SIRIM QAS INTERNATIONAL	**SIRIM QAS INTERNATIONAL SDN. BHD.** Building 4, SIRIM Complex, No. 1 ,Persiaran Dato' Menteri, Section 2, 40700 Shah Alam, Selangor, Malaysia.	**File Ref. :** ES10170019
	RSPO PUBLIC SUMMARY REPORT	

CLIENT : SIME DARBY PLANTATION BHD - SOU 31 LAVANG

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 31 Lavang Certification Unit	Lavang POM	N 3° 25' 58.6"	E 113° 36' 0.3"	97008 Bintulu, Sarawak
	Lavang	N 3° 13' 13"	E 113° 21' 11"	97008 Bintulu, Sarawak
	Lavang Special	N 3° 33' 16"	E 113° 37' 15"	97008 Bintulu, Sarawak
	Belian	N 3° 31' 37"	E 113° 38' 31"	97008 Bintulu, Sarawak
	Rasan	N 3° 15' 34"	E 113° 21' 37"	97008 Bintulu, Sarawak
	Kelida	N 3° 32' 19"	E 113° 40' 51"	97008 Bintulu, Sarawak
	Pekaka	N 3° 36' 03"	E 113° 38' 41"	97008 Bintulu, Sarawak
	Ruai	N 3° 26' 45"	E 113° 39' 03"	97008 Bintulu, Sarawak
	Dulang	N 3° 35' 23"	E 113° 43' 11"	97011 Bintulu, Sarawak
	Paroh	N 3° 35' 23	E 113° 42' 25"	97008 Bintulu, Sarawak
	Chartquest	N 3° 37' 24"	E 113° 37' 11"	97010 Bintulu, Sarawak

MAP : See Attachment 1

AUDIT DATE : **04 Nov – 08 Nov 2019** **DURATION : 25 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)SOU

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

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

The following attachments form part of this report:
Non-conformity Report(s) ■ List of additional site(s) ☐

Report by Audit Team Leader		**Acknowledgement by Client's Representative**	
Name :	AMIR B BAHARI	Name :	SIME DARBY PLANTATION (SARAWAK) SDN BHD (Company No. [illegible]-M) SALWA MD TAZID Manager - SQM Sarawak Region
Signature :		Signature :	
Date :	10/02/2020	Date :	8/2/20

SUMMARY OF AUDITS

Recertification audit					
On-site audit date :				No. of auditor days :	
Audit team :					
No. of major NCR :		Indicator:			Closing date:
No. of minor NCR :		Indicator:			
Indicate the stakeholders interviewed during the on-site audit :	Employees		Settlers	Villagers	Suppliers
	Contract workers		NGOs	Govt. agency	Independent growers
	Indigenous people		Contractor	Others (Please specify)	
Supply base sampled :	Lavang Special Estate, Rasan Estate & Belian Estate				

Annual Surveillance Audit 1					
On-site audit date :				No. of auditor days :	
Audit team :					
No. of major NCR :		Indicator:			Closing date :
No. of minor NCR :		Indicator :			
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees		Settlers	Villagers	Suppliers
	Contract workers		NGOs	Govt. agency	Independent growers
	Indigenous people		Contractor	Others (Please specify)	
Supply base sampled :					
Changes since the last audit :					
Report approved by :				Approval date :	

Annual Surveillance Audit 2					
On-site audit date :	29 October –2 November 2018			No. of auditor days :	25.0 auditor day
Audit team :	Mohd Zulfakar Kamaruzaman (LA), Rozaimee Ab Rahman, Amir Bahari, Selvasingam T. Kandiah and Hazani Othman				
No. of major NCR :	3	Indicator : 1.1.2, 4.3.4, 6.5.1			Closing date : 1/2/2019
No. of minor NCR :	1	Indicator : 4.6.7			
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 :	Pekaka Estate, Lavang Special Estate, Paroh Estate, Ruai Estate.				
Changes since the last audit :	No changes				
Justification of audit planning :	The total allocation of auditor days for SOU Lavang Pekaka were: 25.0 auditor days Mill = 5 days (4 day for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems). There was four (4) estates audited namely Pekaka Estate, Lavang Special Estate, Paroh Estate, Ruai Estate. A five (5) man-day each was allocated for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.				

		Thus 4 estates is equivalent to 4 x 5 man-day = 20 man-day. The total for the entire CU is therefore 25 man-day which justified the no of auditors and their respective days for this audit.		
Report approved by	:	Radziah Mohd. Daud	Approval date :	11/2/2019

Annual Surveillance Audit 3					
On-site audit date	:	04/11/2019 - 08/11/2019		No. of auditor days:	25
Audit team	:	Amir B Bahari (LA), Mohd Zulfakar Kamaruzaman (LA), Rozaimee Ab Rahman, Selvasingam T. Kandiah and Mohd Ab Raouf Asis			
No. of major NCR	:	3	Indicator: 6.3.1, 4.8.1, 4.4.2		Closing date: 29/01/2020
No. of minor NCR	:	Nil	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	:	Dulang Estate, Lavang Estate, Charquest Estate, Kelida Estate			
Changes since the last audit	:	There were changes in the management team arising from retirement and routine transfer of executives within the organization.			
Justification of audit planning	:	The total allocation of auditor days for SOU Lavang Pekaka were: 25.0 auditor days Mill = 5 days (4 day for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems). There was four (4) estates audited namely Dulang Estate, Lavang Estate, Charquest Estate, Kelida Estate. A five (5) man-day each was allocated for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title. Thus 4 estates are equivalent to 4 x 5 man-day = 20 man-day. The total for the entire CU is therefore 25 man-day which justified the no of auditors and their respective days for this audit.			
Report approved by	:	Kamini Sooriamoorthy		Approval date:	10/02/2020

Annual Surveillance Audit 4					
On-site audit date	:			No. of auditor days :	
Audit team	:				
No. of major NCR	:		Indicator :		Closing date :
No. of minor NCR	:		Indicator :		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities	Suppliers
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
Supply base sampled	:				
Changes since the last audit	:				
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		Oct 2017 – Sept 2018	Oct 2018 – Sept 2019	Oct 2019 – Sept 2020	
Certified FFB Processed (MT)		331,316.00	283,130.14	271,245.56	
Production of Certified CPO (MT)		67,920.00	59,429.02	57,013.23	
Production of Certified PK (MT)		18,222.00	13,675.19	14,124.13	
Certified Areas (Ha)		23,595.16	24,836.54	24,836.54	
Planted Areas (Ha)		20,839.17	20,984.45	*20,963.92	
Production Areas (Ha)		20,839.17	15,149.51	13,447.92	
HCV Areas (Ha)		353.63	**354.07	**354.07	
Remarks	*Land acquisition by BDA for Pan Borneo construction at Lavang Estate and Chartquest estates bordering the road. **The HCV has been based on the latest HCV Assessment Report and re mapping by Physical Landscape and System team.				

TABLE 2

	PO	PK
Last years certified volume (MT)	59,429.02	13,675.19
Last years actual certified sold (MT)	5,800.00	3,850.00
Last years actual sold under other schemes (MT)	0.00	0.00
Last years sold conventional (MT)	46,223.13	9,286.59
New year certified volume (MT)	57,013.23	14,124.13

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1.0 AUDIT PROCESS

1.1 Certification Body

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

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

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Amir B Bahari	Lead Auditor, Occupational health and safety & Environment	Possessed B Sc (Hons) USM and Diploma Palm Oil Milling Technology/Management 1996 MPOB. Working experience for 35 years in the oil palm industry including in the mill and estates. A qualified RSPO P & C Auditor with experience in ISO, EMS and RSPO/MSPO auditing.
Mohd Zulfakar Kamaruzaman	Lead Auditor Land Title, HCV and SC	Holds a B.Sc. Forestry. He had several years of working experience in the oil palm operation. He is a qualified RSPO P&C, RSPO Supply Chain and MSPO Lead Auditor.
Selvasingam T Kandiah	Auditor GAP, Health & Safety related to plantation	Holds a B.Sc. (Hons) in Agriculture, he had work as a planter with Kumpulan Guthrie Berhad for more than 10 years including one year in Liberia and 2 years in Estate Department in Guthrie Headquarters.
Rozaimee Ab. Rahman	Auditor Time Bound Plan and Environment	Holds a B. Sc. of Agriculture. He had 7 years of working experience in the oil palm operation. He is a qualified Lead Auditor for RSPO P&C and MSPO.
Mohd Ab Raouf Asis	Auditor, Social	Holds a B. Sc. UHTM in Manufacturing (Production and Operation). He had more than 7 years of working experience in the oil palm operation. He has experience in auditing since 2016. He was successfully attended Quality Management System (ISO 9001:2015) and OHS 18001:2007 lead assessor course in 2016.

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1.3 Audit methodology

The scope of the audit was based on a sampling of the supply bases. In total there were 10 (ten) estates (Lavang Estate, Belian Estate, Rasan Estate, Kelida Estate, Lavang Special Estate, Pekaka Estate, Ruai Estate, Paroh Estate, Dulang Estate and Chartquest Estate). Audit team used the $0.8\sqrt{y}$ formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are Lavang Palm Oil Mill and 4 (four) estates (Dulang Estate, Lavang Estate, Charquest Estate, Kelida Estate).

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.

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (including migrant workers)	The following were confirmed during the conduct of audit as there was no evidence to prove otherwise: a) All workers signed the employment agreements with the estates/mill. They understood the contents of agreement, as these were prepared in English/Bahasa as the case may be. For those who couldn't read, the contents were explained to them in language they understood, usually by fellow countrymen who has worked in Malaysia longer. b) They are aware of their working hours (8 hours) and confirmed they were paid overtime for any work in excess of 8 hours. There was no forced overtime. c) They have been getting salaries above RM1,100 since Jan 2019. Salaries were paid before the 7th of every month. d) No abuse at work, and no sexual harassment. They understand what constitutes sexual harassment. e) No discrimination between migrant workers and local workers, between male and female workers. f) Comfortable housing with water and electricity provided. g) Have access to affordable food from the canteen/sundry shops within the estate/mill premises. h) Entitled to free medical facilities at the estate clinic. i) Have representatives who attend regular meetings with the management where they can put forward any complaints and or raise any issues. They are aware of the complaints form. They have used them to complaint about house defects. j) They knew the types of work offered at Lavang Pekaka SOU 31 (mill & estates) when they were in their countries of origin. k) All migrant workers keep their own passports.
2) Settlers	Not available for this audit.
3) Villagers / Local communities (including women representatives, displaced communities)	There was no land dispute reported /recorded with nearby villages.
4) Suppliers	Fair dealings with the units in Lavang Pekaka SOU.
5) Contract workers	Not available for this audit.
6) Local & national NGOs	Not available.
7) Government agencies / Statutory bodies	The Government Agencies mainly related to statutory bodies. No issues were raised / recorded. Relationship were harmonius and cordial
8) Independent growers / Smallholders	No issues were raised / recorded. Relationship were harmonious and cordial
9) Indigenous people	Not available during this audit.
10) Contractor	Contract terms are clear and fair.
11) Previous land owner (if any)	Not available for this audit.
12) Others (please specify)	Provision shop available at the estates visited. No issues raised on the pricing and services.

1.5 Audit plan: Refer to Attachment 2.

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

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

The Lavang Pekaka Certification Unit (CU) is one of the Strategic Operating Unit (SOU) of Sime Darby Plantation Sdn Bhd (SDPSB). The CU is in Bintulu, Sarawak, East Malaysia and known as SOU 31. The CU consisted of one palm oil mill, the Lavang Palm Oil Mill (LPOM) and 10-supply bases, namely, Lavang Estate, Belian Estate, Rasan Estate, Kelida Estate, Lavang Special Estate, Pekaka Estate, Ruai Estate, Paroh Estate, Dulang Estate and Chartquest Estate. All Estates belong to SDPB. LPOM commenced operations in 1993 with a processing capacity of 90 metric tonnes of (FFB) per hour. Lavang POM obtained certified FFB from own certified supply base and as well as external supplier i.e. Subis Plantation. The total combined land area of the ten estates is 24,836.54 hectares (Ha) of which 20,963.92 Ha planted with oil palm. All the estates have been fully developed before 2005, hence Principle 7 of the RSPO P&C is therefore not applicable.

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

The FFB sourced from company owned estates that are certified and non-certified suppliers. Details of the FFB contribution from each source to the Lavang Palm Oil Mill are shown in the following tables:

Table 1: Actual FFB production by the supply base for the last reporting period (Oct 2018 – Sept 2019)

Estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Lavang	23,190.00	8.73	SIRIM
Rasan	37,265.29	14.04	SIRIM
Pekaka	30,635.80	11.54	SIRIM
Kelida	27,512.02	10.36	SIRIM
Lavang Special	10,027.86	3.78	SIRIM
Belian	28,153.08	10.60	SIRIM
Dulang	30,650.42	11.55	SIRIM
Chartquest	16,103.84	6.07	SIRIM
Paroh	24,473.73	9.22	SIRIM
Ruai	30,635.80	11.54	SIRIM
Total	**258,647.84**		
Noncertified FFB Subis Plantation	6837.38	2.58	-
Overall FFB	**265,485.22**	**100**	

Table 2: Projected FFB production by supply base for the next reporting period (Oct 2019 – Sept 2020)

Estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Lavang	27,073.67	9.98	SIRIM
Rasan	49,572.63	18.28	SIRIM
Pekaka	38,381.27	14.15	SIRIM
Kelida	26,235.88	9.67	SIRIM
Lavang Special	1083.33	0.40	SIRIM
Belian	28,157.35	10.38	SIRIM
Dulang	31,452.72	11.60	SIRIM
Chartquest	17,093.34	6.30	SIRIM
Paroh	29,814.53	10.99	SIRIM
Ruai	22,380.84	8.25	SIRIM
Total	**271,245.56**	**94.46**	
Noncertified FFB	15,900.00	5.54	**-**
Overall FFB	**287,145.56**	**100**	

Table 3: Actual FFB received and CPO & PK dispatch by Lavang Mill for the last reporting period (Oct 2018 – Sept 2019)

RSPO Supply Chain Model: Mass Balance	Total (MT)
FFB Received	265,485.22
FFB Processed	258,383.64
Certified FFB Processed	251,546.26
Non-certified FFB Processed	6,837.38
Crude Palm Oil (CPO)	
Overall CPO Production	53,381.23
Certified CPO Production	52,023.13
Certified CPO delivered as RSPO	5,800.00
Certified CPO delivered as non-RSPO	46,223,13
Certified CPO delivered under other sustainable schemes	0.00
Palm Kernel (PK)	
Overall PK Production	13,357.141
Certified PK Production	13,136.59
Certified PK delivered as RSPO	3,850.00
Certified PK delivered as non-RSPO	9,286.59
Certified CPO delivered under other sustainable schemes	0.00
Credits traded through Books and Claim	0.00

Table 4: Projected FFB received and CPO & PK dispatch by the Lavang Mill of the next reporting period (Oct 2019 – Sept 2020)

RSPO Supply Chain Model: Mass Balance	Total (MT)
FFB Received	287,145.56
FFB Processed	287,145.56
Certified FFB Processed	271,245.56
Non-certified FFB Processed	15,900.00
Crude Palm Oil (CPO)	
Overall CPO Production	60,228.56
Certified CPO Production	57,013.23
Certified CPO delivered as RSPO	57,013.23
Certified CPO delivered as non-RSPO	3,215.33
Certified CPO delivered under other sustainable schemes	0.00
Palm Kernel (PK)	
Overall PK Production	14,921.73
Certified PK Production	14,124.13
Certified PK delivered as RSPO	14,124.13
Certified PK delivered as non-RSPO	797.60
Certified CPO delivered under other sustainable schemes	0.00

Table 6 Planted and certified area of SOU Lavang Pekaka

Estate	Planted (ha)	Certified (ha)
Lavang	1732.46	3170.10
Rasan	3190.76	3454.00
Pekaka	2640.09	2626.14
Kelida	1758.56	2460.00
Lavang Special	1131.88	1193.73
Belian	2546.55	2847.00
Dulang	2281.96	2548.00
Chartquest	1321.30	1448.71
Paroh	2068.33	2627.90
Ruai	2292.03	2460.96
Total	**20,963.92**	**24,836.54**

Table 7: Planting profile for Lavang Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1997	1st	Mature	766.99	44
2011	2nd	Mature	191.74	11
2013	2nd	Mature	93.46	5
2015	2nd	Mature	99.34	6
2016	2nd	Immature	339.47	20
2017	2nd	Immature	142.98	8
2018	2nd	Immature	98.48	6
			1732.46	**100**

Table 8: Planting profile for Rasan Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1997	1st	Mature	1758.65	55.12
1998	1st	Mature	586.97	18.39
2004	2nd	Mature	63.11	1.98
2016	2nd	Mature	67.17	2.10
2016	2nd	Immature	263.19	8.25
2017	2nd	Immature	267.70	8.39
2018	2nd	Immature	183.97	5.77
Total			**3190.76**	**100**

Table 9: Planting profile for Pekaka Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2012	2nd	Mature	484.73	18.36
2014	2nd	Mature	249.32	9.44
2015	2nd	Mature	516.23	19.55
2016	2nd	Immature	363.08	13.75
2017	2nd	Immature	257.02	9.74
2018	2nd	Immature	276.29	10.47
1990	1st	Mature	178.38	6.76
1991	1st	Mature	60.24	2.28
1992	1st	Mature	191.83	7.27
1993	1st	Mature	62.97	2.39
Total			**2640.09**	**100.00**

Table 10: Planting profile for Kelida Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1998	1st Generation	Mature	426.43	24.25
2009	2nd Generation	Mature	82.66	4.70
2010	2nd Generation	Mature	174.55	9.93
2011	2nd Generation	Mature	184.60	10.50
2012	2nd Generation	Mature	162.68	9.25
2013	2nd Generation	Mature	72.56	4.13
2014	2nd Generation	Mature	256.24	14.57
2015	2nd Generation	Mature	85.13	4.84
2017	2nd Generation	Immature	199.11	11.32
2018	2nd Generation	Immature	0.00	0.00
2019	2nd Generation	Immature	114.60	6.52
Total			**1758.56**	100.00

Table 11: Planting profile for Lavang Special Estate

Field No	Year Of Planting	(1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (Ha)	Percentage of Planted area (%)
2016A	2016	2nd Generation	Immature	58.39	100
2017A	2017	2nd Generation	Immature	105.60	100
2018A	2018	2nd Generation	Immature	126.37	100
2019A	2019	2nd Generation	Immature	841.52	100
Total				**1131.88**	**100**

Table 12: Planting profile for Belian Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2004	1st	Mature	30.55	1.20
2012	2nd	Mature	203.23	7.98
2013	2nd	Mature	202.86	7.97
2014	2nd	Mature	204.72	8.04
2015	3rd	Mature	200.5	7.87
1998	1st	Mature	427.63	16.79
2016	2nd	Immature	332.82	13.07
2018	3rd	Immature	198.3	7.79
2019	4th	Immature	745.94	29.29
Total			**2546.55**	**100.00**

Table 13: Planting for profile Dulang Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1992	1st	Mature	189.94	8.32
1993	1st	Mature	519.9	22.78
1994	1st	Mature	236	10.34
1995	1st	Mature	167	7.32
2012	2nd	Mature	132	5.78
2013	2nd	Mature	99	4.34

2014	2nd	Mature	190	8.33
2015	2nd	Mature	154.12	6.75
2017	2nd	Immature	155	6.79
2018	2nd	Immature	279	12.23
2019	2nd	Immature	160	7.02
TOTAL			**2281.96**	**100**

Table 14: Planting profile for Chartquest Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1997	New	Mature	904.24	68
2016	1st	Immature	211.09	16
2017	1st	Immature	114.86	9
2018	1st	Immature	91.11	7
Total			**1321.3**	**100**

Table 15: Planting profile for Paroh Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1993	1st	Mature	68.90	3
1994	1st	Mature	633.09	30
1995	1st	Mature	140.49	7
2014	2nd	Mature	172.94	8
2015	2nd	Mature	164.18	8
2016	2nd	Mature	186.72	9
2016	2nd	Immature	227.75	11
2017	2nd	Immature	155.69	8
2018	2nd	Immature	58.59	3
2019	2nd	Immature	259.98	13
Total			**2068.33**	**100**

Table 16: Planting profile for Ruai Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1992	1st	Mature	454.90	20
1993	1st	Mature	368.62	16
2012	2nd	Mature	148.37	6
2013	2nd	Mature	158.92	7
2014	2nd	Mature	273.12	12
2016	2nd	Immature	207.06	9
2017	2nd	Immature	230.58	10
2018	2nd	Immature	173.14	8
2019	2nd	Immature	277.32	12
Total			**2,292.03**	**100**

2.3 Organizational Information/Contact Person(s)

The details of the contact person are as shown below:

Name	:	Mr. Azhanizan R. Deni
Position	:	Mill Senior Manager
Address	:	Sarawak Zone Office Rajawali Complex, KM 52, Jln Bintulu-Miri, P.O. Box 673, 97008, Bintulu, Sarawak Lavang POM, P.O Box 1288, 97008 Bintulu, Sarawak, Malaysia
Phone no.	:	+6086-477313
Fax no.	:	+6086-477313
Email	:	azhanizan.deni@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 the last assessment.

3.2 Progress and changes in time bound plan (Refer to Attachment 7 for the time bound plan)

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

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

Sime Darby Plantation – Indonesian Operations is in progress to certify all 7 SOUs from 2019 to 2020 as verified through the Time Bound Plan. The SOUs are PT Sime Indo Agro, PT Ladangrumpun Subur Abadi, PT Bersama Sejahtera Sakti, PT Bahari Gembira Ria, PT Guthrie Pecconina Indonesia, PT Sandika Nata Palma & PT Budidaya Agro Lestari.

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

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

The time bound plan for Sime Darby Plantation Sdn Bhd, updated as at June 2019 is provided in Attachment 7 of this report.

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

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

If no, please state reasons *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

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

Sime Darby Plantation Sdn Bhd has been changed to Sime Darby Plantation Berhad.

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

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

3.5 Complaint received from stakeholder (if any)
No complaints from stakeholders were observed.

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 : 3	STK 4.8.1, MZK 4.4.2, MAR 6.3.1

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

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

5.0 AUDIT CONCLUSION

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

6.0 RECOMMENDATION

☐ No NCR recorded. Recommended to continue certification.

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

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

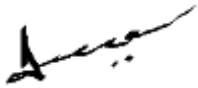
☒ Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.

☒ Recommended to continue certification.

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

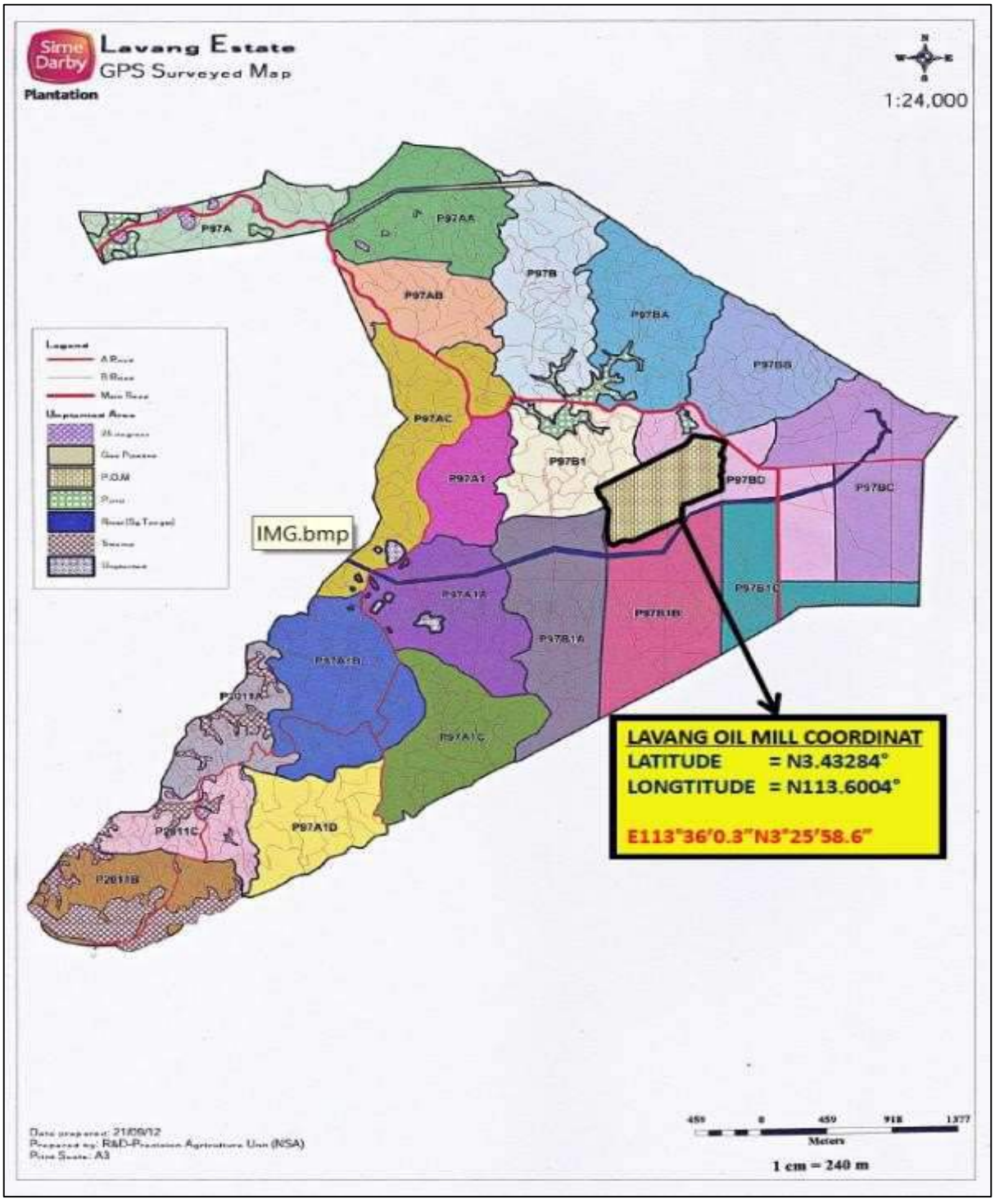
Note: Major NCRs which are not addressed within a further 60 days shall result in the certificate being withdrawn.

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.

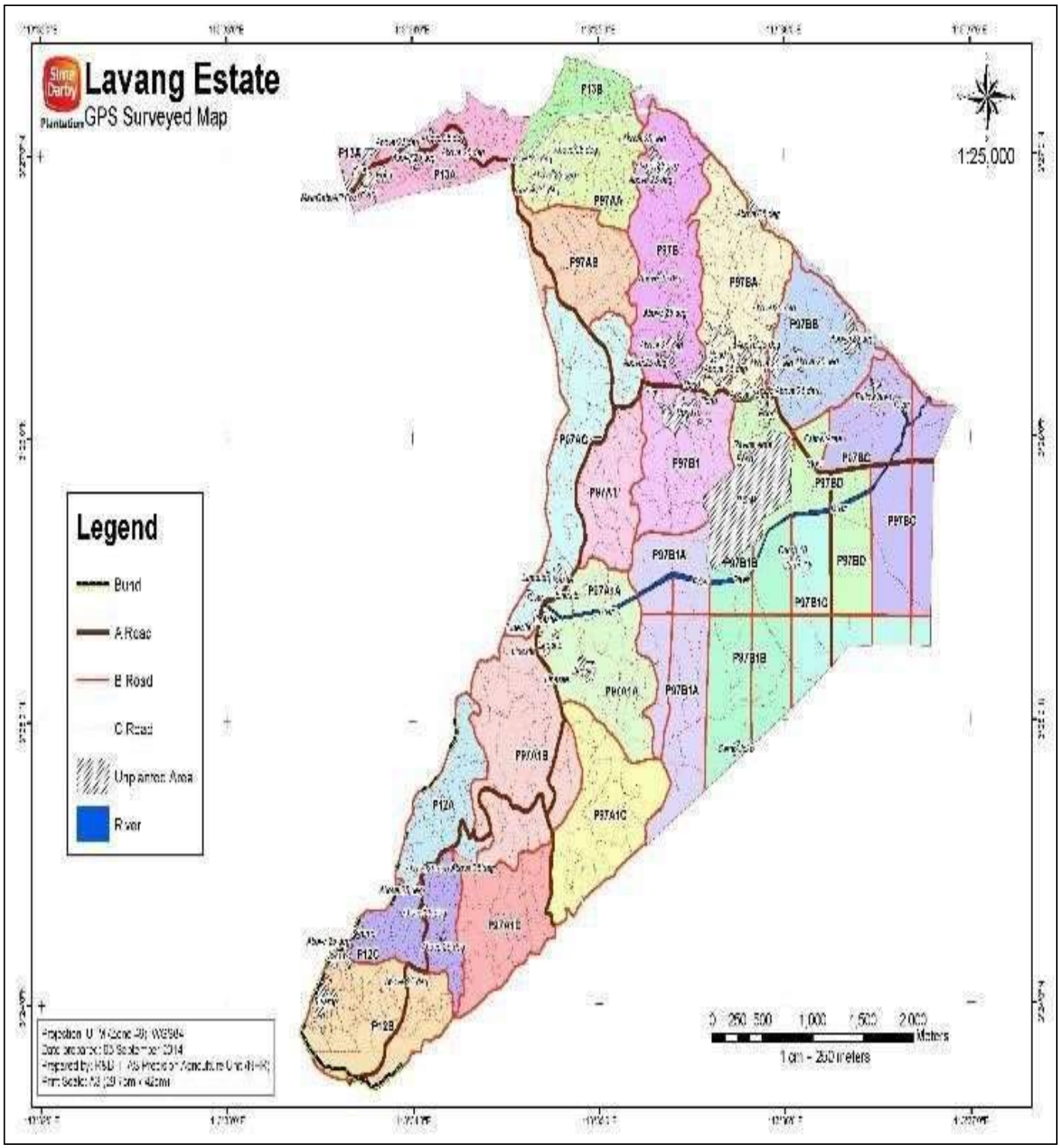
Audit Team Leader :	AMIR B BAHARI		29/01/2020
	(Name)	(Signature)	(Date)

Map of SOU Lavang Pekaka

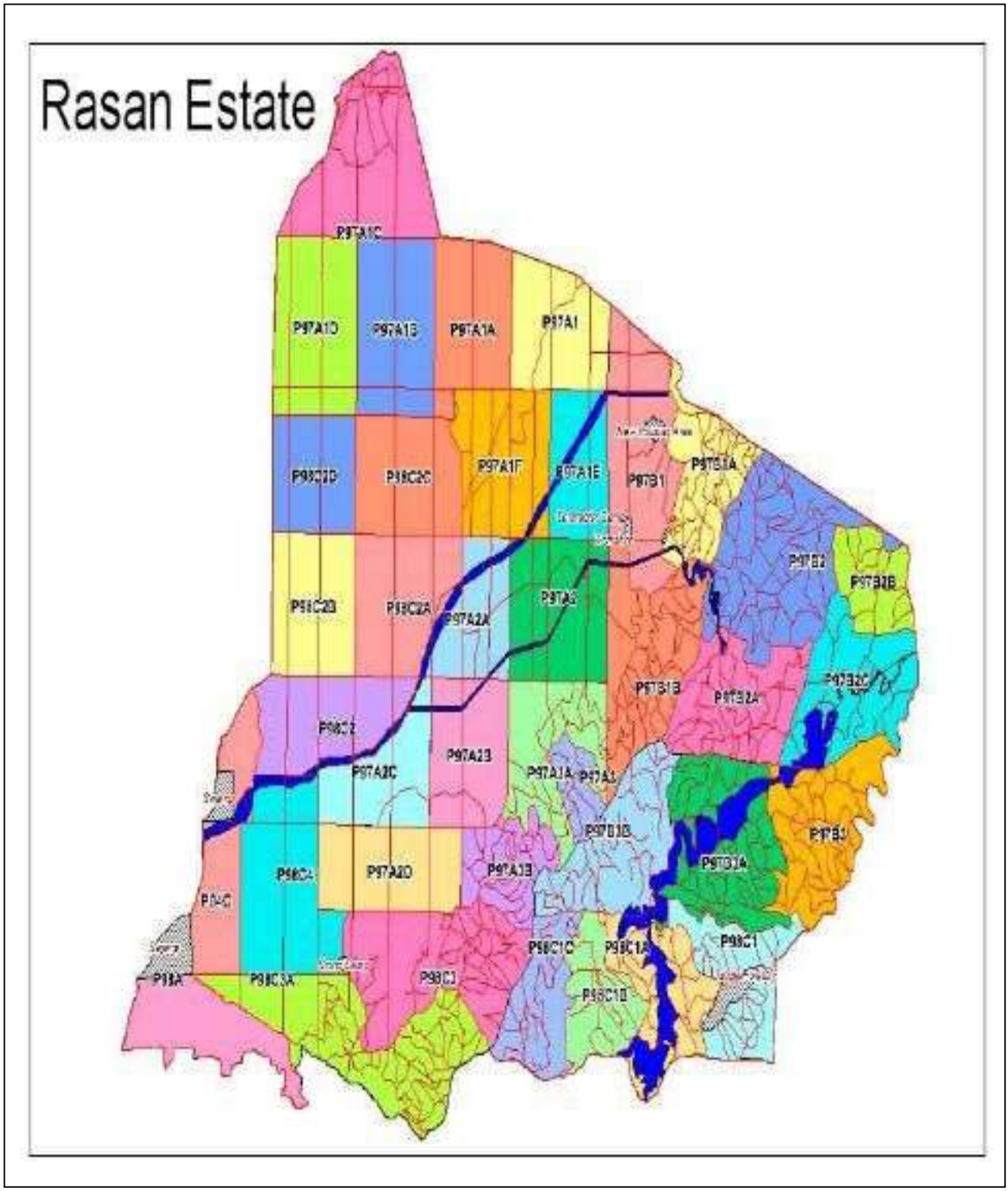
Location Map of SOU 31- Lavang POM



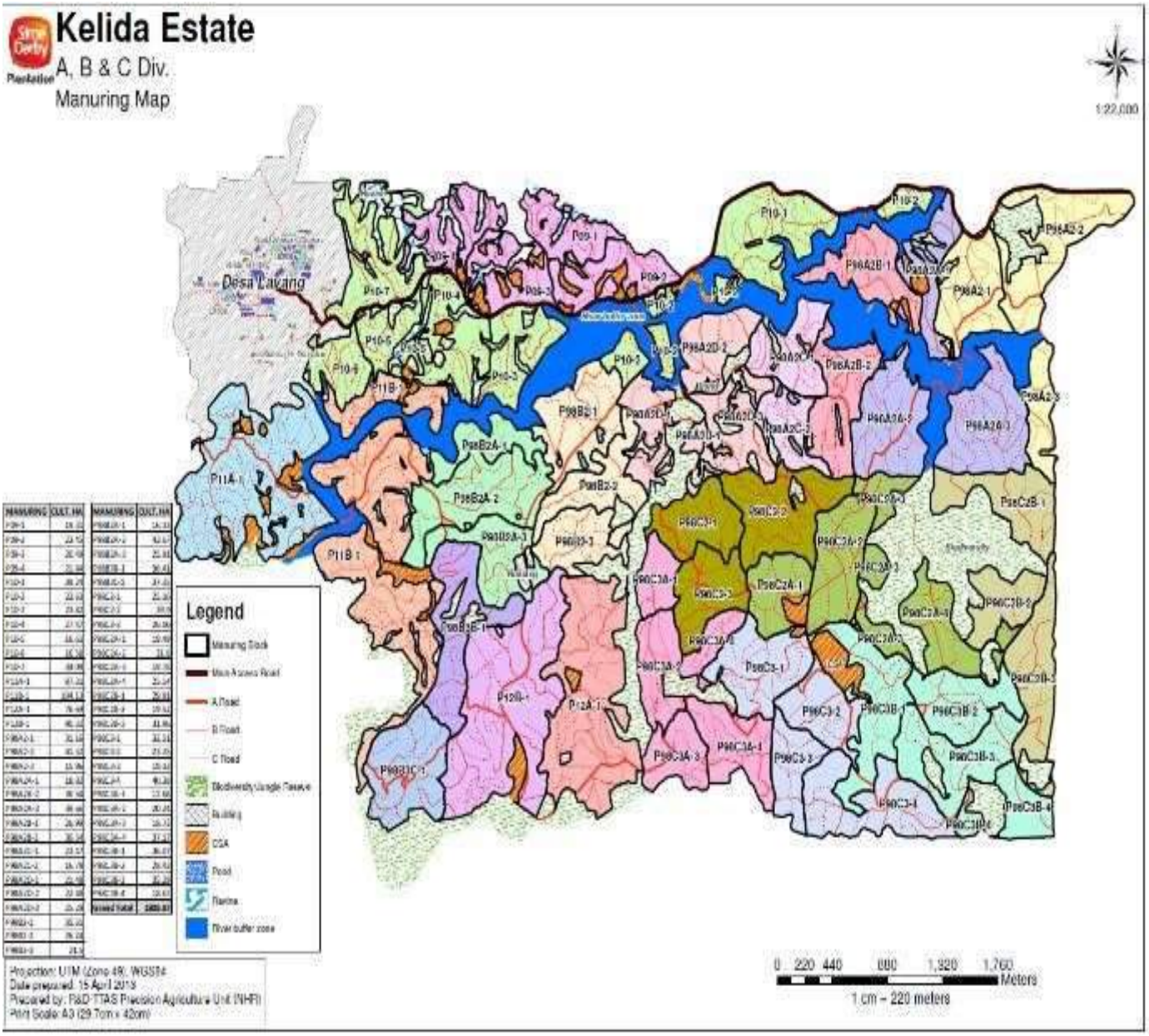
Map of Lavang Estate



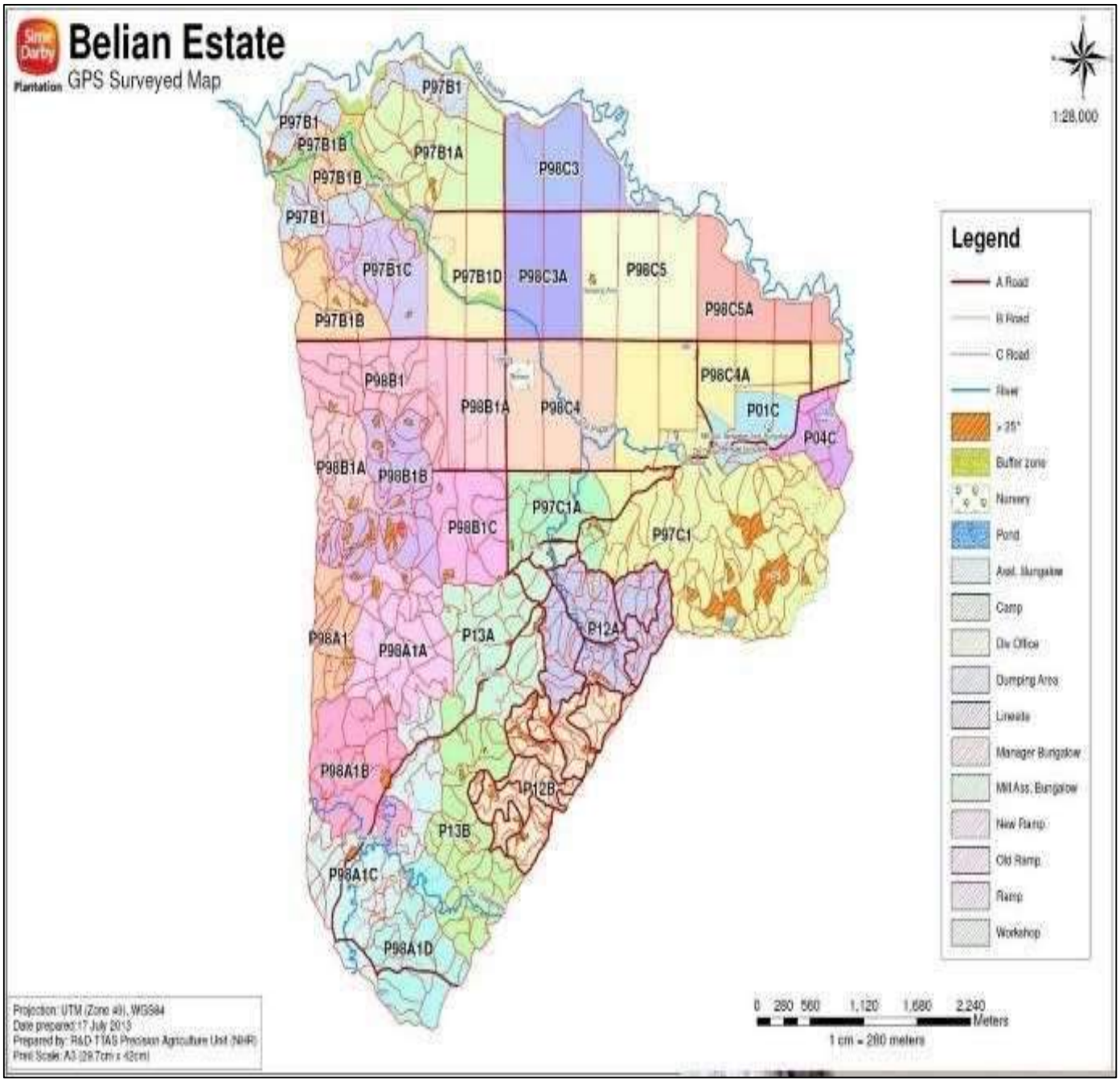
Map of Rasan Estate



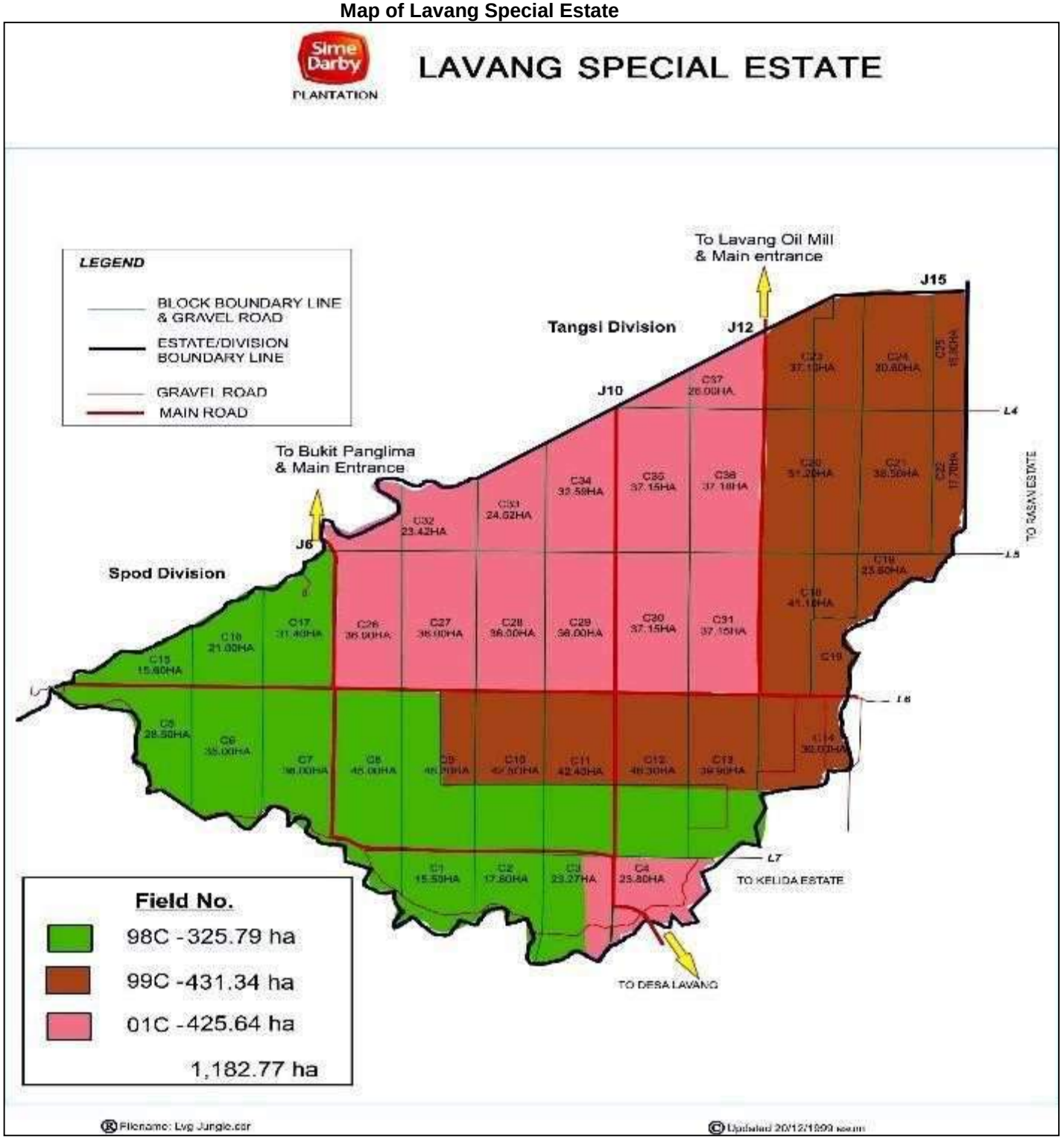
Map Of Kelida Estate



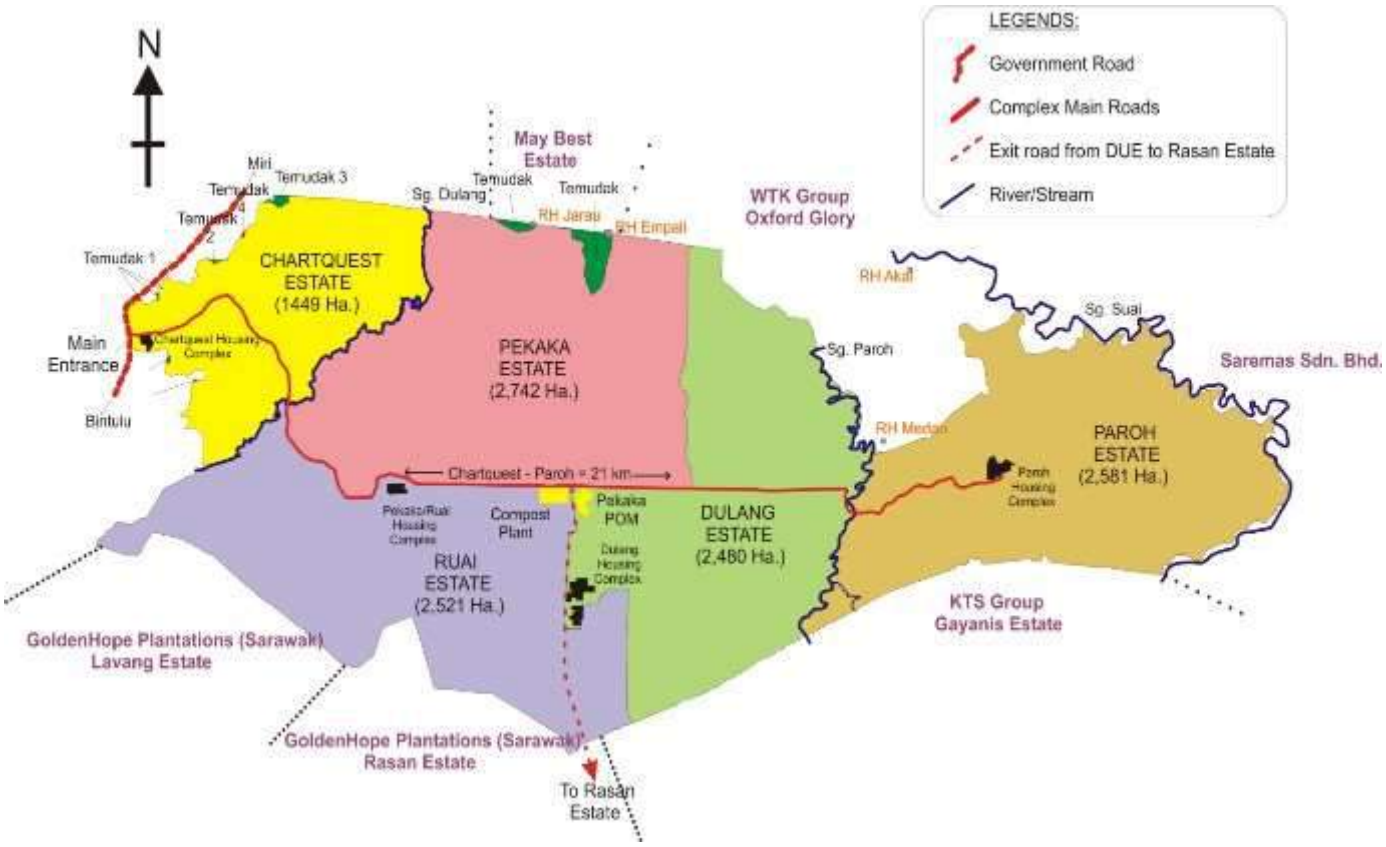
Map of Belian Estate



Map of Lavang Special Estate



Map of SOU 34 Pekaka



Attachment 2

RSPO Surveillance Audit Plan

1. Objectives

The objectives of the audit are as follows:

(i) To evaluate the Certification Unit conformance against the RSPO Principles & Criteria Malaysian National Interpretation (MYNI) and RSPO Supply Chain requirements.
(ii) To verify the effective implementation of corrective actions arising from the findings of last assessment.
(iii) To make appropriate recommendations based on the assessment findings.

2. Date of assessment : 04 November to 08 November 2019

3. Site of assessment : SOU 31 Lavang / Pekaka

- Lavang Palm Oil Mill
- Dulang Estate
- Lavang Estate
- Chartquest Estate
- Kelida Estate

4. Reference Standard:

a. RSPO P&C MYNI:2014
b. RSPO Certifications Systems for P&C, June 2017
c. RSPO Supply Chain Standard, November 2014
d. Company's audit criteria including Company's Manual / Procedures

5. Assessment Team

a) Lead Auditor : Amir B Bahari (Environmental, Safety, Health)
b) Auditors : Mohd Zulfakar Kamaruzaman (HCV, SC)
: Rozaimi Abd Rahman (Environmental, Safety, Health, GHG TBP)
: Mohd Ab Raouf Asis (Social)
: Selvasingam T Kandiah (GAP, Safety)

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

7. Audit Method

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

8. **Audit Findings**

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

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

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

9. Confidentiality Requirements

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

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

10. Working Language : English and Bahasa Malaysia

11. Reporting

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

12. Facilities Required

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

13. Assessment Programme Details : As below

Date / Time	Coverage of assessment / Activity / Site	RAR	MZK	HAHB	MAR	STK
Day 1-04/11/19 8.30am – 9.15am	**Opening Meeting – Venue: Lavang Mill** • Audit team Leader - Briefing on assessment objectives, scope, methodology, confidentiality clarification, audit criteria and programs • Organization Representative - Briefing RSPO implementation, significant change on organization activity, structure, certified areas, machinery, FFB supply bases , • Time bound plan, uncertified management unit • Actions taken to address previous audit findings.	/	/	/	/	/
9.15am – 12.30pm	**Lavang POM RSPO Supply Chain 2017** • RSPO Supply chain standard implementation including model requirements **Site observation at Lavang POM P1, P2, P3, P4, P5, P6, P7, P8** • Environment, Occupational safety & health aspects, chemical management • Laws and regulations • Interview with workers, contractors etc. • Milling Practice - Mill processes ramp to despatches • Social aspects -SIA, management plan & implementation, workers' quarters, • Stakeholder consultation with affected communities surrounding the mill • Interview with gender committee, safety committee, worker representative, contractors, supplier, etc	/	/			
9.15am – 12.30pm	**Site observation to Dulang Estate P1, P2, P3,P4,P5, P6, P7,P8** • 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. • Occupational safety & health aspects , chemical management • Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, • IPM New planting - Environmental management, waste & chemical management • HCV/RTE			/	/	/
12.30pm – 1.30pm	Lunch Break					
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/	/	/
Date / Time	**Coverage of assessment / Activity / Site**	**RAR**	**MZK**	**HAHB**	**MAR**	**STK**
Day 2 – 05/11/19 8.30am – 12.30pm	**Lavang POM RSPO Supply Chain 2017** • RSPO Supply chain standard implementation including model requirements **Site observation at Lavang POM P1, P2, P3, P4, P5, P6, P7, P8** • Environment, Occupational safety & health aspects, chemical management • Laws and regulations • Interview with workers, contractors etc. • Milling Practice - Mill processes ramp to despatches • Social aspects -SIA, management plan & implementation, workers' quarters, • Stakeholder consultation with affected communities surrounding the mill • Interview with gender committee, safety committee, worker representative, contractors, supplier, etc	/	/			
Day 2 – 05/11/19 8.30am – 12.30pm	**Site observation to Charquest Estate P1, P2, P3,P4,P5, P6, P7,P8** • 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. • Occupational safety & health aspects , chemical management • Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching,			/	/	/

	• IPM New planting - Environmental management, waste & chemical management • HCV/RTE					
12.30pm – 1.30pm	Lunch Break					
1.30pm – 5.00pm	Continue assessment at respective site	/	/	/	/	/
Date / Time	**Coverage of assessment / Activity / Site**	**RAR**	**MZK**	**HAHB**	**MAR**	**STK**
Day 3 – 06/11/19 8.30am – 12.30pm	**Site observation to Lavang Estate P1, P2, P3,P4,P5, P6, P7,P8** • 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. • Occupational safety & health aspects , chemical management • Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, • IPM New planting - Environmental management, waste & chemical management • HCV/RTE	/	/	/	/	/
12.30pm – 1.30 pm	Lunch Break					
1.30pm – 5.00pm	Continue assessment at respective site			/	/	/
Day 3 -06/11/19 1.30pm – 5.00pm	**Site observation to Dulang Estate P1, P2, P3,P4,P5, P6, P7,P8** • 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 / Boundaries • IPM New planting - Environmental management, waste & chemical management • HCV/RTE	/	/			
Date / Time	**Coverage of assessment / Activity / Site**	**RAR**	**MZK**	**HAHB**	**MAR**	**STK**
Day 4 – 07/11/19 8.30am – 12.30pm	**Site observation to Kelida Estate P1, P2, P3,P4,P5, P6, P7,P8** • 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. • Occupational safety & health aspects , chemical management • Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, • IPM New planting - Environmental management, waste & chemical management • HCV/RTE	/	/	/	/	/
12.30pm – 1.30 pm	Lunch Break					
1.30pm – 5.00pm	Continue assessment at respective site	/	/	/	/	/
Date / Time	Coverage of assessment / Activity / Site	**RAR**	**MZK**	**HAHB**	**MAR**	**STK**
Day 5 – 08/11/19 8.30am – 12.30pm	**Continue site observation at Charquest Estate P1, P2, P3,P4,P5, P6, P7,P8** • 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 / Boundaries • IPM New planting - Environmental management, waste & chemical management • HCV/RTE	/	/			

Day 5 – 08/11/19 8.30am – 12.30pm	**Continue site observation at respective sites P1, P2, P3,P4,P5, P6, P7,P8** • 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. • Occupational safety & health aspects , chemical management • Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, • IPM New planting - Environmental management, waste & chemical management • HCV/RTE			/	/	/
12.30pm – 1.30 pm	Lunch Break					
2.30pm –3.00pm	Continue assessment at respective site	/	/	/	/	/
3.00 pm – 4.00 pm	Audit Team Discussion	/	/	/	/	/
4.00pm – 5.00pm	**Closing meeting – Kelida Estate**	/	/	/	/	/

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.		SOU Lavang Pekaka continued to implement their documented communication procedure. At time of audit there was no request for information from the stakeholders. All the estates and mill of the CU had provided management documents i.e. related to environment, and social and legal issues, to the public except for those prevented by commercial confidentially or where disclosure of information that would potentially result in negative environmental or social outcomes. SDPB continued to use website for disseminating public information which are available in the company's website *http://plantation.simedarby.com*. Information among others in relation to the following; land titles, safety and health plans, pollution prevention plans and procedure for complaints and grievances.
	1.1.2	Records of requests for information and responses shall be maintained. Major Compliance	Yes	SOU Lavang had identified personnel responsible for handling of complaints. Records of communication were maintained at respective offices. Communication with the authority such as DOSH, DOE and Labour Department were maintained in the communication file. At the point of this assessment, there has been no request for such information by the public. Among the records inspected were correspondences with the authorities, local communities and employees. The latest communications sighted in these records, Buku Aduan, was request for repairs at employee housing.
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	1.2.1	Land titles/user rights	Yes	There were no changes in the land ownership / user right. Copies of land titles, which indicate the use right were reviewed. Original copies of land titles were maintained and kept in the Head Office.
		Occupational health and safety plans	Yes	SDPB continued to use website for disseminating public information. Information relating to safety and health plans were available through SDPSB website at http://plantation.simedarby.com.
		Plans and impact assessments relating to environmental and social impacts	Yes	The management documents in relation to environmental plans and impact assessments were made available and maintained at all audited operating units.
		HCV documentation summary		HCV documentation maintained available (Cross refer Criteria 5.2).
		Pollution prevention and reduction plans	Yes	The list of waste generated from estate and mill activities maintained available. All sources of pollution have been identified by management (Pollution Prevention Plan 2018). Mitigation measure and action taken also made available. Among of activities covered include nursery, growing, drainage, planting, fertilizing, scheduled waste management and mill operation.
		Details of complaints and grievances	Yes	Details of complaints can be written in the Complaints Book and to be resolved in accordance with the Complaint & Grievances Resolution Procedure Two separate Complaints Book for external and internal stakeholders are available for each Mill and Estate. However, no complaint and grievances was observed.

Clause	Indicators		Comply Yes/No	Findings
		Negotiation procedures	Yes	Negotiation procedure for the SOU Pekaka Lavang is contained in the "Flowchart and Procedures On Handling Land Dispute" *(Tatacara Perundingan Dalam Menangani Masalah Sempadan*). This document was made available and sighted during the Surveillance Audit. No land dispute between third parties and any of the units was observed.
		Continual improvement plans	Yes	The continual improvement plans were available established. They were being maintained and updated with the assistance and guide personnel from Sustainability Department. Sime Darby Plantation Berhad is committed to utilise the established system to regularly monitor and review their key activities at the mill and estates. Relevant action plans were initiated to continuously improve its 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.
		Public summary of certification assessment report;	Yes	The Public summary is available in website: http://www.sirim-qas.com.my.
		Human Rights Policy	Yes	The CU subscribes to SDPB's Social & Humanity Management Policy dated Jan 2015. The policies were signed by the SDPB's Managing Director and are being displayed on various notice boards at the Mill and the estates offices. The policy states among other things, that the business is to be carried out with a sense of humanity, ensuring they are socially beneficial and do not infringe on basic human rights.
C 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.	1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	Yes	SOU Lavang Pekaka subscribes to SDPB's Code of Business Conduct and a documented policy to committing on integrity for all their staffs and workers.

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	SOU 31 had continued to comply with the legal requirements. Compliance to each applicable law and regulation is monitored by the operating units and SQM sustainability team. SOU 31 had obtained and renewed license and permits as required by the law.
	2.1.2	A documented system, which includes written information on	Yes	The CU continued to implement and maintain the established documented system for identifying, accessing, tracking and monitoring of compliance with the legal requirements that were applicable

Clause	Indicators		Comply Yes/No	Findings
		legal requirements, shall be maintained. Minor Compliance		to them.
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	Yes	GSQM and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirements as well as monitoring the status of legal compliances. Evaluation of the legal requirements and compliance status however, are monitored by the respective operating units.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	Yes	GSQM department, which is based in Kuala Lumpur, is responsible for tracking any changes to the Acts and Regulations. In addition, the CEO of Sarawak Region plays a role in disseminating new Acts & Regulations to all the mills and estates in the Region.
C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.	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 NCR land) and the actual legal use of the land shall be available. Major Compliance	Yes	Evidence of legal ownership of the land including history of land tenure was verified during this audit. For Lavang Dulang, Chartquest and Kelida Estates, the land was previous owned by Wangsa Mujur Sdn Bhd and Golden Hope Plantations (Sarawak) Sdn Bhd. Thereafter to Sime Darby after merging with Sime Darby in 2007.
	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	The Estates have maps showing the locations of boundary stones that have been physically located and marked. Inspection of boundary stones/markers/trenching at the 4 estates, during the field inspection confirmed that they were clearly marked and maintained. All the physical markers/Boundary stones along the legal boundaries between was visibly available.
	2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with FPIC. Minor Compliance	Yes	As reported in 2.2.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby since 1985. The audit team had confirmed that there were no land issues related to previous owners. From the interviews of relevant stakeholders, it can be concluded that there was no evidence of any land dispute at SOU Lavang Pekaka.
	2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes are implemented and accepted by the parties involved.Major Compliance	Yes	As reported in 2.2.1 of this checklist, it has been verified that the land is legitimately owned by Sime Darby since 1985. Hence, there is no land conflict anticipated and no need for acceptable conflict resolution processes.
	2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped	Yes	As reported in 2.2.1, it has been verified that there is no conflict or dispute over the land.

Clause	Indicators		Comply Yes/No	Findings
		out in a participatory way with involvement of affected parties (incl. neighbouring communities and relevant authorities where applicable).Minor Compliance		
	2.2.6	To avoid escalation of conflict, there shall be no evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations. Major Compliance	Yes	As reported in 2.2.1 of this checklist, it has been verified that the land is legitimately owned by Sime Darby since 1985. Hence, there was no land conflict anticipated nor the need to avoid escalation of conflict is required. Auditor has verified this through Stakeholder meetings and JKKP Meetings and interviewed with settlers and other oil palm plantation companies.
C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior, and informed consent	2.3.1	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights shall be developed through participatory mapping involving affected parties (incl. neighbouring communities where applicable, and relevant authorities). Major Compliance	Yes	As reported in 2.2.1 of this checklist, SOU Lavang Pekaka has been developed since 1985, after it was bought from the previous land owner; Sarawak Government on 18 December 1985. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Hence, there was no need for the establishment of map showing the legal, customary, or user right of other users as required by this indicator.
	2.3.2	Copies of negotiated agreements detailing the process of FPIC shall be available and shall include: a)Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision-making; b)Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c)Evidence that the legal, economic, environmental and	Yes	As reported in 2.2.1 of this checklist, SOU Lavang Pekaka has been developed since 1985, after it was bought from the previous land owner; Sarawak Government on 18 December 1985. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate.

Clause	Indicators		Comply Yes/No	Findings
		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		As mentioned in 2.3.2 a) to c) of this checklist, this requirement in this indicator does not apply to SOU Lavang Pekaka.
	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	
	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	

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

Clause	Indicators		Comply Yes/No	Findings
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1	A business or management plan (min. 3 years) shall be documented. That includes, where appropriate, a business case for scheme smallholders. Major Compliance	Yes	The 4 estates, i.e. Dulang, Charquest, Lavang and Kelida continued to commit to long–term economic and financial viability. The annual budgets for 2019 to 2025 were sighted. The budget covers activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO compliance etc. The budget also included projections on yield/ha, and total cost of production per m ton & per ha and CAPEX - capital expenditure mainly for buildings, furniture and others asset related expenses. The mill has a business plan prepared annually in the form of year budget and the projection for 5 years prepared as guidance for future planning.
	3.1.2	An annual replanting programme projected for a minimum of five years with yearly review, shall be available. Minor Compliance	Yes	The long-range replanting programs (LRRP) until 2024 were sighted on all four Estates. The program was reviewed once a year and incorporated into their annual financial budget.

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

Clause	Indicators		Comply Yes/No	Findings
C 4.1 Operating procedures are appropriately documented, consistently implemented and monitored.	4.1.1	Standard Operating Procedures (SOPs) for estates and mills shall be documented. Major Compliance	Yes	Lavang SOU 31 / 34 continued to use and implement SOPs for each of the processes. Brief version of the SOPs was displayed at the appropriate locations. Copies of the documented SOPs were presented to the audit team. It was observed that activities being implemented which involved safety, health, environmental, quality, employees, etc. had followed the established SOPs. All the estates and mill operations were guided through the manuals and SOPs. The procedures as documented in the Agriculture Reference Manual were disseminated to the staff/workers through morning briefings and trainings.
	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 by Manager, Assistants field staff including the Medical Assistant via Daily field /work supervision, internal audit, safety and health meeting, routine inspection (workplace inspection) and monthly performance/cost review .
	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 all 4 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	All certified FFB are from SOU Lavang Pekaka estates and diversion from other SOU from Sime Darby Plantation. The non-certified FFB are from independent FFB suppliers which was Subis Plantation. All delivery documents were verified volumes of FFBs received by the mill either from Sime Darby owned estates or third parties were indicated in all the documents.
C 4.2 Practices maintain soil fertility at or, where possible, improve oil fertility to a level that ensures optimal and sustained yield.	4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	Yes	All 4 estates visited practiced the maintenance of long-term soil fertility by annual application of fertilizers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB and compost application. Fertilizers 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 while soil sampling was carried out on a 5 years cycle basis by Sime Darby Research Sdn. Bhd. The recommendations by the Agronomist were also available during the inspection and the application of fertilizers had been carried out as recommended and scheduled. Noted from the records that the actual amounts of fertilisers applied in 2018 were completed.
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	Yes	All 4 Estates visited, Dulang, Charquest, Lavang & Kelida, continued to monitor their fertilizer inputs as recommended by their agronomist from Sime Darby Research Sdn. Bhd. Fertilizer application program was monitored using records like manuring master plan, program sheets, bin cards and field cost books Records of programs and applications of fertilizers were made available to auditors.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.	Yes	Periodic tissue and soil sampling were carried out in the Estates 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 monitors the changes in the organic carbon and total

Clause	Indicators		Comply Yes/No	Findings
		Minor Compliance		nitrogen. For all 4 estates Agronomic assessment and fertiliser recommendation was conducted by Sime Darby Research Sdn. Bhd. to of formulate the FY2019 manuring programme and to suggest relevant agronomic practices for oil palm yield and growth improvement. Annual foliar samplings and soil analysis had been were carried out in all Estates. All foliar and soil sampling & analysis was conducted by SD Research Sdn Bhd (Sarawak).
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues. Minor Compliance	Yes	All 4 Estates visited had a nutrient recycling strategy in place which included stacking pruned fronds in the respective fields to decompose, grass cutting harvesters paths and letting the cut mass to decompose in the field, EFB mulching and application of Solid POME. In addition, during replanting, palms were felled, chipped, windrowed and left to decompose.
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	Based on the soil maps provided there was Peat Soils in Dulang and Lavang Estates. There was 416.43 ha ha of peat soils distributed over 18 different fields on Dulang Estate and 196.58 ha of peat soils distributed over 8 different fields on Lavang Estate. Description of the soil characteristics such as texture, depth, drainage, parent material and key aspect for management was also available. Other than peat soils, there was no other problem soils (e.g. podzols and acid sulphate soils) on SOU 31.
	4.3.2	A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. Minor Compliance	Yes	Like all SDPB Estates, the Estates in visited in Lavang/Pekaka SOU 31/34 continued to have a management strategy for planting on slopes in order to minimize and control erosion and degradation of soils. It was observed that practices to minimize and control erosion and degradation of soils were in place through proper stacking of fronds, EFB application, avoidance of blanket spraying, construction terraces, road maintenance and maintenance of soft vegetation in interlines. Cover crops were planted in the replants and in some mature areas. The cover crop *Mucuna bracteata* had been planted along some slopes by management. Large areas with *Neprolepis biserrata* in the inter rows were sighted during the visit.
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	Yes	All 4 Estates i.e. Dulang, Charquest, Lavang & Kelida, 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 fairly well maintained in all estates. Accessibility was made possible by regular maintenance, guided by its road maintenance programmes.
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance	Yes	The monitoring of peat soil subsidence was guided by the established procedures. In addition, guidance was also provided in the Sop "Peat Subsidence Gauge Installation SOP". The estates monitored water levels using water level markers in drains and water tubes for ground water levels.
	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	Records showed that a Pilot Trial on "Peat Drainability Assessment for Sarawak" had been conducted between May 2017 to May 2018 and report was published in October 2018.

Clause	Indicators		Comply Yes/No	Findings
	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	Yes	There were no other fragile soils other than Peat Soils as mentioned under indicator 4.3.1.The management strategy in place for peat soil was as provided in indicator 4.3.4.
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	Lavang CU had established its Water Management Plan for year 2019 which was developed to maintain the quality and availability of natural water resources.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. Major Compliance	No	The estates continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along the natural waterways. The estates adopted the existing SDP policy to maintain the buffer by restricting agrochemicals application and left undeveloped during replanting. Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The guidelines are detailed in the River Reserve Management. The signboards were displayed accordingly at the site where applicable. The guideline was issued by the SQM Unit with latest revision dated in June 2011. However, during field visit at Lavang Estate block PR 2017 B it was found that, sighted of chemical activities at buffer zones nearing Sungai Tangsi, *Thus, Major NCR MZK 01 2019 was raised.*
	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	Based on “Jadual Pematuhan” LPOM has required zero discharge. All final discharge has been converted to compost plan and has been applied to Lavang Estate.
	4.4.4	Mill water use per tonne of FFB shall be monitored. Minor Compliance	Yes	The mill processing water are obtained from the water catchment adjacent to the mill complex. The water usage monitoring is made on a monthly basis. A slightly higher water usage noted, probably due to the proportionate reduction in volume of FFB being processed. There were variations of performance. Probable factors are linked to rainy days, significant boiler water rinsing/discharging for maintenance etc.
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate IPM techniques.	4.5.1	Implementation of IPM plans shall be monitored. Major Compliance	Yes	All 4 Estates continued to implement IPM in all estates and continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the Agricultural Reference Manual (ARM) Section 15 -Plant Protection.
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	Yes	The training records in relation to IPM verified during the conduct of audit.
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	All 4 estates continued to use agrochemicals based on its Agricultural Reference Manual (ARM), SSOP and in the Pictorial Safety Standard Book (PSS) where written justifications had been provided for various fields operations.

Clause	Indicators		Comply Yes/No	Findings
	4.6.2	Records of pesticides use (incl. active ingredients used and their LD50, area treated, amount of active ingredients applied per Ha and number of applications) shall be provided. Major Compliance	Yes	All 4 Estates continued to have 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	All 4 Estates i.e. Dulang, Charquest, Lavang & Kelida, continued to minimise the usage of agrochemicals by implementing IPM.
	4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). Minor Compliance	Yes	All 4 Estates i.e. Dulang, Charquest, Lavang & Kelida, only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Reg. 2000.
	4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the	Yes	Records verified at time of visit showed that pesticides were handled, used and applied by trained persons and as per the MSDS of the pesticide. Training on pesticide handling and spraying technique was carried out by OSH team and by the Assistant Managers. The training included the safety aspects and usage of PPE when handling with pesticides. Record of training was available for verification.

Clause	Indicators		Comply Yes/No	Findings
		products shall be properly observed, applied, and understood by worker. Major Compliance		
	4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes. Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regs and Orders, Pesticides Act 1974 (Act 149) and Regs. Major Compliance	Yes	Records verified at time of visit 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. Training on pesticide handling and spraying technique was carried out by OSH team and by the Assistant Managers. The training included the safety aspects and usage of PPE when handling with pesticides. Record of training was available for verification.
	4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	Yes	During the audit, it was noted that the CU had not use chemicals categorized as World Health Organization (WHO) type 1A or 1B or listed by the Stockholm or Rotterdam Conventions. Paraquat was not used in the estate.
	4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. Major Compliance	Yes	Aerial spraying was not practiced by all four estates. There was no evidence to show that any had been carried out. All estates only practices circle spraying and selective spraying which is only for targeted species such as woodies and VOPs. This is confirmed through records verification and observation during the site visit, estate complex and interview with the employees.
	4.6.9	Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide-handling shall be demonstrated or made available. Minor Compliance	Yes	The staffs and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner. Training records evident.
	4.6.10	Proper disposal of waste material, according to procedures that are fully-understood by workers and managers shall be demonstrated. Minor Compliance	Yes	The procedure on Scheduled Wastes Management has been established. Collection is made by a DOE licensed contractor and details of collection were reviewed during the audit.
	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 medical surveillance is conducted for the categories of employees in the workshop, laboratory and chemicals handlers including pesticide operators. Medical surveillance as proposed in the CHRA was performed by an approved OHD and the results for the entire team were positive and declared FIT to handle chemical.

Clause	Indicators		Comply Yes/No	Findings
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance	Yes	All the estates and mill in the CU complied with procedure and guidelines provided the SOP adopted by the company whereby no work with pesticides is given to pregnant or breast-feeding women. The estates maintained the list of sprayers. Identification of pregnancy status is made by the respective appointed Medical Assistant during the monthly check-up.
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 Group Occupational Safety & Health Management Policy had been established and implemented. The policy was signed by the Managing Director and displayed prominently on notice boards in English and local language Bahasa Malaysia. The Policy is implemented through the OSH activities by the Regional SQM Executives and monitored by SQM Department at Head Office. Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees & contractors & visitors.
	4.7.2	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. Major Compliance	Yes	Both the mill/estates had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment.
	4.7.3	All workers involved in the operation shall be adequately trained in safe working practices. Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning. Major Compliance	Yes	Trainings and briefings on the operations were provided for workers to educate them on safe working practices to ensure applicable precautions are adhered. Training for employees are conducted from time to time based on needs through various method such as on the job training, briefings, meetings, etc. The staff and workers such as the storekeepers, Mill workers, harvesters, pruners, field workers, sprayers, fertilizer and rat bait workers were trained, and they had understood the hazards involved and how the chemicals should be used in a safe manner. Based on the HIRARC carried out at the estates and mill the PPE types for the various activities has been identified and implemented.
	4.7.4	The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. Major Compliance	Yes	All the Estates / Mill Managers were appointed as the Chairman of the ESH committee. The letter of appointment for the Managers signed by the Regional CEO was sighted. The Managers subsequently assigned duties of ESH coordinator to the Assistants for the down line implementation of ESH practices in the estates. Similar appointment was made for all the estates and the mill. All identified Executives were officially given a letter for such an appointment. The estates and the mill management conduct regular two-way communication with their employees through the quarterly ESH meeting.

Clause	Indicators		Comply Yes/No	Findings
	4.7.5	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. Minor Compliance	Yes	The accident and emergency procedures are available in adherence to the SDPB policy on 'The trained personnel for the First Aid were among the employees working in the mill on shift and the estates staff/mandores. The first aid boxes were available at various points in the mill complex including laboratory, office, workshop, process control room etc. Similarly, the estates distributed the first aid box to the mandores and brought along to the field during operations. In addition, there are also first aid boxes kept in the office, store and workshops. ERT members will receive training and practice in emergency procedures appropriate to their respective workplace and degree of risk. The trainings are conducted by an accredited or qualified organisation who can demonstrate their suitability to provide training.
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	Yes	SOU Lavang provides medical care to Group Estate workers with *Klinik Ladang* established within the premises. Cases requiring higher attention of medical care are referred to *Hospital Bintulu* located approximately 50 km from the Estates/Mill vicinity. FWs were covered with Etiqa Takaful Bhd while Local workers are covered by SOCSO.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	Yes	Accident statistics are being maintained and periodically reviewed (quarterly basis) during 'Health and Safety' committee meeting – minutes reviewed. All units submitted the JKKP 8 in Jan 18 complying with the DOSH statutory requirement.
C 4.8 All staff, workers, smallholders and contract workers are appropriately trained.	4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. Major Compliance	No	The training program for 2019 covering all aspects of the RSPO Principles and Criteria and other essential operations activities has been established. Regular assessments of training needs were available and verified. Training needs identification matrix has been established with target dates for of implementation. The training program/subjects were verified during audit. However, at the time of visit the training program for Dulang and Lavang Estate "Peat Soil Management" was not available. *Thus, the Major NCR STK 01 2019 was issued.*
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	Yes	SOU Lavang had trained their staff, workers and records of training were kept in the RSPO training file. The records included information on the title of the training, name and signature of the attendees, name of the trainer, time and venue.

Principle 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY

Clause	Indicators		Comply Yes/No	Findings
C 5.1 Aspects of plantation and mill management,	5.1.1	An environmental impact assessment (EIA) shall be documented. Major Compliance	Yes	The EAI as detailed in the estates register covers all estates activities/operations. There was no significances changes on the existing identified environmental aspects. The management has decided to maintain the current activities and to further monitored the significant impacts as per current practices. Documents are maintained, sighted and verified.
including replanting,	5.1.2	Where the identification of		The mill and estates have conducted periodical review on the aspects and impacts identified and evaluated

Clause	Indicators		Comply Yes/No	Findings
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.		impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed & implemented within a comprehensive action plan. The action plan shall identify the responsible person/s. Minor Compliance	Yes	as registered. The mill and estates have continuously implemented annual programs that were established as part of its individual Pollution Prevention Plan. Managers and Assist Managers of mill and estates were identified as person-in-charge of the programs which were established upon review of the aspect and impact register. Significant environmental aspect and impact was derived from the environmental impact evaluation (EIE). Those activities evaluated as significant were monitored using the mitigation measures established for each significant activity. Records of periodical reporting of the listed issues were available. These were the evidence which showed that the plans been monitored. The plans were reviewed annually during the Management review / ESH meeting where environmental issues were discussed.
	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. Minor Compliance	Yes	An environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Pollution prevention plan and waste management plan was reviewed on yearly basis and was verified at all visited operating units. Sighted the Environmental Management plan 2019.
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	5.2.1	Information shall be collated in a HCV assessment that includes both the planted area itself and relevant wider landscape-level considerations. Major Compliance	Yes	SOU Lavang Pekaka has reviewed their HCV with new assessment conducted on June 2017. The new HCV assessment titled 'HCV Assessment for Sarawak Zone, which included both the planted area and relevant wider landscape-level considerations with villages and forest reserved. The total area of HCV area for SOU Lavang Pekaka is 354.07ha HCV area.
	5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by	Yes	The HCV Assessment report indicated that there is no threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations. There is only common bird sighted. The appropriate measures that are expected to maintain and/or enhance them were implemented through an action plan made available in all estates. The visited estates have maintained its HCV4 which is the Stream,

Clause	Indicators		Comply Yes/No	Findings
be identified and operations managed to best ensure that they are maintained and/or enhanced.		plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan. Major Compliance		Mill Water Catchment, River Reserve, Isolated Remnant forest, Waterfall.
	5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. Minor Compliance	Yes	Although there was no RTE species found in the CU, Sime Darby still established their own disciplinary measures if any of their staff or workers found to capture, harm, collect or kill the RTE species. If found any activities to capture, harm, collect or kill RTE species, the estates will make a report to the Sarawak Wildlife Department immediately. In all estates, the training programs for 2019 has included HCV training programme. Attendance lists were available. SOU Lavang Pekaka management will notify the relevant authorities immediately if any individual working for the company is found to capture, harm, collect or kill these species.
	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 (continuous) for FY: 2018/2019 for All Estates were reviewed and verified on the ground. 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	NA	There was no HCV set-asides with existing rights of local communities.

Clause	Indicators		Comply Yes/No	Findings
		agreement that optimally safeguards both the HCVs and these rights. Minor Compliance		
C 5.3 Waste is reduced, recycled, re-used, and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	Yes	All waste and pollution are identified and documented in the Waste Management Plan and Pollution Prevention Plan Financial Year 2019. The compilation for Financial Year 2019 was made at SOU/Regional level.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	Yes	SOU Lavang has identified all wastes and sources of pollution. The Waste Management Action Plan FY 2019 were established to mitigate and control the identified wastes and source of pollution.
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. Minor Compliance	Yes	There are procedures and guidelines in the disposal of wastes and pollutants guided by RSQM Head Office level to minimize pollution on the routine operation.
C 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.	5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. Minor Compliance	Yes	A plan for improving the efficiency of the use of fossil fuels is in place and has been incorporated into the Environmental Aspect and Impact activities report for 2019. The document was updated on July 2019. In conclusion the total consumption of both shell and fibre over the CPO production is at an average of 4.8. When the renewable energy consumption is maximized the utilization of non–renewable is reduced. Similarly, the estate records and monitors the diesel utilization over the running hours of gen-set and other vehicles running.
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 by burning ever since SDPB practice zero burning. The use of fire for waste disposal and for preparing land for oil palm cultivation or replanting was not practiced in all estates. From field visits (2016, 2017 & 2018 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.
	5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning	Yes	There was no evidence that fire had been used to prepare land for replanting in all estates. No fire was used for waste disposal.

<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>as specified in ‘Guidelines for the Implementation of the ASEAN Policy on Zero Burning’ 2003.
Minor Compliance</td><td></td><td></td></tr>
<tr><td rowspan="3">C 5.6
Preamble
Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognised that it is not always feasible or practical to reduce or minimise these emissions.
Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment</td><td>5.6.1</td><td>An assessment of all polluting activities shall be conducted, incl. gaseous emissions, particulate/ soot emissions and effluent.</td><td>Yes</td><td>An assessment of all polluting activities has been conducted and monitored. This included the gaseous emissions, particulate / soot emissions and effluent. The CU has continued to maintain its environmental aspects/impacts register associated with their activities. Environmental aspect and impact (EAI) records which covers estates and mill activities / operation. ‘Pollution Identification Environmental Improvement Action Plan’ is used to identify the waste products and sources of pollution, was in place and is reviewed accordingly.</td></tr>
<tr><td>5.6.2</td><td>Significant pollutants and GHG emissions shall be identified, and plans to reduce or minimise them implemented.
Major Compliance</td><td>Yes</td><td>Lavang CU had identified emission of greenhouse gas (GHG) from their operations such as emission from their farm tractor and gen set operation.</td></tr>
<tr><td>5.6.3</td><td>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.
Minor Compliance</td><td></td><td>SOU Lavang has calculated the GHG using RSPO Palm GHG calculator and the calculation option used is Option 1. Below is the summary of result:

<u>Summary of net GHG emissions from PalmGHG calculator</u>

PalmGHG calculation option used: Option 1

Summary of Net GHG Emissions
<table>
<tr><th>Emissions per Product</th><th>tCO2e/tProduct</th></tr>
<tr><td>CPO</td><td>4.55</td></tr>
<tr><td>PK</td><td>4.55</td></tr>
</table>
<table>
<tr><th>Extraction</th><th>%</th></tr>
<tr><td>OER</td><td>20.34</td></tr>
<tr><td>KER</td><td>5.07</td></tr>
</table>
<table>
<tr><th>Production</th><th>t/yr</th></tr>
<tr><td>FFB Processed</td><td>280378.85</td></tr>
<tr><td>CPO Produced</td><td>57034.05</td></tr>
<tr><td>PK Produced</td><td>14204.91</td></tr>
</table>
<table>
<tr><td>Land Use</td><td>ha</td></tr>
<tr><td>OP planted area</td><td>38812.38ha</td></tr>
</table></td></tr>
</table>

Clause	Indicators		Comply Yes/No	Findings
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.				

OP planted on peat	4097.24ha
Conservation (forested)	0
Conservation (non-forested)	0
Total	38812.38ha

Summary of Field Emissions and Sinks

	Own Crop		Group	
	tCO2e	**tCO2e/ffb**	**tCO2e**	**tCO2e/tFFB**
Emissions				
Land Conversion	102212.43	0.7	78109.88	0.57
*CO2 Emissions from Fertiliser	8548.60	0.06	8412.68	0.06
**N2O Emissions	27991.94	0.19	14198.83	0.07
Fuel Consumption	1958.51	0.01	4267.71	0.03
Peat Oxidation	136180.60	0.94	57174.02	0.21
Sinks				
Crop Sequestration	-95725.43	-0.66	-75663.43	-0.55
Conservation Sequestration	0	0	0	0
Total	181166.65	1.25	86499.69	0.39

Summary of Mill Emissions and Credits

	tCO2e	**tCo2e/tFFB**
Emissions		
POME	52211.05	0.19
Fuel Consumption	2533.32	0.01
Grid Electricity Utilisation	0	0
Credits		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	54744.37	0.2

Palm Oil Mill Effluent (POME) Treatment

Divert to compost	%
Divert to anaerobic digestion	100%

POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	100%
Divert to methane capture (flaring)	0%

Clause	Indicators		Comply Yes/No	Findings
				Divert to methane capture (electricity generation) 0%

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	SIA Assessment Report for Lavang CU entitled "Social Impact Assessment, (SIA) Report SOU 31 Lavang was prepared on September 2016. Records of meetings were also sighted and based on the reports reviewed; there is evidence that it was prepared with the participation of Lavang's relevant stakeholders. These included its own workers, government agencies such as Police Department of Bintulu and National Resources Environmental Board (NREB) Bintulu. Also present was neighboring plantations and local communities.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	Yes	The SIA was done with the participation of the affected parties as evidenced from the report reviewed. The stakeholders consulted were Lavang's relevant stakeholders which included its own workers, government agencies such as Police Department of Bintulu and National Resources Environmental Board (NREB) Bintulu. Also present was neighboring plantations and local communities.
	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	The SIA Action Plans for avoidance or mitigation of negative impacts and promotion of the positive ones as well as monitoring of impacts have been developed in consultation with the affected parties. The issues raised, actions to be taken and timeframe and person responsible for implementation were documented and timetabled.
	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	Yes	The plans were reviewed accordingly. Involvement of affected parties were evident.

Clause	Indicators		Comply Yes/No	Findings
		concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. Minor Compliance		
	6.1.5	Particular attention shall be paid to the impacts of smallholder. Minor Compliance	Yes	No smallholders included in the CU. All certified units are the CU own supply bases.
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	There is a documented consultation and communication procedures identified as Stake-holder Consultation Procedure. This procedure identifies impacts of the Company's operations on its stakeholders based on interview, consultation, discussion and meetings with its stakeholders.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	Yes	The appointment of respective management officials responsible for social issues which included maintenance of peace, welfare, safety and health were evident.
	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	The stakeholder lists for all the units, namely Dulang, Chartquest, Lavang and Kelida were all available and sighted during the surveillance audit. The lists were updated as at September 2019, and they comprise relevant government agencies such as MPOB, Department of Immigration, Department of Environment, Sarawak Labour Department) the Indonesian consulate, nearby schools, HUMANA school and nearby villages. Records of all communications, including confirmation of receipt are maintained. The Company has also demonstrated that efforts were made to ensure understanding by affected parties. These were documented in the minutes of the stakeholder meeting held in September 2019 for the Lavang CU. This meeting was attended by approximately 49 attendees. Records of these meetings and actions taken were all being maintained and reviewed during the surveillance audit.
C 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. Major Compliance	No	There is a documented system for dealing with complaints and grievances. This system is open to all affected parties to resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers. The document is known as The Grievance Procedure, and the detailed procedure is known as Reporting of Complaints and Grievances: Internal and Stakeholders (Complaints Flowchart). However, based on the interview held at Dulang Estate, the respective workers i.e.harvesters had complained to the management that they did not understand the computation of wages or work done on rest days, however, the management has not resolved the issue. *Therefore, major NCR raised as MAR 01 2019.*
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	Yes	Documentation of both the process by which a dispute was resolved and the outcome was available. Complaint feedback logbook where complaints are recorded and filed was reviewed. For all the Estates within Lavang CU, the logbooks mainly comprise complaints from workers on repairs that need to be done to their houses. The Complaints Book have details such as name of complainant, date of complaint, types of complaint, and signature of person receiving the complaint, and an action column which states the actions carried out.
C 6.4	6.4.1	A procedure for identifying legal,		A procedure for identifying legal, customary or user rights, and a procedure for identifying people

Clause	Indicators		Comply Yes/No	Findings
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.		customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. Major Compliance	Yes	entitled to compensation as well as for calculating and distributing fair compensation (monetary or otherwise) has been established, and is known as Flowchart and Procedures on Handling Land Disputes. This document provides guidance on managing any dispute encountered by SDPSB or its subsidiary with any third parties claiming interests on the land, gathering of information and documents such land titles and development plans, appointment of land surveyors and legal practitioners and consultation with land authorities in negotiation process.
	6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. Minor Compliance	Yes	Proposed resolutions in the negotiation process include: a) Affected parties to vacate the area. b) Compensation to be given to affected parties. c) Resettlement of affected parties to another site proposed by estate management.
	6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. Major Compliance	Yes	As of the date of the audit, the case of negotiation and payment of compensation has been explained as indicator 2.2.3.
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	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	Yes	Pay and conditions are documented and made available during the surveillance audit. These are contained in the workers' payslips and employment contracts. Pay slips were sighted and are provided to workers on a monthly basis as confirmed during worker interviews. Pay slips for Mill and Estate field workers show breakdown for all work done such as allowances received, deductions, no. of days worked and for the Mill, any overtime hours performed. It was also verified that workers are being paid in accordance with the requirements stipulated under the Minimum Wages (Amendment) Order 2018 (from January 2019 onwards) and the Sarawak Labour Ordinance.
	6.5.2	Labour laws, union agreements or direct contracts of employment	Yes	Lavang CU issues out contracts of employment to all its foreign employees, and letters of offer of employment to its Malaysian employees. The contracts detail out payments and conditions of

Clause	Indicators		Comply Yes/No	Findings
provide decent living wages		detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance		employment (e.g. wages payable, working hours, deductions, overtime, sickness, insurance coverage, retirement age, holiday entitlement, maternity leave, reasons for dismissal, period of termination notice, mutual termination rights, etc). The employment contracts were prepared in Bahasa Malaysia which is the language understood by the Malaysian and Indonesia workforce. The contents of the contract were explained to them by the management representative.
	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	The Company provides adequate housing for all their Mill and Estate workers. Workers are also accorded water supplies, electricity, medical, educational and welfare as required under the Workers' Minimum Standard of Housing and Amenities Act 1990. The company, have established their Guidelines on Nursey for Estate's Toddlers (NEST) dated in May 2018 for the children until 5 years old. This was in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). The Guidelines was very comprehensive and included the ratio of the care taker, security, inspection and maintenance, NEST's amenities and safety aspects. From the site visit held at all estates, the care taker maintained information of the children in the book and the list name was updated as at audit visit. The NEST also maintained in good condition but as an observation, some of the NEST need to provide milk.
	6.5.4	Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food. Minor Compliance	Yes	The Company has demonstrated efforts to monitor and improve workers' access to adequate, sufficient and affordable food through the shops in the respective estates.
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 assoc. & collective bargaining are restricted under law, the employer	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	Yes	Sime Darby Plantation Sdn Bhd subscribes to the documented policy on Social Policy, signed on January 2015. This Policy is available in dual language, i.e. Bahasa Malaysia and English and it recognizes and respects of employees to join trade union of their choice and to bargain collectively subject to the provisions of relevant national legislations.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	Yes	In practice, there was no trade union/workers' union. However, the Company and workers' representatives have formed a Safety Town hall Program comprising HQ and worker representatives who have been elected by the workers themselves as a communication channel between management and workers. Main reason for the company doing the Safety Town hall is to gather the information such as feedback from the workers in term of Safety, Welfare, etc.

Clause	Indicators		Comply Yes/No	Findings
facilitates parallel means of ind. and free assoc. and bargaining for all such personnel.				
C 6.7 Children are not employed or exploited.	6.7.1	There shall be documentary evidence that min age requirements are met. Major Compliance	Yes	The company has a Social Policy which states that the company does not condoned forced labour or child labour. Master lists of workers from the estates, including dates of birth and date of hiring of all workers were checked, and sampled workers were cross-checked against personal identification records. It was found that all sampled workers at Lavang CU, are above 18 years old.
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 company has a Social Policy states that all employees should be treated fairly in terms of recruitment, progression, terms and conditions of work and representation regardless or race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and/or age.
	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	No complaints of discrimination were observed from all the workers interviewed (sprayers, harvesters and mill workers which comprise local and foreign men and women). They confirmed that pay and benefits received were the same regardless of job functions and there was no evidence of discrimination in any form.
	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	It has been demonstrated during the surveillance audit that recruitment selection, hiring and promotion are based on skill, qualities, capabilities and medical fitness, while vacancy notices for higher positions do not contain any discriminatory elements. Vacancies are made known among local populations based on word of mouth and advertisement through website. Employment of foreign workers, follow process flow of the Company. There is no indication of discrimination related to locality, gender, race and origins (nationality). Every worker could achieve positions as long as meet the requirements.
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	Lavang CU subscribes to the Gender Policy. The company also has a Guideline and Procedure Sexual Harassment which was prepared in Bahasa Malaysia and English.
	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 Company also has a documented Social and Humanity Management Policy signed by the Chief Executive – Group Plantations which specifies that the policy aims to preventing sexual harassment and other forms of violence against women and protects their reproductive rights, that the company respects the reproductive rights of women in accordance with national legislation.
	6.9.3	A specific grievance mechanism		The company also has a Gender Committee Handbook which was prepared in Bahasa Malaysia

Clause	Indicators		Comply Yes/No	Findings
		which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	Yes	and English, and a copy each was distributed to all Gender Committee members. This document contains guarantees of protection against acts of sexual harassment and violence, definitions and complaints procedures. The Company also has a documented SOP for making complaints regarding sexual harassment and violence and abuse. The document is entitled Guidelines/Procedure in Lodging Complaints – Sexual Harassment, Violence and Abuse.
C 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	6.10.1	Current and past prices paid for FFB shall be publicly available. Minor Compliance		Current price observed displayed at weighbridge. The price quote was based as per MPOB monthly price.
	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		External FFB suppliers were informed and explained on information pertaining to the price mechanism. For other pricing mechanism, the CU continued to procure through quotation or tender procedure depending on input / service to procure.
	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	The Company has demonstrated that the contractor has been provided with a contract document. The contract also specifies the work commencement period and special conditions, namely that the contractor was to be responsible for payment and contribution to the EPF, foreign workers' compensation, SOCSO, compliance with environmental and health regulations, and not to employ persons under the age of 18. The contractor also confirmed that the contract was fair, legal and transparent.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	Yes	The contractor, Wong Siing Yiing, Fong Seng Replanting and Ansharullah Trading Co also confirmed that all payments were made in a timely manner, i.e. approximately within one month of the issuance of invoice.
C 6.11 Growers and millers contribute to local Sustainable development where appropriate.	6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor Compliance	Yes	The contributions were documented in Corporate Social Responsibility Report. All of the event held evidences in the designated file come with photograph and invoices. The activities were held in all estates in Lavang CU.
	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	Lavang CU was not involved in any scheme smallholder schemes, and therefore this Indicator was not applicable.
C 6.12 No forms of forced or trafficked labour are used.	6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. Major Compliance	Yes	From worker's interviews, there was no evidence of forced labour found. The estate workers interviewed informed that overtime was not excessive and they were not forced to carry out any overtime. It was confirmed also from overtime hours stated on sampled pay slips were within the legal limit of 104 hours per month.
	6.12.2	Where applicable, it shall be		The Company has a documented Social Policy and Social & Humanity Management Policy for

Clause	Indicators		Comply Yes/No	Findings
		demonstrated that no contract substitution has occurred. Minor Compliance	Yes	temporary or migrant Workers signed by the Managing Director – Group Plantations which states all employees should be treated fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and /or age for foreign workers. The policy was posted on the main estate notice board.
	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 Company has a documented Social Policy and Social & Humanity Management Policy for temporary or migrant Workers signed by the Managing Director – Group Plantations which states that believes in developing the businesses with a sense of humanity, while ensuring that they are socially beneficial and do not infringe on basic human rights. The paragraph also mentioned that the company recognizes the rights of the employees protect children's right and acknowledge gender privileges as well as the rights of indigenous people, local community and other stakeholders affected by their presence.
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 (see Criteria 1.2 and 2.1). Major Compliance	Yes	The Company has a documented Social Policy and Social & Humanity Management Policy for temporary or migrant Workers dated January 2015 signed by the Managing Director – Group Plantations which states that believes in developing the businesses with a sense of humanity, while ensuring that they are socially beneficial and do not infringe on basic human rights. The paragraph also mentioned that the company recognize the rights of the employees, protect children's right and acknowledge gender privileges as well as the rights of indigenous people, local community and other stakeholders affected by their presence.
	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	Lavang CU provides Community Learning Centres (CLC) for foreign workers' children aged between 5 and 14. The Lavang CU provides and bears the cost of the premises, houses for the teachers, free maintenance such as water, electricity, and repairs works. Teacher's wages bear by the Consulate.

Principle 7: <u>RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS</u>

Lavang CU has no plan for any new planting and no new development of area was observed during the visit. Thus Principle 7 is not applicable. Auditors has verified through checking the www.globalforestwatch.com, GOOGLE Maps, Estate Maps and also through site visit to all four estates. Based on the audit findings, it is confirmed that there were no new planting or new development of areas at SOU Lavang Pekaka.

Principle 8: <u>COMMITMENT TO CONTINUOUS IMPROVEMENT IN KEY AREAS OF ACTIVITY</u>

Clause	Indicators		Comply Yes/No	Finding
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1	The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance		
	a)	Reduction in use of pesticides (Criterion 4.6);	Yes	SOU Lavang Pekaka adopted several continuous improvements in reducing 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. a) The CU also adopted planting of *Legominious* Cover Crop mainly *Pueraria Javanica* and *Calopogonium Mucunoides* at replanting area to minimize circle and selective weeding. b) *Neproliphis biserata* was maintained and encouraged to be planted in Lavang 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. c) Woody sprayings were carried out whenever necessary and only twice a year. Blanket spraying was not practiced encouraging soft grasses in inter row and frond stacking area d) Mills waste such as EFB were used as fertilizer in the field.

	b)	Environmental impacts (Criteria 4.3, 5.1 and 5.2);	Yes	Environmental impact assessment, management action plans and continuous improvement plan for SOU Lavang Pekaka has been updated and monitored by management. Among the improvement actions: a) construction of sump at chemical and workshop to prevent ground or water contamination. b) collect back chemicals bags and allocate store for control of misused.
	c)	Waste reduction (Criterion 5.3);	Yes	The management of SOU Lavang Pekaka had plan to reduce emission by daily inspection and monitoring for their farm tractor / lorry and genset / water treatment plant to prevent any leakage and problem which can impact on smoke emission.
	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	Yes	The management of both estates and mill had plan to reduce emission by daily inspection and monitoring for their farm tractor / lorry and gen set / water treatment plant to prevent any leakage and problem which can impact on smoke emission.
	e)	Social impacts (Criterion 6.1);	Yes	The CU continued to improve the social impacts with activities like: a) implementation of retention incentive for foreign workers. b) constructing sheltered at morning muster area. c) upgraded of *surau* and audio system. d) organized social events for worker and communities, such Workers' Day celebration together with The Best & Beautiful House Competitions.
	f)	Encourage optimizing the yield of the supply base	Yes	As Pekaka/Lavang SOUs are 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 optimize the yield of the plantation such as maximising crop recovery, optimum ripeness standard (harvest ripe bunches only and 100% loose fruit collection), the soil fertility were maintained and planting only high yielding planting material.

RSPO Certifications Systems for Principles & Criteria June 2017

Clause	Indicators		Comply Yes/No	Findings
4.5.3 Time-bound plan Note: Where there are isolated lapses in implementation	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within	Yes	SDP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. **<u>Indonesia</u>** **PT Bahari Gembira Ria** 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

of a time-bound plan, a minor non- compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised;		a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.		Certification by 2020 as reported in the timebound plan. Socialization with the entire KUD is currently ongoing. 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 **PT Sandika Natapalma & PT Budidaya Agro Lestari** Perijinan informasi lahan is obtained in 2015 while the other 'perijinan' is still in processing. As at June 2017, the smallholders with the total of 29,914 Ha (58% from the total Ha, 51,715 Ha) of associated smallholders in Indonesia has been certified. Certification process for the remaining associated smallholder's areas was on-going. SDP expect to achieve 100% RSPO certification of associated smallholders and out growers by end 2020. **PT Bersama Sejahtera Sakti** The new project at KKPA Maju Bersama by the plasma community is currently in nursery stage and not yet due for harvesting, the year of planting was in 2014. **PT Ladang Rumpun Subu Rubadi** SAP 1 Estate PLASMA will be undergone 2nd stage audit on 2019. **PT Guthrie Pecconina** Sungai Jernih Estate and the KKPA Estates has undergone audit. **PT Sime Indo Agro** Only East estate not yet certified – land legalization still in progress. **Liberia** SDPL has undergone RSPO Main Certification audit scheduled on 19 to 23 March 2018, but the assessment was only completed conducted and put on-hold due to security & safety issue. After due consideration on the current engagement with the House of Representative in Liberia, SDP management decided to postpone the time bound plan of RSPO Certification to 2019 until satisfactory resolution and demonstration of progress towards the 15 recommendations by the Special Legislative Committee of the House of Representative, Liberia in managing the potential risks resulting from the RSPO Certification process. A letter of Request for Extension of RSPO Certification Time Bound Plan for Sime Darby Plantation dated 22 May was sent to RSPO Secretariat, Head of Certification, and with response to Sime Darby Plantation on 23 May 2019 with no objections on the extension. **Papua New Guinea (NBPOL)** Markham Farming Company Limited (MFCL) / Markham Agro Pte. Ltd. Estimate to be certified on year 2020. The majority of Markham Farms has already been planted by the former owner without following RSPO NPP. Therefore, the Remediation and Compensation Procedure will be required to be full filled

				in order to achieve certification. The Disclosure has been has been initiated on 18.10.18. Currently HCV/HCS, SEIA and LUCA are being undertaken in order to submit and mitigation and remediation plan to RSPO. As this process has never been completed through RSPO in less than 2 years, the time frame for the 100% certification of Markham Farms is set to that duration. https://rspo.org/certification/remediation-and-compensation/racp-tracker no 82
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	Yes	Time bound plan was verified by CB and it can be confirmed that there were several changes to the current time bound plan as verified during this audit. Liberia has receive and extension of Timebound Plan which is until 2020 and PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera Refer letter dated 27 June 2019 to RSPO Secretariat and announcement at Bursa Malaysia http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965 .
	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary	Yes	Time bound plan was verified by CB and it can be confirmed that there were several changes to the current time bound plan as verified during this audit. Liberia has receive and extension of Timebound Plan which is until 2020 and PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera Refer letter dated 27 June 2019 to RSPO Secretariat and announcement at Bursa Malaysia http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965 .

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

	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3;	Yes	Based on the internal audit report, there were no labour dispute that are not being resolved through an agreed process for all uncertified units for all 7 uncertified units of Sime Darby Plantation Sdn Bhd - Indonesia as at June 2019.
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	Yes	Based on internal and external audit (ISPO certified) there was no labour disputed recorded at the CU.
	(e)	The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 4.5.4 (a) – (d) above by the audit team based on self- declarations only by the company, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:	Yes	SDP PT Mitral Austral Sejahtera already ISPO certified by MUTU Certification International on 30/11/2017 and there was no issue on legal non-compliance for all uncertified unit. However, Sighted as at June 2019 PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera Refer letter dated 27 June 2019 to RSPO Secretariat and announcement at Bursa Malaysia http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965

		• 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;	Yes	#	Name of SOU	Name of Units	Positive assurance statement and self-assessment	
				1	PT Sime Indo Agro	East Sei Mawang	Internal assessment was conducted on 29 May – 3 June 2017 by PT Mutuagung Lestari Auditor	
				2	PT Ladang rumpun Subur abadi	Subur Abadi Plasma 1	Internal assessment has been conducted for Subur Abadi Plasma 1 on 22 Feb 2017. The Subur Abadi Plasma 1 Scheme is currently undergoing RSPO Certification under PT Ladangrumpun Suburabadi pending certification. RSPO Pre-assessment has been completed on 20-24 March 2017. The contract between the Certification Body (PT Mutuagung Lestari) and PT Ladangrumpun Suburabadi is available (dated 6 March 2017) which includes the scope of the supply base of Subur Abadi Plasma stated under Clause 2, 1a. There is no outstanding land and social conflicts on the ground. HCV Assessment for Subur Abadi Plasma smallholders have been conducted (by Pollito) in July 2011 before commencement of any new planting. Land Use Change Analysis for the Plasma is in progress.	
				3	PT Bersama Sejahtera Sakti	KKPA BSS	New smallholder project currently under preparation to undergo RSPO Certification by 2019, internal audit for PT BSS has been undertaken, the latest internal audit has been conducted on 21 Apr 18.	
							There is no outstanding social and land conflicts on the ground. The plasma scheme has already undergone HCV Assessment (conducted by Pollito) in July 2011 before commencement of New Planting. Land Use Change Analysis is in progress.	

				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 Sandika Nata Palma	Karya Palma	Internal assessment was conducted on 10 Feb 2017.
						KKPA SNP	
				7	PT Budidaya Agro Lestari	Pelanjau (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.
						Sungai Putih (PT BAL)	
						Beturus (PT BAL)	
						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	It was evident that in handling uncertified management unit, SDP engaged with TuK-Indonesia and continued to work on direct engagement with PAC in order to achieve the consensus with the PAC to address all unresolved issues.			
		• If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing	Yes	Further information can be obtained from https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail . However, Sighted as at June 2019 PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera Refer letter dated 27 June 2019 to RSPO Secretariat and announcement at Bursa Malaysia http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965			

		the risk of any non-compliance with the requirements.		
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, the legal ownership of the land including history of land tenure was verified during this audit. For Lavang Dulang, Chartquest and Kelida Estates, the land was previous owned by Wangsa Mujur Sdn Bhd and Golden Hope Plantations (Sarawak) Sdn Bhd. Thereafter to Sime Darby after merging with Sime Darby in 2007. No relevant issues subjected to customary rights of local communities and indigenous peoples.

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

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
4.8.1 STK 01 2019	Major	**Finding:** A formal training program shall be in place that covers all aspects of the RSPO Principles and Criteria was not available. **Objective evidence:** At the time of visit a training program for the following aspect was not available. Dulang and Lavang Estate: Though on both estates there are large areas of peat soils (427.21 & 345.17 ha respectively) no training program on "Peat Soil Management" was available.	To conduct comprehensive peat management training by Sarawak Region Agronomist. To monitor the implementation / requirement of the peat soil management as stated during the training	A training titled *Managing Peat Soil Under Oil Palm* has been conducted on 05/12/2019 attended by 45 employees ranking from the RCEO, Managers and Executives held at Community Hall Desa Lavang. The training was provided by R&D Department. The training documents were provided and verified. Photos of the participants being briefed at site and the subsidence level measurement apparatus has been provided and verified. The implementation of the peat soil management and training effectiveness will be further checked and verified in the forthcoming audit. ***Thus, the major NCR STK 01 2019 is closed and concluded***
4.4.2 MZK 01 2019	Major	**Finding:** Buffer zones was not demarcated. **Objective evidence:** Lavang Estate: Sighted there is no marking at Sungai Tangsi Buffer Zone and also traces of chemical. Dulang Estate: Sighted there is no marking at Sungai Paroh Buffer Zone and also sighted encroachment from workers.	To clear the chemical and encroachment trace and rehab the area. To erect signage and demarcate the buffer zone area. To train all workers on buffer zone and activities prohibited to be done within the buffer zone area.	**Lavang Estate** The buffer zone signage has been installed in Estate buffer zone identified area. Training titled Buffer Zone and HCV has been provided at the Lavang Estate dated 06/12/2019 attended by 10 participants including 2 Assistants and other level of employees. Photos of signages being provided and verified. The training forms and signatories of attendees were provided and verified. Content of training includes; - To maintain and sustain buffer zone and HCV area from any operation to be executed such as spraying or manuring. - Workers allowed to only grass cut

				and maintain the area. **Dulang Estate** The buffer zone signage has been installed in Dulang Estate Field no 93DI on 18/11/2019. Training titled Buffer Zone and HCV has been provided at Dewan Sri Dulang on 18/11/2019 attended by 10 employees including 2 Assistants and. Photos of signages being provided and verified. The training forms and signatories of attendees were provided and verified. Based on the above initiative and effort the corrective action was accepted. The implementation of the buffer zone and HCV area protection will be further checked and verified in the forthcoming audit. ***Thus, the major NCR MZK 01 2019 is closed and concluded.***
6.3.1 MAR 01 2019	Major	**Finding:** The system of resolve dispute in was not effective to solve in timely and appropriate manner. **Objective evidence:** Based on the interview held at Dulang Estate the respective workers i.e. harvesters had complained to the management that that they did not understand the computation of wages or work done on rest day however the management has nor resolved the issue.	To check all workers not getting double pay since Jan 2019. To reimburse their salary in phases. To retrain / re inform the workers on the complaint and whistleblowing mechanism.	**Corrective Action Accepted**. **Dulang Estate** A training /briefing (Town Hall) was made on 22/11/2019 at Dewan Sri Dulang attended by 116 workers. Details briefed include the following a) Gaji Holiday Pay b) Pengiraan Gaji c) Cuti2 Tahunan (Cuti Umum/Sakit) d) Bayaran Kerja Rest Day e) Vacation Leave Pay f) Pengenalan Careline Sarawak Region. The training document and signatories of attendees were provided and verified. Photos of the training session were provided and verified. A pay slip processed on 01/12/2019 from Dulang Estate for worker named M/s Darwis employee no 00000155515 a general worker. Included in the pay slip caption of a) daily rate wages 25 days worked

				b) holiday pay c) Overtime payment d) Adjustment of wages of RM570 A pay slip officiated on 01/12/2019 of Dulang Estate for worker named M/s Irvan employee no 0000042134 a harvester Included in the pay slip caption of a) Harvester wages b) holiday pay c) harvesting incentive (Sarawak) d) work on rest days e) Adjustment of wages of RM1435.87 Based on the above training session, initiative and payment the corrective action was accepted. The implementation of the and effectiveness of the training will be further monitored during the forthcoming audit. ***Thus, the major NCR MAR 01 2019 is closed and concluded***

Attachment 5

RSPO SUPPLY CHAIN : AUDIT CHECKLIST

SECTION A : GENERAL INFORMATION

1. File Reference No.	: ES10170019
2. Name of facility/ site(s) /entity(ies)	: Sime Darby Plantation (Sarawak) Sdn Bhd – SOU Lavang and SOU Pekaka
3. Site Location (single site/multisite/Group)	: P.O Box 1288, 97008 Bintulu, Sarawak
4. SC model	: Mass Balance
5. Type of entity	: Mill
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 October 18 until September 19 CPO Projected: 59,429.02 mt PK Projected: 13,675.19 mt CPO Sell: 52,023.13 mt CPO Claim as MB: 5,800 mt PK Sell: 13,136.59 mt PK Claim as MB: 3,580.00 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.	Lavang 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 Lavang 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 Palm Trace Registration no. under Lavang Oil Mill.
1.4	Processing aids do not need to be included within an organization's scope of certification.	No processing aid involved in Lavang 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.	Lavang POM obtained certified FFB from own certified supply base, Lavang, Lavang Special, Kelida, Rasan, Belian, Pekaka, Ruai, Dulang, Paroh, Chartquest and as well as external suppliers Subis PlantationsSdn Bhd.
2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Lavang POM only apply MB 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:	Lavang POM had revised their documented procedure title '*Standard operating procedure for Sustainability Supply Chain and Traceability dated in Sept 2018* The procedure described the following: a) Clause 4.0 ~ the responsibility of for the implementation of RSPO SCC i.e. head of operating unit b) 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. c) 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 d) Clause 7.0 ~ Receiving FFB at the mill – list of supply base, rules for determining diverted FFB destination, relevant record e) Clause 8.0 ~ process monitoring – for IP model mill need to ensure no mixing of RSPO certified and non-certified f) 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, g) Clause 10.0 ~ Non-conforming material / product – requirement to downgrade the RSPO Product h) Clause 11.0 ~ product claim – shall follow RSPO rules on market communication & claim i) Clause 12.0 ~ Outsourced contractor - the mill has established list of outsourced contractor. Sighted list of transporter for CPO and PK. j) Clause 13.0 ~ Training – the mill shall provide training for relevant personnel carrying the task at tech critical control point (CCP).

		k) 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. l) Clause 15.0 ~ Production volume m) Clause 16.0 ~ Conversion Factors n) Clause 17.0 ~ Internal Audit o) Clause 18.0 ~ Complaints p) 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.
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 September 2018 (revision: 4) 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 Lavang 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 review at least annually. The organization shall be able to maintain the internal audit records and reports.	RSPO internal audit was conducted in July 2019 by the internal lead auditor. The internal audit has follow the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.
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).	Lavang POM obtained certified FFB from own certified supply base, Lavang, Lavang Special, Kelida, Rasan, Belian, Pekaka, Ruai, Dulang, Paroh, Chartquest and as well as external suppliers Subis Plantation Sdn Bhd. Sighted FFB consignment note for Lavang, Lavang Special, Kelida, Rasan, Belian, Pekaka, Ruai, Dulang, Paroh, Chartquest and as well as external suppliers. And also outsider estate from October 2018 till September 2019 Among the information available on the FFB consignment note are estate name, vehicle no, field 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).	To demonstrate that purchases are made to the material category agreed with their supplier, LPOM ensure delivery chit from Lavang, Lavang Special, Kelida, Rasan, Belian, Pekaka, Ruai, Dulang, Paroh, Chartquest Estate being marked/ stamped accordingly with RSPO cert No. And also outsider estate being marked/ stamped accordingly with 'CSFFB'.
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.	For certified CPO & PK produced, Lavang POM update their stock in Palm Trace.
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.	Lavang POM had continued received source of RSPO certified FFB from own group estate. Internal supplier under same certification – valid certificate.
4.2	The site shall have a mechanism in place for handling non-conforming material and/or documents.	Lavang POM 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 LPOM, 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. On processing, LPOM still referred to the sales contract issued by the Headquarters office for production planning (Refer 8.0 of the SOP – Process Monitoring). No NCP/ NCD recorded since last audit.
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 are 3 outsource company CPO transporter. The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. Record of training was sighted.
5.2	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) 3 outsource company CPO transporter b) There is contract document between Lavang 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 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.	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 Lavang POM. Sample of deliveries document were sighted during the audit and it was found all related information were adequate. Lavang POM's RSPO certificate number and product name together with model used were stated in the delivery documents.
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.	Global Trading and Marketing Sime Darby at HQ ara Damansara are the incharge update the RSPO IT Platform based on input provided by Lavang POM.
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 July 2019 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 workers in July 2019 by the PSQM Manager attended by all SOU including personnel from SOU Lavang and SOU Rajawali person including PIC, Clerk, Assistant Engineer, Staff, Weighbridge Operator and 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.	Available.
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).	For Palm Oil Mill; Oil extraction Rate (OER) and Kernel Extraction Rate (KER) has been used as the conversion factor.
10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	Updated on monthly basis.
11	**Claims**	
11.1	The site shall only make claims regarding the use of or support of	Relevant information on product claim (including applicable SC model and certificate no.)

	RSPO certified oil palm products that are in compliance with the RSPO rules on communications and claims.	being correctly indicated in the relevant outgoing paperwork e.g. PK billing, CPO billing, TPOM weighbridge advice ticket and TPOM palm kernel/ CPO delivery note
12	**Complaints**	
12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Documented procedure has established to address collecting and resolving the complaint.
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. Last conducted in May 2019.
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 report, doc. Name Management Review Meeting MSPO & RSPO was carried out in May 2019.
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 processes • Resource needs	

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

	Module E – CPO Mills: Mass Balance	
E.3	**Documented procedures**	
E.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 name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the	Available as provided above.

	implementation of this standard.	
E.3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	Lavang POM had continued to implement the procedures it had on receiving and processing of RSPO certified and non- certified FFBs. The Weighbridge Clerks knew and kept a list of all certified supply bases (estates) supplying FFBs to Lavang POM and checked on the validity of the estates' P&C Certificates for Sustainable Palm Oil Production (P&C Certificate).
E.4	**Purchasing and goods in**	
E.4.1	The site shall verify and document the volumes of certified and non-certified FFBs received.	Lavang POM had continued to receive certified FFBs from the CU's own supply bases as well as non-certified FFBs from outsiders. There were ten supply bases (estates) sending certified FFBs to LPOM. They were Lavang, Lavang Special, Kelida, Rasan, Belian, Pekaka, Ruai, Dulang, Paroh, Chartquest Estates. The Weighbridge Clerk checked and verified the consignment notes issued by the supplying estates for the in-coming RSPO and non-RSPO FFBs. LPOM still kept copies of the FFB Consignment Notes or FFB Delivery Notes issued by the supplying estates.
E.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	There was no overproduction of certified FFBs at Lavang POM during the period under review (Oct 2018 to Sept 2019).
E.5	**Record keeping**	
E.5.1	a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and/or three-monthly basis. b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short (i.e. product can be sold before it is in stock.) For further details refer to Module C.	Lavang POM had continued to keep record and balances of all receipts of RSPO-certified FFBs and deliveries of RSPO-certified CPO and PK on a three-monthly basis in the table 'Mass Balancing Record for Oil Mill'.

Attachment 6

Status of Non-conformities Previously Identified
VERIFICATION OF NON-CONFORMITIES DURING RECERTIFICATION ASSESSMENT AT 04/11-08/11/2019

<table>
<tr><th>P & C Indicator</th><th>Specification Major/Minor</th><th>Detail Non-conformances</th><th>Verification by Assessor</th></tr>
<tr><td>1.1.2
MZK 01 2018</td><td>Major</td><td>Finding:
Records of request and Information regarding Certified Area and CSA (Conservation set aside) was found incorrect.
Objective evidence:
The information given to CB regarding Certified Area and CSA (Conservation set aside) at SOU 31 Lavang, SOU 34 Pekaka since 2012 (Refer 2017 report PT Mutuagung Lestari) was not correct due to not tally with stated Land Title and HCV Assessment and SAP System (Internal control Sime Darby) as per information below:
<table>
<tr><td>Estate</td><td>Area (Since 2016) in ha</td><td>Land Title as Per Legal Grant</td></tr>
<tr><td>All Estate</td><td>23,595.16</td><td>23,642.81</td></tr>
<tr><td>CSA Area</td><td>Area (Since 2016) in ha</td><td>CSA Area as per HCV Assessment report and SAP System</td></tr>
<tr><td>All Estate</td><td>1,093.72</td><td>142.41</td></tr>
</table></td><td>Auditor has received data Area Statement excel and verified the Ha Statement given by the SOU Lavang Pekaka and amended the Certified Area in the report
Status: The statistics were maintained and consistent. Implementation is consistent and verified.
Thus, the NCR MZK 01 2018 is closed and concluded</td></tr>
<tr><td>4.3.4
STK- 01.2018</td><td>Major</td><td>Finding: Subsidence of peat soils was not monitored.
Objective evidence:
Pekaka Estate – there was no records to show that subsidence of peat soils (384.71 Ha) is being monitored.</td><td>Auditor has received and verified SOP for peat subsidence monitoring, map of peat gauge subsidence, Appointment letter of PIC in charge to take the reading, and records of monitoring of Peat subsidence.
Status: The implementation has been executed and maintained. The data has been verified.
Thus, the NCR STK 01 2018 is closed and concluded</td></tr>
<tr><td>4.6.7
AB 01 - 2018</td><td>Minor</td><td>Finding: The Standard operating procedure (SOP) of pesticides /chemical application is not being adhered to.
Objective evidence:
Pekaka Estate – Field no P92 PB. Spraying works using KENLON.
Sprayers carrying the chemicals individually attached to the chemical’s pumps and self-mixing for application, instead of the bulk pre-mixing method.
Sprayers were not using goggles though being provided as PPE.</td><td>Corrective action Plan accepted. The implementation of corrective action plan will be verified by next audit.
Status: At time of visit spraying operations were observed on Lavang and Kelida estates. P&D spraying was observed at Field 18A on Lavang Estate and Circle spraying at Field 10A.
- No concentrated chemical was found at both worksites. For Field 18A Cypermethrin was premixed and brought to the field in 20 liters containers while for Field 10A the chemical Supresate (Glyphosate Isopropylamine) was premixed and brought to the field in 1000liter containers.
- All sprayers on both estates were equipped with the appropriate PPE i.e.</td></tr>
</table>

			googles, apron, rubber gloves, respirator mask, boots & head gear. ***Thus, the minor NCR AB 01 2018 is closed and concluded***
6.5.1 HO1	Major	**Finding**: Documentation of pay and conditions noted maintained available. However, there was pay to employees for wages documented on the pay slips could not be confirmed met legal requirement. **Objective evidence:** No evidence that pay for wages (such as overtime, rest day, public day) for below employees on September 2018 had met legal requirement. Pekaka Estate: Employee No.: 41869, 111319, 136621, 41981. Paroh Estate: Employee No.: 41444, 104183, 41506, 13144. Lavang Oil Mill: Employee No.: 102826, 42533, 102827. Lavang Special Estate: Employee No.: 117024, 38495, 109541. Ruai Estate: Employee No.: 72094, 133105, 101687, 43003.	Sighted evidence of payment of overtime for all workers said has been paid and evidence of calculation of wages at pay slip October 2018 Sighted evidence briefing has been conducted on 28/10/18 **Status:** *Pay and conditions are documented and made available during the surveillance audit. These are contained in the workers' pay slips and employment contracts. Pay slips were sighted and are provided to workers on a monthly basis as confirmed during worker interviews. Pay slips for Mill and Estate field workers show breakdown for all work done such as allowances received, deductions, no. of days worked and for the Mill, any overtime hours performed.* *It was also verified that workers are being paid in accordance with the requirements stipulated under the Minimum Wages (Amendment) Order 2018 (from January 2019 onwards) and the Sarawak Labour Ordinance.* ***Thus, previous NCR, H02 was satisfactorily closed.***

Attachment 7

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 June 2019

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 '11	11-Aug-20	SPO 550179	
2	Chersonese	Kuala Kurau, Perak	5 Oct '11	4-Oct-21	CU-RSPO-815148, RSPO 590800	
3	Elphil	Sg Siput, Perak	18 Jun '11	17-Jun-21	RSPO 550180	
4	Flemington	Teluk Intan, Perak	5 Oct '11	4-Oct-21	CU-RSPO-819144, RSPO 590802	
5	Seri Intan	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-811218, RSPO 0015	
5	Selaba	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-819142, RSPO 0016	
5a	Sg Samak		3 Mar '11	NA	NA	
6	Tennamaram	Bestari Jaya, Selangor	3 Mar '11	2-Mar-21	CU-RSPO-819143, RSPO 0014	
7	Bkt Kerayong	Kapar, Selangor	15 Apr '11	14-Apr-21	RSPO 550181	
8	East	Carey Island, Selangor	19 May '10	18-May-20	SPO 543543	
9	West	Carey Island, Selangor	19 May '10	18-May-20	SPO 543594	
9a	Sepang	Sepang, Selangor	19 May '10	NA	NA	
10	Bukit Puteri	Raub, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-815147, 18502206 001, 824 502 14020	
11	Kerdau	Temerloh, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-819155, 18502207 001, 824 502 14019	
12	Jabor	Kuantan, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-819156, RSPO 928288, 824 502 16049	
13	Labu	Nilai, Negeri Sembilan	30 Dec '11	29-Dec-21	CU-RSPO-819163, SGSRSPO/PM/MY13/01284, 824 502 16039, SGS-RSPO/PC17-00004, CURSPO-855480	
14	Tanah Merah	Port Dickson, Negeri Sembilan	19 May '10	18-May-20	SPO 541905	
15	Sua Betong	Port Dickson, Negeri Sembilan	18/2/2014	17-Feb-24	SGS-RSPOPM-MY14/01364, 824 502 16032	Sua Betong Oil Mill has been 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	20 May '15	19-May-20	RSPO-PC 00101	
18	Diamond Jubilee	Jasin, Melaka	5 Oct '11	4-Oct-21	CU-RSPO-819146, RSPO 591224	
19	Pagoh	Muar, Johor	28/1/2014	27-Jan-24	RSPO 600305	Pagoh Oil Mill has been 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	NA	
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	NA	
26	Sandakan Bay	Sandakan, Sabah	1 Oct '08	30-Sep-23	RSPO 537872	
27	Melalap	Tenom, Sabah	21 Jan '11	20-Jan-21	RSPO 547124	
28	Binuang	Kunak, Sabah	16 Jan '09	12-Jul-20	RSPO 001	
29	Giram	Kunak Sabah	16 Jan '09	12-Jul-20	RSPO 002	
30	Merotai	Tawau, Sabah	16 Jan '09	12-Jul-20	RSPO 004	
30a	Jeleta Bumi	Kunak, Sabah	24/5/2010	NA	NA	
30b	Mostyn	Kunak Sabah	16 Jan '09	NA	NA	
31	Lavang	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819166, MUTU-RSPO/053	
32	Rajawali	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819167, RSPO 0020	
33	Derawan	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819169, RSPO 0019	
34	Pekaka	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-815150, MUTU-RSPO/054	Mill is mothballed, supply base merged into Lavang effective Dec 2017.

Legends:

Certification
Withdrawal

SDP- RSPO Certification Status for Indonesia Operations

NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	PT LAHAN TANI SAKTI	ALUR DUMAI	Bagan Sinembah/Tanh Putih, Pujud, Rokan Hilir, Riau	16-Jan-12	15-Jan-22	MUTU-RSPO/011, SGS-RSPO/PC17-00005, SGS-RSPO/PC17-00005	
2	PT SAJANG HEULANG	ANGSANA MINI	Sebamban, Indonesia	6-Jul-11	6-Jul-16	MUTU-RSPO/006b	Mill closed down
3	PT SAJANG HEULANG	MUSTIKA	Sebamban, Indonesia	3-Jul-13	2-Jul-23	MUTU-RSPO/027	
4	PT LADANGRUMPUN SUBURUBADI	ANGSANA	Sebamban, Indonesia	9-Nov-16	8-Nov-21	MUTU-RSPO/006a	
5	PT LANGGENG MUARAMAKMUR	BEBUNGA	Pamukan Utara, Tanah Grogot, Kotabaru/Pasir, Kalimantan Selatan/Kalimantan Timur	16-Mar-12	3-Aug-22	MUTU-RSPO/014	Recertification of Bebunga POM is in progress.
6	PT KRIDATAMA LANCAR	SUKAMANDANG	Seruyan Tengah, Sampit, Seruyan, Kalimantan Tengah	2-Sep-16	1-Sep-21	MUTU-RSPO/003	
7	PT BAHARI GEMBIRA RIA	LADANG PANJANG	Kumpeh Ulu, Jambi, Muaro Jambi, Jambi	9-Jul-12	28-Nov-22	MUTU-RSPO/019	
8	PT TUNGGAL MITRA PLANTATIONS	MANGGALA	Riau, Indonesia	25-Nov-10	24-Nov-20	MUTU-RSPO/002	
9	PT PARIPURNA SWAKARSA	PONDOK LABU	Pamukan Selatan, Tanah Grogot, Kotabaru, Kalimantan Selatan	16-Mar-12	19-Jul-22	MUTU-RSPO/016	Recertification of Pondok Labu POM is in progress.

10	PT BERSAMA SEJAHTERA SAKTI	GUNUNG ARU	Sebamban, Indonesia	21-Oct-16	20-Oct-21	MUTU-RSPO/005	
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 31-Mar-24	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-14	30-Nov-21 31-Mar-24	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	2-May-23	MUTU-RSPO/026	
24	PT SANDIKA NATAPALMA/PT BUDIDAYA AGRO LESTARI	LEMBIRU	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	3-Jul-14	2-Jul-24	MUTU-RSPO/044	
25	PT MITRAL AUSTRAL SEJAHTERA	MAS Mill	Desa Rahayu Kec. Parindu Kab.Sanggau, Kalimantan Barat	NA	NA	NA	

Legends

Pending Certification by RSPO	Mill closed down/Mothballed	**NA - NOT APPLICABLE**

SDP - RSPO Certification for Time Bound Plan - NBPOL Operations

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

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

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

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

SDP - RSPO Certification for Time Bound Plan - Liberia Operations

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