

RSPO Re-Certification Assessment
Public Summary Report

<p>Company Name Sime Darby Plantation Sdn Bhd East Palm Oil Mill and Supply Base</p>
<p>Certification Unit: East Palm Oil Mill (SOU8) Carey Island, Selangor, Malaysia</p>

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Section 1 Scope of the Re-Certification Assessment

1.Company Details			
RSPO Membership Number	1-0008-04-000-00	Date	Member since: 6 September 2004
Company Name	Sime Darby Plantation Sdn Bhd		
Address	Level 3A, Main Block, Plantation Tower, No 2 Jalan P.J.U 1A/7 47301 Ara Damansara, Selangor, Malaysia.		
Mill Address	SOU 8 Management Unit (East Palm Oil Mill) Carey Island, Selangor, Malaysia		
Subsidiary of (if applicable)	-		
Contact Name	Puan Sabarinah Marzuki		
Website	www.simedarbyplantation.com	E-mail	sabarinah.marzuki@simedarby.com
Telephone	03 - 78484371	Facsimile	03 - 78484363

2.RSPO Certification Information			
Certificate Number	SPO 543543	Date	19 May 2010
Scope of Certification	East Palm Oil Mill East Estate Sepang Estate Dusun Durian Estate		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
NIL			

3.Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
East Palm Oil Mill	SOU 8 Management Unit (East Palm Oil Mill) Carey Island, Selangor, Malaysia	101°26' 10.09"	2° 53' 0-00"
East Estate	East Estate, 42960 Carey Island, Selangor.	101°23.8473'	2°54.324'
Dusun Durian Estate	Ladang Dusun Durian / Sg Sedu, Jalan Tongkah / Morib, P.O. Box 203, 42700 Banting , Selangor	101°27.7072'	2°48.445'
Sepang Estate	Ladang Sepang, 43900 Sepang, Selangor	101°43'26.04"	2°43'26.04"

4. Description of Certified Supply Base

Estate	Mature (ha)	Immature (ha)	Total Planted Area (ha)	Infrastructure & Other (ha)	Total Hectareage	% of Planted
East Estate	4,614	258	4,872	653	5,525	88
Dusun Durian Estate	1,569	509	2,078	114	2,192	95
Sepang Estate	2,464	251	2,715	479	3,194	85
TOTAL	8,647	1,018	9,665	1,246	10,911	89

5. Plantings & Cycle

Estate	Age (Years) & Hectare					FFB Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Estimated (Year 2014)	Actual (Year 2014)	Forecast (Year 2015)
East Estate	419	1,798	1,890	253	253	24,030	19,712	28,403
Dusun Durian Estate	541	1,350	186	0	0	45,416	41,099	53,601
Sepang Estate	408	691	1,229	185	203	65,130	56,602	54,392
TOTAL	1,368	3,839	3,305	438	456	134,576	117,413	136,396

6. Certified Tonnage

Mill	Estimated (Previous Year Jan 2013 – Dec 2013)			Actual (This Year Jan 2014 – Dec 2014)			Forecast (Next Year Jan 2015 – Dec 2015)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
East Palm Oil Mill	134,576	29,203	7,402	117,413			136,396		
Other certified estate (SPO543594)	-			758	25,773	5,667	612	30,142	6,578
TOTAL				118,171	25,773	5,667	137,008	30,142	6,578

Section 2 Assessment Process

Certification Body: PT BSI Group Indonesia, Menara Bidakara 2, 17th Floor, Unit 5, Jalan Jend. Gatot, Subroto Kav 71-73, Pancoran, 12870 Jakarta Selatan, Indonesia. Tel +62 8379 3174 Fax +62 8379 3287 Aryo Gustomo:
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BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is RSPO Accredited (RSPO-ACC-19) since 31/10/2014 with accredited office located at Jakarta, Indonesia and an office at Singapore, Kuala Lumpur, Bangkok and Australia which involve in RSPO Certification Program.

Assessment Methodology, Programme, Site Visits

The on-site recertification assessment was conducted from 24 -27 February 2015. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. RSPO P&C 2013 was used as Checklists and questionnaires were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

Public Stakeholder Notification was made on 16 January 2015, 30 days prior to the recertification assessment. Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone and email to arrange meetings at a location convenient to them to discuss East Palm Oil Mill Certification Unit's environmental and social performance. No written comments received.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local

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communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix E.

The minor nonconformities that were assigned during the ASA4 were followed up to ensure it remains closed. All the previous nonconformities remains closed (details are in section 3.3.1). The assessment findings for the recertification are detailed in Section 3.3.

This report is structured to provide a summary of assessment finding as attached in the Appendix A. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

This report was internally reviewed by Mr. Senniah Appalasamy, RSPO Scheme Manage and externally by independent peer reviewer prior to certification decision by the operation director.

The following table would be used to identify the locations to be audited each year in the 5 year cycle

1.Assessment Program					
Name (Mill / Supply Base)	Year 1 (Recertification)	Year 2	Year 3	Year 4	Year 5
East Palm Oil Mill	√	√	√	√	√
East Estate		√	√		√
Sepang Estate	√		√	√	
Dusun Durian Estate	√	√		√	√

Tentative Date of Next Visit: February 2016

Total No. of Mandays: 10.5

BSI Assessment Team:

Mohamed Hidhir – Lead Assessor

He holds Bachelor Degree in Chemical Engineering, graduated from National University of Malaysia on 2006. He has 7 years working experience in palm oil industry specifically on palm oil milling for 5 years. He also has the experiences as auditor for several standards including ISO 9001, ISO 140001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in more than various companies

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in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health, environmental and workers and stakeholders consultation.

Muhammad Haris B. Abdullah – Team member

He graduated from the Open University Malaysia with a Bachelor of Business Administration (Hons) Majored in Human Resource Development and completed his Master's Degree in Business Administration from the University Utara Malaysia in January 2014. He has more than 3 years working experience in oil palm plantation and conducting social impact assessments of agriculture, agriculture best practices, and environmental impact assessment and workers welfare. He completed the RSPO Lead Auditor Training in April 2013 and passed the course. He is also passed the ISO 14001 Lead Auditor Training, OHSAS 18001 Lead Auditor Training Course and qualified as EICC auditor. He has completed International Sustainable and Carbon Certification (ISCC) Lead Auditor Training Courses. Recently he has attended the RSPO P&C Social and Labour Standards and the Mechanics of Social Auditing Workshop on 17 – 19 September in Bangkok, Thailand. He had assisted with conducting audits of oil palm plantation for more than 7 companies against the RSPO P&C in Indonesia and in Malaysia for the past 4 years. During this assessment, he assessed on the aspect of environment, Safety and Health, Legal, Social and community engagements, Stakeholders consultation, and workers welfare. He is able to speak and understand Bahasa Malaysia, English, Tamil and Bahasa Indonesia.

Hafriazhar Mohd Mokhtar – Team member

Hafriazhar Mohd. Mokhtar is a Chemical Engineer by qualification. He has more than five years of direct work experience in the upstream processes of palm oil within the plantation industry. He is a qualified Lead Auditor for CDM, ISO 14001, ISO 50001 and ISO 9001 and has accumulated more than 500 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia, Indonesia and Thailand. He has been trained in the RSPO P&C and SCCS standards and recently completed his RSPO P&C Lead Assessor training and has been involved in RSPO audits within Malaysia, Papua New Guinea and Solomon Islands. During assessment, he covered the mill and estate best practices, legal issues, social issues, workers consultation, stakeholder consultation, environmental and occupational safety & health. He is fluent in Bahasa Malaysia and English languages.

Accompanying Persons: Not Applicable

Section 3 Summary of Assessment Findings

3.1 Details of audit results are provided in the following Appendix:

- ☒ RSPO P&C 2013 Checklist – **Appendix A:** Summary report of the Assessment.
- ☒ Sime Darby Plantation Sdn Bhd – **Appendix B:** Time Bound Plan.
- ☒ RSPO Supply Chain Certification Checklist – **Appendix F:** CPO Mill Supply Chain Assessment Report.

3.2 Progress against Time Bound Plan

Sime Darby Time Bound Plan (TBP) is included as Appendix B. Sime Darby has achieved RSPO certification for 34 management units in Malaysia and 24 Management Units in Indonesia. There are no any changes in the existing certified units in Malaysia. All units' certifications are valid.

There was a change of the Time Bound Plan (TBP) under Sime Darby Indonesia Operation due to the on-going mediation and DSF facilitation Process by RSPO DSF at PT Mitra Austral Sejahtera (PT MAS). This was the result from the mediation meeting held on 22 July 2014. PT MAS was audited as per the original TBP by RSPO accredited Certification Body in 2011. Due to the on-going mediation process, the CB that assessed PT MAS is yet to issue the certificate. BSI has accepted the revision as justified revision due to the commitment shown by all parties involves resolving the community issue. This is also accepted by the CB that assessed PT MAS. Discussion was held with the CB that assessed the PT MAS and Sime Darby.

Due to the present mediation process, PT Mitra Austral Sejahtera TBP was revised to 2015 by Sime Darby pending on the resolution and mediation process which is acknowledged by RSPO. The final decision of issuing the certificate is under the CB that audited the PT MAS. BSI has contacted the CB and consultation was held. The CB that audited PT MAS accepted the revision of the TBP. BSI accepted the feedback from the CB that audited PT MAS as per the RSPO Certification System requirement "Where the Certification Body conducting the surveillance audit is different from that which first accepted the time-bound plan, the later Certification Body shall accept the appropriateness of the time-bound plan at the moment of first acceptance and shall only check continued appropriateness". BSI understands that there are community issue still under negotiation through agreed process. The improvement is in progress and acknowledge by RSPO and all parties as mutually agreed process. Latest meeting among the community, RSPO and the Sime Darby was held on 22 July 2014. BSI has consider that Sime Darby still comply with the RSPO requirement for partial certification and has justified the revision to TBP.

1. There is no any other isolated lapse in Time Bound Plan.
2. No systematic failures to proceed with implementation of the Time Bound Pan since first certified.
3. The changes in the Time bound Plan for PT Mitra Austral Sejahtera was justified and appropriate.

BSI has continued involvement with assessments of Sime Darby Management Units during the 2014 period. BSI is also communicating with other Certification Bodies that auditing Sime Darby's other operating units to identify any noncompliance with rules of partial certification as per requirement in RSPO Certification System. During this assessment BSI has contacted the certification body that audited PT MAS to get the latest update of the progress. Sime Darby consistently has kept BSI informed of any emerging issues and claims made against it. Other than the PT MAS issue, at the time of preparation of this Report, BSI is not aware of any new issues involving:

- a. Any unresolved significant land disputes;
- b. Any replacement of primary forest or loss of HCVs;

- c. Any labour disputes that are not being resolved through an agreed process;
- d. Any evidence of noncompliance with any law at any of the landholdings.

BSI considers that Sime Darby complies with the RSPO requirements for Partial Certification rules.

3.3 Details of findings

The nonconformity is listed below. The summary of the findings by criteria is listed in Appendix A.

During the recertification assessment there were 2 major nonconformities was raised. East Palm Oil Mill and Supply Base Estates submitted Corrective Action Plans for the nonconformities. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted. The evidence of implementation for the major nonconformities was verified. The major nonconformities are closed on **8th April 2015**. Following are the details of the nonconformities:

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1149356M1	Requirements: 1. Evidence of compliance with relevant legal requirements shall be available. 2. Pesticides (Highly Toxic Pesticide) Regulations 1996	Major
	Evidence of Nonconformity: Sepang Estate : From document review, it was found that class I pesticide (Methamidophos @ Multiphos) have been applied on 23/2/15 at block 05C, main division of Sepang Estate. However, Form I,II and III for highly toxic pesticide usage was not available as required by the Pesticides (Highly Toxic Pesticide) Regulation 1996 Dusun Estate : Non-payroll workers was involved in the trunk injection activities which has not adequately trained and sent for medical surveillance	
	Statement of Nonconformity: Compliance to legal requirement was not consistently implemented.	
	Action: <u>Sepang Estate</u> Correction: Estate will apply the form I, II & III for using the Methamidophos @ Multiphos and will notified ESH department to do training for worker, staff and assistant in charge for handling the chemical. Corrective Action: In house training will apply to staff and workers by assistant in charge after get the proper training from ESH department, this training will do once a month i.e March 2015 and ESH department will do the refreshment training to all person related to this chemical (Methamidophos @ Multiphos).	

	<p>Documentation such form I, II and III for highly toxic pesticide usage and other form related to this chemical are compulsory check every day by staff and assistant in charge.</p> <p>Dusun Durian</p> <p>Correction: Internal Memo from the Manager stated the usage of non-payroll workers for trunk injection work is strictly prohibited with immediate effect</p> <p>Corrective Action: Additional/extra workers/gang from checkroll to be sent for medical check-up and to attend trunk injection training as a replacement workers/gang once the regular workers is absence. PTW issuance and tight supervision by Field supervisor and Executive in-charge is mandatory during pre and post of trunk injection work</p>	
	<p>Status: Immediate action taken by respective estates</p> <p>Sepang Estate : Sample of completed from I,II & III was sighted for trunk injection dated 23/3/15.</p> <p>Dusun Durian Estate : Internal memo dated 25/2/15 was sighted for the prohibition of using non-check roll workers for trunk injection activities.</p> <p>Corrective action taken Sepang Estate : Refresher training for trunk injection was conducted on 11/3/15 at Sepang Estate. Training was given by PSQM-ESH for staff and workers who involved in trunk injection activities.</p> <p>The NC was closed on 8th April 2015.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1149356M2	<p>Requirements: Principle 5: Environmental Responsibility And Conservation Of Natural Resources And Biodiversity</p> <p>Indicator 5.3.3: A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p> <p>Evidence of Nonconformity: Based on the company’s Sustainable Plantation Management System Version 1; year 2008, issue no. 1; dated 1 April 2008 Appendix 9 Procedure for Handling Domestic Waste; 5.2.2 Selection of disposal method for non-recyclable wastes</p> <p>A) For estates/mills located within 20km of a municipal landfill</p> <ul style="list-style-type: none"> • Hauling bin > 3km residential area, office or other premise <p>B) For estates/mills located more than 20km of a municipal landfill</p> <ul style="list-style-type: none"> • Landfill site > 3km residential area, office or other premise 	Major

	<ul style="list-style-type: none"> • Landfill site > 3km nearest river or waterway • Excavated 2-3m deep and covered with earth when full. <p>Actual landfill site located next to an industrial premise with about 200m distance and nearby waterways in Division Bukit Tinggi of Dusun Durian Estate. Landfill not covered although full.</p> <p>This was already a minor nonconformity during the previous audit (ASA4) and now upgraded to major and as per the new RSPO P&C 2013. Major nonconformity was raised.</p>	
	<p>Statement of Nonconformity: Documented waste management and disposal plan to avoid or reduce pollution (Appendix 9 of Sustainable Plantation Management System Version 1; year 2008, issue no. 1; dated 1 April 2008 -Procedure for Handling Domestic Waste) not implemented for landfill site in Bukit Tinggi Division of Dusun Durian Estate.</p>	
	<p>Action: Correction: To covered immediately the existing landfill in Bukit Tinggi Division Corrective Action: Bukit Tinggi Division to provide dedicated 8mt Bin in the division for domestic rubbish waste placement. To transport the domestic rubbish by bin to Telok Datoh Division for Disposal once a week. Also to obtain legal requirement for rubbish transportation from MDKL (Majlis Daerah Kuala Langat) if any.</p>	
	<p>Status: Correction: The existing landfill at Bukit Tinggi Division has been completed covered. Corrective Action: Approval for Domestic Waste Transportation was obtained. Refer to MDKL/JPBP/KS 26 jld 2 (26) dated 7/4/15.</p> <p>The NC was closed on 8th April 2015.</p>	

Observation	
OBS #	Description
	NIL

Positive Findings	
PF #	Description
1	Safety signage was clearly displayed at strategic location in the mill compound as safety reminder to wear proper PPE before entering workplace.
2	SOU8 has maintained a very good relationship with the local community and other stakeholders. This has been verified through meeting with stakeholders during the assessment.
3	Continuous rehabilitation of old quarters and replacement of staff and workers quarters to provide decent

living condition to the workers and their families.

Issues raised by Stakeholders

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss East Palm Oil Mill Certification Unit's environmental and social performance, legal and any known dispute issues.

Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. These have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix E.

Issues raised by Stakeholders

IS #	Description
1	Issues Foreign workers representative: No issue regarding pay and condition of work. The representative highlighted that they are treated equally. All foreign workers have access to all facilities similar to local workers.
	Management Responses The management treat all employees equally and no discrimination.
	Audit Team Findings No disputes were highlighted by foreign workers interviewed during field visit.
2	Issues Contractors: Contractors confirm payment is prompt as per agreed contract.
	Management Responses Payment is made as per the agreed terms.
	Audit Team Findings No other issues.
3	Issues School teacher, SMK Jugra : It was re-confirmed that the management always support school activities. The relationship is good. No other issues.
	Management Responses Management assists wherever possible.
	Audit Team Findings No other issues.

4	<p>Issues Workers union secretary: No pending disputes or any wage issues. Company follow the NUPW/MAPA agreement and minimum wage requirement.</p>
	<p>Management Responses Management always encourage union representative and workers to meet them to resolve any issue immediately and open for discussion.</p>
	<p>Audit Team Findings No disputes were raised by workers interview with them which indicate that the freedom to join union and procedure to voice out grievances is implanted.</p>

3.3.1 Status of Nonconformities Previously Identified and Observations

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1022245M1	<p>Requirements: Indicator 4.7.1 : Evidence of documented Occupational Safety Health (OSH) plan which is in compliance with OSH Act 1994 and Factory and Machinery Act 1967 (Act139).</p> <p>b. All operations have been risk assessed and documented c (i) To ensure all workers involved have been adequately trained in a safe working practices (See also C 4.8 d. The appropriate personal protective equipment (PPE) are used for each operation.</p>	Major
<p>Evidence of Nonconformity: 1. During the site visit to the housing renovation site at Division B, the contractor's workers (6 Bangladeshi workers) who are constructing drain using "Cangkul" were only wearing sandals during the work. They were not wearing protective boots. RSPO Standard requires all workers need adequately trained in safe working practice. 2. The risk assessment review after the accident dated 7/8/2012 was not available. The guidance note under the HIRARC Table, section (b) requires risk assessment to be conducted even-though there is an existing control. Contractor's work risk assessment not cited.</p>		
<p>Statement of Nonconformity: Contractor's workers at the housing renovation site at Division B - East estate found to be working without PPE.</p>		
<p>Action: Correction : Immediately brief the respective contractors on the safety awareness and issued warning letter.</p>		

	<p>Corrective action : a) To carry out frequent refresher briefing on safety to all contractors especially to the effected contractors. b) To review and establish HIRARC for risk assessment at working place carries out by contractor. c) To ensure there is daily monitoring by Site Supervisor to ensure all workers use PPE and briefed.</p> <p>Status: Corrective Action Plan was submitted to BSI audit team on 20/2/2014. The corrective action plan was reviewed and found to be appropriate to address the nonconformity. The safe working practice briefing was conducted on 21/2/2014 attended by 7 workers and site supervisor. The risk Assessment was reviewed on 28/2/2014 for the work by the contractor at the housing site to address the accident recorded in 2012. The HIRARC table included the risk level and control measures. The remaining implementation evidence for the PPE inspection at work site was received on 4/4/2014. The major nonconformity was closed on 7/4/2014.</p> <p>This was re-verified during this reassessment and found to be remained closed.</p>	
	<p>Requirements: Indicator 5.3.2 : Having identified wastes and pollutants, an operational plan should be developed and implemented, to avoid or reduce pollution</p> <p>Evidence of Nonconformity: Visit to the workshop schedule waste store on 13/02/2014 found spillage of lubricants at the entrance and on the floor. Further verification with the Foreman confirmed that the spillage was occurred during the collection of schedule waste by the contractor on 12/9/13. However, there was no mitigation implemented to avoid spillages and pollution.</p> <p>Statement of Nonconformity: Sepang Estate: Pollution Prevention Plan for schedule waste store is available but lack of implementation noted during the visit to the schedule waste store. Spillage was noted at the schedule waste area which can cause pollution.</p> <p>Action: Correction : Pollution Prevention Plan for schedule waste was established and will be communicate clearly to the contractors (GPlanter & Kualiti Alam) to arrange and collect Schedule Waste timely.</p> <p>Corrective action : i. Short term : Immediate clean-up for all the spillages that spotted during the visit. To provide spill kit i.e sand or saw dust. ii. Long term : To relocate and put new schedule waste store in Next Year Capex.(FY15/16)</p>	<p>Minor</p>

	<p>Status: Corrective action implemented based on site-visit evidence sighted: i. Provision of spill kit at workshop area i.e sand and containment ii. Upgraded scheduled waste store facility become more accessible iii. In-house training of person in-charge (store personnel) on handling of Scheduled Waste by Management personnel on 1st April 2013</p> <p>However, due to issue of the implementation of the waste management plan in Division Bukit Tinggi of Dusun Durian Estate, the NCR cannot be close and escalated into major NC as per RSPO certification system requirement.</p>	
	<p>Requirements: Indicator 6.5.2 : Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc) are available in the language understood by the workers or explained carefully to them by a plantation management official in the operating unit.</p> <p>Evidence of Nonconformity: Document audit at Sepang Estate found that work contract for local workers are not available for the sample selected during the audit. Sampling taken for Alagudurai A/L Ramasamy & Subashini A/P Selvanathan.</p> <p>Statement of Nonconformity: Sepang Estate: Work contracts for local workers are not available for the workers sampled during the interview and document audit.</p> <p>Action: Correction : To re-issue the new Offer Letter to all local workers if unable to find the letter. The contract of the two workers was found in the employee file.</p> <p>Corrective action : i) To provide standard format for the new offer letter. ii) Explain to every new local worker regarding the agreement. iii) Safe keep the record/file</p> <p>Status: Sample contract of newly employed workers dated 12/5/14 was sighted and found to be in compliance. Induction record for new workers found the details of the contract terms were explained and this was confirmed by the newly employed workers during interview. A copy of the contract has been kept in the employee personal file.</p> <p>The minor NC was closed out on 26/2/15</p>	<p>Minor</p>

Observation	
OBS #	Description
1	<p>Indicator 6.3.2 : East Mill and East Estate: The house repair request recorded by the workers in East Mill and East Estate yet to be updated with actions taken and its current status although the workers confirm that the action has been taken. The current practice is to have only PIC to acknowledgement.</p> <p>Action : Review of housing repair request records found it has been included with the action taken and current status of the request. Sample checked: Request for broken window glass for house No.24 on 28/12/14 has been replaced on 30/12/14 and acknowledged by the complainant.</p>
2	<p>Indicator 6.2.3 : List of stakeholder available at Sepang Estate and East Estate lacking in updating. i.e. contact number</p> <p>Action : Both estate stakeholder list have been updated. The latest list includes the address, contact person and contact number for all the stakeholders.</p>

3.3.2 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
CR01 - 2.1.1	Major	23/1/2009	Closed out on 30/1/2009
CR02 - 5.3.1	Major	5/4/2011	Closed out on 10/5/2011
CR03 - 2.2.3	Minor	5/4/2011	Closed out on 21/03/2012
CR04 - 4.4.6	Minor	21/3/2012	Closed out on 6/2/2013
CR05 - 6.1.3	Minor	6/2/2013	Closed out on 12/2/2014
1022245M1 - 4.7.1	Major	14/2/2014	Closed out on 7/4/2014
1022245N0 - 5.3.2	Minor	14/2/2014	Escalated into Major NC (1149356M2) under indicator 5.3.3 (P&C 2013)
1022245N2 - 6.5.2	Minor	14/2/2014	Closed out on 26/2/2015
1149356M1- 2.1.1	Major	27/2/2015	Closed out on 8/4/2015
1149356M2 - 5.3.3	Major	27/2/2015	Closed out on 8/4/2015

Assessment Conclusion and Recommendation:

Based on the findings during the recertification assessment East Palm Oil Mill Certification Unit and supply base complies with the RSPO P&C 2013, Malaysian National Interpretation (MY-NI 2010) and the RSPO Supply Chain Certification Standard (Nov 2014) for CPO Mill. It is recommended that the certification of East Palm Oil Mill Certification Unit is approved and continued.

Acknowledgement of Assessment Findings

Report Prepared by

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Name:

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Company name:

East Palm Oil Mill

Company name:

BSI Services Malaysia Sdn. Bhd.

Title:

Mill Manager

Title:

Lead Auditor

Signature:

Date :

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2/5/2015

Signature:

Date : 29/4/2015

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Appendix A: Summary Report of the Assessment

Criterion / Indicator	Assessment Findings	Compliance	
Principle 1: Commitment to Transparency			
Criterion 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 on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Adequate information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Requests for information from the Regulatory Department such as DOSH during compliance visit were attended and no noncompliance or complaints were noted.	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	All operating units maintain records of information request and response. Request for information are attended promptly and confirmed by stakeholders interviewed.	Complied
Criterion 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.			

Criterion / Indicator	Assessment Findings	Compliance	
<p>1.2.1 Publicly available documents shall include, but are not necessary limited to:</p> <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; • Human Rights Policy (Criterion 6.13). <p>- Major compliance –</p>	<p>There was no restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>Sime Darby Plantations Sdn Bhd continued to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans was made available at all operating units. Procedure for complaints and grievances were available through Sime Darby Plantations Sdn Bhd website at http://www.simedarbyplantation.com/Sustainability.aspx</p> <p>Among the documents that were made available for viewing are:</p> <ul style="list-style-type: none"> • Good Agricultural Practices • Social Enhancement • Sustainability Management Programmes • Complaint and Grievances procedure. • Environmental Conservation <p>These documents highlight current Sime Darby Plantations Sdn Bhd practices and their continual improvement plans. Besides the above document Sime Darby Plantations Sdn Bhd policy on the followings are also available at the same website:</p> <ol style="list-style-type: none"> 1) Social 2) Quality 3) Food Safety 4) Occupational Safety & Health 5) Environment & Biodiversity 6) Slope Protection and Buffer Zone 7) Lean Six Sigma 8) Gender <p>In addition to the website, the policies were also displayed at various locations including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view</p>	<p>Complied</p>	
<p>Criteria 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.</p>			
<p>1.3.1</p>	<p>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.</p> <p>-Minor compliance</p>	<p>Sime Darby plantation has established policy on code of ethical conduct and integrity which covers all operations in the plantation operation. Policy displayed on the notice board and communicated to employees. Interview with employees reveal that they are aware of the policy.</p>	<p>Complied</p>
<p>Principle 2: Compliance with applicable laws and regulations</p>			
<p>Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.</p>			

Criterion / Indicator	Assessment Findings	Compliance
<p>2.1.1 Evidence of compliance with relevant legal requirements shall be available. - Major compliance -</p>	<p>SOU 8 had continued to comply with legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and PSQM sustainability team. SOU 8 had obtained and renewed license and permits as required by the law. Sample of licenses or permit viewed were :</p> <p>East Palm Oil Mill</p> <ul style="list-style-type: none"> a) Competent person, 1st grade Steam Engineer(167/2005), Mohd Azhar Md Zain, 1st grade engine driver, G.K Ganesan (SL/27/89), 2nd grade engine driver, V. Vadivel (SI/36/85) b) DOE Licence/ <i>Jadual Pematuhan</i> : 001456 (validity period 1/7/14 - 30/6/2015) for 40 MT/hr and method of POME discharge on waterways for 100 mg/l BOD limit c) Licenses for Steam Boiler (SB)(PMD-SL15218 & PMD-SL 14448), unfired pressure vessel (UPV) (sterilizers PMT-SL 142939, PMT-SL 142941, PMT-SL 142940), hoisting machine (PMA-SL 192297, PMA-SL 192298, PMA-SL 192299, back pressure receiver, steam separator, air receiver and found to be valid until 23/1/16. Last DOSH mill inspection was conducted on 7th October 2014. d) License for electricity generation from Electrical Commission (00117336) valid until 3/4/15 e) Electrical Charge man license – A4 registration number (PJ-T-4-H-2828-2000 Competent person licenses valid until 3/11/15 f) Confined Space Competent Person, AGT & AESP (NW-HQ-AGT-0065-L & NW-HQ-AE-3602-K) valid until 24/2/15. Attended refresher training on 27-29/10/14. g) Competent Person for Scheduled Waste – CePSWaM (Certified Professional in Scheduled Waste Management), Mohd. Riza Bin Mohd. Arif 860802-59-5369 –EiMAS training on 4/10/2014 h) MOOB license: 533088004000 (valid until 30/9/2015) for 144,000 MT (30mt/hr) <p>Sepang Estate</p> <ul style="list-style-type: none"> a) Permit to buy diesel and petrol, SL(SPG) 86/05 SK(D), valid until 23/10/15 b) MPOB license- 528976002000 valid until 30/4/15 c) Permit to buy Class IB chemical, Methamidophos SG/METHA/(GL)/14/043 valid from 17/12/14 – 7/1/15 for total of 936 liter. <p>From document review, it was found that class I pesticide (Methamidophos @ Multiphos) have been applied on 23/2/15 at block 05C, main division of Sepang Estate. However, Form I,II and III for highly toxic pesticide usage was not available as required by the Pesticides (Highly Toxic Pesticide) Regulation 1996. At Dusun Durian Estate non-payroll workers was involved in the trunk injection activities which has not adequately trained and sent for medical surveillance. Thus major NC 1149356M1 was issued.</p>	<p>Major Non-Compliance</p>

Criterion / Indicator		Assessment Findings	Compliance
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	List of applicable legal and other requirements was made available during the assessment and compiled in the QSHE/04/5.2.4 folder. Documented procedure has been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.	Complied
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance -	A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU 8. PSQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. Refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.	Complied
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations.	Complied
Criterion 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 and the actual legal use of the land shall be available. - Major compliance -	East Mill and Estate operation is on freehold and leasehold land. Land titles and copy of land titles are available during the audit. The land titles sighted for Grant No. 6105 (lot 48) , Grant No. 8862(Lot No. 1074) and Grant No. 46222 (Lot No. 41).	Complied
2.2.2	Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	Inspection of a sample of the boundary stones at Dusun Durian and Sepang estates confirmed that steel pipes have been installed beside the concrete boundary stones and were continuously maintained visibly. E.g: Boundary between private palm oil mills at Dusun Durian estate (Bukit Tinggi division) field No. 2010B found to be visibly maintained.	Complied
2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	Sime Darby did not acquire land from landowners, but leased it directly from the government	Complied

Criterion / Indicator		Assessment Findings	Compliance
2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. -Major compliance	Sime Darby did not acquire land from landowners, but leased it directly from the government.	Complied
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	Sime Darby did not acquire land from landowners, but leased it directly from the government	Complied
2.2.6	To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	Sime Darby did not acquire land from landowners, but leased it directly from the government	Complied
Criterion 2.3: Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.			
2.3.1	Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).. - Major compliance -	Sime Darby did not acquire land from landowners, but leased it directly from the government	Complied

Criterion / Indicator	Assessment Findings	Compliance
2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. - Minor compliance -	Sime Darby did not acquire land from landowners, but leased it directly from the government	Complied
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	Sime Darby did not acquire land from landowners, but leased it directly from the government	Complied
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	Sime Darby did not acquire land from landowners, but leased it directly from the government	Complied
Principle 3: Commitment to long-term economic and financial viability		
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.		
3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	Sime Darby has continued its commitment to long term sustainability and improvements through a capital expenditure programme. East Palm Oil Mill and supply bases have made progress towards achieving their performance production targets for the current financial year. For example, East Palm Oil Mill has allocated total of RM 598,950 to improve process efficiency.	Complied

Criterion / Indicator		Assessment Findings	Compliance
3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -	Dusun Durian est: There were 170.71ha has been replanted in 2014/15 financial year. There will be no replanting in 2015/16 financial year. Sepang Estate: 210.45 ha are in the progress of replanting during the visit. There will be	Complied
Principle 4: Use of appropriate best practices by growers and millers			
Criterion 4.1:			
Operating procedures are appropriately documented, consistently implemented and monitored.			
4.1.1	Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -	SOP available for the Palm Oil Mill and the Estate. Palm Mill holds two SOPs: Sustainability Plantation Management System (MQMS/SOM/08 v.1 dated 1/11/2008) includes mill SOP and Mill Quality Management Manual v.1 2008/MQMS/QMM/08 as a guidance document to operate the mill. SOP for the Composting Plant dated 15/8/2011: Composting Management System version 1:2011 Estates have a separate SOP (Sime Darby SOP issued 2/1/2008 and Agricultural reference Manual) covers land preparation, planting material, upkeep, harvesting, transport etc	Complied
4.1.2	A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -	Mill Advisor visited the mill to check consistent implementations of procedures. Recent visit was on 17-19/12/2014 (report No.: SOU8/ETM/01/14-15). Dusun Durian Est: PA visited the estate on 27-29/5/14 (report No.: PAR: SOU 08/DDE/01/2013-14)	Complied
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	Based on Sustainable Plantation Management System Appendix 10 Procedure for Mill Environmental Performance version 1, year 2008, issue no. 1, dated 1 October 2008. Uses the Mill Environmental Performance Review (Form A) Mill environmental monitoring records available/sighted: <ul style="list-style-type: none"> • Effluent monitoring records: Monthly Effluent Analysis Test Report; Test Report no. EP186/2014 dated 23 Jan 2014 by Sime Darby Research Sdn. Bhd.; parameter monitored:- pH, BOD, COD, TS, SS, VSS, TN, AN, O&G • Drain water, upstream and downstream river water quality monitoring records: Quarterly Water Analysis Test Report; Test Report no. IE843/2014 dated 21 Oct 2014 by Sime Darby Research Sdn. Bhd.; parameter monitored • Boiler stack sampling records: Determination of Concentration and Mass Flow of Particulate Matter in Flue Gas for Stationary Source Emission & Dark Smoke Emission; Report no. 2444/2014/05 dated 23 May 2014 (Chimney 1) & Report no. 5846/2014/12 dated 19 Dec 2014 (Chimney 2) 	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -	East mill maintains a daily record of all FFB received. The records show the origin, weight, transporters details and etc of the FFB received. East mill only receives FFB from East, Sepang and Dusun Durian estates.	Complied
Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -	Dusun Durian Estate: Agronomist visited the estate on 23/7/14 prior to the fertilizer recommendation were developed. Sepang Estate: Agronomist visited the estate on 14/10/14.	Complied
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance -	Fertilizers are applied as per agronomist recommendation. Record shows application date, filed number, dosage applied per palm, type of fertilizer and number of applicators.	Complied
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	Leaf sampling has been carried out by R&D department on April 2014 for both estates visited i.e: Dusun Durian and Sepang estates and the results were incorporated in the Fertilizer recommendation. Last soil sampling for both estate visited were conducted on 22/8/14 (Report No.S72/2014) and 27/8/14 (report No.:S74/2014) by R&D Carey Island.	Complied
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 after replanting. - Minor compliance -	All palm by-products including fronds, EFB, and expeller are recycled. EFB is applied at the rate of 40mt/ha on selected area close to the mill.	Complied
Criterion 4.3: Practices minimise and control erosion and degradation of soils.			
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	There are no peat soils or soil categorised as problematic or fragile soil at all estates. Both estates visited soils are mostly Selangor, Bungor, Jawa and Sedu series.	Complied
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	Landscapes of both estates visited are mostly flat and undulating. However, Sime Darby has a policy on slope planting and this will be implemented during replanting.	Complied
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	Estates have implemented annual road maintenance programme. Example of programme checked at Dusun Durian and Sepang estates shows the map indicating road repairs and maintenance for the whole estate roads includes grading, compacting and stone application to strengthen the road surface. Visit to the field and main roads found to be well maintained and accessible.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	There are no peat soils or soil categorised as problematic or fragile soil at all estates.	Complied
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	There are no peat soils or soil categorised as problematic or fragile soil at all estates.	Complied
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There are no peat soils or soil categorised as problematic or fragile soil at all estates.	Complied
Criterion 4.4: Practices maintain the quality and availability of surface and ground water.			

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.1 An implemented water management plan shall be in place. - Minor compliance -</p>	<p>Established Water Management Plan: East Oil Mill</p> <ol style="list-style-type: none"> 1) Contingency plan during water shortage for financial year 2014/2015; prepared by QA dated 10 July 2014; <ul style="list-style-type: none"> • Situation: water shortage • Contribution factor: dry spell rationing of water by Syabas • Action steps: to pump water from mill water storage tank (2000mt); to train staff to take necessary steps to conserve water; to arrange tankers to collect water from Syabas water storage area for domestic use 2) Emergency water management plan: <ul style="list-style-type: none"> • Inadequate water of supply to and from Oil Mill • Excessive water overflowing from storage tank <p>Estate: Dusun Durian – Based on Environmental Improvement Plan/Pollution Prevention Plan FY 2014/2015</p> <p>Water contingency plan 2014/2015:</p> <ol style="list-style-type: none"> 1) Water shortage / dry spell <ul style="list-style-type: none"> • To purchase water supply from Syabas • To train staff/workers to take necessary steps to conserve water 2) Severe water pollution/contamination <ul style="list-style-type: none"> • To purchase water supply from Syabas • To perform treatment of polluted water with assistance from Syabas 3) Salt water intrusion <ul style="list-style-type: none"> • Flushing out carried out during wet season • Construction of screw gate to prevent salt water to field drain • Carry out inspection to identify any leakage of tide gate and flap door <p>Water reduction plan 2014/2015</p> <ol style="list-style-type: none"> 1) Water shortage / dry spell <ul style="list-style-type: none"> • Leakage on plumbing system • Rainwater collection • Water compartmentalization • Handling of chemical • To educate and encourage awareness among workers and line-site residents <p>Hydrology (palm watering) plan – maintenance of irrigation trenches.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
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 -	Buffer zones are marked with red paint and signage erected. Reference was made to Department of Irrigation and Drainage regulations and guidelines from the state authorities. Restoration of riparian buffer as per Sime Darby Plantation's policy at both side of the stream is implemented. This was observed during the field visit to the field area which is near to the riparian buffer. Use of agrochemical has been ceased and replaced with manual weeding along the riparian buffer.	Complied
4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -	The mill treated its wastewater (POME) through anaerobic system with digester tank and monitors its discharge quality through group's accredited environmental lab (Sime Darby Research Sdn. Bhd.) according to its DOE license conditions. Final discharge parameter monitored are pH, Total Alkalinity, VFA, BOD, COD, TS, SS, VSS, TN, AN, O&G Sampled records of weekly sample BOD Analysis for the month of January 2015, December, November, October and September 2014 shown that the mill effluents were in compliance with license regulations. The estate monitor the water streams within its boundary base on procedure from Sustainable Plantation Management System Appendix 7 Standard Operation Procedure (SOP) for taking samples from streams/ rivers, version 1; year 2008, issue no. 1; dated 1 April 2008 Parameters monitored are pH, SS, BOD, COD, AN, Pesticide residue and Phosphorus (P) on monthly basis. Other than river, the estate also monitors its domestic water quality as per National Water Interim Quality Standard	Complied
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	Monitoring of water consumption records: • EMS objective 13/14 < 1.05 mt water/mt FFB processed Achieved = 1.15 mt water/mt FFB	Complied
Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.			
4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	IPM Plan includes the planting of beneficial plants and control of damage by rodents. Beneficial plants such as Turnera Subulata are grown in the estates at ratio of 1dm/ha. Records of planting of new areas and maintenance of existing areas of beneficial plants and location maps are available. Records of rat baiting and barn owl census are available. No reported infestation by other pests (bagworms and rhinoceros beetle). Dusun Durian estate recent barn owl census record found the occupancy was 80%.	Complied

Criterion / Indicator	Assessment Findings	Compliance
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	Complied
Criterion 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 - The written justification in Standard Operating Procedure (SOP) of all agrochemical are available the Agricultural Reference Manual (ARM), SOP and in the Safety Pictorial Book prepared by Sime Darby Plantation Sdn Bhd. Refer to Sime Darby Agricultural Reference Manual, issue:1 version:3 dated 1/7/2011. Selected products are specific to the target pest, weed and disease. Some of recommended pesticides are: Immature planting (sample) <ul style="list-style-type: none"> - General weeds : Glyphosate - Legume & broad leave : Metsulfuron Methyl - Stenochlaena palustris : Sodium chlorate Mature planting <ul style="list-style-type: none"> - VOPs : glyphosate & sodium chlorate The selection is also evaluated by the agronomist during his visit to the estate.	Complied
4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -	Complied
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 national Best Practice guidelines. - Major compliance -	Complied
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 national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -	Complied

Criterion / Indicator	Assessment Findings	Compliance
4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -	Complied
4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	Complied
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	Complied
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 -	Complied
4.6.9	Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	Complied
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Complied
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	There are female pesticide operators but only for normal weeding work. Based on interview with female workers confirmed knowledge of the policy of transfer to alternative duties if they wished to continue working when pregnancy was confirmed or breast-feeding. Noted there were 2 female sprayers that have been reassigned to other jobs due to pregnancy. Referred to Medical Removal Protection (MRP) letter, dated 8/12/14.	Complied
Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:			

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.1 A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.</p> <p>- Major compliance -</p>	<p>SOU 8 had continued to adopt the SDPSB's Occupational Safety and Health (OSH) policy. The policy had been communicated to all levels of the organization through briefings and they were also being displayed prominently in Bahasa Malaysia and English on notice boards at mill, estate office and Muster Ground. Random interviews with employees showed that they were aware of the policy requirements, i.e. to work safely, comply with legal requirements, to follow established procedures and instructions from the management.</p> <p>Environment safety and health (ESH) management plan for each operating unit had been established. The ESH management plan sighted addressed issues related to hazards and risks, legal register and its requirements for compliance, OSH awareness and training programme, accident and emergency procedures, treatment of illness/injury during the job, use of PPE, OSH Committee meetings, etc. The latest ESH plan FY2014/2015 was made available during this assessment.</p> <p><u>Audiometric Testing</u> Last audiometric testing was done on 16/5/14 under Klinik Dr Hartati, JKPP No. 127/669/1(709). Total of 18 workers were sent for the annual audiogram. 4 workers were recommended to send for further check to local ENT clinic due to the hearing impairment case. Referral letter dated 3/7/14 to ENT Clinic under General Hospital, Klang was verified. No recommendation from ENT doctor for relocation of jobs noted during this audit. Adequate PPE (ear plug & ear muff) provided to the affected workers with the minimum of 24 NRR (noise reduction rate)</p> <p><u>Medical Surveillance Programme</u> As per CHRA recommendation dated July 2010 by (JKPP IH 127/171-(2)124, medical surveillance programme has been planned for those exposed to N-hexane, Benzene and welding fumes (manganese etc). The latest medical surveillance was carried out by registered OHD, HQ/08/DOC/00(709) under Klinik Dr Hartati for total of 19 workers from laboratory and workshop personnel on 25/6/14 and 30/5/14. From the results, all workers sent for medical surveillance are fit to work with no detrimental of health.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.2</p> <p>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.</p> <p>- Major compliance -</p>	<p>SOU 8 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. Refer to CHRA report for East POM, by Lean Hock Leng (JKKP HIE 127/171 – 2(129), dated 12/12/14. Recommendation from assessor :</p> <ul style="list-style-type: none"> i) Medical surveillance for N-hexane, Manganese, Potassium Chromate. ii) Exposure monitoring for N-hexane and IPA iii) Annual LEV inspection <p>Results of monitoring :</p> <p>Exposure monitoring – below 8 hours PEL (176 & 983 mg/m3), 7/10/14 : by Mohd Rashid B. Hj Gelamdin, JKKP HIE 127/171-3/1(20)</p> <p>LEV examination and testing – Average face velocity complied with ACGIH. Done by the same assessor on 7/10/14. JKKP HIE 127/171-3/2(23)</p> <p>For East POM, all key activities identified and risk assessed with respect to FFB grading and sorting, FFB sterilization, kernel and oil extraction, oil clarification, maintenance activities at the workshop, working in confined space, working at height and hot work activities. HIRARC review was done 2/2/15 for East POM for process area such as tipper, thresher, digester, screw press etc. HIRARC review was done on 2/2/15 for office activities after commented by DOSH during the compliance visit. Appropriate control measure has been determined and revised in the HIRARC register.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.3</p>	<p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). 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.</p> <p>- Minor compliance -</p> <p>OSH awareness and various OSH training courses had been identified for each category of workers. This to ensure all workers involved have been adequately trained in safe working practices.</p> <p>Sample of specific training identified are:</p> <ul style="list-style-type: none"> a) RSPO briefing training (26 & 28/1/15) b) SOP for Boiler and Engine room operation (19/1/15) c) Safety committee responsibility (17/10/14) d) Safe Sterilizer Operation Training (14/1/15) e) PTW and LOTO training (1/10/14) f) Environmental Work Instruction (21/5/14) g) Fire Extinguisher Demonstration and Fire Drill Training (21/2/15) h) Backhoe Driver Training i) Handling of Chemical and Scheduled Waste (18/9/14) j) First Aid Training (6/2/15) by JPAM – Jabatan Pertahanan Awam Malaysia. k) LTI and SMS IT training (21/7/14) l) Sime Card Training/ SHC responsibility training (29/9/14) m) Safety Training for Tractor Driver (22/1/15) n) Safety on Loading and Unloading Fertilizer (28/10/14) <p>Field inspection and observation of spraying tasks confirmed chemicals being applied were in accordance with the product safety precautions and workers of its risks. MSDS/SDS were made available at point of use – for example, at mill’s water treatment plant, boiler chemical dosing area and chemical mixing area and at the chemical store of each estate</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>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.</p> <p>- Major compliance -</p>	<p>Assistant manager at each of the operating units are appointed as OSH Coordinators and Estate Hospital Assistant as Safety and Health Committee Secretary. OSH Committees meeting conducted quarterly and meeting minutes includes issues raised and action taken form workplace inspection report etc.</p> <p><u>East Palm Oil Mill</u> SHC organization chart FY15/16 i) Chairman – Mohd Azhar Md Zin (Mill Manager) ii) Secretary – Velu A/L Nadesan (QA)</p> <p>Date of SHC meeting carried out</p> <ul style="list-style-type: none"> - 1/14 : 21/1/14 - 2/14 : 30/4/14 - 3/14 : 25/7/14 - 4/14 : 28/10/14 <p><u>Dusun Durian Estate</u> SHC organization chart FY15/16 i) Chairman – Azhar M Kalam (Estate Manager) ii) Secretary – Nurfaizatul Atikah (MA)</p> <p>Date of SHC meeting carried out</p> <ul style="list-style-type: none"> - 1/14 : 30/1/14 - 2/14 : 23/4/14 - 3/14 : 24/7/14 - 4/14 : 31/10/14 	<p>Complied</p>
<p>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.</p> <p>- Minor compliance -</p>	<p>Emergency Response Plan (ERP) has been established and defined in procedure, Level 2, Standard Operation Manual, Sub Section 5.5, Management Responsibility, Appendix 5.5.3.3 Emergency Preparedness and Response Procedure, version:1, issue :1 dated 1/11/2008. Emergency response activities were also included in the ESH plan FY 14/15. The following were Emergency Response Plan were addressed: Fire Outbreak, Accident and incident occurrence, Oil Spillage and etc. Last fire evacuation drill was conducted on 21/12/2014 at East Palm Oil Mill.</p> <p>Accident and emergency procedures have been communicated to employees, contractors and visitors. Workers trained in First Aid were present in the mill and field operations. Records on all accidents kept and summary sent to Head Office via SMS-IT system. All operating units keeping all the JKPP 6 & 8 forms.</p>	<p>Complied</p>
<p>4.7.6 All workers shall be provided with medical care, and covered by accident insurance.</p> <p>- Minor compliance -</p>	<p>Medical care had been provided to all the workers. Local workers are covered by SOCSO, whereas foreign workers are covered by Foreign Workers Compensation Scheme with RHB Insurance (Policy No.: FW073374) valid till 1/10/2015</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance									
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	Records on Lost Time Accident (LTA) metrics displayed at the operating units through Safety Statistic Billboard and reported to PSQM-ESH department using new online system called SMS-IT. Sample of accident statistic as shown below : <table border="1" data-bbox="694 481 1284 582"> <thead> <tr> <th>Year</th> <th>Dusun Durian Estate</th> <th>Sepang Estate</th> </tr> </thead> <tbody> <tr> <td>2013</td> <td>80 LTA</td> <td>60 LTA</td> </tr> <tr> <td>2014</td> <td>77 LTA</td> <td>232 LTA</td> </tr> </tbody> </table> <p>*LTA is equivalent to lost man days (MC)</p>	Year	Dusun Durian Estate	Sepang Estate	2013	80 LTA	60 LTA	2014	77 LTA	232 LTA	Complied
Year	Dusun Durian Estate	Sepang Estate										
2013	80 LTA	60 LTA										
2014	77 LTA	232 LTA										
Criterion 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 -	A formal training programme on all aspects of RSPO Principles and Criteria has been established and implemented. Training for various categories of operators, including all field and office staff, with regards to individual duties and training needs had been reviewed and found to be complied	Complied									
4.8.2	Records of training for each employee shall be maintained. - Minor compliance -	Records of training for employees available and maintained. Records verified on a sampling basis at the Mill and estate visited covers all aspect of training for RSPO P&C implementation. Sample of specific training conducted at SOU8: a) RSPO briefing training (26 & 28/1/15) b) SOP for Boiler and Engine room operation (19/1/15) c) Safety committee responsibility (17/10/14) d) Safe Sterilizer Operation Training (14/1/15) e) PTW and LOTO training (1/10/14) f) Environmental Work Instruction (21/5/14) g) Fire Extinguisher Demonstration and Fire Drill Training (21/2/15) h) Backhoe Driver Training i) Handling of Chemical and Scheduled Waste (18/9/14) j) First Aid Training (6/2/15) by JPAM – Jabatan Pertahanan Awam Malaysia. k) LTI and SMS IT training (21/7/14) l) Sime Card Training/ SHC responsibility training (29/9/14) m) Safety Training for Tractor Driver (22/1/15) n) Safety on Loading and Unloading Fertilizer (28/10/14)	Complied									
Principle 5: Environmental responsibility and conservation of natural resources and biodiversity												
Criterion 5.1: Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.												

Criterion / Indicator	Assessment Findings	Compliance
5.1.1 An environmental impact assessment (EIA) shall be documented. - Major compliance -	<p>Plans and impact assessments relating to environmental impacts based on documents as following:</p> <ul style="list-style-type: none"> Appendix 5.4.1b - Environmental Aspect and Impact Evaluation Procedure, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009 Appendix 5.4.1c - Environmental Aspect and Impact Identification form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009 Appendix 5.4.1d – Environmental Impacts Evaluation form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009 <p>Coverage of EIA including plantation activities such as POM operations, oil palm estate fields operation and waterways. The assessment documents had included the identification of aspects from field upkeep and maintenance activities that includes fertilizing, spraying, transportation of FFB, waste disposal, recycling of used fertilizer bags and road maintenance. EIA for mill operation covers from fruit reception until POME discharge to waterways was identified in the EIA.</p>	Complied
5.1.2 Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	<p>East Mill: Environmental Aspect Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated on 21 January 2015.</p> <p>Dusun Durian Estate: Environment Aspect and Impact Identification review meeting on 16 January 2015. No changes identified.</p> <p>Sepang Estate: Environment Aspect and Impact Identification review meeting on 22 January 2015. No changes identified</p> <p>It was observed that the reviewing and updating on the registers were done annually if there's no any new activity within respective sites. Next reviews are due on January 2016. A specific staff and executive have been appointed to do the monitoring to ensure the plan is effectively implemented</p>	Complied
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 -	<p>The monitoring was based on Sustainable Plantation Management System version 1, year 2008, issue no. 1, dated 1 October 2008.</p> <p>An environmental performance indicator monitoring masterlist has been established to monitor the effectiveness of the mitigation measures and being used for annual review.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance	
<p>Criterion 5.2: The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>			
<p>5.2.1</p>	<p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). - Major compliance -</p>	<p>Re-Assessment of HCV was conducted by Sustainability Department (Social & Environment Projects Unit) on February 2015 attended representatives from local government agencies, local communities, service providers, and neighbouring estates. The review mechanism had appropriately involved stakeholders such as the sustainability team. There was no HCV area identified in these operating units, i.e. Dusun Durian and Sepang estates. The exercise has taken into consideration all aspects of environmentally sensitive areas such as ponds, streams, wildlife boundaries and was documented. Based on the review, there was no HCV area inside these operating units. Visits to site confirmed that Dusun Durian and Sepang estates are surrounded by smallholders and villagers. Although no HCVs identified, conservation areas/environmentally sensitive areas i.e. buffer zones along the stretches of Sungai Langat which passes bordering through the Dusun Durian (Bukit Tinggi Division) estate had been identified and being monitored.</p>	<p>Complied</p>
<p>5.2.2</p>	<p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan. - Major compliance -</p>	<p>Regular patrols within the operating unit estates were carried out and findings recorded by the respective Estate executives to monitor the Conservation / buffer zone areas. Mechanism for reporting the sightings of various types of wildlife, were found to have been in place. Monitoring and control of any illegal hunting, fishing or collecting activities was also implemented. Signage that prohibit hunting, fishing and water polluting activities were verified on-site at the estates visited (i.e. Dusun Durian and Sepang estates) found to have been satisfactorily maintained.</p>	<p>Complied</p>
<p>5.2.3</p>	<p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated 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 -</p>	<p>The program to regularly educate the workforce and community about the status of these RTE species are also established with on-going consultation with the relevant authorities at the Kuala Langat District. There is evidence of commitment to discourage any illegal or inappropriate hunting, fishing or collecting activities via the signage erected around the affected areas which prohibit such activities.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
5.2.4	<p>Where a management plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. <p>- Minor compliance -</p>	Complied
5.2.5	<p>Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.</p> <p>- Minor compliance -</p>	Complied
<p>Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		
5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p> <p>As per Sustainable Plantation Management System Appendix 9 Procedure for Handling of Domestic Waste version 1, year 2008, issue no. 1, dated 1 October 2008</p> <p>Mill: type of waste – effluent, fibre/shell, EFB, boiler clinker, wash water, scrap metal, scheduled waste, boiler blowdown, hydro-cyclone wash water, methane gas</p> <p>Estate: type of waste – scheduled waste – SW102, SW305, SW306, SW409, SW410 – workshop, clinic, SW store, store; domestic waste – rubbish & sewage – line-site, office, workshop, store, shop & recycle waste – empty container, scrap metal (Dusun Durian Estate)</p> <p>SW409 – Class 1 Poison Methamidophos (Sepang Estate) empty container</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.2 All chemicals and their containers shall be disposed of responsibly. - Major compliance -</p>	<p>Mill: included as scheduled waste SW 409</p> <p>Estate: Mainly for estate machinery/vehicle, based on the agreement by the vehicle/machinery service provider/supplier i.e. Sime Darby Industrial Sdn. Bhd. Addressed at Kompleks Kejuruteraan Tractors, 1, Jalan Puchong, Taman Perindustrian Puchong Utama. They have the approval to collect the wastes from off-site serviced machinery/vehicle given by DOE Putrajaya referred to letter AS(BB)91/110/619/161; Jilid 14 (69) dated 6th September 2011 (Dusun Durian Estate).</p> <p>SW 409 Empty Chemical Container (Class 1 Poison - Methamidophos) were stored at a separate scheduled waste store and being disposed through DOE authorized contractor Kualiti Kitar Alam Sdn. Bhd. They have an agreement with Ladang Sepang based on collection transportation instructions record dated 24th February 2014 through the arrangement by the supplier of polypropylene (PP) bag and pallet for storage of the empty container (quotation ref. 025/15 dated 24th February 2015).</p> <p>Clinical wastes were disposed through Clinic Sentosa which subsequently sends to licensed collector Medivest. Latest disposal was done on 30/12/2014 (Consignment Note No.: 556624).</p>	<p>Complied</p>
<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -</p>	<p>As part of Sustainable Plantation Management System Version 1; year 2008, issue no. 1; dated 1 April 2008 Appendix 9 Procedure for Handling Domestic Waste; 5.2.2 Selection of disposal method for non-recyclable wastes</p> <p>A) For estates/mills located within 20km of a municipal landfill</p> <ul style="list-style-type: none"> • Hauling bin > 3km residential area, office or other premise <p>B) For estates/mills located more than 20km of a municipal landfill</p> <ul style="list-style-type: none"> • Landfill site > 3km residential area, office or other premise • Landfill site > 3km nearest river or waterway • Excavated 2-3m deep and covered with earth when full <p>Findings: Actual landfill site located next to an industrial premise with about 200m distance and nearby waterways in Division Tanjung 12 of Dusun Durian Estate. Landfill not covered although full. There was a minor nonconformity raised against this indicator during the previous audit (ASA4).</p> <p>Therefore, this nonconformity has been upgraded to Major as per RSPO certification system. Refer to major NC 1149356M2.</p>	<p>Major Non-Compliance</p>

Criterion / Indicator		Assessment Findings	Compliance
Criterion 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 -	Established as environment management program for financial year 2014/2015: Objective to reduce TNB current usage to below 90,000kW for monthly basis: <ul style="list-style-type: none"> • Stop unnecessary machine operation during non-processing hours • Switch-off lights during day time – install centralised off switch each for a station • To stop unnecessary lights after end of process • To stop all air-conditioner after office hours or when room are not use for the day To stop unnecessary operation of kernel bulk silo fan when kernel are dried below target in kernel silos	Complied
Criterion 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, or comparable guidelines in other regions. - Major compliance -	Zero open burning policy as per SOP Section B2 - Felling/Land Clearing & Land Preparation dated November 2008. Management complying with the Malaysian environmental law –EQA and Regulations 1974. No open burning noted during the field visit to the replanting area i.e field 2014A confirmed that zero burning techniques are implemented during replanting	Complied
5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	The operating units have adhered to the 'zero burning' policy for replanting at the estates. During the audit, there were no replanting activities carried out in the East operating unit. There was no evidence of any burning of domestic waste at the housing line sites and at the domestic landfills of the estates visited during on-site field assessment.	Complied
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			

Criterion / Indicator	Assessment Findings	Compliance
5.6.1	<p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -</p> <p>Mill: pollution prevention plan base on environmental issue:</p> <ol style="list-style-type: none"> 1) Black smoke emission from boiler – control operational, regular black smoke monitoring and calibrate smoke chart recorder, preventive maintenance of all fins and damper’s to ensure in good condition 2) Effluent discharge/overflow/leakage – operational controls (op. cont.). 3) Oil leakage/spillage – op. cont., collect spillage and handle as scheduled waste, clean spillage using rags and handled as scheduled waste, provide spill kits <p>Waste water discharge from mill cleaning/processing – op. cont.</p> <p>Estate: pollution prevention plan 2014/2015</p> <ol style="list-style-type: none"> 1) Minimize use of certain pesticide/herbicide <ul style="list-style-type: none"> • Controlled purchased of pesticide • IPM implementation 2) Waste management <ul style="list-style-type: none"> • Zero open burning • SW handling as per regulations • Land applications for EFB 3) Maximizing recycling <ul style="list-style-type: none"> • Organic fertilizer (EFB) • Collaboration with chemical supplier – Dupont through G-planter to collect empty container 4) Oil spillage <ul style="list-style-type: none"> • Secondary containment • Concrete bunding 5) Domestic waste management <ul style="list-style-type: none"> • Waste segregation • Recycle bin 	Complied

Criterion / Indicator	Assessment Findings	Compliance
5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Plans and impact assessments relating to environmental impacts based on documents as following: <ul style="list-style-type: none"> • Appendix 5.4.1b - Environmental Aspect and Impact Evaluation Procedure, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009 • Appendix 5.4.1c - Environmental Aspect and Impact Identification form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009 • Appendix 5.4.1d – Environmental Impacts Evaluation form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009 An additional plan to reduce or minimized the impacts for the identified GHG emissions has been established at the HQ level for all mills under the group company. It was noted that the plan was to install the methane capture facilities in the POME treatment that were projected for each nominated mills under the group to be completed by the year 2020. However no any confirmation on the kick-off of the plan in East Oil Mill.	Complied
5.6.3 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 -	The proposed monitoring system will be tabled upon finalization of the methane capture system design to be installed. Basically, it was noted that it will involve the monitoring of captured methane volume and its utilization.	Complied
Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.		
Criterion 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 -	Social Impact Assessment (SIA) was conducted by Sustainability Department (Social & Environment Projects Unit) on May 2014 attended representatives from local government agencies, local communities, service providers, and neighbouring estates. The review mechanism had appropriately involved stakeholders such as the sustainability team. Based on the meeting feedback each estate prepared their specific Mitigation Plan with dates and person in-charges clearly stated.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	The participation of both internal and external stakeholders (including local from Governmental organizations) which was evident with the list of participants recorded. Minutes of meetings as appended to the SIA Report were maintained as records. List of stakeholders were verified and included government bodies, group associated stakeholders, management staff and workers including representative of migrant workers such as Indonesians, Contractors/suppliers and government clinic staff. Dusun Durian estate, recent stakeholder meeting was done on 16/2/15 attended by 6 people.	Complied
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 -	The participation of both internal and external stakeholders (including local from Governmental organizations) which was evident with the list of participants recorded. Minutes of meetings as appended to the SIA Report were maintained as records. List of stakeholders were verified and included, school teachers, auxiliary police, government bodies, management staff and workers (incl. representative of migrant workers i.e. Indonesians), contractors/suppliers and health clinic staff. Sighted records of appointed teams headed by estate managers assisted by assistant managers. The roles and responsibilities of these appointed officials were defined.	Complied
6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. - Minor compliance -	East operating units have planned to review the SIA plans every year for follow-up and updating to current practices. The social documents had plans for avoidance or mitigation of negative impacts, such as continue monitoring the level of smoke release from the mill, improving current workers housing, etc.	Complied
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	SOU8 does not include smallholders.	Complied
Criterion 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 -	SOU8 engage in communication with local communities and interested parties. The communication procedure is as per Sime Darby's group communication policy which shows flow chart of the communication procedure. This was confirmed during interview with the local community representative and village head.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Estate managers are the nominated persons responsible for communication with the stakeholders. The organization has a list of stakeholders including local authorities, government departments, suppliers and contractors.	Complied
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 -	Record of meeting with attendance list and minute of meeting are available as attachment. Last stakeholder meeting was conducted on May 2014 during the review of SIA. 43 internal and external stakeholders attended the meeting. There are no any disputes recorded during the meeting. Stakeholder list contains names and contact details. All the estate maintains communication recorded as part of the stakeholder communication document.	Complied
Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected 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 -	Sime Darby has an established and documented system for dealing with complaints and grievances. Record shows that 'Complaints and Grievances Book' in all estates visited are still active in recording complaints/requests made by employees and other stakeholders. Over the past 12 months, entries made were mainly on minor repairs needed to the housing facilities and access road which were verified to be attended to in a timely manner.	Complied
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance -	Complaints and grievances are handled by respective responsible persons. Outcomes from the actions taken are recorded in different manners, e.g. meeting minutes and payment vouchers to contractors after completion the jobs. Mechanisms are appropriately established and implemented. Records of meeting and any resolutions or outcomes are maintained through Minutes or in Complaints Log.	Complied
Criterion 6.4: Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.			
6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	No cases requiring any negotiation or compensation pertaining to these criteria. There have been no changes in this status as at the period of verification on site.	

Criterion / Indicator	Assessment Findings	Compliance
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 -	SOU8 operations are based on approval from federal government. Therefore, no cases requiring any negotiation or compensation pertaining to these criteria.	Complied
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 -	SOU8 operations are based on approval from federal government. Therefore, no cases requiring any negotiation or compensation pertaining to these criteria.	Complied
Criterion 6.5: Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.		
6.5.1 Documentation of pay and conditions shall be available. - Major compliance -	All the workers are covered by the MAPA/NUPW agreement and the staff covered with MAPA/AMESU agreement. This is documented at all the operating units. Migrant workers make up the majority of the workforce who are engaged on 2 or 3 year contracts. Payments are made as per the agreement. Inspection of contracts of both local and foreign workers confirmed that pay and conditions are available in local language and the language that the foreign workers speak.	Complied
6.5.2 Labour laws, union agreements or direct contracts of employment 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 -	Sample employment contract, i.e. "Kontrak Pekerjaan – Tenaga Kerja Asing" diantara Sime Darby Plantation Sdn. Bhd (647766 –V) dengan Pekerja Asing Indonesia" for foreign workers hired were sighted during the audit. The document covers all issue such as working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, and reasons for dismissal, period of notice made available in Bahasa Malaysia which is understood by the workers. Signed copies of this employment contract are kept by Sime Darby Head office.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance -	Mill and estates provide adequate housing to their employees and meets the government standard. Old units are upgraded from two room houses to three rooms. All the houses are provided with water and electricity supply. During the meeting with workers no issues were highlighted. Beside the housing, the company is also provide other facilities such as worshipping places, crèche, clinics, sports facilities and community hall. As required by minimum housing standard, Visiting Medical Officer visits the estates and mill clinics and housing on monthly basis. Visit record book shows the last visit was on 22/1/2015.	Complied
6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food. - Minor compliance -	Food for the staff and workers (incl. foreign workers) provided through sundry shops at the vicinity of the operating units. Most of the sundry shops are operated by the former estates workers or family members.	Complied
Criterion 6.6: The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.			
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	All employees have right to form and join trade unions of their choice and to bargain collectively. This is carried out by the employees by joining the NUPW and AMESU.	Complied
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	At all operating unit's workers union meeting held with NUPW when required. Last meeting was held on 26 January 2015. It was highlighted by the union representative that most of issues resolved through ad-hoc discussions. It was confirmed by the union secretary that there is no any unresolved labour issue. Interview with the on-site workers union secretary reveals that most of the work related issues are resolved through verbal discussion.	Complied
Criterion 6.7: Children are not employed or exploited.			
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	Inspection to employee contract agreement and list of registration confirmed that those employed are as per company policy on minimum age. The minimum working age is 18 and above. During field visit and consultation with stakeholders confirm that there is no child labour at any of the operations.	Complied
Criterion 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 -	Sime Darby equal opportunity policy is displayed at notice board at the mill and estates. This was communicated with all employees. Interview of male and female workers confirmed understanding and awareness of the policy. Pay record and interview with employees confirm that there is no any kind of discrimination. All workers have access to the grievance and resolution mechanism.	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 -	The employment of foreign workers was implemented without affecting the opportunities for local communities. Interviews with foreign workers revealed satisfaction with the estates for job opportunities and they enjoy all common welfare amenities like free housing, free water and electricity supplies and medical care.	Complied
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	Depending on the nature of work positions, The operating unit management takes into considerations the needs for technical qualifications/experience and related skills in recruitment selection, hiring and promotion exercises. It was verified that the promotions to higher position at the estates and Mill were based on evaluations which considered the skill, capabilities, qualities and medical fitness of the employees.	Complied
Criterion 6.9: There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	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 -	A statement to prevent sexual harassment and violence is documented in the Sime Darby Plantation Social Policy. One of the female staff members has been appointed as gender committee member representing each operating units and work category that involve female workers.	Complied
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 -	Sime Darby has a policy to protect the reproductive rights of all, especially women which was incorporated in Gender Policy This was communicated and implemented through gender committee.	Complied
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	The company has developed specific grievance mechanism on sexual harassment and violence. Female workers interview confirmed understanding of the mechanism and no issue was raised during the audit. The last gender committee meeting was held on 5 February 2014 at estate and mill level. The meeting minutes shows that no any kind of harassment issue was raised in the meeting. The meeting follows the guidelines as per the Gender Committee Manual. As for Dusun Durian estate, the last meeting was done on 5/2/15 attended by 26 members.	Complied
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	East palm oil mill process FFB from company owned estates only. No FFB purchased from out-growers or smallholders.	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 (where these are under the control of the mill or plantation). - Major compliance -	East palm oil mill process FFB from company owned estates only. No FFB purchased from out-growers or smallholders.	Complied
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 -	Contractors/suppliers understand contractual agreement and stated that the contract is transparent and fair. The company has standard term and condition of contract agreement which is explained prior to signing.	Complied
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	Prompt payment is made as per contract agreement. No issues were highlighted by the contractors interviewed. Inspection to the "Grievance Book" indicated no complaint was raised in relation to processing of the payment. Sample Contract (Ref. No.: KKSEAST/1415/04) and payment record dated 15 February 2015 was checked and verified.	Complied
Criterion 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 -	The local communities have reasonably well developed infrastructure and access to government services, for example, sealed road access, government electricity and water supplies to housing and schools. The Estates and Mill make donations to local communities for their places of worship and local schools when requested. These contributions are considered appropriate for the socio-economic setting.	Complied
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 -	East palm oil mill process FFB from company owned estates only. No FFB purchased from out-growers or smallholders.	Complied
Criterion 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 -	Workers, staff and stakeholder interview confirm that there is no any form of forced labour or trafficked labour in the operating units. All employees have employment contract and paid the agreed national minimum wages.	Complied
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance -	There was no evidence of contract substitution and this was confirmed from interviews with workers and relevant stakeholders.	Complied
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	The special policy on recruitment of foreign workers and equal opportunities are established and the implementations are verified to be satisfactory. Review on employment contracts of foreign workers also confirmed that the policies, including minimum wages have also been duly implemented.	Complied

Criterion / Indicator		Assessment Findings	Compliance
Criterion 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 -	The policy to respect human rights has been established implementations are verified to be satisfactory. Review on employment contracts of foreign workers also confirmed that the policies, including minimum wages have also been duly implemented.	Complied
Principle 7: Responsible development of new plantings East Palm Oil Mill Certification unit and supply base did not carry out any new plantings since November 2005. Therefore, Principle 7 is not applicable during this recertification assessment. The immature area are replanted area.			
Principle 8: Commitment to continual improvement in key areas of activity			
Criterion 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: <ul style="list-style-type: none"> • Reduction in use of pesticides(Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); <ul style="list-style-type: none"> • Optimising the yield of the supply base. - Major compliance -	SOU8 prohibited the use of paraquat in the field and totally replaced by systemic herbicides, glufosinate ammonium. IPM implementation is progressively improving with the current density programme as well as barn owl occupancy rate to reduce pesticides usage. Environmental impacts of the operations were identified and evaluated. The mitigations measures which were derived from the identification of environmental aspects were adequately implemented and monitored. SOU8 generally active in maximizing the recycling. This could be evident through sales of recyclable materials such as plastic and metal. Process waste is fully utilized for boiler fuel (shell and fibre).	Complied

Appendix B: Time Bound Plan

TIME BOUND PLAN – Certification Units in Malaysia			
No.	MANAGEMENT UNIT		LOCATION
	P O M	Time Bound	
1	Sg Dingin	Certified 2010	Kedah
2	Chersonese	Certified 2011	Perak
3	Elphil	Certified 2011	Perak
4	Flemington	Certified 2011	Perak
5	Seri Intan	Certified 2011	Perak
6	Selaba	Certified 2011	Perak

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7	Tenamaram	Certified 2011	Selangor
8	Bkt Kerayong	Certified 2011	Selangor
9	East	Certified 2010	Selangor
10	West	Certified 2010	Selangor
11	Bukit Puteri	Certified 2011	Pahang
12	Kerdau	Certified 2011	Pahang
13	Jabor	Certified 2011	Pahang
14	Labu	Certified 2011	N. Sembilan
15	Tanah Merah	Certified 2010	N. Sembilan
16	Sua Betong	Certified 2014	N. Sembilan
17	Kok Foh	Certified 2011	N. Sembilan
18	Kempas	Certified 2010	Malacca
19	Diamond Jubilee	Certified 2011	Malacca
20	Bukit Kerayong	Certified 2014	Johor
21	Chaah	Certified 2010	Johor
22	Gunung Mas	Certified 2010	Johor
23	Bukit Benut	Certified 2011	Johor
24	Ulu Remis	Certified 2011	Johor
25	Hadapan	Certified 2011	Johor
26	Sandakan Bay	Certified 2008. Recertification completed.	Sabah
27	Melalap	Certified 2011	Sabah
28	Binuang	Certified 2009. Recertification completed.	Sabah
29	Giram	Certified 2009. Recertification completed.	Sabah
30	Merotai	Certified 2009. Recertification completed.	Sabah
31	Lavang	Certified 2011	Sarawak
32	Rajawali	Certified 2011	Sarawak
33	Derawan	Certified 2011	Sarawak
34	Pekaka	Certified 2011	Sarawak

TIME BOUND PLAN – Certification Units in Indonesia

No.	MANAGEMENT UNIT		LOCATION
	P O M	Time Bound	
1	Sekunyir (PT. Indotruba Tengah)	Certified 2010	Seruyan and West Kotawaringin District – Central Kalimantan
2	Manggala (PT. Tunggal Mitra Plantations)	Certified 2010	Rokan Hilir District – Riau
3	Bk. Ajong (PT. Sime Indo Agro)	Certified 2010	Sanggau District –West Kalimantan

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4	Teluk Siak (PT Aneka Inti Persada)	Certified 2011	Pekanbaru, Siak District – Riau
5	Sungai Pinang (PT. Bina Sains Cemerlang)	Certified 2012	Musi Rawas District – South Sumatera

6	Sukamandang (PT. Kridatama Lancar)	Certified	Seruyan and East Kotawaringin District – Central Kalimantan
7	Pematang (PT. Teguh Sempurna)	Certified	Seruyan and East Kotawaringin District – Central Kalimantan
8	Alur Dumai (PT Lahan Tani Sakti)	Certified	Rokan Hilir District – Riau
9	Teluk Bakau (PT. Bhumireksa Nusa Sejati)	Certified	Indra Giri Hilir District – Riau
10	Mandah (PT. Bhumireksa Nusa Sejati)	Certified	Indra Giri Hilir District – Riau
11	Angsana Mini (PT Sajang Heulang)	Certified	Tanah Bumbu District – South Kalimantan
12	AngsanaPT Ladangrumpun Suburabadi	Certified	Tanah Bumbu District – South Kalimantan
13	Mustika (PT Sajang Heulang)	Certified	Tanah Bumbu District – South Kalimantan
14	Gunung Aru (PT Bersama Sejahtea Sakti)	Certified	Kotabaru District – South Kalimantan
15	Bebunga (PT. Langgeng)	Certified	Kotabaru District – South Kalimantan
16	Blang Simpo (PT Padang Palma Permai)	Certified 2013	Aceh Tamiang, Nangroe Aceh Darussalam
17	Pondok Labu (PT Paripurna Swakarsa)	Certified	Kotabaru District – South Kalimantan
18	Selabak (PT Swadaya Andhika)	Certified	Kotabaru District – South Kalimantan
19	Rantau (PT Laguna Mandiri)	Certified	Kotabaru District – South Kalimantan
20	Betung (PT Laguna Mandiri)	Certified	Kotabaru District – South Kalimantan
21	Ungkaya (PT Tamaco Graha Krida)	Certified	Morowali District – Sulawesi Tengah
22	Ladang Panjang (PT Bahari Gembira Ria)	Certified	Muaro Jambi District - Jambi
23	Rantau Panjang (PT Guthrie Pecconina Indonesia)	Certified 2012	Musi Banyuasin District – South Sumatera

24	<p>MAS (PT Mitra Austral Sejahtera) The certification body for PT MAS has considered that Sime Darby Plantation still meets the requirements of the RSPO for Partial Certification and the report has been submitted for EB review. A verification audit was conducted by the Certification Body in early 2013 and Sime Darby Plantation will proceed with the next steps of certification upon satisfactory resolution of the matter. Regular discussions is ongoing between Sime Darby Plantation and the project affected communities.</p> <p>RSPO Certification Target Date for PT MAS</p> <ul style="list-style-type: none"> The target date for certification is by end 2015. However, this is subject to the progress of the matter being resolved. <p>Progress Update (Sept 2014 – March 2015)</p> <ul style="list-style-type: none"> Regular discussions is ongoing between Sime Darby Plantation and the project affected communities (PAC). The most recent SDP-PAC meeting was held on 23 Feb 2015. SDP will maintain to liaise with the communities via 'Tim Kerja Perwakilan Petani (TKPP) and direct discussion with Kerunang/ Entapang communities. On the community request for DSF mediation (from 2 out of 9 villages), ref letter to RSPO 12 June 2014. SDP visited the communities on 27 August 2014 to listen and have a better understanding on the requests from these two communities and the subsequent meeting with the communities of Entapang and Kerunang was held on 12 Dec 2014 where the communities highlighted that they will not join the current SDP-PAC committee meetings and will continue to engage directly with SD. SDP is continuing to work on direct engagement with PAC – working towards a consensus with the PAC to withdraw their complaint. RSPO Secretariat is well informed on the progress of this matters through regular briefing and progress reports. To-date, 12 out of 14 demands from the other 7 communities have been resolved, another two remaining demands are related to land matters. 	2015	Sanggau District – West Kalimantan
25	Lembiru (PT Sandika Nata Palma)	Certified	Ketapang District – West Kalimantan

Appendix C: RSPO Certificate Details

Company address : SOU 8 Management Unit (East Palm Oil Mill) Carey Island, Selangor, Malaysia

Website : www.simedarbyplantation.com

RSPO Membership number: 1-0008-04-000-00

BSI RSPO Certificate N^o: SPO 543543

Date of Initial Certificate Issued: Applicable Standards: RSPO P&C 2013; RSPO Certification System June 2007 (revised March 2011); RSPO P&C MY-NIWG 2010; RSPO Supply Chain Certification Standard 21 November 2014 Module D - CPO Mills: Identity Preserved

Sakilan Palm Oil Mill and Supply Base					
Location Address		SOU 8 Management Unit (East Palm Oil Mill) Carey Island, Selangor, Malaysia			
GPS Location		Longitude: 2° 53' 0.00" N Latitude: 101° 26' 10.09" E			
CPO Tonnage Total		30,142			
PK Tonnage Total		6,578			
CPO Claimed for Certification		30,142			
PK Claimed for Certification		6,578			
Own estates FFB Tonnage		136,396			
Scheme Smallholder FFB Tonnage		-			
Company's adjacent Suppliers FFB Tonnage – Other adjacent estates (Certified – SPO543594)		612			
Estates	Production Area		Other use (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (mt)
	Mature (ha)	Immature (ha)			
East Estate	4,614	258	653	5,525	28,403
Dusun Durian Estate	1,569	509	114	2,192	53,601
Sepang Estate	2,464	251	479	3,194	54,392
TOTAL	8,647	1,018	1,246	10,911	136,396

Appendix D: Assessment Plan

PRELIMINARY AGENDA					
Date	Time	Subjects	Mohd Hidhir	Hafri	Muhd Haris
Monday 23/2/2015	AM	Audit Team travelling to the site.	√	√	√
	PM	External stakeholder meeting	√	√	√
Tuesday 24/2/2015	08.30 – 09.00	Opening Meeting: - Opening Presentation by Audit team leader. - Confirmation of assessment scope and finalize Audit plan (including stakeholder’s consultation). - Review on documentation against RSPO P&C generic 2013 and RSPO SCCS November 2014	√	√	√
East Palm Oil Mill	09.00 – 12.00	East Palm Oil Mill Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	√	√
	12.00 – 13.00	Lunch	√	√	√

PRELIMINARY AGENDA					
Date	Time	Subjects	Mohd Hidir	Hafri	Muhd Haris
	13.00 – 16.30	East Palm Oil Mill: Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	√	√	√
	16.30 - 17.00	Interim Closing briefing.	√	√	√
Wednesday 25/2/2015	08.30 – 12.00	Dusun Durian Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	√	√	-
	10.00 – 12.00	Meeting with stakeholders (Government, village rep, smallholders, Workers Leader, contractor etc.)	-	-	√
	12.00 – 13.00	Lunch	√	√	√
	13.00 – 16.30	Dusun Durian Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16.30 - 17.00	Interim Closing Briefing	√	√	√
Thursday 26/2/2015	8.30 – 12.00	Sepang Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill and etc.	√	√	√
	10.00 – 12.00	Meeting with stakeholders (Government, village rep, smallholders, Workers Leader, contractor etc.)	-	-	√
	12.00 – 13.00	Lunch	√	√	√
	13.00 – 16.30	Sepang Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16.30 - 17.00	Interim Closing Briefing	√	√	√

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Friday 27/2/2015 East Palm Oil Mill	8.30 – 12.30	Verification of outstanding issues and follow-up any stakeholders comments.	√	√	√
	12.30 – 14.30	Lunch/ Friday Prayer	√	√	√
	14.30 – 15.30	Preparation for closing meeting	√	√	√
	15.30 - 16.30	Closing meeting	√	√	√
	16.30 –	Travelling back to KL	√	√	√

Appendix E: Stakeholders Contacted

<p><u>Internal Stakeholders</u> Managers and Assistants Mill & Estate Male Mill Staff/Workers Female Mill Staff/Workers Foreign Worker Male and Female Estate workers Joint Consultative Committee Gender Committee Secretary Workers Union Representatives Onsite NUPW secretary AMESU Representative Hospital Assistant Clinic Assistant</p>	<p><u>Local Communities</u> Head of Village, Kampung Seri Cheeding Head of Village and secretariat, Kampung Tanjung Mas Batin (abroginal village head) and secretariat, Kampung Orang Asli Bukit Bangkung</p> <p><u>External Stakeholders</u> Social NGO AMESU NUPW MAPA SYABAS</p>
<p><u>Government Departments</u> School, SMK Jugra Department of Safety and Health (DOSH) Department of Environment (DOE) MPOB Kuala Langat Kuala Langat Municipal Council and Land Department</p>	<p><u>Contractors and Suppliers</u> Electrical Contractor General Supplier FFB Transport contractor Engineering work contractor</p>

Appendix F: CPO Mill Supply Chain Assessment Report (Module D-CPO Mills: Identity Preserved)

Requirements	Compliance
D.1. Definition	
<p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p>	<p>East Palm Oil Mill only receives certified FFB. Therefore qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.</p>
D.2 Explanation	
<p>D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.</p>
<p>D.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	<p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>
D.3 Documented procedures	
<p>D.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <ul style="list-style-type: none"> a) Complete and up to date procedures covering the implementation of all the elements in these requirements; b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard. 	<p>Latest written documented procedures (RSPO SCCS v.2 Year 2014) for the chain of custody is with Identity Preserved (IP) model covering all the RSPO Supply Chain Certification Standard and Traceability for handling certified and non-certified FFB under Appendix 15. This developed based on the RSPO SCCS 21 November 2014. The previous SOP was for SG. The mill manager has the responsibility to ensure implementation assisted by the on-site compliance executive. The IP model is used because only certified FFB from own supply base is received and processed at West Palm Oil Mill. The mill manager and assistant manager have awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.</p>
<p>D.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>East Palm Oil mill has documented procedures (as per above in D 3.1) for the incoming FFB, processing and outgoing palm products (CPO and PK). The procedure covers receiving and processing certified and non-certified FFBs.</p>
D.4 Purchasing and goods in	
<p>D.4.1 The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs</p>	<p>Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. Records</p>

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received.	verified by internal and external audit. West mill have system to verify at the weighbridge.
D.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	The facilities aware of this procedure and stated in the.
D.5 Record keeping	
D.5.1 The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	All the inventory records are maintained and updated on daily basis and monthly report shows monthly inventory. Computerized system in place. No PKO and Palm kernel meal at West Palm Oil mill. PK is sold to Sime Darby Futures Trading. Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the FFB received. Records of certified FFB received verified during annual surveillance. Records verified by internal and external audit
D.6 Processing	
D.6.1 The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.	During this assessment it was confirmed that only certified source of FFB from own plantation is processed. This ensures that there is no possibility of mixing during processing.
D.6.2 The objective is for 100 % segregated material to be reached.	Processing and storage records can trace back to only certified segregated FFB and finish product (CPO and PK) through traceability records such as weighbridge records. This ensures that 100% segregated materials are reached.

Actual Tonnage Certified Palm Production - 01 February 2014 – 31 January 2014 (ASA4)

Mill	Capacity	CPO	PK
East Palm Oil Mill	30 mt/hr	25773	5667

Actual Tonnage Sales of Certified Palm Products - 01 February 2014 – 31 January 2014 (ASA4)

Mill	Certified CPO Sales	Certified PK Sales	Remarks
East Palm Oil Mill	500	1469	Etrace system

Actual Tonnage Certified FFB Received Monthly - 01 February 2014 – 31 January 2014 (ASA4)

Month	East Estate	Sepang Estate	Dusun Estate	Durian	Other certified estate	Total FFB/Month
February 2014	1,122	4,329	3,034	-	-	8,486
March 2014	1,431	4,943	3,383	-	-	9,757
April 2014	1,066	4,473	3,125	-	-	8,665
May 2014	2,243	5,510	3,684	-	-	11,439
June 2014	1,022	5,518	3,400	-	-	9,941
July 2014	2,062	6,483	4,002	-	-	12,547
August 2014	4,174	6,660	4,389	-	-	15,224
Sept. 2014	1,995	5,159	3,748	-	197	11,100
Oct. 2014	1,304	3,871	3,287	-	-	8,464
Nov. 2014	1,144	3,756	3,558	-	-	8,459

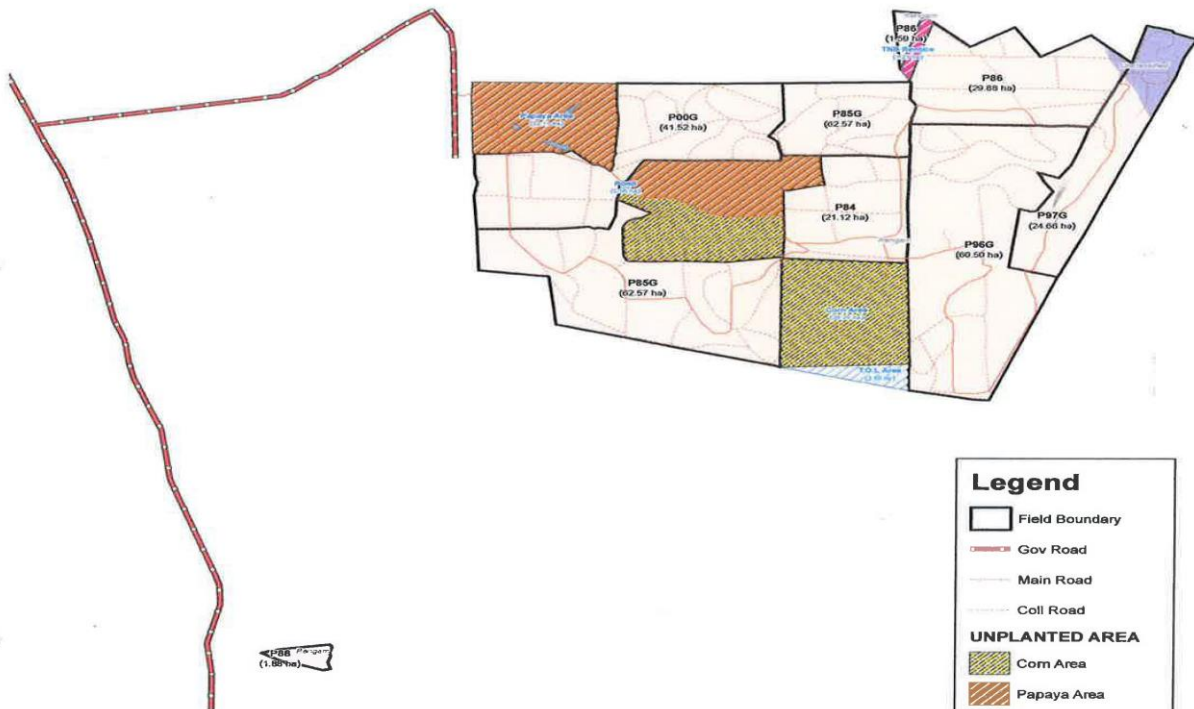
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Dec. 2014	802	3,062	2,980	-	6,845
Jan 2015	1,342	2,832	2,504	612	7,290
Total	19,712	56,602	41,098	809	118,222

Appendix G: Sepang Estate (Glengowrie Division) Field Map



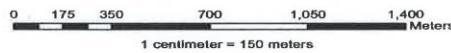
Glengowrie Estate
Glengowrie Division
 Soil Series Map



Field	Ha
P84	21.12
P85G	62.57
P86	31.47
P88	1.88
P96G	60.5
P97G	24.66
P00G	41.52
Grand Total	243.72

Legend

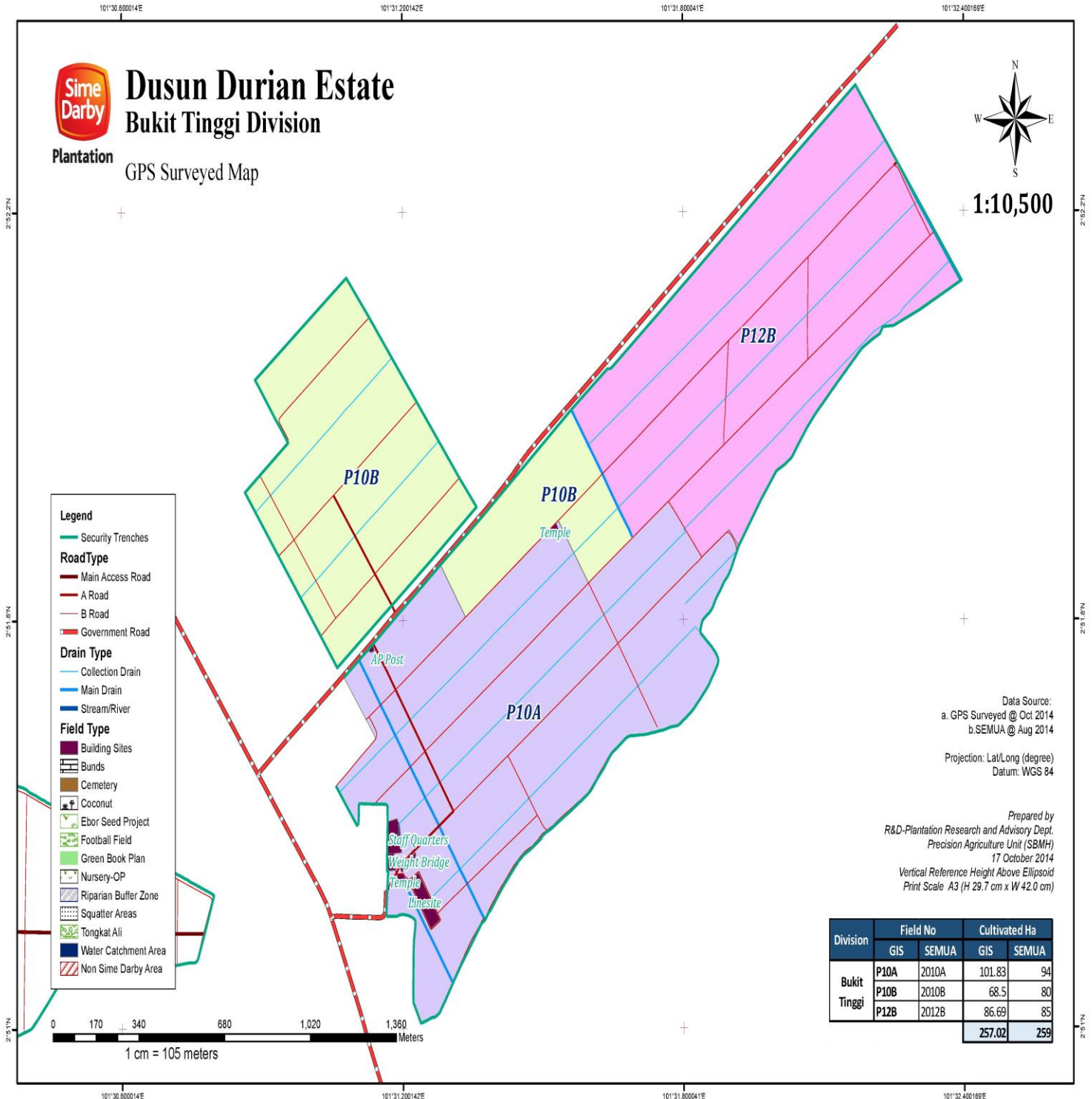
- Field Boundary
- Gov Road
- Main Road
- Coll Road
- UNPLANTED AREA**
- Com Area
- Papaya Area
- Pond
- T.O.L. Area
- TNB Retic
- SOIL SERIES**
- Rengam (97.94%)
- Unclassified (2.06%)



Data Source: GPS Mapping
 Geographic Coordinate System : WGS1984
 Datum : WGS 1984
 Print Scale : A3 (1 29.7 cm x W 42.0 cm)

Prepared by : R&D - Plantation Research & Advisory
 Rubber, Soils & General Agriculture
 Precision Agriculture Unit (M2M2)
 Updated May, 2013

Appendix H: Dusun Durian (Bukit Tinggi Division) Estate Field Map



Appendix J: List of Abbreviations Used

ASA	Annual Surveillance Assessment
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CIP	Continual Improvement Plan
CPO	Crude Palm Oil
DOE	Department of Environment
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
EIA	Environmental Impact Assessment
EMS	Environmental Management System
ERP	Emergency Response Plan
FFB	Fresh Fruit Bunch
GMP	Good Manufacturing Practice
HCV	High Conservation Value
IAV	Initial Assessment Visit
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
MPOA	Malaysian Palm Oil Association
MSDS	Material Safety Data Sheet
MSPO	Malaysian Sustainable Palm Oil
MY-NI	Malaysian National Interpretation
NGO	Non Governmental Organisation
OSH	Occupational Safety & Health
PK	Palm Kernel
PKO	Palm Kernel Oil
PPE	Personal Protective Equipment
RC	Re-Certification
RED	Renewable Energy Directive
RSPO P&C	Roundtable on Sustainable Palm Oil Principle & Criteria
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure