder project – SAP 1. No land conflict.</td></tr>
<tr><td>3</td><td>PT Bersama Sejahtera Sakti</td><td>KKPA BSS</td><td>New smallholder project - KKPA Maju Bersama. No land conflict.</td></tr>
<tr><td>4</td><td>PT Bahari Gembira Ria</td><td>Plasma BGR</td><td>Smallholder Project. No land conflict.</td></tr>
<tr><td>5</td><td>PT Guthrie Pecconina Indonesia</td><td>Sungai Jernih Estate and GPP KKPA</td><td>Still in process to get certificate of land use right. Head of Musi Banyuasin District concerning the Granting of Plantation Business License of PT Guthrie dated 25 Feb 2010.</td></tr>
<tr><td>6</td><td>PT Mitra Austral Sejahtera (MAS)</td><td>MAS 1, MAS 2, MAS 3, Mas Factory & PLASMA MAS</td><td>There are land conflict. Sime Darby Plantation is submitting quarterly progress report to RSPO. The latest report was submitted on 18 Dec 2017. The details of the case is available on RSPO Website https://www.rspo.org/members/comp laints/status-of-complaints/view/29</td></tr>
<tr><td>7</td><td>PT Sandika Nata Palma</td><td>Karya Palma & KKPA SNP</td><td>No land conflict.</td></tr>
<tr><td>8</td><td>PT Budidaya Agro Lestari</td><td>Pelanjau, Sg. Putih, Beturus & KKPA BAL (PT BAL)</td><td>No land conflict.</td></tr>
</table>
</td>
</tr>
<tr>
<td>(c)</td>
<td>Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3;</td>
<td>YES</td>
<td>Based on the internal audit report, there were no labour dispute that are not being resolved through an agreed process for all uncertified units for all 8 uncertified units of Sime Darby Plantation Sdn Bhd - Indonesia as at December 2017.</td>
</tr>
<tr>
<td>(d)</td>
<td>Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;</td>
<td>YES</td>
<td>There was legal non-compliance on land title for 5 uncertified SOUs as listed below. These PTs waiting for land title process ; PT Sime Indo Agro 1,652 Ha, PT Bersama Sejahtera Sakti 765 Ha, PT Bahari Gembira Ria 1,639 Ha, PT Guthrie Pecconina Indonesia 4,133 Ha and PT Budidaya Agro Lestari. PT Mitra Austral Sejahtera was in progress to close non-compliances in relation to legal requirements as raised during Internal Audit Nov 2017.</td>
</tr>
</table>

<table>
<tr><td></td><td>(e)</td><td>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:</td><td></td><td></td></tr>
<tr><td></td><td></td><td>• 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;</td><td>YES</td><td>The status of 8 uncertified SOUs through Mutuagung Assessment Report were as follows:
<table>
<tr><th>No</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 Ladangrumpun Suburabadi</td><td>Subur Abadi Plasma 1</td><td>Internal assessment has been conducted for Subur Abadi Plasma 1 on 22 Feb 2017. The Subur Abadi Plasma 1 Scheme is currently undergoing RSPO Certification under PT Ladangrumpun Suburabadi pending certification. RSPO Pre-assessment has been completed on 20-24 March 2017. The contract between the Certification Body (PT Mutuagung Lestari) and PT Ladangrumpun Suburabadi is available (dated 6 March 2017) which includes the scope of the supply base of Subur Abadi Plasma stated under Clause 2, 1a. There is no outstanding land and social conflicts on the ground. HCV Assessment for Subur Abadi Plasma smallholders have been conducted (by Pollito) in July 2011 before commencement of any new planting. Land Use Change Analysis for the Plasma is in progress.</td></tr>
<tr><td>3</td><td>PT Bersama Sejahtera Sakti</td><td>KKPA BSS</td><td>New smallholder project currently under preparation to undergo RSPO Certification by 2019, internal audit for PT BSS has been undertaken, the latest internal audit has been conducted on 21 April 2018.
There is no outstanding social and land conflicts on the ground. The plasma scheme has already undergone HCV Assessment (conducted by Pollito) in July 2011 before commencement of New Planting. Land Use Change Analysis is in progress.</td></tr>
</table></td></tr>
</table>

			4	PT Bahari Gembira Ria	Plasma BGR	Confirmation of the status is in progress. Sime Darby Plantation does not have management control over the plasma scheme. 1 out of 6 Koperasi Unit Desa (KUD) has been RSPO Certified. And all KUD is planned to undergo RSPO Certification by 2020 as reported in the timebound plan. Land Use Change Analysis has been completed for Plasma BGR. Refer to RSPO Certificate & Report for PT BGR - https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&file=00P9000001OioYJEAZ https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&file=00P9000001OioXOEAZ
			5	PT Guthrie Pecconina Indonesia	Sungai Jernih Estate and GPI KKPA	Sungai Jernih Estate and GPI KKPA were audited by Mutuagung as verified through Recertification Audit report. The assessment was conducted on 15 – 20 May 2017.
			6	PT Mitra Austral Sejahtera (MAS)	MAS 1, MAS 2, MAS 3, Mas Factory, Plasma MAS	Internal assessment was conducted on 9 - 10 Nov 2017 by PSQM Indonesia.
			7	PT Sandika Nata Palma	Karya Palma & KKPA SNsP	Internal assessment was conducted on 10 Feb 2017.
			8	PT Budidaya Agro Lestari	Pelanjau, Sungai Putih & Beturus (PT BAL)	Internal assessment was conducted on 18 - 23 Sept 2016. This PT also has conducted Stage 1 audit on RSPO Certification System, P&C RSPO (2016) and RSPO Supply Chain Certification Standard on 17 – 22 April 2017.
					KKPA BAL	Smallholder project – targeted for certification by 2020.
	• Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team.	YES	Mutuagung Lestari had conducted the consultation with relevant NGO's as verified by audit team through the Mutuagung Assessment Report.			
	• Desktop study e.g. web check on relevant complaints	YES	Verified through RSPO website: https://www.rspo.org/members/status-of-complaints/			

		• If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements.	YES	Mutuagung Lestari had conducted the consultation with relevant NGO's and field inspection as verified by audit team through the Mutuagung Assessment Report.
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 parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.		No additional indicators	YES	As it has been mentioned in 2.2.1 of this checklist, it was evident that the land belongs to the company named Harrisons Malaysian Plantations Sdn Bhd. Harrisons Malaysian Plantations Sdn Bhd merged with Sime Darby in year of 2008. Based on the interviews carried out and this audit finding, it has been confirmed that there was no such case concerning the rights of local communities in Giram. There were no indigenous peoples here, hence this component was not applicable to the CU.
Note: 1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&C. For example, if an NC against a major indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless that is actively addressed; 2. Failure to address any outstanding NC within uncertified unit(s) regarding 4.5.4 (a)-(d) may lead to certificate suspension(s) to the certified unit(s), in accordance with the provisions of these Certification Systems.				

Attachment 4

Details of Non-conformities and Corrective Actions Taken

<table>
<tr><th>P & C Indicator</th><th>Specification Major/Minor</th><th>Detail Non-conformances</th><th>Corrective Action</th><th>Verification by Assessor</th></tr>
<tr>
<td>1.1.2
NCR MZK 01 2018</td>
<td>Major</td>
<td><u>Requirement :</u>
- Records of requests for information and responses shall be maintained

<u>Finding :</u>
Records of request and Information regarding Certified Area was found incorrect

<u>Objective evidence :</u>
The information given to CB regarding Certified Area at SOU Giram since 2015 (Stage 2 Audit) was not correct due to not tally with stated Land Title as per table below:

<table>
<tr><th>Estate</th><th>Certified Area (Since 2015)</th><th>Land Title as Per Legal Grant</th></tr>
<tr><td>Mostyn Estate</td><td>4078.03</td><td>4,178.04</td></tr>
</table>
</td>
<td>The correct estate hectarage has been referred from the latest SEMUA hectarage system which included all inactive and active fields. Mostyn Estate also has been establish the land title summary for easy reference (both SEMUA hectarage and Mostyn Estate land title summary are as attached).</td>
<td>Auditor has verified the Land Title and Data from SEMUA system records. It has been confirmed that information tally with Land Title. The certified area in the Report has already been changed by the auditor.

Status : Closed
The effectiveness of Corrective action will be verified during next audit.</td>
</tr>
</table>

Attachment 5

RSPO SUPPLY CHAIN : AUDIT CHECKLIST

SECTION A : GENERAL INFORMATION

1.	File Reference No.	:	ES10170016
2.	Name of facility/ site(s) /entity(ies)	:	Sime Darby Plantation Berhad – Giram POM
3.	Site Location (single site/multisite/Group)	:	91207 Kunak, Tawau, Sabah
4.	SC model	:	Identity Preserved
5.	Type of entity	:	Mill / ~~Crusher / Refinery / Biodiesel plant / Primary Oleochemical / Secondary Oleochemical / End product manufacturer~~ *For oleochemicals and its derivatives, please check the conversion factor against the "RSPO Rules for Oleochemicals and its Derivatives" dated 1st December 2016*
6.	RSPO Member Number	:	1-0008-04-000-00
7.	Annual summary records of certified oil palm products purchased and claimed	:	Projected for last year for period of May 17 until April 18 CPO Projected: 36,867.70mt PK Projected: 7,748.24mt CPO Production: 34,150.84 mt CPO Claim as Identity Preserved: 0 mt CPO Claim as Non-RSPO: 33,927.64 mt PK Production: 7,572.34 mt PK Claim as Identity Preserved: 1,087.78 mt PK Claim as Non-RSPO: 6,387.14 mt

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

	Requirements	Remarks
1	**Applicability of the general chain of custody requirements for the supply chain**	
1.1	Organization takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors.	Giram POM has legal ownership and physically handles RSPO certified sustainable crude palm oil and palm kernel
1.2	Traders and distributors require a licence obtained from RSPO to sell RSPO certified product but do not themselves require certification. When selling RSPO certified product a licensed trader and/or distributor must pass on the certification number of the product manufacturer and the applicable supply chain model.	Not applicable due to Giram POM is processing facility.

1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.	RSPO membership no : 1-0008-04-000-00 Registered under parent company: SIME DARBY PLANTATION BERHAD
1.4	Processing aids do not need to be included within an organization's scope of certification.	No processing aid involved in Giram POM scope of certification
2	**Supply chain model**	
2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	Giram POM has aware on the need to downgrading of supply chain model. Incoming FFB and products dispatch record was verified and confirmed no downgrading was implemented.
2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Giram POM has continued to maintain IP model.
3	**Documented procedures**	
3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:	Giram POM had revised their documented procedure title '*Standard operating procedure for Sustainability Supply Chain and Traceability SD/SDP/PSQM/001', version 2, dated Feb 2018*. The procedure was kept in file RSPO Supply Chain Manual (SCM/RSPO/SD) Appropriate changes were also made in the change to include the new clause Production volume, Conversion factors, Internal Audit, Complaints and Management Review
a)	Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.	Supply chain procedure was revised February 2018 (revision: 3) The Procedure was sighted and found all elements of the RSPO Supply Chain standard were covered.
b)	Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).	Sighted CPO and PK production record, weighbridge report, dispatch record and training record was up to date and well maintained.
c)	Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization's procedures for the implementation of this standard.	The Assistant Manager have overall responsible and authority over the implementation of RSPO supply chain requirement in RSPO Giram POM. Interview with sustainability committee member, mill manager, assistant mill manager & weighbridge operator was confirmed they are understood the supply chain requirements.
3.2	The site shall have a written procedure to conduct annual internal audit to determine whether the organization; i. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. ii. Effectively implements and maintains the standard requirements within its organization. Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct nonconformities shall be subject to management	RSPO internal audit was conducted in Mar 2018 by the internal auditors. The internal audit has follow the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. There are 4 Major nonconformance report (NCR) and 1 OFI were raised by auditor regarding the Weighbridge ticket, Management Review, and Training. Audit Attendance sheet, audit plan, audit notes, was sighted by auditor.

	review at least annually. The organization shall be able to maintain the internal audit records and reports.	
4	**Purchasing and goods in**	
4.1	The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and following minimum information for RSPO certified products is made available by the supplier in document form: • The name and address of the buyer; • The name and address of the seller; • The loading or shipment / delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply Chain certificate number of the seller; • A unique identification number. Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).	Giram POM had continued received FFB supply from own company estate namely Giram Estate and Mostyn Estate and diversion Crop from SOU Binuang. Sighted FFB consignment note for Giram estate and Mostyn Estate and Diversion Crop from SOU Binuang. Among the information available on the FFB consignment note are estate name, delivery date, no of FFB bunches, FFB weight.
a)	The site shall have documentation that demonstrate that purchases are made to the material category agreed with their supplier (IP, SG or MB).	Giram POM had continued received source of RSPO certified FFB from own group estate.
b)	The site ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcement and Shipping Confirmation on the RSPO IT platform on the level of each shipment.	Giram POM has continued to implement and comply with the procedure in handling of purchasing and receiving as per RSPO standard requirements. Among the samples were incoming FFB from Giram estate and Mostyn Estate and Diversion Crop from SOU Binuang Giram POM has registered in IT platform
c)	A check of the validity of the Supply Chain Certification of suppliers for all sites that are SC certified. This shall be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements.	GPOM had continued received FFB supply from own company estate namely Giram Estate and Mostyn Estate and diversion Crop from SOU Binuang.
4.2	The site shall have a mechanism in place for handling non-conforming material and/or documents.	GPOM had started implementing the electronic system ‘Simeweigh’ to trace the volume of in-coming FFBs from the certified supply bases (estates). Every lorry load of certified FFBs leaving the certified estate was accompanied by a ‘card’. On arrival at GPOM, the lorry driver surrendered the ‘card’ to the Weighbridge Clerk. The ‘card’ was then scanned and the relevant information on the certified FFBs was then captured and stored in a data base.

5	**Outsourcing activities**	
5.1	In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. *This requirement should not apply to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the organization (not the tank farm manager).*	There is 1 outsource company CPO and PK transporter. The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. Record of training was sighted.
5.2	Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: a) The site has legal ownership of all input material to be included in outsourced processes; b) The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The responsibility is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. c) The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.	a) There are 1 outsource company CPO and PK transporter. The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. Record of training was sighted. b) There is contract document between Giram POM and the transporters. c) The RSPO Supply Chain procedure has described on outsource activity. d) Inspection was carried out as additional effort to ensure no contamination sighted book at AP Post.
5.3	The site shall record the names and contact details of all contractors used for the processing or production of RSPO certified materials.	List of contact person for both transporters were made available and up-to-date.
5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or production of RSPO certified materials.	No new contractors used for the processing or production of RSPO certified materials.
6	**Sales and goods out**	
6.1	The organization shall ensure that the following minimum information for RSPO certified products is made available in document form. Information must be complete and can be presented either on a single	The procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Sime Darby Plantations Berhad and Global Trade Marketing Department (HQ) on behalf of Giram POM.

	document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation): • The name and address of the buyer; • The name and address of the seller; • The loading or delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply chain certificate number; • A unique identification number.	
7	**Registration of transactions**	
7.1	Supply chain actors who: • are supply chain actors between the mill and final refinery; • take legal ownership and physically handle RSPO Certified Sustainable oil palm products; and • are part of the supply chain of RSPO Certified Sustainable oil palm products must register their transaction in the RSPO IT platform at the time of physical shipment as required by the rules set by RSPO.	Giram POM has legal ownership and physical handle RSPO certified sustainable CPO and PK.
8	**Training**	
8.1	The organization shall have a defined training plan, which is subject to on-going review and is supported by records of the training provided to staff.	Training plan has included the RSPO Supply chain training scheduled in May 2018 for staff & workers.
8.2	Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification system. Training shall be specific and relevant to the task(s) performed.	Training was conducted for Staff in Mar 2018 by PIC Nadiah Mohamed Nazri attended by QA, Office Clerk, Weighbridge Clerk, Auxiliary Police, and Assistant Engineer. Attendance list & photograph was seen.
9	**Record keeping**	
9.1	The site shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification requirements.	Sighted CPO and PK delivery note, weighbridge ticket, production data and internal audit records were found up-to-date.
9.2	Retention times for all records and reports shall be a minimum of two (2) years and must comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	Relevant record was maintained for more than 2 years

9.3	The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	The Giram POM has projection record calculated from Black Bunch Census and allocated by the budget and the record was updated by year when do the budget.
10	**Conversion factors**	
5.10.1	Where applicable a conversion rate must be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which must be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org). This is in particular relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries. The guidance document for oleochemicals is available on the RSPO website (www.rspo.org).	OER & KER has been used as the conversion factor for FFB to CPO and FFB to PK.
10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	Actual performance applied.
11	**Claims**	
11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO rules on communications and claims.	No claims have been made
12	**Complaints**	
12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Giram POM has established documented procedure to address collecting and resolving the complaint. As stated in clause 18.0 Complaints in the SOP for Supply Chain and Traceability.
13	**Management review**	
13.1	The organization is required to hold management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	Documented procedure has defined management review will be conducted once a year As stated in clause 19.0 Management Review in the SOP for Supply Chain and Traceability.
13.2	The input to management review shall include information on: • Results of internal audits covering RSPO SCCS • Customer feedback • Status of preventive and corrective actions • Follow-up actions from management reviews • Changes that could affect the management system • Recommendations for improvement	Management review meeting dated 10 April 2018 (combine RSPO SC) • Internal audit – 4 Major NCR 1 OFI • Customer feedback – data analysis show result from customer survey (i.e. RSPO-CSPO related to meeting the contract volume, timely delivery, dispatch documentation) result achived. • Previous meeting – was highlighted • Changes • Recommendation for improvement – improve the established system
13.3	The output from the management review shall include any decisions and actions related to: • Improvement of the effectiveness of the management system and its	Recommendation for improvement Recourse sufficient.

	processes • Resource need	

SECTION C : SUPPY CHAIN MODELS

	Module D – CPO Mills: Identity Preserved	
D.3	**Documented procedures**	
D.3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: a) Complete and up to date procedures covering the implementation of all the elements in these requirements; b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.	a) Giram POM had revised their documented procedure title '*Standard operating procedure for Sustainability Supply Chain and Traceability SD/SDP/PSQM/001', version 2, dated Feb 2018*. The procedure described the following: • Clause 4.0 ~ the responsibility of for the implementation of RSPO SCC i.e. head of operating unit • Clause 5.0 ~ Control of document & records such as weighbridge tickets, consignment note , training record & 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. • 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 • Clause 7.0 ~ Receiving FFB at the mill – list of supply base, rules for determining diverted FFB destination, relevant record • Clause 8.0 ~ process monitoring – for IP model mill need to ensure no mixing of RSPO certified and non-certified • Clause 9.0 ~ CPO and PK despatch – [Clause 9.1] all delivery of CPO and PK shall be in accordance with the contract allocated by Global Trading & 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, • Clause 10.0 ~ Non-conforming material / product – requirement to downgrade the RSPO Product • Clause 11.0 ~ product claim – shall follow RSPO rules on market communication & claim • Clause 12.0 ~ Outsourced contractor - the mill has established list of outsourced contractor. Sighted list of transporter for CPO and PK. • Clause 13.0 ~ Training – the mill shall provide training for relevant personnel carrying the task at tech critical control point (CCP). • Clause 14.0 ~ 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.

		• Clause 15.0 ~ Production volume • Clause 16.0 ~ Conversion Factors • Clause 17.0 ~ Internal Audit • Clause 18.0 ~ Complaints • Clause 19.0 ~ Management Review The procedure was kept in file RSPO Supply Chain Manual (SCM/RSPO/SD) Appropriate changes were also made in the change to include the new clause Production volume, Conversion factors, Internal Audit, Complaints and Management Review. b) The Assistant Manager have overall responsible and authority over the implementation of RSPO supply chain requirement in RSPO Giram POM. Interview with sustainability committee member, mill manager, assistant mill manager & weighbridge operator was confirmed they are understood the supply chain requirements
D.3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	Clause 7.0 of *SOP for Sustainable Supply Chain and Traceability,* version 2 has described how the Giram POM manages the FFB from certified source. It was confirmed that no non-certified FFB was received by Giram POM.
D.4	**Purchasing and goods in**	
D.4.1	The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.	Giram POM will only accept the RSPO certified FFB which are from Sime Darby's own estates i.e. Mostyn Estate and Giram Estate. Monitoring records titled as *"RSPO Records for Oil Mills"* has recorded the tonnage of certified FFB and its supplying estate. Verified through Giram POM weighing system called '*SimeWeigh' and random sample of weighbridge ticket from Giram Estate, Sogomana Estate and Sungei Wangi Estate.*
D.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	There was no overproduction of certified CSPO during the period under review (May 2017 – April 2018).
D.5	**Record keeping**	
D.5.1	The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.	Giram POM has maintained the three-monthly accounting system to record RSPO certified FFB and deliveries of RSPO certified CPO and PK.
D.6	**Processing**	
D.6.1	The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified oil palm product including during transport and storage.	Global Trading & Marketing (GTM) Ara Damansara office informed Sime Darby Plantation Sdn.Bhd – Kunak Bulking Installation (KBI) by e-mail on the dispatch of RSPO certified CPO from the supplying POMs (Giram). The dispatch of the RSPO certified CPO to KBI by the supplying POMs was made based on a specific contract.
	The objective is for 100 % segregated material to be reached.	Giram POM does not accept any non-certified FFB. It was confirmed through summary of weighbridge ticket and interview with weighbridge operator. Therefore, CPO and PK can be considered 100% segregated.

Attachment 6

STATUS OF NON-CONFORMITIES PERVIOUSLY IDENTIFIED

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
2.1.1	Major	Giram POM 1. There was no health surveillance by Occupational Health Doctor for workers who working in Confined Space. 2. Declaration of health status for the authorised entrant prior to each entry was not evident.	1. To send all certified AESP for health surveillance by OHD. Completion date: 23/7/2017. 2. Create a declaration of health status form for the authorised entrant according to ICOP. A completion date: 31/05/2017.	1. Auditor has received letter from Klinik Mansor dated 18 July 2017 for the health surveillance for AESP. The surveillance has been conducted on 8 July 2017. **2.** The CU has create the declaration form titled 'Declaration of Health Status by Authorised Entrant' as accordance to ICOP requirements. CLOSED.
2.2.2	Minor	During site visit at boundary area between Sipit Division (Giram Estate) and KLK Plantation, auditor has found that boundary pegs not visibly maintained.	Estate management already carried out maintenance work and maintain the boundary pegs with red and white colour at boundary area between Sipit Division (Giram Estate) and KLK Plantation. Expected completion date: 5 June 2017.	During this audit, auditors verified that the boundary area between Sipit Division (Giram Estate) and KLK Plantation, the boundary pegs were already visible and maintained. CLOSED.

Attachment 7

RSPO Certification Timebound Plan for Sime Darby Plantation (SDP)

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

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

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

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

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

SDP - RSPO Certification Status for Malaysia Operations

SOU NO	Name of SOU	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	Sg. Dingin	Karangan, Kedah	12 Aug '10	11-Aug-20	SPO 550179	
2	Chersonese	Kuala Kurau, Perak	5 Oct '11	4-Oct-21	CU-RSPO-815148, RSPO 590800	
3	Elphil	Sg Siput, Perak	18 Jun '11	17-Jun-21	RSPO 550180	
4	Flemington	Teluk Intan, Perak	5 Oct '11	4-Oct-21	CU-RSPO-819144, RSPO 590802	
5	Seri Intan	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-811218, RSPO 0015	
5	Selaba	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-819142, RSPO 0016	
5a	Sg Samak		3 Mar '11	NA	NA	
6	Tennamaram	Bestari Jaya, Selangor	3 Mar '11	2-Mar-21	CU-RSPO-819143, RSPO 0014	
7	Bkt Kerayong	Kapar, Selangor	15 Apr '11	14-Apr-21	RSPO 550181	
8	East	Carey Island, Selangor	19 May '10	18-May-20	SPO 543543	
9	West	Carey Island, Selangor	19 May '10	18-May-20	SPO 543594	
9a	Sepang	Sepang, Selangor	19 May '10	NA	NA	
10	Bukit Puteri	Raub, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-815147, 18502206 001, 824 502 14020	
11	Kerdau	Temerloh, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-819155, 18502207 001, 824 502 14019	
12	Jabor	Kuantan, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-819156, RSPO 928288, 824 502 16049	
13	Labu	Nilai, Negeri Sembilan	30 Dec '11	29-Dec-21	CU-RSPO-819163, SGSRSPO/PM/MY13/01284, 824 502 16039, SGS-RSPO/PC17-00004, CURSPO-855480	
14	Tanah Merah	Port Dickson, Negeri Sembilan	19 May '10	18-May-20	SPO 541905	
15	Sua Betong	Port Dickson, Negeri Sembilan	18/2/2014	17-Feb-19	SGS-RSPOPM-MY14/01364, 824 502 16032	Sua Betong Oil Mill has been comissioned to replace Rantau Oil Mill with Certificate No: CU- RSPO-819165, certification date: 30 Dec 2011.
16	Kok Foh	Bahau, Negeri Sembilan	7 Jul '11	6-Jul-21	CU-RSPO-819157, RSPO 928188, 824 502 16051	
17	Kempas	Jasin, Melaka	19 May '10	18-May-20	RSPO 005	
18	Diamond Jubilee	Jasin, Melaka	5 Oct '11	4-Oct-21	CU-RSPO-819146, RSPO 591224	

19	Pagoh	Muar, Johor	28/1/2014	27-Jan-19	RSPO 600305	Pagoh Oil Mill has been commisioned to replace Nordanal Oil Mill with Certificate No: SPO 549297, certification date: 7 Jan 2011.
19a	Yong Peng	Yong Peng, Johor	20 Oct '10	19-Oct-15	RSPO 550182	
20	Chaah	Chaah, Johor	18 Nov '10	17-Nov-20	RSPO 548299	
21	Gunung Mas	Kluang, Johor	19 May '10	18-May-20	RSPO 901888	
22	Bukit Benut	Kluang, Johor	5 Oct '11	4-Oct-21	CU-RSPO-819147, RSPO 591229	
23	Ulu Remis	Layang-layang, Johor	11 Apr '11	10-Apr-21	SGS-RSPO/PM-00722, 824 502 16042	
24	Hadapan	Layang-layang, Johor	29 Mar '11	28-Mar-21	SGS-RSPO/PM-00715, 824 502 16040, BVC-RSPO20170623-01	
25	Segaliud	Sandakan, Sabah	20 May '10	19-May-15	RSPO 547123	
26	Sandakan Bay	Sandakan, Sabah	1 Oct '08	30-Sep-18	RSPO 537872	
27	Melalap	Tenom, Sabah	21 Jan '11	20-Jan-21	RSPO 547124	
28	Binuang	Kunak, Sabah	16 Jan '09	12-Jul-20	RSPO 001	
29	Giram	Kunak Sabah	16 Jan '09	12-Jul-20	RSPO 002	
30	Merotai	Tawau, Sabah	16 Jan '09	12-Jul-20	RSPO 004	
30a	Jeleta Bumi	Kunak, Sabah	24/5/2010	NA	NA	
30b	Mostyn	Kunak Sabah	16 Jan '09	NA	NA	
31	Lavang	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819166, MUTU-RSPO/053	
32	Rajawali	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819167, RSPO 0020	
33	Derawan	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819169, RSPO 0019	
34	Pekaka	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-815150, MUTU-RSPO/054	Mill is mothballed, supply base merged into Lavang effective Dec 2017.

Legends:

Certification
Withdrawal

SDP- RSPO Certification Status for Indonesia Operations

NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	PT LAHAN TANI SAKTI	ALUR DUMAI	Bagan Sinembah/Tanh Putih, Pujud, Rokan Hilir, Riau	16-Jan-12	15-Jan-22	MUTU-RSPO/011, SGS-RSPO/PC17-00005, SGS-RSPO/PC17-00005	
2	PT SAJANG HEULANG	ANGSANA MINI	Sebamban, Indonesia	6-Jul-11	6-Jul-16	MUTU-RSPO/006b	Mill closed down
3	PT SAJANG HEULANG	MUSTIKA	Sebamban, Indonesia	3-Jul-13	3-Jul-18	MUTU-RSPO/027	
4	PT LADANGRUMPUN SUBURUBADI	ANGSANA	Sebamban, Indonesia	9-Nov-16	8-Nov-21	MUTU-RSPO/006a	
5	PT LANGGENG MUARAMAKMUR	BEBUNGA	Pamukan Utara, Tanah Grogot, Kotabaru/Pasir, Kalimantan Selatan/Kalimantan Timur	16-Mar-12	3-Aug-22	MUTU-RSPO/014	Recertification of Bebunga POM is in progress.
6	PT KRIDATAMA LANCAR	SUKAMANDANG	Seruyan Tengah, Sampit, Seruyan, Kalimantan Tengah	2-Sep-16	1-Sep-21	MUTU-RSPO/003	
7	PT BAHARI GEMBIRA RIA	LADANG PANJANG	Kumpeh Ulu, Jambi, Muaro Jambi, Jambi	9-Jul-12	28-Nov-22	MUTU-RSPO/019	
8	PT TUNGGAL MITRA PLANTATIONS	MANGGALA	Riau, Indonesia	25-Nov-10	24-Nov-20	MUTU-RSPO/002	
9	PT PARIPURNA SWAKARSA	PONDOK LABU	Pamukan Selatan, Tanah Grogot, Kotabaru, Kalimantan Selatan	16-Mar-12	19-Jul-22	MUTU-RSPO/016	Recertification of Pondok Labu POM is in progress.
10	PT BERSAMA SEJAHTERA SAKTI	GUNUNG ARU	Sebamban, Indonesia	21-Oct-16	20-Oct-21	MUTU-RSPO/005	

11	PT GUTHRIE PECCONINA	RANTAU PANJANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	16-Mar-12	19-Nov-22	MUTU-RSPO/017	Recertification of Rantau Panjang POM is in progress.
12 13	PT LAGUNA MANDIRI	RANTAU BETUNG	Sungai Durian, Kotabaru, Kalimantan Selatan	30-Dec-11 1-April-14	05-Feb-22 1-April-19	MUTU-RSPO/009 MUTU-RSPO/035	
14	PT INDOTRUBA TENGAH	SEKUNYIR	Kalimantan Tengah, Indonesia	23-Nov-10	22-Nov-20	MUTU-RSPO/001	
15	PT SWADAYA ANDIKA	SELABAK	Sungai Durian, Kotabaru, Kalimantan Selatan	16-Mar-12	16-Mar-17	MUTU-RSPO/015	Mill is mothballed.
16	PT BINA SAINS CEMERLANG	SG PINANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	11-Sep-12	28-Nov-22	MUTU-RSPO/020	
17	PT TEGUH SEMPURNA	PEMANTANG	Kuala Kuayan, Sampit, Kotawaringin Timur, Kalimantan Tengah	9-Sep-16	8-Sep-21	MUTU-RSPO/004	
18 19	PT BHUMIREKSA NUSA SEJATI	TELUK BAKAU MANDAH	Pelangiran, Sg. Guntung, Indragiri Ilir, Riau	01-Dec-16 1 April 2014	30-Nov-21 1 April 2019	MUTU-RSPO/008 MUTU-RSPO/036	
20	PT ANEKA INTIPERSADA	TELUK SIAK	Tualang, Perawang, Siak, Riau	8-Dec-16	7-Dec-21	MUTU-RSPO/007	
21	PT TAMACO GRAHA KRIDA	UNGKAYA	Witaponda, Kolonodale, Morowali, Sulawesi Tengah	10-Jul-12	28-Dec-22	MUTU-RSPO/018	

22	PT SIME INDO AGRO	BK AJONG	Kalimantan Barat, Indonesia	18-Jul-16	17-Jul-21	MUTU-RSPO/088	
23	PT PADANG PALMA PERMAI/PT PERKASA SUBUR SAKTI	BLANG SIMPO	Karang Baru, Kuala Simpang, Aceh Tamiang, Nangroe Aceh Darussalam	3-May-13	3-May-18	MUTU-RSPO/026	
24	PT SANDIKA NATAPALMA/PT BUDIDAYA AGRO LESTARI	LEMBIRU	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	3-Jul-14	2-Jul-19	MUTU-RSPO/044	
25	PT MITRAL AUSTRAL SEJAHTERA	MAS Mill	Desa Rahayu Kec. Parindu Kab.Sanggau, Kalimantan Barat	NA	NA	NA	

Legends

Pending Certification by RSPO	Mill closed down/Mothballed

NA - NOT APPLICABLE