

**MALAYSIAN SUSTAINABLE PALM OIL – 1st ANNUAL
SURVEILLANCE ASSESSMENT
Public Summary Report**

Client Company name SIME DARBY PLANTATION BERHAD
Client company Address: LEVEL 3, MAIN BLOCK, PLANTATION TOWER, NO 2, JALAN PJU 1A/7 ARA DAMANSARA, 47301 PETALING JAYA, SELANGOR DARUL EHSAN
Certification Unit: Bukit Benut Palm Oil Mill (SOU 22) Location of Certification Unit: KKS Bukit Benut, PO Box 513, 86009 Kluang, Johor

Report prepared by:
Elzy Ovktafia (Lead Auditor)

Report Number: 8852162

Assessment Conducted by:

BSI Services Malaysia Sdn Bhd,
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
MPOB License	Bukit Benut POM: 528154004000 Bukit Benut Estate: 522307002000 Lambak Elaies Estate: 518641002000 CEP Niyor Estate: 508445102000		
Company Name	SIME DARBY PLANTATION BERHAD (Bukit Benut Palm Oil Mill) (SOU 22)		
Address	Level 3, Main Block, Plantation Tower, No 2, Jalan PJU 1A/7 Ara Damansara, 47301 Petaling Jaya, Selangor Darul Ehsan		
Group name if applicable:	SIME DARBY PLANTATION BERHAD		
Subsidiary of (if applicable)	N/A		
Contact Person Name	Hj Anuar Bin Hj Zakaria		
Website	www.simedarbyplantation.com	E-mail	kks.bk.benut@simedarbyplantation.com
Telephone	07-7723479	Facsimile	07-7766479

1.2 Certification Information			
Certificate Number	Mill : MSPO 682040 Estates : MSPO 686845		
Issue Date	18/12/2017	Expiry Date	17/12/2022
Scope of Certification	Mill: Production of Sustainable Palm Oil and Palm Oil Products Estate: Production of Sustainable Oil Palm Fruits		
Stage 1 Date		N/A (The certification unit is RSPO Certified)	
Stage 2 / Initial Assessment Visit Date (IAV)		23/10/2017 – 25/10/2017	
Continuous Assessment Visit Date (CAV) 1		21/11/2018 – 23/11/2018	
Continuous Assessment Visit Date (CAV) 2		-	
Continuous Assessment Visit Date (CAV) 3		-	
Continuous Assessment Visit Date (CAV) 4			
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 591229	Roundtable Sustainable Palm Oil	BSI Services Malaysia	04/10/2021

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1.3 Location of Certification Unit

Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Latitude	Longitude
Bukit Benut Palm Oil Mill	KKS Bukit Benut, P.O. Box 513, 86009 Kluang, Johor	1° 56' 00" N	103° 20' 28" E
Bukit Benut Estate	Ladang Bukit Benut, P.O. Box 513, 86009 Kluang, Johor	1° 54' 42" N	103° 21' 54" E
CEP Niyor Estate	CEP NIYOR ESTATE ,P.O. Box 514 86009 Kluang, Johor	1° 54' 30" N	103° 16' 22" E
Lambak Elaeis Estate	Ldg Lambak Elaeis, K/b 510, 86609 Kluang, Johor	1° 58' 43" N	103° 19' 08"E

1.4 Plantings & Cycle

Estate	Age (Years) - ha				
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30
Bukit Benut Estate	302.38	1000.88	805.42	429.00	-
CEP Niyor Estate	421.16	341.31	740.25	214.55	-
Lambak Elaeis Estate	457.83	1095.94	1106.91	379.92	-

1.5 FFB Production (Actual) and Projected (tonnage)

Producer Group	Projected from last audit (Oct 17-Sept 18)	Actual production (Oct 17-Oct 18)	Projected production for next 12 months (Nov 18-Oct 19)
Bukit Benut Estate	43,647.00	55,871.69	52,490.00
CEP Niyor Estate	29,603.30	36,838.89	42,806.00
Lambak Elaeis Estate	68,679.00	74,189.00	67,893.79

1.6 Certified CPO / PK Tonnage

Bukit Benut POM 20 MT/hr	Estimated (Oct 17-Sept 18)	Actual (Oct 17-Oct 18)	Forecast (Nov 18-Oct 19)
	CPO (OER: 20.86%)	CPO (OER: 20.91%)	CPO (OER: 21.15%)
	29,606.65 MT	26,139.73 MT	25,305.99 MT
	PK (KER: 5.11%)	PK (KER: 5.27%)	PK (KER: 5.48%)
	7,248.18 MT	6,591.83 MT	6,556.14 MT

1.7 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Bukit Benut Estate	2537.68	24.18	237.92	2799.78	90.64
CEP Niyor Estate	1717.27	6.77	63.88	1955.19	96.00
Lambak Elaeis Estate	3040.60	332.22	164.86	3710.46	87.40
TOTAL	7295.55	363.17	466.66	8465.43	90.55

1.8 Details of Certification Assessment Scope and Certification Recommendation:

BSI Services Malaysia Sdn Bhd has conducted the **1st Annual Surveillance Assessment** Certification Assessment of **Sime Darby-Bukit Benut POM (SOU 22)** located in **KKS Bukit Benut, PO Box 513, 86009 Kluang, Johor** comprising **1 mill, 3 estates** and infrastructure.

The assessment was conducted onsite to assess the compliance of the certification unit against the **MS 2530-3:2013 MSPO Part 3: General principles for oil palm plantations and organized smallholder** and **MS 2530-4:2013 MSPO Part 4: General principles for palm oil mills**

The onsite assessment was conducted on **21-23 November 2018**.

Based on the assessment result, **Sime Darby-Bukit Benut POM (SOU 22)** complies with the **MS 2530-3:2013 MSPO Part 3: General principles for oil palm plantations and organized smallholder** and **MS 2530-4:2013 MSPO Part 4: General principles for palm oil mills** and recommended for certification.

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
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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.

Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from **21-23 November 2018**. The audit programme is included as Appendix A. The approach to the audit was to treat the **Sime Darby-Bukit Benut POM (SOU 22) and Supply Bases** as a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, 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. **MS 2530-3:2013 and MS 2530-4:2013** 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.

The estates or smallholders sample were determined based on formula $N = 1.0\sqrt{y}$ where y is the number of estates while when applicable, the smallholders sample were determined following the MSPO Certification Requirement. The sampling of smallholders were based on the formula $(1.0\sqrt{y}) \times (z)$; where 1.0 is the risk factor (may defer to 1.2 and 1.4 depending on risk), where y is total number of group members and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix C.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the MSPO 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 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 B.

All the previous nonconformities are remains closed. The assessment findings for the initial assessment are detailed in Section 4.2. This report is structured to provide a summary of assessment finding as attached in the Section 3.

The assessment was based on random samples and therefore nonconformities may exist that have not been identified. This report was externally reviewed by MSPO approved Peer Reviewer prior to certification decision by BSI. The comments made by external stakeholders were also taken into account in the assessment where the stakeholder notification was made through BSI website: <https://www.bsigroup.com/en-MY/RSPO-MSPO-Certification/MSPO-clients-and-reports1/>

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 / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Bukit Benut POM	✓	✓	✓	✓	✓
Bukit Benut Estate	✓	✓		✓	✓
CEP Niyor Estate		✓	✓		
Lambak Elaeis Estate	✓		✓	✓	✓

Tentative Date of Next Visit: October 29, 2019 - October 31, 2019

Total No. of Mandays: 6

BSI Assessment Team:

Elzy Ovktafia - Lead Assessor

She graduated from Universiti Putra Malaysia in Diploma of Agriculture, holding the designatory of LISP from the Incorporated Society of Planters and currently in the midst of completing AISP. She involve in audits and technical reviews works mainly for Sustainability Programme includes RSPO, MSPO and 2nd Party Audit for Social Compliance Programme (URSA, ETI, etc) for almost 3 years in more than 11 countries. She is a qualified Lead Auditor/Auditor for RSPO P&C, RSPO NEXT, RSPO SCC, ISO 9001:2015, ISO 14001:2015 and Social Compliance Audit by Verite. Prior to this, she was the Agronomist in R&D Department for almost 5 years in Oil Palm Plantation where her task involved in all Oil Palm Plantation Operations such as conducting experimental trials on Research & Development with technical paper publications, Crop Forecast, Leaf & Soil Sampling Collection, Fertilizer Recommendation, Pest and Diseases Training, Quality Control as well as special project namely Yield Intensification Project and Food for Palm Project for estates.

Muhd Fadzli Masran – Team Member

Fadzli graduated in Bachelor of Forestry Science at University Putra Malaysia. He started his career as Assistant Manager at Kulim Plantations Sdn. Bhd. managing the day to day plantation operations. In his career at Kulim Plantation, Fadzli had accumulated more than 10 years of sustainability implementation experience including workers' welfare, workers' occupational, health & safety, environment conservation and protection at buffer areas and continuous improvement management plans. Fadzli had accumulated auditing experience when he was the internal auditor for ISO9001 and ISO14001 at Kulim Plantations. Fadzli has completed ISO IMS 9001, 14001, 45001(OHS 18001) Lead Auditor Course in April 2018, endorsed RSPO Lead Auditor Course in July 2018 and endorsed MSPO Lead Auditor Course in October 2018. Fadzli started his career with BSI as a Client Manager where he currently involved in RSPO and MSPO audits

Accompanying Persons: -

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Section 3: Assessment Findings

3.1 Details of audit results

This assessment has been assessed using the following RSPO normative requirements. The assessment details are provided in Appendix A.

- ☐ MSPO MS 2530-2:2013 – General Principles for Independent Smallholders
- ☒ MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders
- ☒ MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills

3.2 Details of Nonconformities and Opportunity for improvement

The nonconformity is listed below.

During the Certification Assessment there were **no major (0)** & **no minor (0)** nonconformities raised. The **Sime Darby-Bukit Benut POM (SOU 22) and Supply Bases** Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

Opportunity For Improvement		
Ref	Area/Process	Clause
<i>NC ID from eReport</i>	1681190-201808-I1	4.3.1.1 (Part 3)
Requirements:	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.	
Objective Evidence:	Medical Assistant for Bukit Benut Estate has 'Perakuan Pendaftaran Sebagai Pembantu Perubatan' certificate expired on 20 August 2016. He already applying the renewal of 'Perakuan Pendaftaran Sebagai Pembantu Perubatan' in July 2018 and the certificate is yet to be received from Lembaga Pembantu Perubatan Malaysia.	

Noteworthy Positive Comments	
1	Good document retrieval.
2	Good cooperation from the management

3.3 Status of Nonconformities Previously Identified and OFI

Opportunity For Improvement		
Ref	Area/Process	Clause
<i>NC ID from eReport</i>	1547408-201709-I1	4.4.5.11
Requirements: [MS 2530-3:2013]	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.	
Requirements: [MS 2530-4:2013]	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.	
Objective Evidence:	During site visit to worker's housing complex, the audit team has observed a few issues that needs management's attention. There are few worker's houses been extended with wooden poles from the original design, manholes to be properly guarded whereby walking near may inherits potential dangers and the domestic waste seen scattered around the sampled worker's housing sites which are not handled in more control method.	

Opportunity For Improvement		
Ref	Area/Process	Clause
<i>NC ID from eReport</i>	1547408-201709-I2	4.4.5.6
Requirements: [MS 2530-3:2013]	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.	
Objective Evidence:	The existing foreign worker's contract agreement has been revised and running changed from mid of July 2017. The operating units should look into on issues such as: a) whether the workers briefed on why and what were the changes made in the contract. b) To ensure every worker been provided with a copy of agreement. c) The revision level nor effective date rather not defined clearly to the operating units.	

Opportunity For Improvement		
Ref	Area/Process	Clause
<i>NC ID from eReport</i>	1547408-201709-I3	4.4.4.2
Requirements: [MS 2530-3:2013]	(d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). (h) Accident and emergency procedures shall exist, and instructions shall be clearly understood by all employees.	
Objective Evidence:	During site visit to the chemical store, sighted the safety instruction board was not placed adequaly and that may allow person in-charge possibly not wearing proper PPE attires before entering to the store. Seen a fire extinguisher in workshop with the pressure needle drops to lower point considered undercharged which may be an indication that the extinguisher was discharged or leaking.	

3.4 Issues Raised by Stakeholders

IS #	Description
1	Issues <u>SK Ladang Bukit Benut & SJK(T) Ladang Bukit Benut</u> Management has give a good support to the school through donations, assistance and information. However, school teacher has raised her concern on the big hole at the entrance of Bukit Benut POM from the main road which may cause accident. School teacher also request the management to inform the school earlier if there is electricity disruption.
	Management Responses Management will continue to provide good support to the school as corporate social responsibility. Regarding the concern and request, management will attend to it immediately.
	Audit Team Findings No other issue.
2	Issues <u>Gender Committee Representative</u> So far there is no sexual harassment cases reported and the current gender committee formed is providing various information if such case occur.
	Management Responses Management will always make sure that the harmonization within complex is controlled. Awareness on this issue also will be conducted continuously to each and new worker.
	Audit Team Findings No other issue.
3	Issues <u>LTT (School children transportation)</u> Management has provided the free transportation to the worker's children whom school at secondary school outside the complex. No payment issue from the contractor's side.
	Management Responses As part of company CSR, this will be continued.
	Audit Team Findings No other issue.
4	Issues <u>Contractor (Backhoe Supplier)</u> No payment issue noted. Only the house rent for contractor worker's (RM 25/month) if possible to be waived.
	Management Responses Management has mentioned that RM25 per month for 1 house is the cheapest that the contractor cannot find anyway in Kluang area. It is also included the electricity and water supply therefore it is not possible to be waived.
	Audit Team Findings No other issue.

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3.5 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1547408-201709-I1	OFI	25.10.2017	CLOSED
1547408-201709-I2	OFI	25.10.2017	CLOSED
1547408-201709-I3	OFI	25.10.2017	CLOSED
1681190-201808-I1	OFI	23.11.2018	OPEN

3.6 Summary of the findings by Principles and Criteria

Malaysian Sustainable Palm Oil Part 4: General Principles for Palm Oil Mills.

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	Policy for the implementation of MSPO shall be established. - Major compliance -	The Inter-office Mail regarding MSPO Implementation from Head, Plantation Sustainability and Quality Management was established, dated 8/9/2017 to show the evidence of commitment towards MSPO implementation. The current MSPO policy is under review and not yet published.	Yes
4.1.1.2	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. - Major compliance -	The MSPO policy was communicated through Townhall Meeting to the executive, staff, and workers accordingly on 18/05/2018 by the SQM Team. The training record was made available at Estate office.	Yes
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	The Internal Audit procedure (SD/SDP/PSQM/IAP) which was dated 1/11/2017 was established. The internal audit need to be conducted annual and when required.	Yes
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of	The Internal Audit was planned to be conducted annually. The RSPO & MSPO Internal Audit Report dated 30 th May 2018 by SQM –Southern Region Team (Lead Auditor: Nurulashida Bt Mohd Saad).	Yes

Criterion / Indicator		Assessment Findings	Compliance
	strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	During this audit, there is 2 major NC, 2 minor NC and 5 AOC's raised and all the findings were closed on 25/06/2018.	
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	The report was made available at mill office during the audit.	Yes
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	The procedure for Management Review (QMM, Sub-Section 5.6, dated: 25/5/2015) was established. The frequency for management review needs to be carried out at least once a year. Management Review for MSPO/RSPO Compliance was conducted on 30/10/2018 which was chaired by Mill Manager. All the agenda such as OSH Objective, Mill Performance, Training, Complaints, Internal Audit MSPO and other matters was discussed accordingly. The MRM report was made available at mill office.	Yes
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. - Major compliance -	The management had established the method for continual improvement, Kaizen Charter which related to the continuous improvement was established, e.g.: To improve safety during Palm Kernel Despatch, To reduce cost of buying boiler fuel (fire wood and shell) for boiler operation at KKS Bukit Benut from RM 6,528.90 (average per month) to RM0.00, to reduce scrap iron stock at KKS Bukit Benut.	Yes
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. - Major compliance -	The management had established the method for continual improvement, Kaizen Charter which related to the continuous improvement was established, e.g.: To improve safety during Palm Kernel Despatch, To reduce cost of buying boiler fuel (fire wood and shell) for boiler operation at KKS Bukit Benut from RM 6,528.90 (average per month) to RM0.00, to reduce scrap iron stock at KKS Bukit Benut.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms. - Major compliance -	The information for MSPO is communicated through Town Hall Meeting on 18.05.2018. During the Townhall Meeting, Safety & Health, Policies, RSPO and MSPO to workers and contractors done by the Mill Manager Mr. Annuar and SQM Manager Suhaimi Juki.	Yes
4.2.1.2	The management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	As per stated in the "Sustainable Plantation Management System" manual dated 01/11/2008, section "Documentation & Communication" – clause 3.2, where appropriate information on sustainable activities will be made available to the general public / stakeholders through yearly annual reports, circulars, agreements, Sime Darby website and other publications. Specific requests for information from interested parties shall be channelled to the SQM, Communication Department, and Legal Department of Sime Darby.	Yes
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	The mill provides a log book at the mill's office to enable external stakeholders to register their complaints and grievances. There is a flow chart titled dated 01/11/2008 "Sustainable Plantation Management System" - for internal [Appendix 5.5.3.1] and external [Appendix 5.5.3.2] established for communicating and reporting of EMS, OHS and social issues with relevant stakeholders. There is also a "Whistleblowing Policy" (GPA No. B5) dated 27/02/14 are made available for handling stakeholder's social issues.	Yes
4.2.2.2	The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i> . - Minor compliance -	With effect from 02/07/2018, Mr. Ahmad Faiz bin Abu Bakar appointed to overall in charge for social issue and the responsible for communication and consultation with the local communities and other interested parties. The appointment letter also clearly indicates the roles and responsibility of the person. The appointment has been communicated internally by memo and externally through stakeholder consultation.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.2.2.3	A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained. - Major compliance -	The latest reviewed stakeholder list consists of 119 suppliers/vendors, local communities and government agencies. The latest stakeholder meeting was on 19/03/2018 combined with Bukit Benut Estate, sighted the attendance record attached with the minutes of meeting. No major issues raised.	Yes
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability. - Major compliance -	The mill has implemented SOP for Traceability Doc No: Appendix 15, dated May 2016 and SOP on Sustainable Supply Chain and Traceability SD/SDP/PSQM/001 dated 01/03/15 as to provide guideline to establish sustainable supply chain and traceability for FFB, CPO and PK. Delivery of FFBs are only from internal estate that owned by Sime Darby Plantation. Sampled weighbridge tickets of Bukit Benut Estate [E139], Lambak Estate [E111], CEP Niyor [E031] were verified against the computed figures and approved vendor list, no discrepancies. Traceability from estate to mill is the Delivery Advise that consist of running number, date, weight, and transport details. The significant difference between the weighbridge ticket of internal and external supply is the letter head, tracking number, name of supply base and field number.	Yes
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Internal audit by the sustainability team was conducted on 30 th May 2018 includes traceability which the assessment is conducted on annual basis. During mill visit, sighted the weighbridge operator able to demonstrate on how the system tracks the FFB input and how does the supply bases register in the "Approved Sustainable Supplier List".	Yes
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. - Minor compliance -	The person in-charge is the QA supervisor as per the appointment letter, 02 July 2017. The records for traceability training to the respective supporting personnel seen maintained.	Yes
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	Sampled weighbridge tickets in November 2018 cross-checked for the delivery of CPO and the daily production record was reviewed to cross-check against the daily measurement taken every morning. The amount of FFB processed was cross-checked against the amount received.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	<p>All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>Sime Darby has established a mechanism to ensure compliancy to legal and other requirement and documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU22.</p> <p>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.</p> <p>The latest evaluation was conducted on 9/7/2018 by Tech. Clerk/QA supervisor and approved by Mill Manager. As to date, the KKS Bukit Benut comply with all the applicable local, state, national and ratified international laws and regulations.</p>	Yes
4.3.1.2	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>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.</p> <p>List of applicable legal and other requirements was made available during the assessment and compiled in the QSHE/04/5.2.4 folder.</p> <p>All the legal and other requirements were register accordingly and documented in the legal requirement register including Employment Insurance System (EIS) 2017. The latest evaluation/review was conducted on 9/7/2018 by Tech. Clerk/QA supervisor and approved by Mill Manager.</p>	Yes
4.3.1.3	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p>	<p>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.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>List of applicable legal and other requirements was made available during the assessment and compiled in the QSHE/04/5.2.4 folder.</p> <p>All the legal and other requirements were register accordingly and documented in the legal requirement register including the latest addition of Employment Insurance System (EIS) 2017. The latest evaluation/review was conducted on 9/7/2018 by Tech. Clerk/QA supervisor and approved by Mill Manager.</p>	
4.3.1.4	<p>The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>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 SOU22. 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.</p> <p>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. Tracking system on any changes in the law been well implemented. E.g. regular notification by Head Office and regular updates from the DOE/DOSH websites as well as from MAPA circulars.</p> <p>Sighted the appointment letter as RSPO/MSPO representative at Bukit Benut POM where Mr. Ahmad Faiz Abu Bakar appointed as person in charge to monitor compliance and update changes in regulatory requirement.</p>	Yes
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.	Land title for KKS Bukit Benut is under Bukit Benut Estate.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land. - Major compliance -	Sime Darby did not acquire land from landowners, but leased it directly from the government. There were no issues of land disputes.	Yes
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Not applicable. Sime Darby did not acquire land from landowners, but leased it directly from the government. Land title for KKS Bukit Benut is under Bukit Benut Estate. There were no issues of land disputes.	Yes
4.3.2.4	Where there are, or have been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	Not applicable. Sime Darby did not acquire land from landowners, but leased it directly from the government. Land title for Bukit Benut POM is under Bukit Benut Estate. There were no issues of land disputes.	Yes
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	Not applicable. Sime Darby did not acquire land from landowners, but leased it directly from the government. Land title for KKS Bukit Benut is under Bukit Benut Estate. There were no issues of land disputes.	Yes
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	Not applicable. Sime Darby did not acquire land from landowners, but leased it directly from the government. Land title for KKS Bukit Benut is under Bukit Benut Estate. There were no issues of land disputes.	Yes
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available.	Not applicable. Sime Darby did not acquire land from landowners, but leased it directly from the government. Land title for KKS Bukit Benut is under Bukit Benut Estate. There were no issues of land disputes.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	<p>Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.</p> <p>- Minor compliance -</p>	<p>The 5 yearly Social Impact Assessment [SIA] was done by the Social & Environment Projects Units of PSQM department that based on Impact Assessment Manual by federal Department of town and Country Planning Peninsular Malaysia and Malaysian Society of Impact Assessment for the whole SOU 22 from 16- 19/05/2016. The assessment was aimed on livelihoods, social wellbeing of the wider community and physical impacts of human populations on social changes. All the respective operating units registered with an action plan which focus on area of concern and matters raised by the stakeholders. Some of the plans are still on-going, such as Housing Condition/Living Improvement and being review of the progress from time to time.</p>	Yes
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>There is a flow chart titled dated 01/11/2008 "Sustainable Plantation Management System" - for internal [Appendix 5.5.3.1] and external [Appendix 5.5.3.2] established for communicating and reporting of EMS, OHS and social issues with relevant stakeholders. There is also a "Whistleblowing Policy" (GPA No. B5) dated 27/02/14 are made available for handling stakeholder's social issues.</p>	Yes
4.4.2.2	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p> <p>- Major compliance -</p>	<p>Dispute not applicable as this was evidenced in the internal and external stakeholder meeting minutes.</p>	Yes
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints.</p> <p>- Minor compliance -</p>	<p>In general, there are options for both internal and external stakeholder to channel their complaints to the relevant authority at mill via the morning muster/roll call, via respective supervisors, direct to the manager, or a complaints book which is filled by workers to report about their housing/work conditions. In addition, at the management level, there are periodical health and safety meetings, meetings between local union leaders and the management as well as gender</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		committee meetings which are held in all estates and mill.	
4.4.2.4	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time. - Minor compliance -	Aside of the information in the website, Town Hall gathering and annual stakeholder meeting, there is a Procedure for External Communication (Standard Operation Manual (SOM), Appendix 5.5.3.2) which specific to communication with respect to QSHE performance at the mill.	Yes
4.4.2.5	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. - Major compliance -	Seen the internal and external stakeholders log book for mill. At this moments, no negative complaints made by either party in the last 24 months. It's more to request and response from them for household maintenance.	Yes
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation. - Minor compliance -	Mill management has made donation and celebrate events as below: 1. Open House at Bukit Benut POM (08.07.2018) – RM 3000 2. Mill day (26.09.2018) – RM 5770 3. Majlis Khatam Al-Quran Darjah 6, Penyampaian Anugerah Cemerlang dan Majlis Akhir Tahun 2018 (18.11.2018) – RM 400	Yes
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented. - Major compliance -	Sime Darby has established the Group Policy on Health and Safety signed by the Managing Director on Jan 2015. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the mill. The PSQM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition	Yes
4.4.4.2	The occupational safety and health plan should cover the following:	Safety and Health Policy has been established and communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the mill. Interview with the operator at the press station,	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risk of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill:</p> <p style="padding-left: 20px;">i. All employees involved are adequately trained on safe working practices;</p> <p style="padding-left: 20px;">ii. All precautions attached to products should be properly observed and applied;</p> <p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety</p>	<p>boiler station and workshop shows the understanding of OSH practices in the mill.</p> <p>The mill has conducted assessment for risk on all the operations and documented in Hazard Identification, Risk Assessment, and Risk Control (HIRARC). The assessment cover all main operations and support operations such as security, office, store, weighbridge, fruit handling, threshing and etc. The assessment also covers working type, job step, hazard, effect, existing control, type, probability, etc. Latest review was conducted on 10/7/2018.</p> <p>The mill has established training program for employees exposed to chemicals used at the palm oil mill to ensure the continuous awareness to the employee. The training was conducted by the Manager, Asst. Manager and representative from the chemical suppliers to the supervisors and operators. Sighted the training records as follows:</p> <p style="padding-left: 20px;">i. Kursus Rawatan Air Dandang Stim/ Chemical handling dated 17/4/2018</p> <p style="padding-left: 20px;">ii. Chemical spillage training dated 14/10/2018</p> <p>SDS for each chemical used was available at Chemical Store.</p> <p>The mill provided the appropriate PPE to the workers as per HIRARC. Sighted during interview with employee at boiler station, the operator was provided with safety helmet, safety shoes, goggles and gloves. Sighted the PPE records for every employee.</p> <p>Procedures of chemical handling is presented in several documents, such Document No. SD/SDP/SQM(ESH)/001-1Sime Darby Plantation Environment, Safety, and Health Management System (ESHMS) Manual dated July 1st, 2012.</p> <p>Mill Manager was appointed by the Sime Darby management to be the Chairman of OSH Committee at the mill as per letter sigend by the Regional General Manager. Mill management has appointed Safety Committee Member consist of OSH Coordinator, Secretary, seven representatives from Employer and ten representatives from Employee as per appointment letter by the Mill Manager. The OHS</p>	

Criterion / Indicator		Assessment Findings	Compliance
	<p>and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept and the concerns of employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>Chairman and Secretary are in coordination with PSQM Head Quarter Officer for any update national regulations and collective agreements.</p> <p>The management conducted OSH committee meeting on quarterly basis. In the meeting discussed issue on employees' safety, health and welfare such as mill safety and health achievement report, mill security, safety compliance by contractors, workplace audit report, legal compliance, safety and health training and etc. Sighted the minutes meeting for OSH committee dated 18/9/2018, 27/6/2018 and 12/3/2018.</p> <p>Accident of emergency procedure is presented in Mill Quality Management System Standard Operation manual (MQMS SOM) dated November 1st, 2008. Flowchart of emergency handling was presented in Appendix 5.5.3.3. Sighted during site visit, the emergency handling flowchart was available at the workshop, store and press station. The workstation also equipped with fire extinguisher and first aid kit. Noted during interview with employee shows the understanding regarding accident and emergency procedures.</p> <p>First aider present at various work station at the mill. The first aider responsible for first aid box at each workstation. During the interview with the first aider, shows the knowledge to perform first aid if any accident occur. Sighted the latest training records for first aider dated 22/5/2018 conducted by Medical assistant.</p> <p>The mill recorded all accidents reports and reported to HQ using the PSQM-ESH Monthly update form. The accident occurred was reviewed on quarterly basis during OSH committee meeting. The latest meeting was conducted on 18/9/2018. Several issues being discussed and evaluated are man-hours work, work place inspection, accident report, firefighting and drill evacuation, training and other issues related to OSH.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish a policy on good social practice	The Social and Humanity management policy covers the necessary aspects of human rights.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p>- Major compliance -</p>	<p>Employees are aware of their rights and workers and staff union monitor to ensure no violations.</p> <p>In Bukit Benut POM, all the briefing of SDP Policies were conducted through Town Hall Meeting on 18.05.2018 by SQM Team to all workers.</p>	
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>The Social Policy dated January 2015 enforce the management's direction that all employees should be treated fairly in terms of recruitment, progression, terms and conditions of works and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. Interview with the foreign and local workers, reveals there is no discriminatory issues as the management treat them well.</p>	Yes
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>As at 21/11/2018, there are 95 workers in the mill operation and there is no contract worker employed.</p> <p>Sighted the contract agreement of foreign [Indonesian and Nepalese– written in Bahasa Indonesia & Nepali] and local workers. The Contract Agreement stressing on pay, fringe benefits, salary slips, medical surveillance etc. Sampled contract as below:</p> <ol style="list-style-type: none"> 1. Employee id: 127679 2. Employee id:140250 3. Employee id: 146205 4. Employee id: 17507 5. Employee id: 29483 6. Employee id: 97215 <p>As per check roll workers, the foreign workers are also given monthly pay slip by mill administrative. Pay slips [June 18, Aug 18 and Oct 18] were verified confirming mill workers receives monthly salary more than RM 1000.00/month unless otherwise on unpaid leave, poor attendance and switching workers from daily rate to piece rate or vice versa.</p>	Yes
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed</p>	<p>No contractor workers hired in Bukit Benut POM, however, employee's wages been carry out in accordance on minimum wages order 2016, issued by Attorney Generals Chambers, for Semenanjung Malaysia RM 1000/month</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	<p>between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>(RM38.46/day for 6 working days per week). Sampled the payslip of foreign workers as below:</p> <ol style="list-style-type: none"> 1. Employee id: 127679 2. Employee id:140250 3. Employee id: 146205 4. Employee id: 17507 5. Employee id: 29483 6. Employee id: 97215 <p>Based on interview with workers, they are aware regarding to the minimum wages which has been defined in the MAPA/NUPW based on Minimum Wage Order 2016 effective 1st July 2016.</p>	
4.4.5.5	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>There is a list of employees for mill consist of employee number, name, check roll type, joining date and status in the SAP system – Semua Employee Master Listing.</p>	Yes
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>All workers are provided with the copy of the agreement, with the original is kept in the personal file by Admin Clerk in the POM Office. For locals, as per bullet 1 in the contract, all workers are given the probation period for 3 months and as per bullet 2-14 stated that all works, salary, rewards, rules, and conditions based on the MAPA / NUPW and Workers Act 1955. For foreigners, the contract Agreement stressing on pay, fringe benefits, salary slips, medical surveillance etc.</p>	Yes
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers.</p> <p>- Major compliance -</p>	<p>Pay slip for June 18, Aug 18 and Oct 18, 6 persons were verified. Documented payment for basic pay, shift allowance, normal days overtime, holiday pay, phone reimbursement, defray expenses on accommodation and insurance reimbursement. Based on the visit to mill, there is available information regarding the working hours displayed at the Muster ground.</p>	Yes
4.4.5.8	<p>The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and</p>	<p>Bukit Benut POM has JTK approval on overtime limit from 104 to 130 hours per month dated 27.03.2017.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable. - Major compliance -	Sampled workers in 4.4.5.3 having overtime less than 130 hours. All workers are provided with housing facilities at workers line site. Medical Assistant is responsible to carry out the monitoring at workers quarters.	
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers interviewed confirmed that they are being paid more than the stipulated minimum wage and that they understand all the deductions being made.	Yes
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings. - Minor compliance -	Workers will be paid overtime based on applicable rates in the Employment Act 1995, free medical examination, assistant by a qualified hospital or medical appointed by the company or medical officer in any government hospital or panel clinic. Sime Darby will bear the cost of return to their country of origin up to a maximum of RM 4,800 in the event of death or permanent disability. Compensation up to a maximum of RM 23,000 in the event of death or permanent disability due to accident outside working hours.	Yes
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. - Major compliance -	Based on field visit and interview with workers known that the adequate housing, clean water supplies, medical, mosque, temple, electricity and access to adequate, sufficient and affordable food has been provided. There is no complain, and grievance related to housing standard. Foreign workers are housed according to their ethnicity and religious beliefs and have adequate beds, clean running water from taps, kitchen and toilet facility. Workers are also provided with basic facilities such as bedsheet, pillows, pillowcases etc. for their living convenience. There is regular solid waste disposal system and routine maintenance for the upkeep of the line site/housing. Seen the linesite inspection by Medical Assistant conducted on weekly basis.	Yes
4.4.5.12	The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	The "Social Policy" seen consist of information on non-discrimination and equal opportunities. Seen the policy displayed in the mill's office and regularly communicated to all levels of the workforce through training programs.	Yes

Criterion / Indicator		Assessment Findings	Compliance
		Interviewed with mill workers [female local staff, male foreign workers], resulted with no form discrimination based on race, caste, national origin, religion, disability, gender, etc. The interviewed workers are aware on the term of discrimination and how they to respond if such incidents happen to them. There were 4x/year of gender committee meeting conducted. Sighted the minutes of meeting dated 27.10.2018, 28.07.2018, 12.05.2018 and 08.05.2018. So far, no sexual harassment or domestic violence cases reported.	
4.4.5.13	<p>The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	Interviewed the worker's union representative Mr. Jawahir (Indonesian) and Mr. Dhandev Bhul (Nepalese) whom claimed the management well cooperate with the union members. Sighted the meeting minutes dated on 07/06/2018 attended by 6 members and chaired by mill manager. Among the key issues discussed was on worker's housing which ongoing of renovation.	Yes
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.</p> <p>- Major compliance -</p>	There is a Group Policy on Child Protection dated on Jan 2015 and due for review in 2018. During visit to mill operation, there was no evidence found of workers below 18 years old. During the stakeholder interview, it was asked to the participants on the company's standing on minimum age policy that no children employed for mill operations. While on site interviewed with workers, they are aware the Minimum Age Policy is being strictly enforced by the management at which the age limit is above 18 years old.	Yes
Criterion 4.4.6: Training and competency			

Criterion / Indicator		Assessment Findings	Compliance
4.4.6.1	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training. - Major compliance -	Mill has established training plan for base from training need analysis conducted and documented in Training Plan FY 18/19. 26 training program were identified and programmed for all type of workers. As for contractors, there are 8 trainings such as OHS, discipline and waste management incorporated, and it being briefed before starts any works and recorded in "Permit to Work".	Yes
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description. - Major compliance -	Training need analysis was conducted and documented in Training Need Requirement for Operating Units – SOU 22 FY 2018/19. The analysis was conducted base on the job category and type of training required. 27 training program were identified during the training need analysis FY 2018 and has been programmed throughout the year.	Yes
4.4.6.3	A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure. - Minor compliance -	The mill has training program which updated annually. The annual internal audit by PSQM and management review does review the effectiveness of the training plan and its execution.	Yes
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented. - Major compliance -	Sime Darby has established Environmental Policy signed by the Managing Director on January 2015. The environmental management plan has been established to monitor the identified significant activities that give impacts on environment. A specific staff and executive have been appointed to do the monitoring to ensure the plan is effectively implemented.	Yes
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives;	The environmental management plan was established base on Environmental Aspect Impact Identification and Environmental Impact Evaluation. The plan was implemented to monitor the effectiveness of the mitigation measures. This	Yes

Criterion / Indicator		Assessment Findings	Compliance																															
	b) The aspects and impacts analysis of all operations - Major compliance -	plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Last reviewed was done on 28/5/2018.																																
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored. - Major compliance -	<p>The environmental management plan was established base on Environmental Aspect Impact Identification and Environmental Impact Evaluation. The plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Last reviewed was done on 28/5/2018.</p> <p>A specific staff and executive have been appointed to do the monitoring to ensure the plan is effectively implemented. Sighted the monitoring of reduction of BOD from 5000ppm to 3500ppm as reported in the Quarterly Return Form to DOE as follows:</p> <p>2nd quarter:</p> <table><tr><td>Month</td><td>Parameter</td><td>Results</td></tr><tr><td rowspan="2">Apr</td><td>BOD</td><td>1620</td></tr><tr><td>pH</td><td>8.01</td></tr><tr><td rowspan="2">May</td><td>BOD</td><td>1640</td></tr><tr><td>pH</td><td>8.02</td></tr><tr><td rowspan="2">June</td><td>BOD</td><td>1445</td></tr><tr><td>pH</td><td>8.10</td></tr></table> <p>3rd quarter:</p> <table><tr><td>Month</td><td>Parameter</td><td>Results</td></tr><tr><td rowspan="2">Jul</td><td>BOD</td><td>294</td></tr><tr><td>pH</td><td>8.20</td></tr><tr><td rowspan="2">Aug</td><td>BOD</td><td>1630</td></tr><tr><td>pH</td><td>8.10</td></tr></table>	Month	Parameter	Results	Apr	BOD	1620	pH	8.01	May	BOD	1640	pH	8.02	June	BOD	1445	pH	8.10	Month	Parameter	Results	Jul	BOD	294	pH	8.20	Aug	BOD	1630	pH	8.10	Yes
Month	Parameter	Results																																
Apr	BOD	1620																																
	pH	8.01																																
May	BOD	1640																																
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June	BOD	1445																																
	pH	8.10																																
Month	Parameter	Results																																
Jul	BOD	294																																
	pH	8.20																																
Aug	BOD	1630																																
	pH	8.10																																

Criterion / Indicator		Assessment Findings				Compliance
		Sep	BOD	7.40		
			pH	1445		
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Environmental Management Programme also includes continual improvement plans. For example, reduction of BOD from 5000ppm to 3500ppm and to prevent overflow of POME and prevent non-compliance with DOE requirement.				Yes
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives. - Major compliance -	The mill management has established annual training program which covers the environmental awareness and compliance related trainings to the executives, staffs and workers. Sighted the training record for MSPO training and COBC training dated 4/6/2018.				Yes
4.5.1.6	The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed. - Major compliance -	Environmental related matters were discussed during toolbox briefing. Noted during interview with employee shows the understanding on the importance of environmental quality. The employee are also encouraged to discuss environmental issues with the management.				Yes
Criterion 4.5.2: Efficiency of energy use and use of renewable energy						

Criterion / Indicator		Assessment Findings	Compliance																					
4.5.2.1	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period</p> <p>- Major compliance -</p>	<p>The Mill maintains records of energy usage, which is reported monthly to head office through SAP system. The use of the steam turbine for electricity generation has been optimized in order to reduce the dependence on diesel fossil fuel. No electric supply from TNB for Bukit Benut POM and fully dependent on diesel powered generator and steam turbine.</p> <p>Estates visited has established baseline for non-renewable energy base on average of last 3 years usage/FFB produce. The monitoring of non-renewable energy usage was conducted on annually basis. Sighted the sampled monitoring records for diesel and electricity usage for FY 2018 as follows:</p> <p>Bukit Benut Estate</p> <p>Baseline:</p> <p>Diesel – 0.12 L/ton FFB</p> <p>Electricity – 9.97 kWh/ton FFB</p> <table><tr><th>Month</th><th>Diesel usage</th><th>Electricity</th></tr><tr><td>May 18</td><td>0.15</td><td>14.40</td></tr><tr><td>Jun 18</td><td>0.13</td><td>10.02</td></tr><tr><td>Jul 18</td><td>0.17</td><td>11.57</td></tr><tr><td>Aug 18</td><td>0.13</td><td>6.71</td></tr><tr><td>Sep 18</td><td>0.12</td><td>8.74</td></tr><tr><td>Oct 18</td><td>0.10</td><td>5.50</td></tr></table>	Month	Diesel usage	Electricity	May 18	0.15	14.40	Jun 18	0.13	10.02	Jul 18	0.17	11.57	Aug 18	0.13	6.71	Sep 18	0.12	8.74	Oct 18	0.10	5.50	Yes
Month	Diesel usage	Electricity																						
May 18	0.15	14.40																						
Jun 18	0.13	10.02																						
Jul 18	0.17	11.57																						
Aug 18	0.13	6.71																						
Sep 18	0.12	8.74																						
Oct 18	0.10	5.50																						
4.5.2.2	<p>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</p> <p>- Major compliance -</p>	<p>Bukit Benut POM has estimation of total energy required. This estimation was compared to the actual usage by monthly and reported to the head office for monitoring.</p>	Yes																					

Criterion / Indicator		Assessment Findings	Compliance														
4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimize use of renewable energy. Data is being compiled for comparison and control for future improvement. Apart from use of diesel for electricity, palm fibre and shells were also used to generate electricity through steam turbine and boiler.</p> <p>The use of energy in palm oil mill and line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where Palm fibre and PK shells were used as renewable energy/fuel. Monthly records of energy consumption of non-renewable and renewable fuel per metric ton of palm product at the Mill were available. Average usage of renewable energy recorded at 4.84 ton/FFB processed.</p> <p>Sighted the sampled records for usage of renewable energy PK shells and fibre for FY 2017/18 as follows:</p> <table><tr><th>Month</th><th>Usage ton/FFB processed</th></tr><tr><td>Jan 18</td><td>4.81</td></tr><tr><td>Feb 18</td><td>4.55</td></tr><tr><td>Mar 18</td><td>4.61</td></tr><tr><td>Apr 18</td><td>4.76</td></tr><tr><td>May 18</td><td>4.78</td></tr><tr><td>Jun 18</td><td>4.75</td></tr></table>	Month	Usage ton/FFB processed	Jan 18	4.81	Feb 18	4.55	Mar 18	4.61	Apr 18	4.76	May 18	4.78	Jun 18	4.75	Yes
Month	Usage ton/FFB processed																
Jan 18	4.81																
Feb 18	4.55																
Mar 18	4.61																
Apr 18	4.76																
May 18	4.78																
Jun 18	4.75																
Criterion 4.5.3: Waste management and disposal																	
4.5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>The mill has identified the waste products and source pollution and documented in waste management plan FY 2018/19. The waste has been identified as follows:</p> <p>i. Scheduled waste, SW 305, SW 306, SW 410, SW 322, SW 324</p> <p>ii. Domestic waste – Rubbish</p> <p>iii. Industrial waste – POME, EFB, scrap metal, fiber, shell</p>	Yes														

Criterion / Indicator		Assessment Findings	Compliance
		Records on the usage and disposal were well recorded and documented. Appropriate secondary containment for the diesel skid tanks, chemical and scheduled waste storage areas was verified to be maintained.	
4.5.3.2	<p>A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:</p> <p>a) Identifying and monitoring sources of waste and pollution.</p> <p>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p>- Major compliance -</p>	<p>The estate has established the waste management plan and the plan was reviewed on annually basis.</p> <p>Estates visited has identified all waste products and source of pollution and documented in the Waste Management Plan. The waste identified has been categorized as follows:</p> <p>i. Scheduled waste, SW 305, SW 306, SW 410, SW 322, SW 324</p> <p>ii. Domestic waste – Rubbish</p> <p>iii. Industrial waste – POME, EFB, scrap metal, fiber, shell</p> <p>In the management plan stated the type of waste, source of waste, mitigation plan and person responsible.</p>	Yes
4.5.3.3	<p>The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p> <p>- Major compliance -</p>	<p>Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1 dated 26/2/2016. Proper disposal of waste material are carried out as per the company procedures. The procedures are fully understood by workers and managers.</p> <p>Both estate visited also have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. Stores for scheduled waste were inspected at both estate visited and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment.</p> <p>Observed during workers interview with storekeeper shows the understanding the proper disposal for waste as all used lubricant and contaminated spill kit will be collected as Scheduled Waste and stored in designated storage area.</p> <p>All the records were found adequate as per required by EQ (Scheduled Waste) Regulations 2005.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>Sighted the sampled scheduled waste disposal records:</p> <p>i. 5/10/2018 for SW 324; C/N no: 2018100515U0ASHF</p> <p>ii. 5/10/2018 for SW 410; C/N no: 20181005158U5K4P</p> <p>iii. 5/10/2018 for SW 409; C/N no: 201810051545WPY3</p> <p>iv. 5/10/2018 for SW 409; C/N no: 2018100515RBLPHV</p>	
4.5.3.4	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.</p> <p>- Minor compliance -</p>	<p>The management used to segregate the waste, i.e. general wastes and scheduled wastes was verified to be satisfactory in the POM. Proper storage areas were identified for the storage of the recyclable wastes at the mill.</p>	Yes
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>Monitoring plan was established based on Environment Aspect and Impact assessment DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling.</p> <p>Observed the stack emission monitoring report conducted by Spectrum Laboratories (Johore) Sdn. Bhd to Dept. of Environmental as follows:</p> <p>i. Report date: 3/9/2018 Report no.: ETD/SE/BBPOM/2018/09/18304 Result: 0.069 g/m3 dry@ 12% CO2</p> <p>ii. Report date: 17/3/2018 Report no.: ETD/SE/BBPOM/2018/03/17593 Result: 0.018 g/m3 dry@ 12% CO2</p> <p>Result shown the stack emissions are within approval limit. For effluent discharge.</p> <p>The latest river water analysis test report was conducted as follows:</p> <p>i. Report date: 20/3/2018 Report no.: PL 242/2018 Result: non-detected</p>	Yes
4.5.4.2	<p>An action plan to reduce identified significant pollutants</p>	<p>Bukit Benut POM Waste Management Plan FY17/18 has been integrated into environmental</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance																																				
	and emissions shall be established and implemented. - Major compliance -	improvement plan which is being reviewed on yearly basis. Based on action plan, main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH4) emission through POME treatment. The company are monitored POME application on daily basis. GHG emission calculated using RSPO approved calculator (version 3.0).																																					
4.5.4.3	Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations. - Major compliance -	<p>The method for effluent discharge at Bukit Benut POM through land application at Bukit Benut Estate (150.28 Ha) area. The BOD limit for final discharge need to be not higher than 3500 mg/l.</p> <p>The latest effluent analysis test report for September 2018 was verified. Refer report no. IE 1100/2018. The result show Bukit Benut POM is in compliance with the Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. For effluent discharge, regular monitoring was conducted as per requirement. Monthly and quarterly report was submitted to DOE accordingly. Sighted the Quarterly Return Form to DOE as follows:</p> <p>2nd quarter:</p> <table><tr><th>Month</th><th>Parameter</th><th>Results</th></tr><tr><td rowspan="2">Apr</td><td>BOD</td><td>1620</td></tr><tr><td>pH</td><td>8.01</td></tr><tr><td rowspan="2">May</td><td>BOD</td><td>1640</td></tr><tr><td>pH</td><td>8.02</td></tr><tr><td rowspan="2">June</td><td>BOD</td><td>1445</td></tr><tr><td>pH</td><td>8.10</td></tr></table> <p>3rd quarter:</p> <table><tr><th>Month</th><th>Parameter</th><th>Results</th></tr><tr><td rowspan="2">Jul</td><td>BOD</td><td>294</td></tr><tr><td>pH</td><td>8.20</td></tr><tr><td rowspan="2">Aug</td><td>BOD</td><td>1630</td></tr><tr><td>pH</td><td>8.10</td></tr><tr><td rowspan="2">Sep</td><td>BOD</td><td>7.40</td></tr><tr><td>pH</td><td>1445</td></tr></table>	Month	Parameter	Results	Apr	BOD	1620	pH	8.01	May	BOD	1640	pH	8.02	June	BOD	1445	pH	8.10	Month	Parameter	Results	Jul	BOD	294	pH	8.20	Aug	BOD	1630	pH	8.10	Sep	BOD	7.40	pH	1445	Yes
Month	Parameter	Results																																					
Apr	BOD	1620																																					
	pH	8.01																																					
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Sep	BOD	7.40																																					
	pH	1445																																					

Criterion / Indicator		Assessment Findings	Compliance														
Criterion 4.5.5: Natural water resources																	
4.5.5.1	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a) Assessment of water usage and sources.</p> <p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill’s current activities.</p> <p>c) Ways to optimize water and nutrient usage and reduce wastage (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>- Major compliance -</p>	<p>The mill has established Water Management Plan FY 2018/19. The plan focusing on shortage of water supply due to dry spell, severe water pollution and contamination of surface and ground water. In the plan stated the water source, areas of concern, monitoring, contingency plan, mitigation plan, person responsible and time frame.</p> <p>The mill has conducted river water sampling on annually basis. The latest river water analysis test report was conducted as follows:</p> <p>i. Report date: 20/3/2018 Report no.: PL 242/2018 Result: non-detected</p> <p>Water consumption was monitored monthly basis. Sighted the water usage/FFB processed monitoring records as follows:</p> <table><tr><th>Month</th><th>Usage ton/FFB processed</th></tr><tr><td>Jan 18</td><td>1.31</td></tr><tr><td>Feb 18</td><td>1.16</td></tr><tr><td>Mar 18</td><td>1.27</td></tr><tr><td>Apr 18</td><td>1.22</td></tr><tr><td>May 18</td><td>1.18</td></tr><tr><td>Jun 18</td><td>1.05</td></tr></table>	Month	Usage ton/FFB processed	Jan 18	1.31	Feb 18	1.16	Mar 18	1.27	Apr 18	1.22	May 18	1.18	Jun 18	1.05	Yes
Month	Usage ton/FFB processed																
Jan 18	1.31																
Feb 18	1.16																
Mar 18	1.27																
Apr 18	1.22																
May 18	1.18																
Jun 18	1.05																
4.5.5.2	<p>Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.</p> <p>- Major compliance -</p>	<p>As per Scheduled of compliance for Bukit Benut POM from DOE (002208), the method for effluent discharge at Bukit Benut POM through land application at Bukit Benut Estate (150.28 Ha) area.</p>	Yes														
4.6 Principle 6: Best Practices																	
Criterion 4.6.1: Mill Management																	

Criterion / Indicator		Assessment Findings	Compliance
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	SOP available for the Palm Oil Mill and the Estates. 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. Sime Darby has established a system to monitor the mill operation. The Mill advisor, Structured Oil Recovery Assessment (SORA) and Planning and Monitoring Unit visited the operating units on timely basis. Their reports covers on all aspect of operation. Sighted the Mill Advisor on 23-25/5/2018, report no. SOU22/BBM/02/17-18 and 22-23/10/2018, report no. SOU22/BBM/01/2018. The report covers on plant and machinery, upkeep and cleanliness, OER, KER, crop volume, operation cost and compliancy to law and regulations.	Yes
4.6.1.2	All palm oil mills shall implement best practices. - Major compliance -	Sighted the Mill Advisor on 23-25/5/2018, report no. SOU22/BBM/02/17-18 and 22-23/10/2018, report no. SOU22/BBM/01/2018. The report covers on plant and machinery, upkeep and cleanliness, OER, KER, crop volume, operation cost and compliancy to law and regulations. The mill managements develop Action Plans from the Advisory Reports for improvement of the operations. Review of Advisory Reports, Action Plans and site inspections confirmed consistent records of implementation of SOPs. This to ensure that performance is on track and best practices being consistently implemented.	Yes
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	Annual business plan in the form of annual budget and the projection for 5 years prepared as guidance for future planning. The business plan for FY18/19 contains FFB yield, CPO, OER, and KER, costs of production, milling utilization, FFB pricing etc. It also includes environment, social (workers and staff's welfare), and health and safety component and associated capital expenditure for improvement of smallholder schemes. Sample of CAPEX for 18/19: i. Auto oil skimming system ii. Holding Pond	Yes

Criterion / Indicator		Assessment Findings	Compliance
		iii. Palm Oil Mills Effluent Treatment upgrading iv. ESP System c/w Dust Analyzer	
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	There is no outside crop at Bukit Benut POM. The pricing method for ARM Multi Work Enterprise (grasscutting) has been clearly stated in the contract and agreed by the contractor on 17.10.2018 valid until 16.10.2019.	Yes
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	There is no outside crop received by Bukit Benut POM. Bukit Benut POM has prepared a standard contract for the transportation contractor (CPO Transport). The signed copy of the contract was made available at the mill between Sime Darby Plantation Sdn Bhd and ARM Multi Work Enterprise (grasscutting).	Yes
Criterion 4.6.4: Contractor			
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	Bukit Benut POM has initiated the MSPO awareness to all its contractors through the Townhall Meeting on 18/05/2018. Interview with the contractor, found that he has understood on the MSPO requirements.	Yes
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Bukit Benut POM has prepared a standard contract for the contractor. The signed copy of the contract was made available at the mill between Sime Darby Plantation Sdn Bhd and ARM Multi Work Enterprise.	Yes
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. - Minor compliance -	Bukit Benut POM has no objection to allow BSI auditors to verify the assessment through physical inspection if required. There is an agreement between contractor and mill management mentioned that contractor will allow CB to audit when required.	Yes

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Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	The Inter-office Mail regarding MSPO Implementation from Head, Plantation Sustainability and Quality Management was established, dated 8/9/2017 to show the evidence of commitment towards MSPO implementation. The current MSPO policy is under review and not yet published.	Yes
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The MSPO policy was communicated through Townhall Meeting to the executive, staff, and workers accordingly on 22/05/2018 by the SQM Team at Bukit Benut Estate and CEP Niyor Estate. The training record was made available at Estate office.	Yes
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	The Internal Audit procedure (SD/SDP/PSQM/IAP) which was dated 1/11/2017 was established. The internal audit need to be conducted annual and when required.	Yes
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	The Internal Audit was planned to be conducted annually. The RSPO & MSPO Internal Audit Report dated 23 rd May 2018 (Bukit Benut Estate) and (CEP Niyor) by SQM –Southern Region Team (Lead Auditor: Nurulashida Bt Mohd Saad). During this audit, there were 2 major NC, 10 AOC (Bukit Benut Estate) and 9 major NC, 2 minor and 9 AOC (CEP Niyor). AOC's raised and all the findings were closed on 25/06/2018.	Yes
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	The report was made available at mill office during the audit.	Yes

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.1.3 – Management Review			
4.1.3.1	<p>The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.</p> <p>- Major compliance -</p>	<p>The procedure for Management Review (QMM, Sub-Section 5.6, dated: 25/5/2015) was established. The frequency for management review needs to be carried out at least once a year. Management Review for MSPO/RSPO Compliance was conducted on 14/06/2018 (Bukit Benut Estate) and 01/08/2018 (CEP Niyor Estate) All the agenda such as Safety Meeting, Internal Audit Result and any other matters.</p>	Yes
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p> <p>- Major compliance -</p>	<p>The management had established the method for continual improvement, Kaizen Charter which related to the continuous improvement was established:</p> <ol style="list-style-type: none"> 1. Bukit Benut Estate: To reduce the cost of production of septic cover from RM246.00 to RM90.46 at Ladang Bukit Benut by December 2017, To reduce cost of Bagworm treatment by intensifying Planting Beneficial Plants especially <i>Euphorbia Haterophylla</i> as a Biological Control. 2. CEP Niyor Estate: Replacement signboard to sticker, To reduce searching size for Wilinton Boot at Warehouse CEP Niyor by end of April 2018. 	Yes
4.1.4.2	<p>The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption.</p> <p>- Major compliance -</p>	<p>The management had established the method for continual improvement, Kaizen Charter which related to the continuous improvement was established:</p> <ol style="list-style-type: none"> 1. Bukit Benut Estate: To reduce the cost of production of septic cover from RM246.00 to RM90.46 at Ladang Bukit Benut by December 2017, To reduce cost of Bagworm treatment by intensifying Planting Beneficial Plants especially <i>Euphorbia Haterophylla</i> as a Biological Control. 2. CEP Niyor Estate: Replacement signboard to sticker, To reduce searching size for 	Yes

Criterion / Indicator		Assessment Findings	Compliance
		Wilinton Boot at Warehouse CEP Niyor by end of April 2018.	
4.1.4.3	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established. - Major compliance -	The Kaizen charts in 4.1.4.2 has been updated on the work progress accordingly.	Yes
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	The information for MSPO is communicated through Town Hall Meeting on 22.05.2018. During the Townhall Meeting, Safety & Health, Policies, RSPO and MSPO to workers and contractors done by the Estate Manager, Mr. Yazid (Bukit Benut Estate) and Mr. Zawawi, PSQM-ESH (CEP Niyor Estate).	Yes
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	As per stated in the "Sustainable Plantation Management System" manual dated 01/11/2008, section "Documentation & Communication" – clause 3.2, where appropriate information on sustainable activities will be made available to the general public / stakeholders through yearly annual reports, circulars, agreements, Sime Darby website and other publications. Specific requests for information from interested parties shall be channelled to the SQM, Communication Department, and Legal Department of Sime Darby.	Yes
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders.	The mill provides a log book at the mill's office to enable external stakeholders to register their complaints and grievances. There is a flow chart titled dated 01/11/2008 "Sustainable Plantation Management System" - for internal [Appendix	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	5.5.3.1] and external [Appendix 5.5.3.2] established for communicating and reporting of EMS, OHS and social issues with relevant stakeholders. There is also a "Whistleblowing Policy" (GPA No. B5) dated 27/02/14 are made available for handling stakeholder's social issues.	
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	With effect from 20.04.2018, Mr. Ramesh Rajagopal (Bukit Benut Estate) and Mr. Mugilan A/L Balachandran (CEP Niyor Estate) appointed to overall in charge for social issue and the responsible for communication and consultation with the local communities and other interested parties. The appointment letter also clearly indicates the roles and responsibility of the person. The appointment has been communicated internally by memo and externally through stakeholder consultation.	Yes
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - Major compliance -	The latest reviewed stakeholder list consists of 53 (Bukit Benut Estate) suppliers/vendors, local communities and government agencies. The latest stakeholder meeting was on 19/03/2018 combined with Bukit Benut Estate and 14/02/2018 for CEP Niyor Estate sighted the attendance record attached with the minutes of meeting. No major issues raised.	Yes
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	The mill has implemented SOP for Traceability Doc No: Appendix 15, dated May 2016 and SOP on Sustainable Supply Chain and Traceability SD/SDP/PSQM/001 dated 01/03/15 as to provide guideline to establish sustainable supply chain and traceability for FFB, CPO and PK. Delivery of FFBs are only from internal estate that owned by Sime Darby Plantation. Sampled weighbridge tickets of Bukit Benut Estate [E139], Lambak Estate [E111], CEP Niyor [E031] were verified against the computed figures and approved vendor list, no discrepancies. Traceability from estate to mill is the Delivery Advise that consist of running number, date, weight, and transport details. The significant difference between the weighbridge ticket of internal and external supply is the letter head, tracking number, name of supply base and field number.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Internal audit by the sustainability team was conducted includes traceability which the assessment is conducted on annual basis. The harvesting field supervisor holds the responsibility on regular inspection, whereby the effectiveness of monitoring seen captured in the internal audit by SQM. Aside there is also field routine visit by the manager and annually visit by sustainability team members.	Yes
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The person in-charge is Mr. Ramesh Rajagopal, Senior Assistant Manager (Bukit Benut Estate) and Mr. Mugilan A/L Balachandran (CEP Niyor Estate) as RSPO/MSPO representative stated in the appointment letter, dated 14 April 2018 for both estates.	Yes
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Interview weighbridge operator to understand the traceability of incoming FFB from estate and delivery of FFB to mill. Sampled tickets for Oct'18 for both Bukit Benut Estate and CEP Niyor Estate.	Yes
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. - Major compliance -	Sime Darby has established a mechanism to ensure compliancy to legal and other requirement and documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU22. 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. Both estate visited conducted evaluation on estate compliance with applicable laws and regulation on annual basis. Bukit Benut Estate:	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>The latest evaluation was conducted on 10/4/2018 by Medical Assistant and approved by Estate Manager. As to date, the Bukit Benut Estate comply with all the applicable local, state, national and ratified international laws and regulations.</p> <p>CEP Niyor Estate</p> <p>The latest evaluation was conducted on 19/4/2018 by Medical Assistant and approved by Estate Manager. As to date, the CEP Niyor Estate comply with all the applicable local, state, national and ratified international laws and regulations.</p>	
4.3.1.2	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>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.</p> <p>List of applicable legal and other requirements was made available during the assessment and compiled in the Legal and Other Requirement Register.</p> <p>Bukit Benut Estate:</p> <p>All the legal and other requirements were register accordingly and documented in the legal requirement register including Employment Insurance System (EIS) 2017. The latest evaluation was conducted on 10/4/2018 by Medical Assistant and approved by Estate Manager.</p> <p>CEP Niyor Estate:</p> <p>All the legal and other requirements were register accordingly and documented in the legal requirement register including Employment Insurance System (EIS) 2017. The latest evaluation was conducted on 19/4/2018 by Medical Assistant and approved by Estate Manager.</p>	Yes
4.3.1.3	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- Major compliance -</p>	<p>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.</p> <p>List of applicable legal and other requirements was made available during the assessment and</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>compiled in the Legal and Other Requirement Register.</p> <p>Bukit Benut Estate:</p> <p>All the legal and other requirements were register accordingly and documented in the legal requirement register including Employment Insurance System (EIS) 2017. The latest evaluation was conducted on 10/4/2018 by Medical Assistant and approved by Estate Manager.</p> <p>CEP Niyor Estate:</p> <p>All the legal and other requirements were register accordingly and documented in the legal requirement register including Employment Insurance System (EIS) 2017. The latest evaluation was conducted on 19/4/2018 by Medical Assistant and approved by Estate Manager.</p>	
4.3.1.4	<p>The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>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 SOU22. 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.</p> <p>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. Tracking system on any changes in the law been well implemented. E.g. regular notification by Head Office and regular updates from the DOE/DOSH websites as well as from MAPA circulars.</p> <p>The person in-charge is Mr. Ramesh Rajagopal, Senior Assistant Manager (Bukit Benut Estate) and Mr. Mugilan A/L Balachandran (CEP Niyor Estate)</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance																												
		as RSPO/MSPO representative stated in the appointment letter, dated 14 April 2018 for both estates. Their responsibility is to monitor the compliance and update changes in regulatory requirement.																													
Criterion 4.3.2 – Lands use rights																															
4.3.2.1	<p>The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.</p> <p>- Major compliance -</p>	<p>Sime Darby did not acquire land from landowners, but leased it directly from the government. There were no issues of land disputes.</p> <p>Sime Darby leased all the land directly from the government. There were no issues of land disputes recorded. All land title were kept in the office and available for review.</p> <p>Sighted sampled of Land Title at both estates visited:</p> <p>Bukit Benut Estate:</p> <table border="1"> <thead> <tr> <th>No.</th><th>Title No.</th><th>Lot. No</th><th>Hectarage</th></tr> </thead> <tbody> <tr> <td>1</td><td>98998</td><td>873</td><td>195.969 ha</td></tr> <tr> <td>2</td><td>120736</td><td>1064</td><td>42.0114 ha</td></tr> <tr> <td>3</td><td>85635</td><td>1761</td><td>4.8562 ha</td></tr> </tbody> </table> <p>CEP Niyor Estate:</p> <table border="1"> <thead> <tr> <th>No.</th><th>Title No.</th><th>Lot. No</th><th>Hectarage</th></tr> </thead> <tbody> <tr> <td>1</td><td>269048</td><td>2818</td><td>262.0035 ha</td></tr> <tr> <td>2</td><td>82565</td><td>2218</td><td>793.6873 ha</td></tr> </tbody> </table>	No.	Title No.	Lot. No	Hectarage	1	98998	873	195.969 ha	2	120736	1064	42.0114 ha	3	85635	1761	4.8562 ha	No.	Title No.	Lot. No	Hectarage	1	269048	2818	262.0035 ha	2	82565	2218	793.6873 ha	Yes
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4.3.2.2	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p> <p>- Major compliance -</p>	<p>Legal perimeter boundaries were visibly maintained and clearly demarcated at both estate visited. The management demarcated the boundary with red and white color peg. Security trenches were constructed along the boundary.</p> <p>Bukit Benut Estate:</p> <p>Sighted during site visit at P08B adjacent with small holders, the boundary stone are visibly maintained. The legal boundary are clearly demarcated with boundary peg and security trenches.</p>	Yes																												
4.3.2.3	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- Major compliance -</p>	<p>CEP Niyor Estate:</p> <p>Sighted during site visit at P08/1 adjacent with smallholders, the legal boundary stone were clearly demarcated with red and white colour GI pipe. Additionally, the estate has constructed security trenches along estate legal boundary.</p>	Yes																												

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Criterion / Indicator		Assessment Findings	Compliance
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	Sime Darby did not acquire land from landowners, but leased it directly from the government. There were no issues of land disputes.	Yes
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	Sime Darby did not acquire land from landowners, but leased it directly from the government. There were no issues of land disputes.	Yes
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available. - Minor compliance -	Sime Darby did not acquire land from landowners, but leased it directly from the government. There were no issues of land disputes.	Yes
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	Sime Darby did not acquire land from landowners, but leased it directly from the government. There were no issues of land disputes.	Yes
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	The 5 yearly Social Impact Assessment [SIA] was done by the Social & Environment Projects Units of SQM department that based on Impact Assessment Manual by federal Department of town and Country Planning Peninsular Malaysia and Malaysian Society of Impact Assessment for the whole SOU 22 from 16-19/05/2016. The assessment was aimed on livelihoods, social wellbeing of the wider community and physical impacts of human populations on social changes.	Yes

Criterion / Indicator		Assessment Findings	Compliance
		All the respective operating units registered with an action plan (updated 01.07.2018 for Bukit Benut POM and 28.06.2018 for CEP Niyor Estate) which focus on area of concern and matters raised by the stakeholders.	
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	There is a flow chart titled dated 01/11/2008 "Sustainable Plantation Management System" - for internal [Appendix 5.5.3.1] and external [Appendix 5.5.3.2] established for communicating and reporting of EMS, OHS and social issues with relevant stakeholders. There is also a "Whistleblowing Policy" (GPA No. B5) dated 27/02/14 are made available for handling stakeholder's social issues.	Yes
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance -	Dispute not applicable as this was evidenced in the internal and external stakeholder meeting minutes.	Yes
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	In general, there are options for both internal and external stakeholder to channel their complaints to the relevant authority at estate via the morning muster/roll call, via respective supervisors, direct to the Manager, or a complaints book which is filled by workers to report about their housing/work conditions. At management level, there are periodical health and safety meetings, meetings between local union leaders and the management as well as gender committee meetings which are held in all estates.	Yes
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Aside of the information in the website, Town Hall gathering and annual stakeholder meeting, there is a Procedure for External Communication (Standard Operation Manual (SOM), Appendix 5.5.3.2) which specific to communication with respect to QSHE performance at the estates.	Yes
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected	Seen the internal and external stakeholders log book for estate. At this moments, no negative complaints made by either party in the last 24 months. It is more to request and response from	Yes

Criterion / Indicator		Assessment Findings	Compliance
	stakeholders upon request. - Major compliance -	them for household maintenance which the estate management responded timely.	
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - Minor compliance -	Among the CSR for Bukit Benut Estate: 1. Grass cutting at school field on 19.01.2018, 15.03.2018 & 30.04.2018. 2. Sports day on 01.05.2018. 3. Kejohanan Olahraga Kali Ke 29 on 11.2.2018. 4. Sambutan Keerdekaan on 11.9.2018 5. Memohon Perkhidmatan Tractor 18.3.2018 6. Sambutan Hari Kebangsaan Peringkat Sekolah kali ke-61 on 28.8.2018 7. Aktiviti Kembara Hutan on 15.11.2018.	Yes
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -	Sime Darby has established the Group Policy on Health and Safety signed by the Managing Director on Jan 2015. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the mill. The PSQM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition	Yes
4.4.4.2	The occupational safety and health plan shall cover the following: a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: i. all employees involved shall be adequately	Safety and Health Policy has been established and communicated to the workers through induction training for new workers, morning briefing, iCARE Safety and Health Townhall meeting, and displayed at various notice board within the Estate. Bukit Benut Estate: Latest iCARE Safety and Health Townhall was conducted on 22/5/2018. Interview with the spraying shows the understanding of OSH practices in the estate. CEP Niyor Estate: Latest iCARE Safety and Health Townhall was conducted on 22/5/2018. Interview with the harvesters shows the understanding of OSH practices in the estate.	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>trained on safe working practices</p> <p>ii. all precautions attached to products shall be properly observed and applied</p> <p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the</p>	<p>Estate visited has conducted risk assessment for all the operations and documented in Hazard Identification, Risk Assessment, and Risk Control (HIRARC). The assessment cover all main operations and support operations. The assessment also covers working type, job step, hazard, effect, existing control, type, probability, etc.</p> <p>Bukit Benut Estate: Latest review was conducted on 1/7/2018 with addition on risk assessment for manuring with FM3 machine.</p> <p>CEP Niyor Estate: Latest review was conducted on 15/8/2018 with review for harvesting operation due to high injury case on thorn prick.</p> <p>The estates visited has established training program for employees exposed to chemicals to ensure the continuous awareness to the employee. The training was conducted by the Manager, Asst. Manager and representative from the chemical suppliers to the supervisors and operators. Sighted the training records as follows:</p> <p>Bukit Benut Estate:</p> <p>i. Trunk injection training dated 18/1/2018</p> <p>ii. Selective Spraying of weeds controlled training dated 30/10/2018</p> <p>iii. P&D spraying at Immature Field 27/8/2018</p> <p>iv. Safety and PPE training for P&D spraying team training dated 23/8/2018</p> <p>v. Rat baiting application works at mature field dated 3/8/2018</p> <p>CEP Niyor Estate:</p> <p>i. Manuring SOP training dated 8/3/2018</p> <p>ii. Spraying (Spot and Circle) and Safety training dated 7/4/2018</p> <p>iii. Trunk injection training dated 18/11/2017</p> <p>iv. Chemical handling training dated 30/10/2018</p> <p>The estate provided the appropriate PPE to the workers as per HIRARC.</p>	

Criterion / Indicator	Assessment Findings	Compliance
<p>concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>Bukit Benut Estate:</p> <p>Sighted during interview with spraying operator shows the understanding of wearing proper PPE. The operators was provided with 'mengkuang' hat, safety google, respirator, apron and safety boot. Sighted the sampled PPE issuance records at Bukit Benut Estate for workers ID no. 109109, 133692 and 133696.</p> <p>CEP Niyor Estate:</p> <p>Noted during interview with the harvester show the knowledge on importance to use PPE during working. The harvesters were provided with safety helmet, safety boot, vest and sickle cover. PPE issue was recorded base on PPE type. Sighted the PPE issuance records for Wellington boot and cotton gloves for FY 2018.</p> <p>Procedures of chemical handling is presented in several documents, such Document No. SD/SDP/SQM(ESH)/001-1 Sime Darby Plantation Environment, Safety, and Health Management System (ESHMS) Manual dated July 1st, 2012.</p> <p>Estate Manager was appointed by the Sime Darby management to be the Chairman of OSH Committee at the mill as per letter signed by the Regional General Manager/CEO for Southern Region. Mill management has appointed Safety Committee Member consist of OSH Coordinator, Secretary, employer representatives and employee representative's appointment letter by the Mill Manager. The OHS Chairman and Secretary are in coordination with PSQM Head Quarter Officer for any update national regulations and collective agreements.</p> <p>Bukit Benut Estate:</p> <p>Sighted the appointment letter for OSH committee as per letter dated 1/4/2017 signed by the estate manager.</p> <p>CEP Niyor Estate:</p> <p>Sighted the appointment letter for OSH committee as per letter dated 5/3/2018 signed by the estate manager.</p> <p>The management conducted OSH committee meeting on quarterly basis. In the meeting discussed issue on employees' safety, health and welfare such as mill safety and health</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>achievement report, mill security, safety compliance by contractors, workplace audit report, legal compliance, safety and health training and etc.</p> <p>Bukit Benut Estate:</p> <p>Sighted the minutes meeting for OSH committee dated 3/9/2018, 4/6/2018 and 23/3/2018.</p> <p>CEP Niyor Estate:</p> <p>Sighted the minutes meetings of OSH committee dated 27/8/2018, 31/5/2018 and 8/3/2018</p> <p>Accident of emergency procedure is presented in Quality Management System Standard Operation manual (MQMS SOM) dated November 1st, 2008. Flowchart of emergency handling presented in Appendix 5.5.3.3.</p> <p>Noted during interview at both estates visited with the pre-mix handler and store keeper regarding the emergency for chemical spillage shows the understanding of the instructions of the emergency procedures.</p> <p>First aider were present at the field operations. Mandore for each gang were trained and appointed as the first aider and bring the first aid kit daily to the field.</p> <p>Bukit Benut Estate:</p> <p>Noted during interview with the spraying gang mandore shows the knowledge of first aid kit. Sighted the first aid training dated 22/5/2018.</p> <p>CEP Niyor Estate:</p> <p>Interview with the harvesting mandore shows the understanding on how to use the first aid kit. Sighted the first aid training dated 5/5/2018.</p> <p>The estates visited recorded all accidents reports and reported to HQ using the PSQM-ESH Monthly update form. The accident occurred was reviewed on quarterly basis during OSH committee meeting. Several issues being discussed and evaluated are man-hours work, work place inspection, accident report, firefighting and drill evacuation, training and other issues related to OSH.</p> <p>Bukit Benut Estate:</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>Accident reports was reviewed quarterly during OSH Committee Meeting. The latest meeting was conducted on 3/9/2018.</p> <p>CEP Niyor Estate:</p> <p>Accident reports was reviewed quarterly during OSH Committee Meeting. The latest meeting was conducted on 27/8/2018.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p>- Major compliance -</p>	<p>The Social and Humanity management policy covers the necessary aspects of human rights. Employees are aware of their rights and workers and staff union monitor to ensure no violations.</p> <p>In Bukit Benut Estate and CEP Niyor Estate, all the briefing of SDP Policies were conducted through Town Hall Meeting on 22.05.2018. During the Townhall Meeting, Safety & Health, Policies, RSPO and MSPO to workers and contractors done by the Estate Manager, Mr. Yazid (Bukit Benut Estate) and Mr. Zawawi, PSQM-ESH (CEP Niyor Estate).</p>	Yes
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>The Social Policy dated January 2015 enforce the management's direction that all employees should be treated fairly in terms of recruitment, progression, terms and conditions of works and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. Interview with the foreign and local workers, reveals there is no discriminatory issues as the management treat them well.</p>	Yes
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>As at 22/11/2018, there are 191 (foreign) + 61 (locals) workers in the mill operation and there is no contract worker employed.</p> <p>Sighted the contract agreement of foreign [Indonesian, Bangladeshi, Myanmar and Nepalese– written in Bahasa Indonesia & Nepali] and local workers. The Contract Agreement stressing on pay, fringe benefits, salary slips, medical surveillance etc. Sampled contract as below:</p> <ol style="list-style-type: none"> 1. Employee id: 141440 (Bukit Benut Estate) 2. Employee id: 90285 (Bukit Benut Estate) 3. Employee id: 123056 (Bukit Benut Estate) 4. Employee id: 125982 (Bukit Benut Estate) 5. Employee id: 134574 (Bukit Benut Estate) 	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>6. Employee id: 96854 (Bukit Benut Estate) 7. Employee id: 15808 (CEP Niyor Estate) 8. Employee id: 96426 (CEP Niyor Estate) 9. Employee id: 123130 (CEP Niyor Estate) 10. Employee id: 138145 (CEP Niyor Estate) 11. Employee id: 141557 (CEP Niyor Estate) 12. Employee id: 145647 (CEP Niyor Estate) 13. Passport No: B5794551 (CEP Niyor Estate-Contractor Worker).</p> <p>As per check roll workers, the foreign workers are also given monthly pay slip by mill administrative. Pay slips [June 18, Aug 18 and Oct 18] were verified confirming mill workers receives monthly salary more than RM 1000.00/month unless otherwise on unpaid leave, poor attendance and switching workers from daily rate to piece rate or vice versa.</p>	
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>No contractor workers hired in Bukit Benut POM, however, employee's wages been carry out in accordance on minimum wages order 2016, issued by Attorney Generals Chambers, for Semenanjung Malaysia RM 1000/month (RM38.46/day for 6 working days per week). Sampled the payslip of foreign workers as below:</p> <p>1. Employee id: 141440 (Bukit Benut Estate) 2. Employee id: 90285 (Bukit Benut Estate) 3. Employee id: 123056 (Bukit Benut Estate) 4. Employee id: 125982 (Bukit Benut Estate) 5. Employee id: 134574 (Bukit Benut Estate) 6. Employee id: 96854 (Bukit Benut Estate) 7. Employee id: 15808 (CEP Niyor Estate) 8. Employee id: 96426 (CEP Niyor Estate) 9. Employee id: 123130 (CEP Niyor Estate) 10. Employee id: 138145 (CEP Niyor Estate) 11. Employee id: 141557 (CEP Niyor Estate) 12. Employee id: 145647 (CEP Niyor Estate) 13. Passport No: B5794551 (CEP Niyor Estate-Contractor Worker).</p> <p>Based on interview with workers, they are aware regarding to the minimum wages which has been defined in the MAPA/NUPW based on Minimum Wage Order 2016 effectives 1st July 2016.</p>	Yes
4.4.5.5	The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted	There is a list of employees for mill consist of employee number, name, check roll type, joining date and status in the SAP system – SEMUA Employee Master Listing.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. - Major compliance -		
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records. - Major compliance -	All workers are provided with the copy of the agreement, with the original is kept in the personal file by Admin Clerk in the POM Office. For locals, as per bullet 1 in the contract, all workers are given the probation period for 3 months and as per bullet 2-14 stated that all works, salary, rewards, rules, and conditions based on the MAPA / NUPW and Workers Act 1955. For foreigners, the contract Agreement stressing on pay, fringe benefits, salary slips, medical surveillance etc.	Yes
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance -	Pay slip for June 18, Aug 18 and Oct 18, 6 persons were verified. Documented payment for basic pay, shift allowance, normal days overtime, holiday pay, phone reimbursement, defray expenses on accommodation and insurance reimbursement. Based on the visit to mill, there is available information regarding the working hours displayed at the Muster ground.	Yes
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	No workers has obtain the overtime more than 104 hours. All workers are provided with housing facilities at workers line site. Medical Assistant is responsible to carry out the monitoring at workers quarters.	Yes
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers interviewed confirmed that they are being paid more than the stipulated minimum wage and that they understand all the deductions being made.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	Workers will be paid overtime based on applicable rates in the Employment Act 1995, free medical examination, assistant by a qualified hospital or medical appointed by the company or medical officer in any government hospital or panel clinic. Sime Darby will bear the cost of return to their country of origin up to a maximum of RM 4,800 in the event of death or permanent disability. Compensation up to a maximum of RM 23,000 in the event of death or permanent disability due to accident outside working hours.	Yes
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major compliance -	Based on field visit and interview with workers known that the adequate housing, clean water supplies, medical, mosque, temple, electricity and access to adequate, sufficient and affordable food has been provided. There is no complain, and grievance related to housing standard. Foreign workers are housed according to their ethnicity and religious beliefs and have adequate beds, clean running water from taps, kitchen and toilet facility. Workers are also provided with basic facilities such as bedsheet, pillows, pillowcases etc. for their living convenience. There is regular solid waste disposal system and routine maintenance for the upkeep of the line site/housing. Seen the linesite inspection by Medical Assistant conducted on weekly basis for both estates.	Yes
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	The "Social Policy" seen consist of information on non-discrimination and equal opportunities. Seen the policy displayed in the mill's office and regularly communicated to all levels of the workforce through training programs. Interviewed with mill workers [female local staff, male foreign workers], resulted with no form discrimination based on race, caste, national origin, religion, disability, gender, etc. The interviewed workers are aware on the term of discrimination and how they to respond if such incidents happen to them. There were 4x/year of gender committee meeting conducted. Sighted the minutes of meeting dated 20.08.2018, 28.05.2018 and 26.02.2018 (Bukit Benut Estate) and 21.09.2018, 26.06.2018, 26.06.2018 (CEP Niyor Estate). So far, no sexual harassment or domestic violence cases reported.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.13	<p>The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	<p>Sighted the meeting minutes dated on 22.8.2018 attended by 11 members and 18.01.2018 attended by 11 members (Bukit Benut Estate) and 08.06.2018 attended by 7 members (CEP Niyor Estate). Among the key issues discussed was on cleanliness and planting trees at housing area (Bukit Benut POM) and electricity bill and discipline issue.</p>	Yes
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not be exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>There is a Group Policy on Child Protection dated on Jan 2015 and due for review in 2018. During visit to mill operation, there was no evidence found of workers below 18 years old. During the stakeholder interview, it was asked to the participants on the company's standing on minimum age policy that no children employed for mill operations. While on site interviewed with workers, they are aware the Minimum Age Policy is being strictly enforced by the management at which the age limit is above 18 years old.</p>	Yes
Criterion 4.4.6: Training and competency			
4.4.6.1	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>Estates visited has established training program for the employee and contractors base on training need analysis.</p> <p>Bukit Benut Estate:</p> <p>The estate has established training program based on training need analysis conducted and documented in Schedule In-House Training Program for Workers 2018. 26 training program</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>were identified during the training need analysis and has been programmed throughout the year.</p> <p>CEP Niyor Estate:</p> <p>The estate has established training program based on training need analysis conducted. 35 training program were identified during the training need analysis FY 2018 and has been programmed throughout the year.</p>	
4.4.6.2	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>Bukit Benut Estate:</p> <p>Training need analysis was conducted and documented in Training Need Requirement for Operating Units – SOU 22 FY 2018/19. The analysis was conducted base on the job category and type of training required.</p> <p>CEP Niyor Estate:</p> <p>The estate has conducted the training need analysis was conducted and documented in Training Need Requirement for Operating Units – SOU 22 FY 2018/19. The analysis was conducted base on the job category and type of training required.</p>	Yes
4.4.6.3	<p>A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.</p> <p>- Minor compliance -</p>	<p>The estates visited has established training program based on training need analysis. The program was reviewed annually. The annual internal audit by PSQM and management review does review the effectiveness of the training plan and its execution.</p>	Yes
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	<p>An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.</p>	<p>Sime Darby has established Environmental Policy signed by the Managing Director on January 2015. The environmental management plan has been established to monitor the identified significant activities that give impacts on environment. A specific staff and executive have been appointed to do the monitoring to ensure the plan is effectively implemented.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. <p>- Major compliance -</p>	<p>Bukit Benut Estate:</p> <p>The estate has established the environmental plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The management plan was established for the activity which give significant impact for the environment. The EAI and EIE were reviewed annually basis by the EAI/EIE review team. Latest Review was conducted on 21/6/2018.</p> <p>The management plan stated the objectives of the environmental issue, mitigating measures, person responsible and monitoring period. The progress of the plan was monitored on monthly basis. The plan was reviewed on annually basis. Latest reviewed was conducted on 1/7/2018.</p> <p>CEP Niyor Estate:</p> <p>The estate has established the environmental plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The management plan was established for the activity which give significant impact for the environment. The EAI and EIE were reviewed annually basis by the EAI/EIE review team. Latest Review was conducted on 1/7/2018.</p> <p>The management plan stated the objectives of the environmental issue, mitigating measures, person responsible and monitoring period. The progress of the plan was monitored on monthly basis. The plan was reviewed on annually basis. Latest reviewed was conducted on 2/6/2018.</p>	Yes
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p>- Major compliance -</p>	<p>Bukit Benut Estate:</p> <p>The estate has established the environmental plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The plan was reviewed on annually basis. Latest reviewed was conducted on 1/7/2018.</p> <p>Sighted the implementation of the management plan as follows:</p> <ul style="list-style-type: none"> i. To reduce any run off pesticides to land / waterways during chemical mixing – Sighted the 	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>collection sump at the pre-mixing area. The waste water was collected and use for chemical pre-mix.</p> <p>CEP Niyor Estate:</p> <p>ii. To reduce massive land contamination at landfill area – sighted the briefing for waste management and 3R concept dated 10/8/2018 recorded in communication book (master).</p>	
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p>- Minor compliance -</p>	<p>The estates visited has established the environmental plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation.</p> <p>The estate continue to promote activity that give positive impact to the environment by continuously provided awareness to the employee. The promotion was communicated through training, briefing and signage.</p> <p>Bukit Benut Estate:</p> <p>The environmental management/improvement plan also promote the positive impacts. Sighted the implementation of the plan as follows:</p> <p>i. To reduce massive land contamination at the land fill - Sighted during site visit at the linesite, the estate provided the 3R bin at the linesite area. The estate also continuously promoted 3R to the workers during the muster briefing.</p> <p>CEP Niyor Estate:</p> <p>ii. To reduce massive land contamination at landfill area – sighted the briefing for waste management and 3R concept dated 10/8/2018 recorded in communication book (master).</p>	Yes
4.5.1.5	<p>An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.</p> <p>- Major compliance -</p>	<p>The estate management has established annual training program which covers the environmental awareness and compliance related trainings to the executives, staffs and workers.</p> <p>Bukit Benut Estate:</p> <p>Sighted the training record for MSPO training and COBC training dated 4/6/2018.</p> <p>CEP Niyor:</p> <p>Sighted training records for environmental related training as follows:</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance																					
		<p>i. Latest iCARE Safety and Health Townhall was conducted on 22/5/2018.</p> <p>ii. Waste management and 3R concept briefing dated 10/8/2018</p>																						
4.5.1.6	<p>Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>The estates visited continuously provided training and briefing to enhance the environmental awareness among the employee. Environmental related matters were discussed during muster briefing. Noted during interview with employee shows the understanding on the importance of environmental quality. The employee are also encouraged to discuss environmental issues with the management.</p>	Yes																					
Criterion 4.5.2: Efficiency of energy use and use of renewable energy																								
4.5.2.1	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.</p> <p>- Major compliance -</p>	<p>Estates visited has established baseline for non-renewable energy base on average of last 3 years usage/FFB produce. The monitoring of non-renewable energy usage was conducted on annually basis. Sighted the sampled monitoring records for diesel and electricity usage for FY 2018 as follows:</p> <p>Bukit Benut Estate:</p> <p>Baseline:</p> <p>Diesel – 2.60 L/ton FFB</p> <p>Electricity – 21.62 kWh/ton FFB</p> <table><thead><tr><th>Month</th><th>Diesel usage</th><th>Electricity</th></tr></thead><tbody><tr><td>May 18</td><td>2.29</td><td>14.46</td></tr><tr><td>Jun 18</td><td>2.32</td><td>15.09</td></tr><tr><td>Jul 18</td><td>2.46</td><td>12.64</td></tr><tr><td>Aug 18</td><td>1.99</td><td>12.52</td></tr><tr><td>Sep 18</td><td>1.38</td><td>7.20</td></tr><tr><td>Oct 18</td><td>1.43</td><td>6.98</td></tr></tbody></table> <p>CEP Niyor Estate:</p>	Month	Diesel usage	Electricity	May 18	2.29	14.46	Jun 18	2.32	15.09	Jul 18	2.46	12.64	Aug 18	1.99	12.52	Sep 18	1.38	7.20	Oct 18	1.43	6.98	Yes
Month	Diesel usage	Electricity																						
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Criterion / Indicator		Assessment Findings	Compliance																					
		<div>Baseline: Diesel – 2.01 L/ton FFB Electricity – 16.25 kWh/ton FFB</div> <table><tr><th>Month</th><th>Diesel usage</th><th>Electricity</th></tr><tr><td>May 18</td><td>3.04</td><td>21.29</td></tr><tr><td>Jun 18</td><td>2.30</td><td>21.66</td></tr><tr><td>Jul 18</td><td>2.40</td><td>12.64</td></tr><tr><td>Aug 18</td><td>2.31</td><td>8.84</td></tr><tr><td>Sep 18</td><td>1.56</td><td>8.04</td></tr><tr><td>Oct 18</td><td>1.85</td><td>7.78</td></tr></table>	Month	Diesel usage	Electricity	May 18	3.04	21.29	Jun 18	2.30	21.66	Jul 18	2.40	12.64	Aug 18	2.31	8.84	Sep 18	1.56	8.04	Oct 18	1.85	7.78	
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Oct 18	1.85	7.78																						
4.5.2.2	<div>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</div> <div>- Major compliance -</div>	Both estates visited have estimation on total energy required. This estimation was compared to the actual usage by monthly and reported to the head office for monitoring.	Yes																					
4.5.2.3	<div>The use of renewable energy should be applied where possible.</div> <div>- Minor compliance -</div>	No renewable energy used in the estates visited.	Yes																					
Criterion 4.5.3: Waste management and disposal																								
4.5.3.1	<div>All waste products and sources of pollution shall be identified and documented.</div> <div>- Major compliance -</div>	The estates visited has identified the waste products and source pollution and documented in waste management plan FY 2018/19. The waste has been identified as Scheduled waste, Domestic waste – Rubbish, sewage and industrial waste – recycled plastic from triple rinsing	Yes																					

Criterion / Indicator	Assessment Findings	Compliance
<p>4.5.3.2 A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <ul style="list-style-type: none"> a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products <p>- Major compliance -</p>	<p>The estate has established the waste management plan and the plan was reviewed on annually basis.</p> <p>Estates visited has identified all waste products and source of pollution and documented in the Waste Management Plan. The waste identified has been categorized as follows:</p> <ul style="list-style-type: none"> i. Domestic waste: Rubbish, Sewage ii. Industrial waste: Triple rinse and punctured chemical containers iii. Schedule Waste: SW 305, SW 306, SW 408, SW 404 <p>In the management plan stated the type of waste, source of waste, mitigation plan and person responsible.</p>	<p>Yes</p>
<p>4.5.3.3 The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p>- Major compliance -</p>	<p>Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1 dated 26/2/2016. Proper disposal of waste material are carried out as per the company procedures. The procedures are fully understood by workers and managers.</p> <p>Both estate visited also have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. Stores for scheduled waste were inspected at both estate visited and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment.</p> <p>Observed during workers interview with storekeeper shows the understanding the proper disposal for waste as all used lubricant and contaminated spill kit will be collected as Scheduled Waste and stored in designated storage area.</p> <p>All the records were found adequate as per required by EQ (Scheduled Waste) Regulations 2005.</p> <p>Sighted the sampled scheduled waste disposal records for mill and estates visited:</p> <p>Bukit Benut Estate</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
		<p>i. 14/8/2018 for SW 404; C/N no: 0227584 by Khidmat Kualiti Alam</p> <p>ii. 10/10/2018 for SW 205; C/N no: 17695 by Perniagaan Saudara Baru</p> <p>CEP Niyor Estate</p> <p>i. 14/8/2018 for SW 404; C/N no: 0227579 by Khidmat Kualiti Alam</p> <p>ii. 17/8/2018 for SW 404; C/N no: 0202305 by Khidmat Kualiti Alam</p> <p>iii. 16/7/2018 for SW 305; C/N no: 15875 by Perniagaan Saudara Baru</p> <p>iv. 16/7/2018 for SW 410; C/N no: 16978 by Perniagaan Saudara Baru</p>	
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>Chemical containers has been triple rinse and puncture was categorized under industrial waste and disposed through recycle waste contractors SS Setia Teknologi Enterprise. The SS Setia Teknologi Enterprise has been appointed by Dept. of Agriculture to collect and process empty chemical container for recycling purpose as per letter from Dept. of Agriculture dated 7/12/2015.</p> <p>Sighted the sampled of empty container disposal as estates visited as follows:</p> <p>Bukit Benut Estate</p> <p>i. 14/11/2018; Invoice no: 1212</p> <p>CEP Niyor Estate</p> <p>i. 10/8/2018; Invoice no: 1131</p> <p>ii. 28/4/2018; Invoice no: 1079</p>	Yes
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p>- Minor compliance -</p>	<p>Proper disposal of waste material are carried out as per the company procedures. The procedures are fully understood by workers and managers.</p> <p>Domestic waste was disposed at designated landfill. Workers interview reveal that they are aware of the zero burning policy including domestic waste are not allowed to be burned. The estates visited continue to promote the 3R (reuse, reduce, recycle) program. The promotion was communicated through training, briefing and signage.</p> <p>Bukit Benut Estate</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance						
		<p>i. The estate provided the 3R bin at the linesite area. The estate also continuously promoted 3R to the workers during the muster briefing.</p> <p>CEP Niyor Estate</p> <p>ii. Sighted the briefing for waste management and 3R concept dated 10/8/2018 recorded in communication book (master).</p>							
Criterion 4.5.4: Reduction of pollution and emission									
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>Estates visited has established Environmental Management Plan/ Pollution Prevention Plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The plan was reviewed on annually basis. Latest reviewed was conducted on 1/7/2018 for Bukit Benut Estate and 2/6/2018 for CEP Niyor Estate. In the plan stated the Objectives on the environmental issue, mitigating measures and responsible person in charge. The plan was monitored on monthly basis.</p>	Yes						
4.5.4.2	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p>- Major compliance -</p>	<p>Sighted the implementation of Pollution Prevention Plan at both estate visited as follows:</p> <p>i. t\To reduce any run-off pesticides to land/ waterways – estates visited collected waste water from chemical mixing and triple rinse of pesticides container into collection sump at the premix area. The waste water was reuse for chemical mixing.</p> <p>ii. To reduce the released of exhaust emission to air – sighted the preventive vehicle maintenance records for tractors for each estate visited.</p>	Yes						
Criterion 4.5.5: Natural water resources									
4.5.5.1	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a. Assessment of water usage and sources of supply.</p> <p>b. Monitoring of outgoing water which may have</p>	<p>Documented in Sime Darby Slope and River Protection Policy dated 15/1/2015 signed by the Managing Director stated that buffer zone shall be maintained on both side of the river banks.</p> <table><tr><th>River width</th><th>Buffer zone</th></tr><tr><td>> 40 meters</td><td>50 meters</td></tr><tr><td>20 to 40 meters</td><td>40 meters</td></tr></table>	River width	Buffer zone	> 40 meters	50 meters	20 to 40 meters	40 meters	Yes
River width	Buffer zone								
> 40 meters	50 meters								
20 to 40 meters	40 meters								

Criterion / Indicator		Assessment Findings		Compliance
	negative impacts into the natural waterways at a frequency that reflects the estate's current activities.	10 to 20 meters	20 meters	
		5 to 10 meters	10 meters	
		< 5 meters	5 meters	
		* > 3 meters	20 meters	
c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).		* For Sabah Plantations only		
d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.		Monitoring based on Sustainable Plantation Management System Appendix 7 Standard Operation Procedure (SOP) for taking water samples from streams/rivers, version 1, year 2008, issue no. 1, dated 01/11/2008.		
e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.		Bukit Benut Estate: The estate has established water management plan. In the plan stated the water source, monitoring plan, contingency plan, person responsible and time frame.		
f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.		Sighted during site visit at buffer zone area at water sampling point no 3 at field P10 C5, the buffer zone was demarcated with red color stick. There are no spraying activity along the river buffer zone and the vegetation along are well preserved. The estate has placed signage of prohibition to conduct activity at buffer zone area.		
- Major compliance -		Pesticides in water analysis was conducted every 3 months. Sighted the water analysis report as follows:		
		i. Apr 2018 – Refer report no. PL 273/2018 date 11/4/2018, result – non detected		
		ii. Jul 2018 – Refer report no. PL 530/2018 dated 20/7/2018, result – non detected		
		CEP Niyor Estate:		
		The estate has established water management plan: contingency plan during water shortage. In the plan stated the water shortage incident, contingency plan, person responsible and time frame.		
		Sighted during site visit at buffer zone area at water reservoir area for nursery, the buffer zone was demarcated with red color stick and fenced. There are no spraying activity along the buffer zone and the vegetation along are well preserved.		

Criterion / Indicator		Assessment Findings	Compliance
		The estate has placed signage of prohibition to conduct activity at buffer zone area.	
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	There is no construction of bunds, weirs and dams across main rivers or waterways passing through both estates visited.	Yes
4.5.5.3	Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles). - Minor compliance -	Sighted during site visit the water harvesting practices was implemented in both estate visited. The estate constructed collection sump to divert and collect the water into the field. The estate also constructed terrace for water conservation at slope more than 25 degree.	Yes
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			
4.5.6.1	Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover: a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. - Major compliance -	HCV Re-Assessment for Strategic Operating Unit (SOU) 22 Bukit Benut has been conducted on December 2015 by Plantation Sustainability Quality Management (PSQM) Department, Sime Darby Plantation Sdn. Bhd. Interim Report (Version II). Total HCV area identified for SOU 22 falls under Water Catchment area– HCV category 4- 32.94 Ha distributed among Lambak Elaeis, CEP Nyior, and Bukit Benut estate.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.5.6.2	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p>- Major compliance -</p>	<p>In SOU22, identified HCVs- water catchment only. Their management plan such as:</p> <ul style="list-style-type: none"> • To ensure no agrichemical activities carried out near the water catchment area. • To cover any bare soil with planting of vetiver grasses, groundcovers and to reduce soil erosion. • Establishment of safety/awareness signages • To give briefing during muster to include HCV related. • HCV awareness training for estate management. <p>Similar HCV management plan observed at Bukit Benut Estate and CEP Nyior Estate the management plan reviewed on 12/7/2018.</p>	Yes
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>The monitoring plan was conducted on quarterly basis. The monitoring was conducted for Encroachment/trespassing, wildlife issues/conflicts/sightings and pollutions. The latest review was conducted on 4/9/2018.</p>	Yes
Criterion 4.5.7: Zero burning practices			
4.5.7.1	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.</p> <p>- Major compliance -</p>	<p>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.</p> <p>No open burning noted based on the records on the land clearing and felling for the replanting at visited estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.</p>	Yes
4.5.7.2	<p>A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.</p>	<p>No open burning noted based on the records on the land clearing and felling for the replanting at visited estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -	No controlled burning noted based on the records on the land clearing and felling for the replanting at visited estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	Yes
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	Noted based on the records on the land clearing and felling for the replanting at visited estates, method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	Yes
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	SOP was established for the Estates. & Agricultural Manual, Sustainability Plantation Management System and EQMS (Estate Quality Management System) were distributed to all operating units under SOU22 as a guidance document to conduct estate operation. The SOP covers land preparation, planting material, upkeep, harvesting, FFB transportation and etc. Sime Darby has established mechanism to monitor the implementation of their procedure by Plantation Advisor Visit, Performance Monitoring Visit and Agronomist Visit. The visit focusing on Yield Improvement, Crop Recovery, Replanting and Immature Palms Maintenance and Mature Upkeep.	Yes
4.6.1.2	Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent	Sime Darby has established policy on slope protection and documented in Slope and River Protection Policy signed by the Managing Director in Jan 2015. The policy stated for slope more than 25 degree must be exclude from any new plantation development and replanting program. All the existing crop and vegetation shall be maintain accordingly.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	contamination of surface and groundwater through runoff of either soil, nutrients or chemicals. - Major compliance -		
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Landscapes of both estates visited are mostly flat and undulating. Sime Darby has established policy on slope protection and documented in Slope and River Protection Policy signed by the Managing Director in Jan 2015. The policy stated for slope more than 25 degree must be exclude from any new plantation development and replanting program. All the existing crop and vegetation shall be maintain accordingly. The policy was communicated to the employee during master briefing, townhall training and displayed in several notice board in the estate.	Yes
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	SOU22 has continued its commitment to long term sustainability and improvements through a capital expenditure program. The management has forecasted 5 years business plan from FY 2018 – 2023.	Yes
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	SOU22 estates have long range replanting program from FY 2018 - 2028. Replanting is planned for low yield field area, tall palm and older than 25 years old. Bukit Benut Estate: No replanting program for the 5 years. CEP Niyor Estate: Replanting program was planned from FY 2018 – 2023. Program for the next 5 financial year as follow: 2018: 56.94 ha 2019: 0.00 ha 2020: 95.11 ha 2021: 62.39 ha 2022: 72.84 ha	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.6.2.3	<p>The business or management plan may contain:</p> <ul style="list-style-type: none"> a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production : cost per tonne of FFB d) Price forecast e) e) Financial indicators : cost benefit, discounted cash flow, return on investment <p>- Major compliance -</p>	<p>SOU 22 has documented annual business plan in the form of annual budget and the projection for 5 years prepared as guidance for future planning.</p> <p>Bukit Benut Estate and CEP Niyor Estate:</p> <p>Sighted the projection of 5 years business plan from 2019 - 2023. The plan contains the provision for FFB production and expenditure for Mature upkeep, Manuring, harvesting and collection, General Expense and etc.</p>	Yes
4.6.2.4	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p>- Major compliance -</p>	<p>Sime Darby has established a system to monitor the mill and estate operation. The Structured Oil Recovery Assessment (SORA) (for Mill) / Structured Crop Recovery Assessment (SCRA) (for estates) and Planning and Monitoring Unit visited the operating units quarterly. Their reports covers on all aspect of operation.</p>	Yes
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>There is no outside crop at Bukit Benut POM. The pricing method for ARM Multi Work Enterprise (grasscutting) has been clearly stated in the contract and agreed by the contractor on 17.10.2018 valid until 16.10.2019.</p>	Yes
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p>- Major compliance -</p>	<p>There is no outside crop received by Bukit Benut POM. Bukit Benut POM has prepared a standard contract for the transportation contractor. The signed copy of the contract was made available at the mill between Sime Darby Plantation Sdn Bhd and ARM Multi Work Enterprise (grasscutting) in Bukit Benut Estate & Leok Brothers Sdn Bhd (land preparation & related works for oil palm replanting) in CEP Niyor Estate.</p>	Yes
Criterion 4.6.4: Contractor			
4.6.4.1	<p>Where contractors are engaged, they shall understand the MSPO</p>	<p>Bukit Benut Estate have initiated the MSPO awareness to all its Townhall meeting. Interview with the contractor during stakeholders</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	requirements and shall provide the required documentation and information. - Major compliance -	consultation, found that he has understood on the MSPO requirements.	
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Bukit Benut Estate have prepared a standard contract for the contractor. The signed copy of the contract extension was made available at the both estate between Sime Darby Plantation Sdn Bhd and Syarikat Sin Kim Huat (FFB Transport) valid from 01.10.2018 – 31.08.2019 and Leok Brothers Sdn Bhd valid from 01.09.2018 – 28.02.2019.	Yes
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	Both estate visited has no objection to allow BSI auditors to verify the assessment through physical inspection if required. The contractor also have signed the letter from Sime Darby stated that all suppliers and contractors need to follow the RSPO/ISCC/MSPO guideline in accordance with the Sime Darby Plantation of Mill/Estate Quality Management System (MQMS/EQMS).	Yes
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	Prior the job completed, management will cross reference the tonnage of FFB sent to mill in SAP system and approved for payment. Verified the FFB summary of October 2018 with detail information of field, metric ton, rate and total amounts.	Yes
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			
4.7.1.1	Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.1.2	No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A

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	the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required. - Major compliance -		
Criterion 4.7.2: Peat Land			
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A



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	developed, implemented, monitored and reviewed. - Major compliance -		
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - Minor compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.5.2	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A

Criterion / Indicator		Assessment Findings	Compliance
	and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation. - Major compliance -		
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
Criterion 4.7.6: Customary land			
4.7.6.1	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.6.3	Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A

Criterion / Indicator		Assessment Findings	Compliance
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - Minor compliance -	There is new planting in Sime Darby-Bukit Benut POM's supply bases therefore this requirement is not applicable	N/A

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment Sime Darby-Bukit Benut POM Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013 . It is recommended that the certification of Sime Darby-Bukit Benut POM Certification Unit is approved and/or continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Nor Yazid bin Kanapi	Name: Elzy Ovktafia Chairul
Company name: Sime Darby Plantation Berhad	Company name: BSI Services Malaysia Sdn. Bhd.
Title: SOU Chairman	Title: Client Manager
Signature:  SIME DARBY PLANTATION BERHAD BUKIT BENUT ESTATE Reg. No. 647766-V Manager Nor Yazid Bin Kanapi Date: 9/1/2019	Signature:  Date: 07.01.2019

Appendix A: Assessment Plan

Date	Time	Subjects	(EO)	(MF)
Tuesday 20.11.2018	-	Travel to Kluang, Johor.	√	√
Wednesday 21.11.2018	08:30 – 09:00	Opening Meeting (Bukit Benut Palm Oil Mill) 1. Presentation by Sime Darby Team 2. Presentation by BSI Lead Auditor -introduction of team member and assessment agenda 3. Confirmation of assessment scope and finalizing audit scope	√	√
	09:00 – 11:00	Bukit Benut Palm Oil Mill Mill Assessment: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	√
	11:00 – 12:30	Document Review (MS:2530 Part 4), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6 : Best practices	√	√
	12:30 – 13:30	Lunch / Break	√	√
	13:30 – 16:30	Continue with Document review and site verification if deemed necessary.	√	√
	16:30 – 17:00	Interim closing meeting	√	√
Thursday 22.11.2018	07:30 – 08:30	Travel to Bukit Benut Estate	√	√
	08:30- 12:00	Bukit Benut 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	Stakeholder consultation for Bukit Benut POM, Bukit Benut Estate and CEP Nyior Estate.	√	
	12:00 – 12:30	Document review (MS:2530 Part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting.	√	√
	12:30 – 13:30	Lunch / Break	√	√
	13:30 – 16:30	Continue with Document review and site verification if deemed necessary.	√	√
	16:30 – 17:00	Interim closing meeting	√	√

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Date	Time	Subjects	(EO)	(MF)
Friday 23.11.2018	07:30 – 08:30	Travel to CEP Nyior Estate	√	√
	08:30-11:00	CEP Nyior 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.	√	√
	11:00 – 12:30	Document review (MS:2530 Part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting	√	√
	12:30 – 13:30	Lunch / Break	√	√
	13:30 – 15:30	Continue with Document review and site verification if deemed necessary.	√	√
	15:30 – 16:30	Preparation for closing meeting	√	√
	16:30 – 17:30	Closing meeting	√	√

Appendix B: List of Stakeholders Contacted

Government Bodies: SJK (T) Ladang Bukit Benut SK Ladang Bukit Benut	Internal Stakeholders: Gender Committee Representative Foreign & locals workers
Surrounding Communities: -	Contractors & Suppliers: LTT (School transportation) Backhoe Supplier

Appendix C: Smallholder Member Details

No	Name of smallholder	Year Planted	Land Area (ha)	Forecast FFB (Mt/ha/year)
1	NA. No smallholders in the scope of certification.	-	-	-
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
23				
TOTAL				

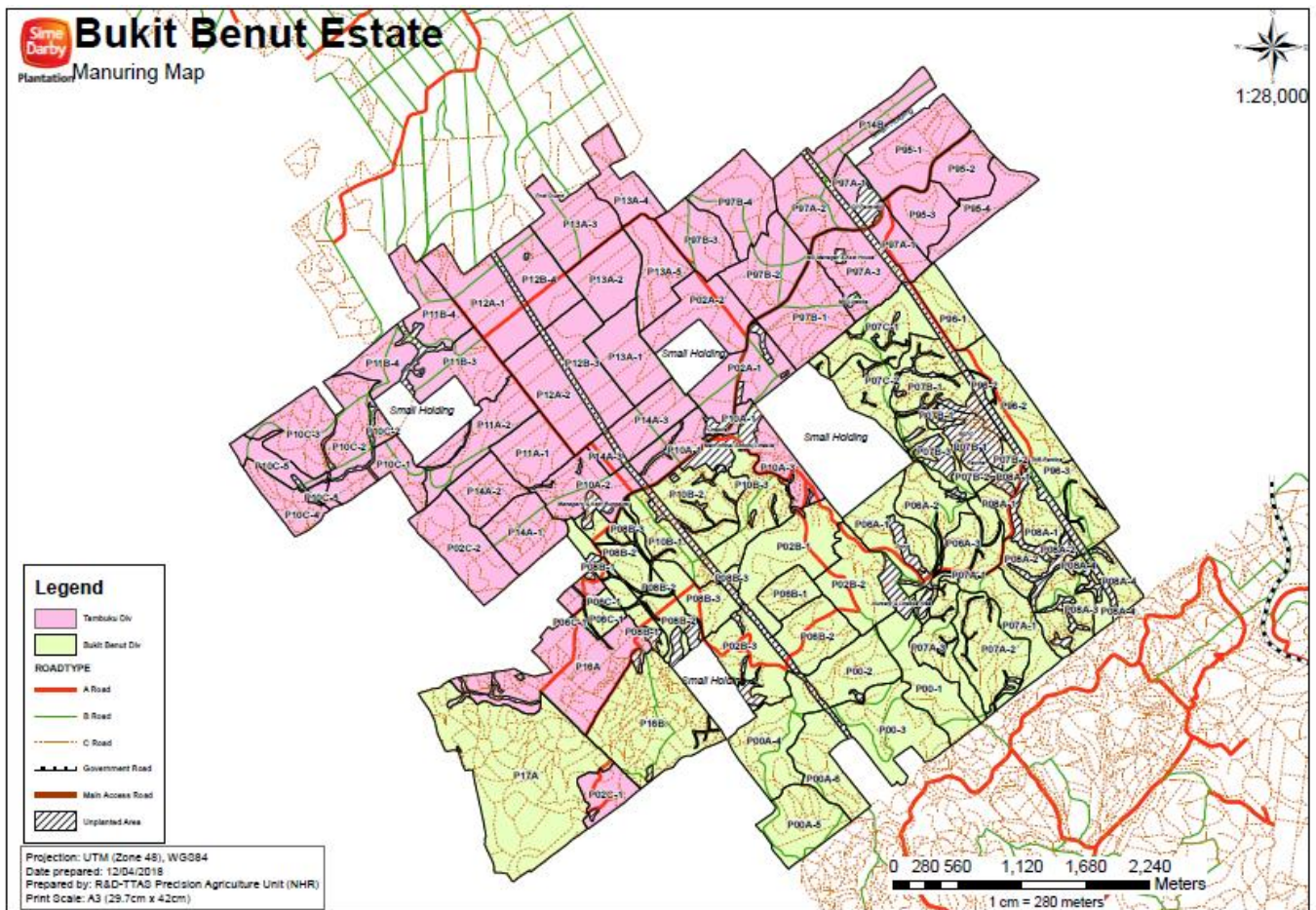
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Appendix F: Location and Field Map



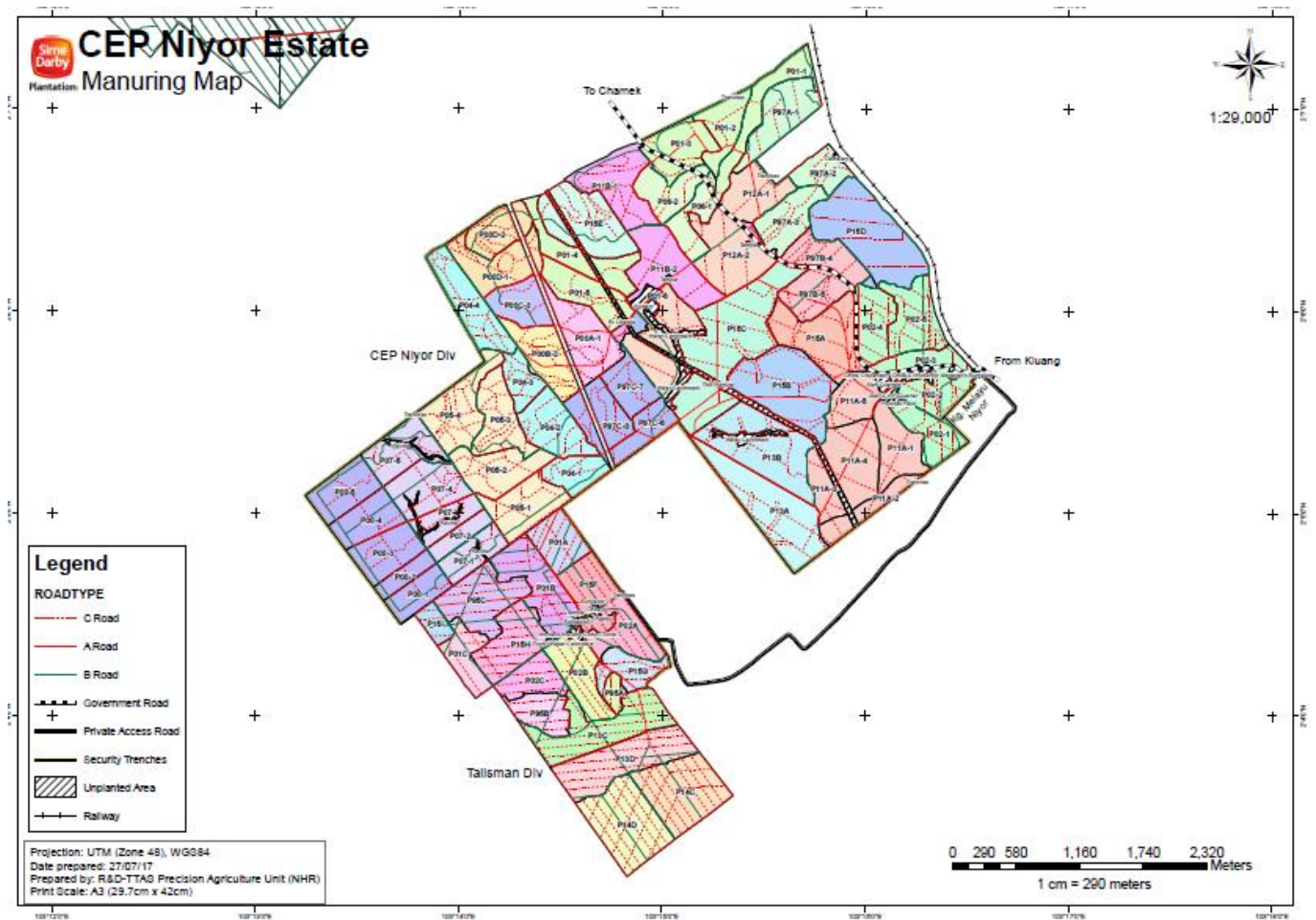
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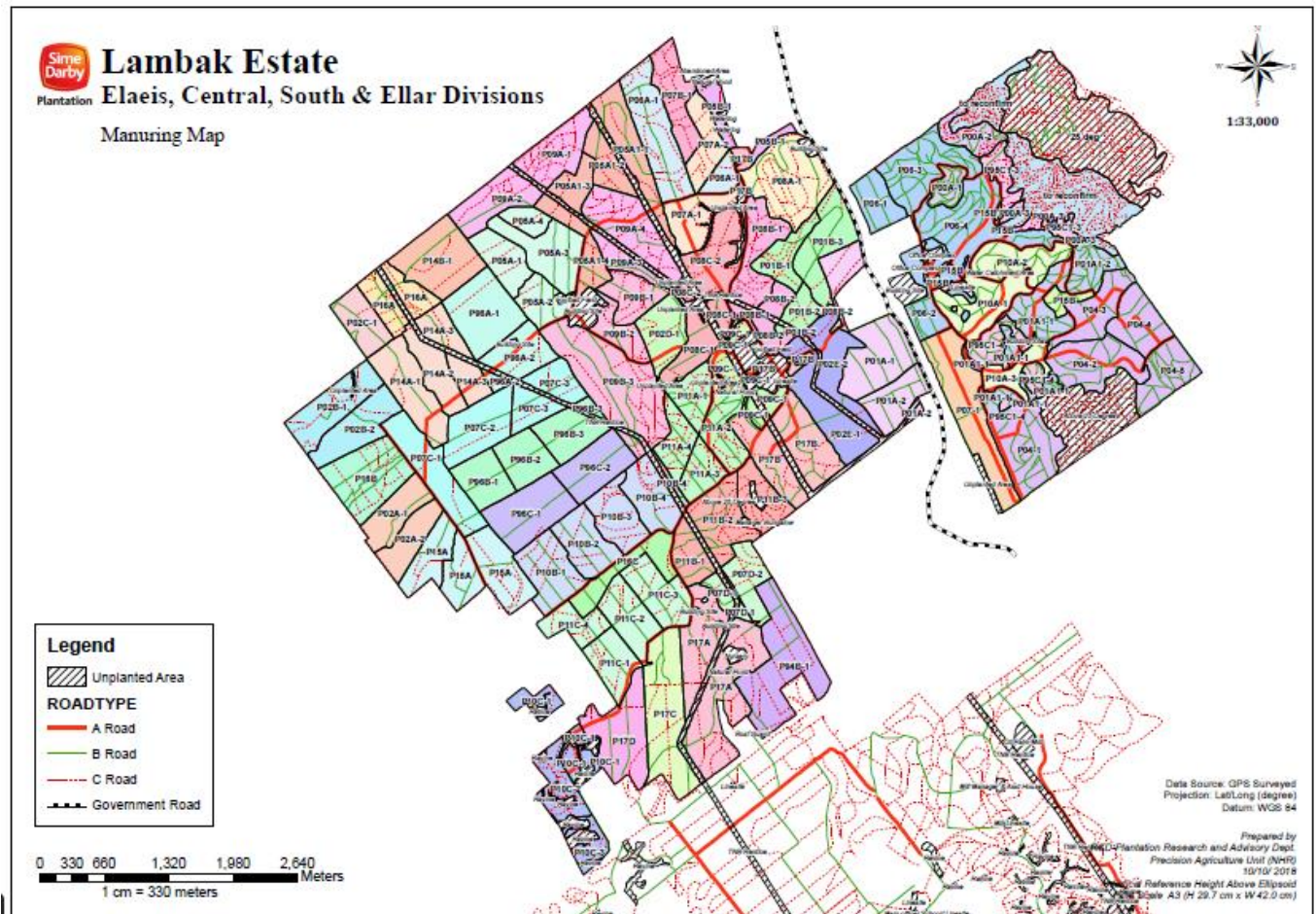
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CEP Niyor Estate

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LAMBAK ELAEIS ESTATE

Appendix G: List of Abbreviations

BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MSPO	Malaysian Sustainable Palm Oil
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RTE	Rare, Threatened or Endangered species
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure