

**RSPO PRINCIPLE AND CRITERIA  
4<sup>th</sup> Annual Surveillance Assessment (ASA4)  
Public Summary Report**

<b>Sime Darby Plantation Berhad</b>
Head Office: Level 3A, Main Block Plantation Tower, No. 2, Jalan P.J.U 1A/7 47301 Ara Damansara Selangor, Malaysia
<b>Strategic Operating Unit (SOU 19) Pagoh Palm Oil Mill</b> Lot 2159, Ladang Pagoh Mukim Jalan Bakri 84309 Muar, Johor, Malaysia

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**Section 1: Scope of the Certification Assessment**

1. Company Details			
<b>RSPO Membership Number</b>	1-0008-04-000-00	<b>Date</b>	Member since: 6 September 2004
<b>Company Name</b>	Sime Darby Plantation Berhad		
<b>Address</b>	Head Office: Level 3A, Main Block, Plantation Tower, No. 2, Jalan PJU 1A/7 47301 Ara Damansara, Selangor, Malaysia Certification Unit: Strategic Operating Unit (SOU 19) – Pagoh Palm Oil Mill, Lot 2159, Ladang Pagoh, Mukim Jalan Bakri 84309 Muar, Johor, Malaysia		
<b>Subsidiary of (if applicable)</b>	N/A		
<b>Contact Name</b>	Mdm. Shylaja Devi Vasudevan Nair (Head, Sustainability Unit PSQM) Mr. Ahmad Fauzi Jantan (Pagoh Palm Oil Mill Manager)		
<b>Website</b>	<a href="http://www.simedarby.com">www.simedarby.com</a>	<b>E-mail</b>	<a href="mailto:kks.pagoh@simedarby.com">kks.pagoh@simedarby.com</a>
<b>Telephone</b>	+603 7848 4463 (Head Office) +607 9471131 (Mill)	<b>Facsimile</b>	+603 7848 4363 (Head Office) +607 9474053(Mill)

2. Certification Information			
<b>Certificate Number</b>	RSPO 600305	<b>Original Certificate Issued Date</b>	28/01/2014
		<b>Expiry Date</b>	27/01/2019
<b>Scope of Certification</b>	Palm Oil and Palm Kernel Production from Pagoh Palm Oil Mill and Supply Base (Lanadron Estate, Pengkalan Bukit Estate, Welch Estate & Pagoh Estate)		
Other Certifications			
<b>Certificate Number</b>	<b>Standard(s)</b>	<b>Certificate Issued by</b>	<b>Expiry Date</b>
Nil	n/a	n/a	n/a

3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
Pagoh Palm Oil Mill (45 mt/hr)	Lot 2159, Ladang Pagoh, Mukim Jalan Bakri 84309 Muar, Johor, Malaysia	102° 43' 7.3"	2° 4' 40.62"
Lanadron Estate	Panchor 84500 Muar, Johor, Malaysia	102° 44' 00"	2° 11' 00"
Pengkalan Bukit Estate	Mukim Jalan Bakri 84309 Muar, Johor, Malaysia	102° 42' 15"	2° 08' 58"
Welch Estate	Jalan Segamat-Jementah 85200 Segamat, Johor, Malaysia	102° 39' 11"	2° 27' 21"

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Pagoh Estate	Mukim Jalan Bakri 84309 Muar, Johor, Malaysia	102° 43' 7.3"	2° 4' 40.62"
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4. Description of Supply Base							
Estate	Mature (ha)	Immature (ha)	Total Planted (ha)	HCV (ha)	Infras & Other (ha)	Total Hectarage	% of Planted
Lanadron Estate	1,688.01	211.77	1,899.78	19.41	251.01	2,170.20	88
Pengkalan Bukit Estate	2,492.81	491.70	2,984.51	2.87	169.50	3,156.88	95
Welch Estate	576.20	0.00	576.20	0.95	870.67	1,447.82	40
Pagoh Estate	1,339.18	648.84	1,988.02	9.10	328.81	2,325.93	85
Total	6,096.20	1,352.31	7,448.51	32.33	1,619.99	9,100.83	82

Note: *Infras = infrastructure*

5. Plantings & Cycle								
Estate	Age (Years)					Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Estimated (Oct 2016-Sept 2017)	Actual (Oct 2016-Sept 2017)	Forecast (Oct 2017-Sept 2018)
Lanadron Estate	211.77	794.11	423.03	295.98	174.89	35,400	39,567.38	39,030
Pengkalan Bukit Estate	491.70	1,038.14	1,190.06	264.61	0.00	45,000	52,822.42	54,600
Welch Estate	0.00	0.00	576.20	0.00	0.00	9,700	9,255.17	9,000
Pagoh Estate	648.84	587.99	249.10	502.09	0.00	29,518	37,566.19	37,000
Total	1,352.31	2,420.24	2,438.39	1,062.68	174.89	119,618	139,211.16	139,630

6. Certified Tonnage of FFB (Own Certified Scope)			
Estate	Tonnage / year		
	Estimated (Oct 2016-Sept 2017)	Actual (Oct 2016-Sept 2017)	Forecast (Oct 2017-Sept 2018)
Lanadron Estate	35,400	39,567.38	39,030
Pengkalan Bukit Estate	45,000	52,822.42	54,600
Welch Estate	9,700	9,255.17	9,000
Pagoh Estate	29,518	37,566.19	37,000
Total	119,618	139,211.16	139,630

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<b>7. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable</b>			
Independent FFB Supplier	Tonnage / year		
	Estimated (Oct 2016-Sept 2017)	Actual (Oct 2016-Sept 2017)	Forecast (Oct 2017-Sept 2018)
Nil			

<b>8. Certified Tonnage</b>									
Mill	Estimated (Oct 2016-Sept 2017)			Actual (Oct 2016-Sept 2017)			Forecast (Oct 2017-Sept 2018)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Pagoh Palm Oil Mill	119,618	25,119.78	5,980.90	139,211.16	32,568.79	8,553.54	139,630	29,015.11	7,679.65
*Others	-	-	-	26,758.40			-	-	-
Volume Extension		14,814.02	4,660.40		-	-	-	-	-
<b>Total</b>	<b>119,618</b>	<b>39,933.80</b>	<b>10,641.30</b>	<b>165,969.56</b>	<b>32,568.79</b>	<b>8,553.54</b>	<b>139,630</b>	<b>29,015.11</b>	<b>7,679.65</b>

*\*Others : Certified FFB from other management units 9 ( SOU16 Kok Foh certificate valid until 6/7/21, SOU 17 Kempas certificate valid until 19/5/20 and SOU18 Diamond Jubilee certificate valid until 4/10/21). \* Forecast OER:20.78 %, KER: 5.5%*

## Section 2: Assessment Process

### Certification Body:

BSI Services Malaysia Sdn Bhd,  
(ASI Accreditation Number: RSPO-ACC-19)  
Unit 3, Level 10, Tower A  
The Vertical Business Suites, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel +603 2242 4211 Fax +603 2242 4218  
Nicholas Cheong: [Nicholas.Cheong@bsigroup.com](mailto:Nicholas.Cheong@bsigroup.com)  
[www.bsigroup.com](http://www.bsigroup.com)

BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (RSPO-ACC-19) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia. BSI is accredited for RSPO Supply Chain Certification Systems (SCCS) and Principles & Criteria for Sustainable Palm Oil Production (P&C, Single Site & Group) certification Worldwide.

### Assessment Methodology, Programme, Site Visits, Documents Review

This 4<sup>th</sup> Annual Surveillance Assessment was conducted from 4-6 October 2017. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates (Pengkalan Bukit Estate & Pagoh Estate). A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. RSPO Principles & Criteria 2013 (MYNI-2014) and RSPO Supply Chain Certification Standard 2014 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 approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates (or smallholders) of its supply base. The estates sample were determined based on formula  $N = 0.8\sqrt{y}$  where  $y$  is the number of estates while when applicable, the smallholders sample were determined following the RSPO Certification Requirement for Group Certification Standard 2016. The sampling of smallholders were based on the formula  $(0.8\sqrt{y}) \times (z)$ ; where  $y$  is total number of independent group member and where  $z$  is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix K.

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of

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workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix E.

Documents review included the review of related operational procedures documents as well as records as the evidence of implementation. Document Review conducted for applicable Principles 1 until Principles 8 (Principle 7 is not applicable for Sungai Dingin certification units) for mill including SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc.. For estates, Document review for applicable Principle 1 until Principle 8 amongst all are Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).

Verification of previous nonconformities also conducted during the on-site visit. All the previous major nonconformities are remained closed while minor nonconformities were verified the effectiveness of its corrective action to ensure no recurrence. The assessment findings for the 4<sup>th</sup> Annual Surveillance Assessment are detailed in Section 3.3.

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

This report was internally reviewed by approved Certification Reviewer prior to certification decision by BSI.

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

<b>1. Assessment Program</b>					
<b>Name (Mill / Supply Base)</b>	<b>Year 1 (Initial Assessment)</b>	<b>Year 2 (ASA 1)</b>	<b>Year 3 (ASA 2)</b>	<b>Year 4 (ASA 3)</b>	<b>Year 5 (ASA 4)</b>
Pagoh Palm Oil Mill	✓	✓	✓	✓	✓
Lanadron Estate		✓		✓	
Pengkalan Bukit Estate	✓		✓		✓
Welch Estate		✓		✓	
Pagoh Estate	✓		✓		✓

[Click here to enter a date.](#)

**Tentative Date of Next Visit:** October 2, 2018 – October 4, 2018

**Total No. of Mandays:** 9 mandays

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He holds Bachelor Degree in Chemical Engineering, graduated from National University of Malaysia on 2006. He has 7 years working experience in palm oil industry specifically on palm oil milling for 5 years. He also has the experiences as auditor for several standards including ISO 9001, ISO 14001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, supply chain for CPO mill, safety and health, environmental and workers and stakeholders consultation.

**Daniel Francis – Team Member**

Daniel Francis is a fulltime employee with BSI Services Malaysia. He holds a Bachelor of Applied Science Degree in Food Science, graduated from Charles Sturt University, Australia. He has over 8 years of working experience in the oil and gas industry and 3 years in the food & beverage industry. He is an experienced auditor for several management system standards including ISO 9001, ISO 14001, OHSAS 18001 and Integrated Management System. He had completed the ISO 9001:2015 Lead Auditor Course and RSPO SCC Lead Auditor Course. He had been involved in the RSPO audits with various companies in Malaysia. During this assessment, he assessed on the legal issues and occupational safety and health.

**Elzy Ovktafia Chairul – Team Member**

She graduated from Universiti Putra Malaysia in Diploma of Agriculture, holding the designatory of LISP from the Incorporated Society of Planters. She held the position of Certifier cum Auditor with Control Union and involved in various audits globally for RSPO P&C and RSPO SCC for 11 countries in almost 2 years. She is a qualified Lead Auditor/Auditor for RSPO P&C, RSPO SCC, ISO 9001:2015 and Social Compliance Audit by Verite. She had 5 years experience in oil palm plantations. During this assessment, she assessed on the aspect of social, workers welfare and stakeholder consultation.

**Accompanying Persons:** Nil



## 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.

- Sime Darby Plantation Sdn Bhd Time Bound Plan
- RSPO P&C MY-NIWG 2014 Checklist
- RSPO Supply Chain Certification Checklist November 2014

### 3.2 Progress against Time Bound Plan

Sime Darby Time Bound Plan (TBP) is included as Appendix B. Sime Darby has achieved RSPO certification for 34 management units in Malaysia and 24 Management Units in Indonesia. There are no any changes in the existing certified units in Malaysia. All units' certifications are valid. Sime Darby has acquired NBPOL. NBPOL is managed as a separate management unit. NBPOL has its own RSPO membership (1-0016-04-000-00) and have achieved certification for all the certification units. As for the Plantation in Liberia, Sime Darby has completed the NPP in 2011. However, the plantation sites will be included in TBP upon completion of the mill which is delayed due to Ebola and long drought season.

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

Due to the present mediation process, PT Mitra Austral Sejahtera TBP was revised to 2016 by Sime Darby pending on the resolution and mediation process which is acknowledged by RSPO. The final decision of issuing the certificate is under the CB that audited the PT MAS. BSI has contacted the CB and consultation was held. The CB that audited PT MAS accepted the revision of the TBP. BSI accepted the feedback from the CB that audited PT MAS as per the RSPO Certification System requirement "Where the Certification Body conducting the surveillance audit is different from that which first accepted the time-bound plan, the later Certification Body shall accept the appropriateness of the time-bound plan at the moment of first acceptance and shall only check continued appropriateness". BSI understands that there are community issue still under negotiation through agreed process.

The improvement is in progress and acknowledge by RSPO and all parties as mutually agreed process. Latest meeting among the community and Sime Darby was held on 14 January 2016. The current status details are provided in the Appendix B. BSI has consider that Sime Darby still comply with the RSPO requirement for partial certification and has justified the revision to TBP.

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

BSI has continued involvement with assessments of Sime Darby Management Units during the 2014 period and beginning 2015. BSI is also communicating with other Certification Bodies that auditing Sime Darby's other operating

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units to identify any noncompliance with rules of partial certification as per requirement in RSPO Certification System. During this assessment BSI has contacted the certification body that audited PT MAS to get the latest update of the progress. Sime Darby consistently has kept BSI informed of any emerging issues and claims made against it. Other than the PT MAS issue, at the time of preparation of this Report, BSI is not aware of any new issues involving:

- a. Any unresolved significant land disputes;
- b. Any replacement of primary forest or loss of HCVs;
- c. Any labour disputes that are not being resolved through an agreed process;
- d. Any evidence of noncompliance with any law at any of the landholdings.

<b>Time Bound Plan</b>		
<b>Requirement</b>	<b>Remarks</b>	<b>Compliance</b>
<b>Summary of the Time Bound Plan</b>		
Does the plan include all subsidiaries, estates and mills?	The time bound plan includes all SOUs in Malaysia and Indonesia. Malaysia- Effectively 34 SOUs: Sg Samak and Jeleta Bumi, Yong Peng, Sepang, Mostyn and Segaliud POM has been closed down. Indonesia- Effectively 25 SOUs. For Liberia operations, a new mill is being set up and commissioned in Feb 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017.	Yes
Is the time bound plan challenging? <ul style="list-style-type: none"> <li>• Age of plantations.</li> <li>• Location.</li> <li>• POM development</li> <li>• Infrastructure.</li> <li>• Compliance with applicable law.</li> </ul>	Sime Darby Plantation’s time bound plan for certification is initially 3 years, starting 2008 – 2011. SDP has had all its SOUs (Malaysian & Indonesian) completing the RSPO Main Assessment by end Dec 2011 in accordance to the initial timebound plan. As at Dec 2011, all Malaysian SOUs have been RSPO certified (with the exception of 2 new oil mills commissioned to replace the current oil mills after the initial timebound plan targets). The 2 new mills have been RSPO Certified in Jan and Feb 2014. For Indonesian operations, currently, 1 SOU in Indonesia (PT MAS) is pending for RSPO Certification due to social legacy issues. SDP’s is actively working on its certification targets given the span across a large geographical location and over 200 estates and mills in operation.	Yes
Have there been any changes since the last audit? Are they justified?	97% of Sime Darby Plantation's upstream operations is RSPO certified, one SOU - PT MAS pending certification in Indonesia due to some social disputes and a new oil mill in Liberia has been commissioned in Feb 2016. SDP’s time bound plan has been revised to take into consideration the social challenges encountered in Indonesia for the remaining SOU (PT MAS) yet to be certified. Sime Darby Plantation will proceed with the next steps of certification upon satisfactory resolution of the matter.	Yes

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<p>If there have been changes, what circumstances have occurred?</p>	<p>Indonesia- PT MAS has undergone RSPO Main Assessment in July 2011. The certification body for PT MAS has considered that Sime Darby Plantation still meets the requirements of the RSPO for Partial Certification and the report has been submitted for EB review. A verification audit was conducted by the Certification Body in early 2013 and Sime Darby Plantation will proceed with the next steps of certification upon satisfactory resolution of the matter. Ongoing and regular (bi-monthly) discussions is ongoing between Sime Darby Plantation and the project affected communities. Reports on the progress update are submitted to RSPO on a regular basis since November 2012. The latest progress report submitted to RPSO dated 30<sup>th</sup> June 2016.</p> <p>Smallholders- As at June 2016, total of 24,820 Ha (59%) of total Ha, (42,008 Ha) of associated smallholders in Indonesia has been certified. Certification process for the remaining associated smallholders areas is on-going. SDP expect to achieve 100% RSPO certification of associated smallholders and outgrowers by end 2019.</p> <p>Liberia- A new mill will be set up in Liberia and planned for commissioning in Feb 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p>	<p>Yes</p>
<p>Have there been any stakeholder comments?</p>	<p>Up to date, there is no comment. SDP continues to engage all affected parties through regular discussions and progress reporting is being made to the RSPO Secretariat.</p>	<p>Yes</p>
<p>Have there been any newly acquired subsidiaries?</p>	<p>In March 2015, Sime Darby Plantation completed the acquisition of New Britain Palm Oil Limited (NBPOL). NBPOL is managed under a separate entity and the reporting of timebound plan will be under NBPOL's management. NBPOL is considered as a different entity/member under the RSPO and NBPOL is 100% RSPO Certified.</p> <p>A new mill has been set up in Liberia and planned for commissioning in Feb 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. *RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p>	<p>Yes</p>
<p>Have there been any isolated lapses in implementation of the plan?</p>	<p>No lapses.</p>	<p>Yes</p>
<p><b>Un-Certified Units or Holdings</b></p>		

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<p>Did the company conduct an internal audit? If so, has a positive assurance statement been produced?</p>	<p>Indonesia - PT Mitra Austral Sejahtera has undergone RSPO Main Assessment in July 2011. The certification body for PT MAS has considered that Sime Darby Plantation still meets the requirements of the RSPO for Partial Certification and the report has been submitted for EB review. A verification audit was conducted by the Certification Body in early 2013 and Sime Darby Plantation will proceed with the next steps of certification upon satisfactory resolution of the matter. Reports on the progress update are submitted to RSPO on a regular basis since November 2012. The latest progress report submitted to RPSO dated 30<sup>th</sup> June 2016. Further details please refer to the RSPO Complaints Website: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/29">http://www.rspo.org/members/complaints/status-of-complaints/view/29</a> Liberia – New mill commissioned in Feb 2016, identification of gaps and preparation to meet the requirements of the RSPO P&amp;C is in progress.</p>	<p>Yes</p>
<p>No replacement after dates defined in NIs Criterion 7.3:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p>HCV assessment has been conducted for uncertified units i.e. PT Mas (by Aksenta in March 2009) and Sime Darby Plantation Liberia operations (by RSPO approved assessors – Dr SK Yap in 2011).</p>	<p>Yes</p>
<p>Any new plantings since January 1<sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.</p>	<p>A new mill will be set up in Liberia and planned for commissioning in Feb 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress. *Note: RSPO NPP Announcements for SDP can be <a href="http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14?">http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14?</a></p>	<p>Yes</p>
<p>Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.</p>	<p>Sime Darby (Liberia) Plantation Inc. Status: Box H - Close for Monitoring Further details please refer to: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/46">http://www.rspo.org/members/complaints/status-of-complaints/view/46</a> PT Mitra Austral Sejahtera (Sime Darby Sdn Bhd) Further details please refer to: <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/29">http://www.rspo.org/members/complaints/status-of-complaints/view/29</a></p>	<p>Yes</p>
<p>Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.</p>	<p>No stakeholder comments or complaints received.</p>	<p></p>

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Any Legal non- compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	None noted. No stakeholder comments or complaints received.	Complied.
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**3.3 Details of findings**

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

During the 4<sup>th</sup> Annual Surveillance Assessment there were 3 (three) Major and 1 (one) Minor Nonconformity raised. The Pagoh Palm Oil Mill 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.

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1536431-201710-M1	<p><b>Requirements</b> <b>Indicator 4.6.6</b> Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3).</p>	Major
	<p><b>Evidence of Nonconformity</b> Observed at Pengkalan Bukit Estate; i)Used chemical container was found at the back of workers linesite no. B107 ii)Used chemical container was at linesite no. C105 and used as supporting bed structure.</p>	
	<p><b>Statement of Nonconformity</b> Pesticide containers were not properly disposed of and used for other purposes.</p>	
	<p><b>Correction:</b> 1. To clear the SW items inside workers’ houses. 2.Store the collected SW in the SW store complete with labelling.</p>	
	<p><b>Root cause:</b> Poor awareness of workers despite estate having control mechanism of SW management.</p>	
	<p><b>Corrective Actions:</b> 1. Warning letter to be issued to the workers 2. Refresher and awareness training on SW to the workers.</p> <p>Major NC close out verification: i) Site verification at house # C105 and B107. No empty pesticides container observed at the line site. ii) Interview with randomly selected workers found that they aware on the instruction given by the management.</p>	

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	iii) Document verification - schedule waste training records dated 9/11/17, letter to respective workers on prohibition of empty chemical container re-use.	
	<p><b>Assessment Conclusion</b> Corrective action taken has been effectively implemented, thus the major NC was closed on 4/12/17. Continuous implementation will be further verified in the next assessment.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1536431-201710-M2	<p><b>Requirements</b> <b>RSPO SCC Standard Nov 2014, D.4.2</b> The site shall inform the CB immediately if there is a projected overproduction of certified tonnage</p>	Major
	<p><b>Evidence of Nonconformity</b> Overproduction of certified tonnage recorded for the period of October 2016 – June 2017; 122,013 mt which exceeded the projected certified tonnage of 119,618 mt</p>	
	<p><b>Statement of Nonconformity</b> CB has not been informed immediately on the projected overproduction of certified tonnage.</p>	
	<p><b>Correction:</b> 1.Update SCCS monitoring table 2.Request for extension of volume</p>	
	<p><b>Root cause:</b> Misinterpretation of the standard hence wrong format of monitoring. No issue previously hence wrong monitoring format was not noticed. <b>Corrective Actions:</b> Revised monitoring template</p>	
	<p>Major NC close out verification: i) Extension of volume approved on 31/10/17 and extended until January 2018. ii) SCCS monitoring - updated checklist as at November 2017. iii) Interviewed the person in charge during on site closure verification. A new revised monitoring table is being used and able to trigger is there is any over production occurred in the future</p>	
	<p><b>Assessment Conclusion</b> Corrective action taken has been effectively implemented, thus the major NC is closed on 4/12/17. Continuous implementation will be further verified in the next assessment.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
	<p><b>Requirements</b> <b>Indicator 6.5.3</b></p>	Major

<p>1536431-201710-M3</p>	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p>	
<p><b>Evidence of Nonconformity</b> Pengkalan Bukit Estate:</p> <ul style="list-style-type: none"> <li>i) In Division C, there were chemical containers found used as the bed structure supports at house no C-105 and in Division B, 1 chemical container placed at the house backyard at house no B-107. Apart from that, it was observed that some workers used the fertilizer bags as the window's shade and act as mosquito net at house no C-105 in Division C.</li> <li>ii) It was observed that House C-105, Division C are having the water tank to support the water source during water shortage. It was sighted that the water tank at was left open and having the larvae although it was mentioned to be used as the toilet usage.</li> </ul> <p>Pagoh Estate:</p> <ul style="list-style-type: none"> <li>i) As per HR guideline on ratio for worker per room stated in 'Pemberian Peralatan Penuaian/Keselamatan Mulai 01.06.10-Kemudahan Asas di dalam rumah', the ratio for 1 room is 2 workers, however, when visiting at house no 83 occupied by Indian workers, there were 1 house occupied with 8 workers (2 rooms) and both 2 rooms occupied with 3 workers and 1 worker is having no room where he sleep at living room, near the kitchen utensils.</li> </ul>		
<p><b>Statement of Nonconformity</b> Adequate housing, water supplies, medical, educational and welfare amenities to national standards was not effectively demonstrated.</p>		
<p><b>Correction:</b> 1.To clear the SW items inside workers' houses, store and label in SW store. 2.To clear larvae in tanks, cover tanks (Gotong Royong)</p>		
<p><b>Root cause:</b> 1. Linesite inspection was never done inside the workers' houses 2. Poor awareness of workers on SW items and prohibition to reuse and bring back back to house.</p>		
<p><b>Corrective Actions:</b> 1. Warning letter to workers bringing SW items home 2. Refresher training and awareness on SW to workers 3. Meeting with union/ workers reps (if necessary) to conduct collective inspection/ spot checks at a specified intervals.</p>		
<p>Major NC close out verification: Pengkalan Bukit Estate</p> <ul style="list-style-type: none"> <li>i) Site verification at house # C105 and B107 . No empty pesticides container observed at the line site. No more fertilizer bags used as window shade. No open tank fill with water observed on site. As as prevention, fogging programme has been scheduled in December 2017</li> <li>ii) Interview with workers at the respective house found that they aware on the empty chemical container disposal and recycling programme.</li> </ul>		



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	<p>iii) Document verification - schedule waste training records dated 9/11/17, letter to respective workers on prohibition of empty chemical container re-use and house/line site inspection.</p> <p>Pagoh Estate</p> <p>i) Site verification at house# 83 , 5 and 6. Maximum 4 person per dwelling at respective house. Refer to house census updated December 2017.</p>	
<p><b>Assessment Conclusion</b> Corrective action taken has been effectively implemented, thus the major NC is closed on 4/12/17. Continuous implementation will be further verified in the next assessment.</p>		

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1536431-201710-N1	<p><b>Requirements</b> <b>Indicator 4.7.5</b> Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed</p> <p><b>Evidence of Nonconformity</b> Pagoh POM First aid box content was insufficient (Ramp, Workshop and Laboratory). Safety pin was not available in the Ramp. Eye lotion was not available in the workshop. Pengkalan Bukit Estate First aid box was insufficient. Only 1 first aid box available at the workshop which has insufficient content. Pagoh Estate First aid box content at the workshop and chemical store eq. Antiseptic cream did not have expiry date.</p> <p><b>Statement of Nonconformity</b> The first aid equipment was not effectively inspected and monitored.</p> <p><b>Correction:</b> 1.Refill the First Aid boxes as per the list 2.First Aid Kit monitoring records</p> <p><b>Root cause:</b> Monitoring of First Aid Kit not effective</p> <p><b>Corrective Actions:</b> First Aid Kit Monitoring will be carried out by HA on monthly basis</p> <p><b>Assessment Conclusion</b> Corrective action plan is accepted. Effective implementation will be further verified in the next assessment.</p>	Minor

Observation	
OBS #	Description
1	Nil



Positive Findings	
PF #	Description
1	Good relationship being maintained with surrounding smallholder and villages.
2	Mill has continued maximized the use of renewable energy by consuming fibre and shell which produced through internal process.
3	Alternative for class I chemical was used, Acephate under Class III chemical for bagworm treatment.

Issues raised by Stakeholders	
<p>Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Pagoh Palm Oil Mill Certification Unit's environmental and social performance, legal and any known dispute issues.</p> <p>Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. These have been incorporated into the assessment findings.</p> <p>Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix E.</p>	
IS #	Description
1	<p><b>Issues:</b> Head Master of SK Panjang Sari Estate has given the assistance and contributions such as by providing the field for football match and donation</p> <p><b>Management Responses:</b> Sime Darby-Pagoh POM will continue to give support and maintain a good relationship with them.</p> <p><b>Audit Team Findings:</b> Managements effort is positive and satisfactory.</p>
2	<p><b>Issues:</b> Contractors &amp; Suppliers Payment was done in timely manner to the contractors/suppliers. No other issues raised.</p> <p><b>Management Responses:</b> Sime Darby-Pagoh POM will continue to maintain a good relationship with them.</p> <p><b>Audit Team Findings:</b> Managements effort is positive and satisfactory.</p>
3	<p><b>Issues:</b> Foreign Worker There is no bed provided by employer, only mattress given. Therefore, they used the empty chemical containers to support the bed structure.</p> <p><b>Management Responses:</b> As the current practice, Sime Darby only provide mattress and some other basic needs as per guideline, but not bed for workers. However, empty chemical containers shall be collected after used and should not be used for other purpose. Management will do necessary training and monitoring upon this matter to all workers.</p>

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	<b>Audit Team Findings:</b> The safety training has been provided this year on the chemical handling and disposal. Will look into the next training effectiveness and monitoring for this issue.
4	<b>Issues:</b> Estate Hospital Assistant So far, no serious disease, accidents or dengue disease occurred inside the estate reported. Linesite inspection was conducted on weekly basis while VMO visit to linesite was conducted in every 2 weeks.
	<b>Management Responses:</b> Management will continue provide free and adequate medical care to employees.
	<b>Audit Team Findings:</b> Accpeted.
5	<b>Issues:</b> Gender Committee There is no any reported case of harassmt in the operating units.
	<b>Management Responses:</b> Management will continue to maintain the mechanism in grievance and complaint regarding sexual harassment.
	<b>Audit Team Findings:</b> Managements effort is positive and satisfactory.

**3.3.1 Status of Nonconformities Previously Identified and Observations**

Observation	
OBS #	Description
Nil	n/a

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1400968M1	<b>Requirements</b> <b>Indicator 2.1.1</b> i) Evidence of compliance with relevant legal requirements shall be available ii) Workers’ Minimum Standards of Housing and Amenities Act 1990, Section 23 - Weekly inspection iii) Scheduled Waste Regulations 2005, regulation 7: Application for special management of scheduled wastes	Major
	<b>Evidence of Nonconformity</b> i) According to Workers’ Minimum Standards of Housing and Amenities Act 1990, section 23 sub-section (2) “It shall be the duty of the employer to ensure that all buildings used for the housing of workers, nurseries or community halls are visited and inspected weekly by an estate hospital assistant registered under the Estate Hospital Assistants (Registration) Act 1965 [Act 435] or any other responsible person authorized by the employer...”. However, the inspection was carried out on three monthly basis where it did not comply with the requirement. The inspection was conducted on 02/10/2016, 05/7/2016 and 05/04/2016 for Pagoh Mill. ii) No approval for special management of waste (SW 404) granted from DOE as to date.	

	<p><b>Statement of Nonconformity</b> Evidence of compliance with relevant legal requirements were not effectively implemented.</p> <p><b>Corrective Actions</b> <b>Correction (immediate)</b> i) Mill has appointed QA to perform a weekly inspection at all mill workers housing complex. ii) Special management for clinical wastes (SW404) request was sent for the 4th time to Ketua Cawangan DOE Muar on 4/11/2016. PSQM ESH HQ will follow up on the result/approval.</p> <p><b>Corrective action (long term) :</b> i) Mill management will ensure that workers housing inspection were done in accordance to the legal requirement. Verified evidence of weekly inspection done by QA on 4/11 and 11/11/2016. ii) OUs management will ensure that all disposal of SW404 were handled in accordance to the legal requirement. Verified approval granted via email dated 14 December 2016 from DOE Johor Bahru for the special approval of SW404.</p> <p>On-site closed out verification is not required due to non-process related NC. Evidence required is more on documented evidences which can be verified off-site.</p> <p>Evidence submitted found to be sufficient and effective to close the above non-compliance. The continuous implementation will be further verified in the next audit</p> <p>Thus, the major NC was closed on 20/12/16.</p>	
	<p><b>Assessment Conclusion</b> Weekly line site inspection was done for September 2017 (1st: 5/9, 2nd:14/9, 3rd: 20/9, 4th:28/9) using established checklist by PSQM. SW404 disposed through license contractor, Kualiti Alam. The major NC is remain closed.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1400968M2	<p><b>Requirements</b> <b>Indicator 6.5.2</b> Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p><b>Evidence of Nonconformity</b> According to MAPA/NUPW Circular No. 22/2015 dated 4/8/2015, the employer required to fully subsidize RM 3.00 per month for each of the members of NUPW as premium towards NUPW/AIA Personal Accident Group Scheme. However, the management has yet to subsidize and deducted RM 11.00 from sampled workers below: a. Employment ID: 12374 b. Employment ID: 57061</p>	Major

	<p>c. Employment ID: 60721</p> <p><b>Statement of Nonconformity</b> Worker's contracts and extension contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) were not implemented effectively. The management did not comply with the MAPA/NUPW Circular No. 22/2015</p> <p><b>Corrective Actions</b> <b>Correction (immediate action)</b> Estate has issued an internal memo on the reimbursement of the subsidy effective from Aug'15 to Oct'16  (15months) – RM45.00/worker.  <b>Corrective Action (long term action)</b> AAO will ensure that all new requirements are well aware by the management accordingly.  On-site closed out verification is not required due to non-process related NC. Evidence required is more on documented evidences which can be verified off-site.  Verified submitted evidences for the above issues (reimbursement memo dated 3/11/16 and latest payslip, December 2016). The corrective action found to be effective thus, the major NC was closed on 19/12/16.</p> <p><b>Assessment Conclusion</b> Pagoh POM has implemented the claimed of RM13.00 for payment of RM11 (NUPW) and RM20 (NUPW Insurance). Sighted in the pay slip for workers: a) Employee No.: 135276 (Pagoh POM) b) Employee No.: 126703 (Pagoh POM) c) Employee No.: 134415 (Pagoh POM) d) Employee No.: 86598 (Pagoh POM) e) Employee No.: 129963 (Pagoh POM) f) Employee No.: 86639 (Pagoh POM)  During the ASA 2 audit, the total reimbursement for RM13 has been given by the company and stated in their payslip. Sampled payslip on Dec'16, Mar'17 and Jul'17 as below: a) Employee No.: 135276 (Pagoh POM) b) Employee No.: 126703 (Pagoh POM) c) Employee No.: 134415 (Pagoh POM) d) Employee No.: 86598 (Pagoh POM) e) Employee No.: 129963 (Pagoh POM) f) Employee No.: 86639 (Pagoh POM) g) Employee No.: 0000128691 (Pengkalan Bukit) h) Employee No.: 0000108686 (Pengkalan Bukit) i) Employee No.: 0000109324 (Pengkalan Bukit) j) Employee No.: 0000130269 (Pengkalan Bukit) k) Employee No.: 0000114349 (Pengkalan Bukit) l) Employee No.: 0000123606 (Pengkalan Bukit) m) Employee No.: 0000131554 (Pengkalan Bukit) n) Employee No.: 0000114885 (Pengkalan Bukit) o) Employee No.: 0000011855 (Pengkalan Bukit) p) Employee No.: 0000125688 (Pagoh Estate)</p>	
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	<p>q) Employee No.: 0000117147 (Pagoh Estate)  r) Employee No.: 0000125145 (Pagoh Estate)  s) Employee No.: 0000135383 (Pagoh Estate)  t) Employee No.: 0000131253 (Pagoh Estate)  u) Employee No.: 0000130524 (Pagoh Estate)  v) Employee No.: 0000133063 (Pagoh Estate)  w) Employee No.: 0000135183 (Pagoh Estate)  x) Employee No.: 0000135696 (Pagoh Estate)  y) Employee No.: 0000114789 (Pagoh Estate)</p> <p>NO recurrence of issues observed. Thus, the previous major NC is remain closed</p>	
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<b>Non-Conformity</b>		
<b>NCR #</b>	<b>Description</b>	<b>Category (Major / Minor)</b>
1400968N1	<p><b>Requirements</b>  <b>Indicator 6.5.3</b>  Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p><b>Evidence of Nonconformity</b>  Due to the inconsistent water supply, empty drums were used to store treated water from SAJ or water from the mill (not suitable for drinking). However, the storage of the water sharing the same drums without any cleaning. Besides, some of these drums without cover which located outside the roof may lead to mixing of the treated water and rainwater. According to workers, they unable to access treated water for drinking purpose consistently. During line site inspection, larvae was observed in the drum at house no 9.</p> <p><b>Statement of Nonconformity</b>  Inconsistent of water supply and possible water contamination observed in Pagoh Palm Oil Mill line site.</p> <p><b>Corrective Actions</b>  <b>Correction (immediate action)</b>  i) A briefing/training is conducted to all workers on the safe water storage/consumption during water cut off by SAJ.  ii) All water containers were stored accordingly.</p> <p><b>Corrective Action (long term action)</b>  Mill management will continue establish/improve weekly housing inspection as per legal requirement</p> <p><b>Assessment Conclusion</b>  <u>Pengkalan Bukit Estate:</u>  1. In Division C, there were chemical containers found used as the bed structure supports at house no C-105 and in Division B, 1 chemical container placed at the house backyard at house no B-107. Apart from that, it was observed that some workers used the fertilizer bags as the window's shade and act as mosquito net at house no C-105 in Division C.  2. According to Workers' Minimum Standards of Housing and Amenities Act 1990, section 2. 6. (1) 'Where workers and their dependants are provided</p>	Minor

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	<p>with housing at their place of employment it shall be the duty of the employer of such place of employment— (a) to provide free and adequate piped water drawn from a public main, or where the Director General so permits in writing, to provide free and adequate supply of potable piped water drawn from any other source which shall be filtered and treated in a manner approved by the Director General.....’ It was observed that House C-105, Division C are having the water tank to support the water source during water supplied ceased. It was sighted that the water tank at was left open and having the larvae although it was mentioned to be used as the toilet usage.</p> <p><u>Pagoh Estate:</u></p> <ol style="list-style-type: none"> <li>As per HR guideline on ratio for worker per room stated in ‘Pemberian Peralatan Penuaian/Keselamatan Mulai 01.06.10-Kemudahan Asas di dalam rumah’, the ratio for 1 room is 2 workers, however, when visiting at house no 83 occupied by Indian workers, there were 1 house occupied with 8 workers (2 rooms) and both 2 rooms occupied with 3 workers and 1 worker is having no room where he sleep at living room, near the kitchen utensils.</li> </ol> <p>Repeating NC for minor therefore escalated to Major.</p>	
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Observation	
OBS #	Description
Nil	n/a

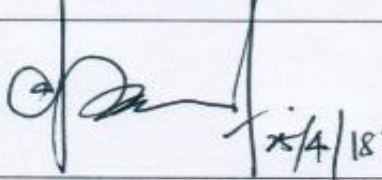

**3.3.2 Summary of the Nonconformities and Status**

CAR Ref.	CLASS	ISSUED	STATUS
935929M0	Major	21/6/2013	Closed on 20/09/2013
935929M1	Major	21/6/2013	Closed on 20/09/2013
935929N3	Minor	21/6/2013	Closed on 25/11/2014
935929N4	Minor	21/6/2013	Closed on 25/11/2014
935929N5	Minor	21/6/2013	Closed on 25/11/2014
1130145N1	Minor	28/11/2014	Upgraded to major NC as per RSPO certification system. NC Ref: 1245152M3.
1245152M1	Major	29/10/2015	Closed on 6/12/2015
1245152M2	Major	29/10/2015	Closed on 6/12/2015
1245152M3	Major	29/10/2015	Closed on 6/12/2015
1245152N1	Minor	29/10/2015	Closed on 1/11/2016
1400968M1	Major	03/11/2016	One of corrective action from the previous ASA2 NC, ref#1245152M3 was found not effective and partially closed. The issue was raised under different indicator, 2.1.1 related to obtaining approval from authority.

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			Based on the submitted evidence, the Major NC was closed on 20/12/2016
1400968M2	Major	03/11/2016	Closed on 9/12/2016
1400968N1	Minor	03/11/2016	Closed on 4/12/2017 (Escalated to Major NC. NCR #: 1536431-201710-M3)
1536431-201710-M1	Major	05/10/2017	Closed on 4/12/2017
1536431-201710-M2	Major	05/10/2017	Closed on 4/12/2017
1536431-201710-M3	Major	05/10/2017	Closed on 4/12/2017
1536431-201710-N1	Minor	05/10/2017	"Open"

**Assessment Conclusion and Recommendation:**

Based on the findings during the assessment Pagoh Palm Oil Mill Certification Unit and supply base are complies with the RSPO P&C 2013 (MY-NI 2014), and the RSPO Supply Chain Certification Standrad (Nov 2014) for CPO Mill. It is recommended that the certification of Pagoh Palm Oil Mill Certification Unit is approved and continued.	
<b>Acknowledgement of Assessment Findings</b>	<b>Report Prepared By</b>
<b>Name:</b> Syahwal Bin Sarawalah	<b>Name:</b> Mr Mohamed Hidhir Bin Zainal Abidin
<b>Company name:</b> Sime Darby Plantation Bhd	<b>Company name:</b> BSI Services Malaysia Sdn Bhd
<b>Title:</b> SOU 19, Chairman	<b>Title:</b> Lead auditor
<b>Signature:</b> 	<b>Signature:</b> 
<b>Date:</b> 25/4/18	<b>Date:</b> 25 <sup>th</sup> April 2018



**Appendix A: Summary of Findings**

Criterion / Indicator		Assessment Findings	Compliance
<b>Principle 1: Commitment to Transparency</b>			
<b>Criterion 1.1:</b> Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.			
1.1.1	There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Adequate information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Requests for information from the Regulatory Department such as DOE quarterly reports were attended and no noncompliance or complaints were noted. Publicly available documents such as land title, OSH plan, HGV documents, negotiation procedure, complaint records, RSPO public summary reports, EIA, Management Plans & Continuous Improvement Plans and company policies are Available.  Mill and estate assistant at each operating unit responsible on providing & updating the information to relevant stakeholder	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	Request and response file is maintained. Stakeholders wrote in formal letter whenever there was any requests or assistant needed from estate. The management has responded to the request. Evidence of response maintained and verified during assessment.	Complied
<b>Criterion 1.2:</b> Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			



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Criterion / Indicator	Assessment Findings	Compliance
<p>1.2.1</p> <p>Publicly available documents shall include, but are not necessary limited to:</p> <ul style="list-style-type: none"> <li>• Land titles/user rights (Criterion 2.2);</li> <li>• Occupational health and safety plans (Criterion 4.7);</li> <li>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</li> <li>• HCV documentation (Criteria 5.2 and 7.3);</li> <li>• Pollution prevention and reduction plans (Criterion 5.6);</li> <li>• Details of complaints and grievances (Criterion 6.3);</li> <li>• Negotiation procedures (Criterion 6.4);</li> <li>• Continual improvement plans (Criterion 8.1);</li> <li>• Public summary of certification assessment report;</li> <li>• Human Rights Policy (Criterion 6.13).</li> </ul> <p>- Major compliance –</p>	<p>There was no restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. Sime Darby Plantations Sdn Bhd continued to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans was made available at all operating units. Procedure for complaints and grievances were available through Sime Darby Plantations Sdn Bhd website and <a href="http://www.simedarbyplantation.com/Sustainability.aspx">http://www.simedarbyplantation.com/Sustainability.aspx</a></p> <p>Among the documents that were made available for viewing are:</p> <ul style="list-style-type: none"> <li>• Good Agricultural Practices</li> <li>• Social Enhancement</li> <li>• Sustainability Management Programmes</li> <li>• Complaint and Grievances procedure.</li> <li>• Environmental Conservation</li> </ul> <p>These documents highlight current Sime Darby Plantations Sdn Bhd practices and their continual improvement plans. Besides the above document Sime Darby Plantations Sdn Bhd policy on the followings are also available at the same website:</p> <ol style="list-style-type: none"> <li>1) Social</li> <li>2) Quality</li> <li>3) Food Safety</li> <li>4) Occupational Safety &amp; Health</li> <li>5) Environment &amp; Biodiversity</li> <li>6) Slope Protection and Buffer Zone</li> <li>7) Lean Six Sigma</li> <li>8) Gender</li> </ol> <p>In addition to the website, the policies were also displayed at various locations including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view.</p>	<p>Complied</p>
<p><b>Criteria 1.3:</b> Growers and millers commit to ethical conduct in all business operations and transactions.</p>		
<p>1.3.1</p> <p>There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.</p> <p>-Minor compliance</p>	<p>Committing to a code of ethical conduct and integrity in all operations and transactions documented and communicated to all levels of the workforce and operations. Every employee holds a handbook of ethical conduct. The briefing for code of ethical conduct (COBC) for workers &amp; staff was done on 15.08.17 was conducted attended on 25 workers for Pagoh POM. For Pengkalan Bukit, refresher Training was done on 14.07.17 to all workers from gang 2, 51, 62, 22, 21, 26, 6, 52, 23, 27 and gang 5 after morning muster. For Pagoh Estate, 108 workers attended the COBC training on 5.9.17 while the other 52 workers attended the training on 30.9.17.</p>	<p>Complied</p>
<p><b>Principle 2: Compliance with applicable laws and regulations</b></p>		
<p><b>Criterion 2.1:</b> There is compliance with all applicable local, national and ratified international laws and regulations.</p>		

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<p>2.1.1 Evidence of compliance with relevant legal requirements shall be available.            - Major compliance -</p>	<p>SOU 19 had continued to comply with legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and PSQM sustainability team. SOU 19 had obtained and renewed license and permits as required by the law. Sample of licenses or permit viewed were :</p> <p><b>PPOM</b></p> <ol style="list-style-type: none"> <li>1. MPOB license: 565809104000 (validity period 1/11/2016 - 31/10/2018) for 180,000MT.</li> <li>2. DOE License: JPKKS 002366 (validity period 1/7/2017 - 30/6/2018) for 45MT/hr and method of POME discharge is water course.</li> <li>3. River water extraction license: 08/A/Muar/020, file# BAKAJ:334/330/05/03/08/2 validity period until 31/12/2017) by Director of Water Resources Johor.</li> <li>4. Energy commission license; Installation no.: ST(SJB)P/SJHR/01967; serial no.: 5987/2017 (validity period 22/07/2017 – 21/07/2018) for 1600 kW installation capacity.</li> <li>5. Certificate of Fitness for Unfired Pressure Vessels:-               <ol style="list-style-type: none"> <li>i. Inclined sterilizer: JH PMT 20182 valid until 4/03/2018</li> <li>ii. Steam Boiler: JH PMD 1426 valid until 26/6/18</li> <li>iii. Steam receiver: JH PMT 20185 valid until 26/6/18</li> </ol> </li> <li>6. Competency of Steam Engineer:-               <ol style="list-style-type: none"> <li>i. JKJ 19 - #053/2013 (1st grade)</li> <li>ii. JKJ 19 - #145/2009 (1st grade)</li> </ol> </li> <li>7. Competency of Engine Driver:-               <ol style="list-style-type: none"> <li>i. JKJ 18 – J.66/99 (Grade 1)</li> <li>ii. JKJ 18 – J.029/97 (Grade 2)</li> </ol> </li> <li>8. Certified Environmental Professional in the Treatment of Palm Oil Mill Effluent CePPOME, Cert# CePPOME/16022 valid until 1/6/18.</li> <li>9. CePSWaM, training dated 31/7 – 4/8/17.</li> <li>10. AGT/AESP (AGTES Refresher) dated 11/4/17 , NW-HQ-AGT-R-0318-P, valid until 18/4/19</li> </ol> <p><b>Pengkalan Bukit Estate</b></p> <ol style="list-style-type: none"> <li>1. License for Toll Collection - Ref: SUKJ(HED)74/4/12 (112), License#17/2017 (01/01/2017-31/12/2017).</li> <li>2. Diesel permit, ref#MR/PD/SKK-0344, Serial number:J026459 valid till 25/7/2018</li> <li>3. Certificate of fitness for air compressor, MK PMT 1884 valid until 4/3/18</li> <li>4. MPOB license: 518941002000 (01/03/2017 - 28/02/2018</li> </ol>	<p>Complied</p>

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2.1.2 A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	List of applicable legal and other requirements was made available during the assessment and compiled in the QSHE/04/5.2.4 folder. Documented procedure has been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008  All operating units have Legal & Other Requirements Register (LORR) covering all the necessary regulatory requirements. Register dated 8/9/17 was reviewed on site.	Complied
2.1.3 A mechanism for ensuring compliance shall be implemented. - Minor compliance -	A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU4. PSQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. Refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.	Complied
2.1.4 A system for tracking any changes in the law shall be implemented. - Minor compliance -	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations.	Complied
<b>Criterion 2.2:</b> The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.		

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<p>2.2.1 Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available.            - Major compliance -</p>	<p>Documents showing legal ownership or lease, history of land tenure and the actual legal use (agriculture) of the land were made available at all visited sites. Sample of land title checked:</p> <p><u>Pengkalan Bukit Estate</u>            Land title sampled:</p> <table border="1" data-bbox="659 618 1297 826"> <thead> <tr> <th>Grant no.</th> <th>Lot no. &amp;</th> <th>District</th> <th>Total area</th> <th>Land Tenure</th> </tr> </thead> <tbody> <tr> <td>91970</td> <td>44</td> <td>Mukim Jorak</td> <td>191.618 8 ha</td> <td>Freehold</td> </tr> <tr> <td>93883</td> <td>2161</td> <td>Mukim Jalan Bakri</td> <td>380.202 1 ha</td> <td>Freehold</td> </tr> </tbody> </table> <p><u>Pagoh Estate</u>            Land title sampled:</p> <table border="1" data-bbox="659 943 1297 1178"> <thead> <tr> <th>Grant no.</th> <th>Lot no. &amp;</th> <th>District</th> <th>Total area</th> <th>Land Tenure</th> </tr> </thead> <tbody> <tr> <td>93881</td> <td>2159</td> <td>Mukim Jalan Bakri</td> <td>1039.23 27 ha</td> <td>Freehold</td> </tr> <tr> <td>120476</td> <td>1936</td> <td>Mukim Jalan Bakri</td> <td>12.3935 ha</td> <td>Freehold</td> </tr> </tbody> </table> <p>Land ownership is under Sime Darby Plantation Sdn Bhd and in the process to change the legal ownership under Sime Darby Plantation Bhd.</p>	Grant no.	Lot no. &	District	Total area	Land Tenure	91970	44	Mukim Jorak	191.618 8 ha	Freehold	93883	2161	Mukim Jalan Bakri	380.202 1 ha	Freehold	Grant no.	Lot no. &	District	Total area	Land Tenure	93881	2159	Mukim Jalan Bakri	1039.23 27 ha	Freehold	120476	1936	Mukim Jalan Bakri	12.3935 ha	Freehold	<p>Complied</p>
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<p>2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained.            - Minor compliance -</p>	<p><u>Pengkalan Bukit Estate</u>            During the field visit it was noted that legal boundaries are clearly demarcated and visibly maintained at Pengkalan Bukit Estate. Field P02C is adjacent to smallholder farm and the boundary stone can be located. Observed physical boundary constructed such as trenches as well as boundary marker which has been demarcated and visibly maintained.</p> <p><u>Pagoh Estate</u>            Boundary is marked based on latest land survey by Sime Darby land department at P91 @ current replanting field 17A and 17B. Physical boundary @ boundary marker erected along P91 which adjacent to smallholder farm.</p>	<p>Complied</p>																														
<p>2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC).            - Minor compliance -</p>	<p>There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Sime Darby and land ownership documents verified.            In case of land dispute occurred, Pagoh POM has the Sustainable Plantation Management System, Appendix 3, Flowchart &amp; Procedures on Handling Land Disputes Version 1, Year 2008 Issue 1 dated on 01.11.08.</p>	<p>Complied</p>																														

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

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2.3.2	Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. - Minor compliance -	The estate lands are legally owned by the company and no other users were identified within the land area. In case of land dispute occurred, Pagoh POM has the Sustainable Plantation Management System, Appendix 3, Flowchart & Procedures on Handling Land Disputes Version 1, Year 2008 Issue 1 dated on 01.11.08.	Complied
2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. -Minor compliance	The estate lands are legally owned by the company and no other users were identified within the land area.	Complied
2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. -Major compliance	In case of land dispute occurred, Pagoh POM has the Sustainable Plantation Management System, Appendix 3, Flowchart & Procedures on Handling Land Disputes Version 1, Year 2008 Issue 1 dated on 01.11.08.	Complied
<b>Principle 3: Commitment to long-term economic and financial viability</b>			
<b>Criterion 3.1:</b> There is an implemented management plan that aims to achieve long-term economic and financial viability.			
3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	Annual business plan in the form of annual budget and the projection for 5 years prepared as guidance for future planning. The business plan contains FFB yield, CPO, OER, and KER, costs of production, etc. CAPEX budgeted for mill and estate and allocated for operation, compliance as well as for social and welfare.	Complied

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3.1.2	<p>An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -</p>	<p>SOU 19 estates have long range replanting program until 2037. Replanting is planned for tall palm and older than 25 years old and P&amp;D infected palm (Ganoderma). Replanting programme for the next financial year as follow:</p> <p><u>Pengkalan Bukit Estate</u> FY 17/18 : 83.27 ha FY 18/19 : 116.59 ha</p> <p><u>Pagoh Estate</u> FY17/18 : 137.41 ha FY18/19 : 226.61 ha</p>	Complied
<p><b>Principle 4: Use of appropriate best practices by growers and millers</b></p>			
<p><b>Criterion 4.1:</b> Operating procedures are appropriately documented, consistently implemented and monitored.</p>			
4.1.1	<p>Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -</p>	<p>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. SOP for the Composting Plant dated 15/8/2011: Composting Management System version 1:2011 Estates have a separate SOP (Sime Darby SOP issued 2/1/2008 and Agricultural reference Manual) covers land preparation, planting material, upkeep, harvesting, transport etc. Noted updated procedure under SOP for water analysis and RSPO SCCS procedure:</p> <p>i)SPMS, Appendix 7: SOP for water quality monitoring, issue:2 dated 1/6/16.</p> <p>SOP for sampling guideline ii)Water and Wastewater Sampling Guideline, issue:1 dated 1/6/16.</p> <p>iii) RSPO Supply Chain Certification Standard and Traceability for handling certified and non-certified FFB under Appendix 15, version:2, issue: 2 dated October 2016</p>	Complied
4.1.2	<p>A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -</p>	<p>The SQM, Central West Region (led by Ms Salwa) has visited Pagoh POM on 08.09.17 to conduct internal audit and captured on the status of compliances to the SOPs in 'RSPO Internal Consultative Assessment Report'. The report were integrated for both MSPO and RSPO standard requirement.</p> <p>For Pagoh Estate and Pengkalan Bukit, both internal audit conducted on 04.09.17 and 05.09.2017 with the same format audit report and person in charge. For Plantation Advisory (PA) visit, at Pengkalan Bukit Estate PA report – SOU19/PBE/01/2016-17 was sighted. Date of visit: 28-30 November 2016. Refer to report, Plantation Advisory &amp; Mechanization Department.</p>	Complied

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4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	Mill Advisor visited Pagoh Mill on 12-14 September 2017 (Performance Qualitative Report (PQR) – KKS Pagoh 2016). Report includes monitoring of all activities in the mill. It was noted that the mill achieved PQR rating of 82%. Internal RSPO audit was conducted on 8/9/17 by the RSPO & Certification Unit, PSQM.	Complied
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -	No third-party sourced Fresh Fruit Bunches (FFB) received at Pagoh POM.	Complied
<b>Criterion 4.2:</b> Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -	Good agriculture practices which follows the group agriculture manual contains Standard Operating Procedures to ensure soil fertility is managed to a level that ensures optimal and sustained yield.	Complied
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance -	<p><u>Pengkalan Bukit Estate</u></p> <p>Fertilizer application programme is based on the recommendation by agronomist under Appendix I, 2017 Agronomist and Fertilizer Recommendations Report. Date of visit: 19-20 &amp; 27-28 July 2017.</p> <p>Programme for mature and immature fields available for review. Sample of programme for RP (28% P2O5) P06B (44.45 ha)</p> <p>Application date: 19-20 May 2017, recommendation rate: 2.0 kg/palm for total of 11.36 mt</p> <p>For FY2017/2018, manuring programme has started in August 2017 for mature area (AS 21%N programme) and immature (CCM45 [12:12:17:2] programme) in July 2017. Refer to 2017/2018 Agronomic &amp; Fertiliser Recommendation Report – Oil Palm, Appendix I dated 20-21/6/17.</p> <p><u>Pagoh Estate</u></p> <p>Fertilizer application programme is based on the recommendation by agronomist under Appendix I, 2017 Agronomist and Fertilizer Recommendations Report (interim July-Dec 2017). Date of visit: 12-13 September 2017.</p> <p>Programme for mature and immature fields available for review. Sample of programme for MOP (60% K<sub>2</sub>O) at field 1994B (101.34 ha)</p> <p>Application date: August – September 2017, recommendation rate: 1.75 kg/palm for total of 25.60 mt @ 511 bags.</p>	Complied



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4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	<p>Sime Darby Seeds and Agriculture Services Sdn Bhd prepare the annual fertilizer recommendation. Leaf analysis result which shows the nutrient level was used as guidance for the fertilizer recommendation. At Pengkalan Bukit Estate, leaf sampling was carried out in September 2017. Foliar nutrient status reported under the latest agronomist report for FY2017/2018 dated 19-20 &amp; 27-28 July 2017. Soil analysis carried out at 5 years interval. The last soil analysis was carried out on 16/3/15, Report# S20/2015 dated 16/3/15.</p> <p><u>Pagoh Estate</u> Foliar nutrient status will be reported under agronomist report for FY2017/2018. Leaf sample was taken on 12-13/9/17 during the latest agronomist visit. Final report is still in progress of completion. Soil analysis carried out at 5 years interval. The last soil analysis was carried out on 15/12/14, Report# S16/2015 dated 16/3/15.</p>	Complied
4.2.4 A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	<p>Nutrient recycling strategy is in place and includes use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. EFB applied at selected fields at the estates. Recommended rate is 40mt/ha.</p> <p><u>Pagoh Estate</u> EFB application programme for mature field (2004, 3005, 2008) Todate application records Field 2008 (105.73 ha) : 41.92% completion Field 2005 (68.32 ha) : completed Field 2004 (32.71 ha) : 49.07 % completion</p>	Complied
<p><b>Criterion 4.3:</b> Practices minimise and control erosion and degradation of soils.</p>		
4.3.1 Maps of any fragile soils shall be available. - Major compliance -	<p>Maps of any soil categories available at all visited operating units. For example at Pagoh Estate</p> <p>Refer to soil map prepared by R&amp;D-RSGA Precision Agriculture Unit (SHMNA) dated 4 June 2015. Majority (Lanchang 36.04%, Rengam 34.27%). No fragile soils at the sample estate.</p>	Complied
4.3.2 A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	<p>Slope map available. Refer to Digital and Elevation Model (DEM) Contour prepared by R&amp;D RSGA Precision Agriculture Unit (SHMNA) dated 11/11/15. The slope ranging from 0° - 30° and majority is flat area.</p> <p>Slope area constructed with terrace and side drainage. Planting terraces had been constructed where slope &gt;10°. Areas more than 25° have been maintained as conservation area. Fields are established with cover crops such as muccuna and soft grasses and ferns. No more than 25° (hilly) area at Pengkalan Bukit Estate</p>	Complied

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4.3.3	A road maintenance programme shall be in place. - Minor compliance -	Road maintenance programme available at all visited estates. For example at Pengkalan Bukit Estate, road maintenance programme for FY17/18 available. Routine resurfacing and road grading programme for July – September 2017 was sighted. For example in September 2017 total of 87.90 ha completed programme at field 2008B and 2001G	Complied
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.	Complied
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.	Complied
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.	Complied
<b>Criterion 4.4:</b> Practices maintain the quality and availability of surface and ground water.			

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<p>4.4.1</p> <p>An implemented water management plan shall be in place.            - Minor compliance -</p>	<p>Monitoring of Industrial Effluent (Water) Analysis was done on monthly basis by Pagoh Mill. Seen the latest test result (IE1020/2017) dated 18.09.17 available during audit. There were 4 sampling points from final discharge.</p> <p>Establishment of Water Management Plan for FY 17/18 at <b>Pagoh POM</b> are:</p> <ol style="list-style-type: none"> <li>1. Source of water for processing: Reservoir.</li> <li>2. Source of water for domestic use: JBA (Government water)</li> <li>3. Waste water generated: Yes</li> <li>4. Way of water treatment: Ponding (Biological treatment plant).</li> <li>5. Way of treatment of effluent: Anaerobic and follow by an extended aeration process (Aerobic).</li> <li>6. Disposal manner: Water course.</li> </ol> <p>Sighted the Pagoh Oil Mill Emergency Water Management Plan for FY 17/18:-</p> <ol style="list-style-type: none"> <li>1. Inadequate water supply to and from oil mill – to repair the leak/replace defective pumps/pipelines.</li> <li>2. Excessive water overflowing from storage tank – to repair/replace faulty starter and make good the float.</li> </ol> <p>Sighted monitoring of water quality for effluent treatment plan where monthly water analysis report from R&amp;D available.</p> <p>Establishment of water management plan for financial year 2017/2018 at <b>Pengkalan Bukit Estate</b> are:</p> <ol style="list-style-type: none"> <li>1. Water catchment – Main Division (PB01) &amp; Pagoh Division (TR01) and Tube Well (Paya Redan Division)               <ol style="list-style-type: none"> <li>a. Visual monitoring for bare eroded soil, intrusion, fencing.</li> <li>b. Water quality monitoring.</li> </ol> </li> <li>2. Rain water</li> <li>3. Syarikat Air Johor (SAJ)               <ol style="list-style-type: none"> <li>a. Water usage monitoring</li> <li>b. Campaign on save water</li> </ol> </li> </ol> <p>The Rainfall monitoring records <b>Pengkalan Bukit Estate</b> was made available. The data shows an average rainfall from September 2016 till August 2017 at 21.84 mm.</p>	<p>Complied</p>

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	<p>Establishment of water management plan: Contingency plan during water shortage for financial year 2017/2018 at <b>Pagoh Estate</b> are:</p> <ol style="list-style-type: none"> <li>1. Water shortage/dry spell               <ol style="list-style-type: none"> <li>a. To purchase water supply from SAJ</li> <li>b. To obtain water supply from neighbour estate</li> <li>c. To train staff/worker to conserve water</li> <li>d. Limit the proton of water for cinsumption</li> </ol> </li> <li>2. Severe water pollution/contamination               <ol style="list-style-type: none"> <li>a. To purchase water supply from SAJ</li> <li>b. To request advise of PSQM &amp; DOE to solve/assist the problem</li> </ol> </li> </ol> <p>Sighted the Identification &amp; Management of Wastewaters for financial year FY 2016/2017:</p> <ol style="list-style-type: none"> <li>a. Chemical mixing water spillage – recycle for chemical mixing</li> <li>b. Sprayer PPE washing water – recycle for chemical mixing</li> <li>c. Workshop, linesite &amp; office and toilet water – drains and sludge collected by licensed contractor.</li> </ol> <p>Sighted Action plan to reduce fresh water usage for FY 2017/2018:-</p> <ol style="list-style-type: none"> <li>a. Watering nursery – extract water from reservoir.</li> <li>b. Workshop washing water – extract water from reservoir.</li> </ol> <p>The Rainfall monitoring records <b>Pagoh Estate</b> was made available. The data shows an average rainfall from August 2016 till July 2017 at 25.02 mm.</p>	

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<p>4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. - Major compliance -</p>	<p>Documented as a Guidelines on River Reserve Management (Management of River Reserve in Sime Darby Plantation; dated April 2014). Buffer zones established as following:</p> <table border="1" data-bbox="663 495 1303 770"> <thead> <tr> <th>River width</th> <th>Buffer zone</th> </tr> </thead> <tbody> <tr> <td>&gt; 40 meters</td> <td>50 meters</td> </tr> <tr> <td>20 to 40 meters</td> <td>40 meters</td> </tr> <tr> <td>10 to 20 meters</td> <td>20 meters</td> </tr> <tr> <td>5 to 10 meters</td> <td>10 meters</td> </tr> <tr> <td>&lt; 5 meters</td> <td>5 meters</td> </tr> </tbody> </table> <p>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.</p> <p><b>Pagoh POM</b> - Monitoring of upstream and downstream was done once per year as stipulated under "Jadual Pematuhan". Refer to test report#IE908/2017 dated 22/08/2017. All parameter tested were within limit.</p> <p><b>Pengkalan Bukit Estate</b> - Refer to Industrial Effluent (Water) Analysis report IE925/2017 dated 24/08/2017 for Water Analysis Test report. Report shown result does not conform with the NSDWQS for domestic use.</p> <p>Corrective/preventive action report WQ-01/CPAR(1) dated 24/08/2017 was sighted and the estate has arranged for preservative additional for next sampling.</p> <p><b>Pagoh Estate</b> – Sighted sample receipt advice dated 02/10/2017 sent to lab test for water sample – IE- Natural waterways (WC1-natural waterways), (WC2-midstream) and (WC3 – downstream). Lab ref: C-W-IE-201710-004080, C-W-IE-201710-004081 and C-W-IE-201710-004082. Result to be verified during the next surveillance.</p>	River width	Buffer zone	> 40 meters	50 meters	20 to 40 meters	40 meters	10 to 20 meters	20 meters	5 to 10 meters	10 meters	< 5 meters	5 meters	<p>Complied</p>
River width	Buffer zone													
> 40 meters	50 meters													
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<p>4.4.3</p> <p>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6).                      - Minor compliance -</p>	<p>Treated mill effluent discharge was regularly monitored as prescribed under "Jadual Pematuhan", license# 002366.</p> <p>Limit of Biochemical Oxygen Demand (BOD) discharge is 100 mg/l for water course. Regular monitoring was done on monthly basis and every quarterly via "Borang Penyata Suku Tahun" to DOE for compliance.</p> <p>For the latest quarter, quarterly return report submitted via OER @ "Online Environmental Reporting" dated 06/07/2017. Refer to DOE file#AS(B)J31/152/000/090 for 2017 2nd quarter report. Analysis report was verified and checked. Report EP339/2017 dated 22/06/2017 does not conform with the parameter limits for watercourse discharge.</p> <p>Sighted the Environmental Performance Monitoring Committee Meeting – KKS Pagoh no 06/17 dated 09/08/2017 for the corrective action to reduce the pH in Waste Water Discharge sighted.</p> <p>Monitoring of Industrial Effluent (Water) Analysis was done on monthly basis by Pagoh Mill. Seen the latest test result (IE1020/2017) dated 18.09.17 available during audit. There were 4 sampling points from final discharge. BOD was between 3-10 mg/L and COD 88-252 mg/L.Limit of BOD is 100 mg/L</p>	<p>Complied</p>
<p>4.4.4</p> <p>Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored.                      - Minor compliance -</p>	<p>Total water consumed for FY2016/2017 was 1.15m<sup>3</sup>/mt FFB processed.</p>	<p>Complied</p>

**Criterion 4.5:**  
 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.

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<p>4.5.1</p> <p>Implementation of Integrated Pest Management (IPM) plans shall be monitored.</p> <p>- Major compliance -</p>	<p>IPM is documented in Agriculture Reference Manual. The estates continue to implement biological control for the oil palm pest in the plantation such as leaf eating pest and rat. IPM techniques applied at the estates include monitoring of pest numbers and the use of triggers for initiation of control measures. Although there have been no outbreaks of leaf eating pests, beneficial plants are being established along roadsides to attract natural predators. The estates are continue to plant beneficial plants such as Turnera subulata. Latest updates of Pengkalan Bukit Estate IPM's as per below:</p> <p>Beneficial plant: 6:2:2 (target for minimum 1 dm/ha)</p> <p>Rat baiting: calendar baiting (3 rounds below 20% - completed for field 2005C), warfarin (1<sup>st</sup> generation) dated 12/9/17. If not effective, 2<sup>nd</sup> generation of rat baiting will be used for 2<sup>nd</sup> campaign.</p> <p>Barn owl box: Occupancy rate average at 76% (2<sup>nd</sup> round in 2017) together with BOB maintenance and replacement/new box.</p> <p><u>Pagoh Estate</u></p> <p>Beneficial plant: 6:2:2 (target for minimum 1 dm/ha)</p> <p>Rat baiting: calendar baiting (4 rounds below 20% - completed for field 2004), warfarin (1<sup>st</sup> generation) dated 24/7/17. If not effective, 2<sup>nd</sup> generation of rat baiting will be used for 2<sup>nd</sup> campaign.</p> <p>Barn owl box: Occupancy rate average at 72% (2<sup>nd</sup> round in August 2017) together with BOB maintenance and replacement/new box</p>	<p>Complied</p>
<p>4.5.2</p> <p>Training of those involved in IPM implementation shall be demonstrated.</p> <p>- Minor compliance -</p>	<p>IPM training is given by the Agronomist and plantation executives with qualification in agriculture. Interview with the barn owl occupancy census team confirm their understanding of the Sime Darby SOP in Agricultural Reference Manual v.1 Section 15 on census. The latest IPM training (beneficial plant) was carried on 21/5/17 at Pengkalan Bukit Estate. Centralized training for SOU19 named "Hoot Hoot The Rats Programme" was carried out on 11/4/17. This training focus mainly on IPM (BOB implementation) and rat baiting programme for the estates.</p>	<p>Complied</p>
<p><b>Criterion 4.6:</b> Pesticides are used in ways that do not endanger health or the environment</p>		

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<p>4.6.1</p> <p>Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available.</p> <p>- Major compliance -</p>	<p>The written justification in Standard Operating Procedure (SOP) of all agrochemical are available the Agricultural Reference Manual (ARM), SOP and in the Safety Pictorial Book prepared by Sime Darby Plantation Sdn Bhd. Refer to Sime Darby Agricultural Reference Manual, issue:1 version:3 dated 1/7/2011. Selected products are specific to the target pest, weed and disease. Some of recommended pesticides are:</p> <p>Immature planting (sample)</p> <ul style="list-style-type: none"> <li>- General weeds : Glyphosate</li> <li>- Legume &amp; broad leave : Metsulfuron Methyl</li> <li>- Stenochlaena palustris : Sodium chlorate</li> </ul> <p>Mature planting</p> <ul style="list-style-type: none"> <li>- VOPs : glyphosate &amp; sodium chlorate</li> </ul> <p>The selection is also evaluated by the agronomist during his visit to the estate.</p>	<p>Complied</p>																				
<p>4.6.2</p> <p>Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided.</p> <p>- Major compliance -</p>	<p>Records of pesticides use (including active ingredients used and their LD 50, area treated, amount of a.i. applied per ha and number of applications) had been maintained and kept by the estate. For 2017, total 0.148 Ai/Ha recorded for Pengkalan Bukit Estate. (Metsulforon methyl, cypermethrin, glufossinate ammonium, thiram, trichlorofan). Summary of Ai/Ha from Jan - Aug 17 as per below:</p> <table border="1" data-bbox="660 1189 1297 1653"> <thead> <tr> <th>Month</th> <th>Ai/Ha</th> </tr> </thead> <tbody> <tr> <td>January 2017</td> <td>0.091</td> </tr> <tr> <td>February 2017</td> <td>0.079</td> </tr> <tr> <td>March 2017</td> <td>0.127</td> </tr> <tr> <td>April 2017</td> <td>0.074</td> </tr> <tr> <td>May 2017</td> <td>0.149</td> </tr> <tr> <td>June 2017</td> <td>0.117</td> </tr> <tr> <td>July 2017</td> <td>0.105</td> </tr> <tr> <td>August 2017</td> <td>0.104</td> </tr> <tr> <td><b>Average</b></td> <td><b>0.148</b></td> </tr> </tbody> </table>	Month	Ai/Ha	January 2017	0.091	February 2017	0.079	March 2017	0.127	April 2017	0.074	May 2017	0.149	June 2017	0.117	July 2017	0.105	August 2017	0.104	<b>Average</b>	<b>0.148</b>	<p>Complied</p>
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<b>Average</b>	<b>0.148</b>																					
<p>4.6.3</p> <p>Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines.</p> <p>- Major compliance -</p>	<p>The quantity of agrochemicals required for various field conditions are documented and justified in Sime Darby Plantation Agriculture Reference Manual Section 16.5. The implementation in the field is consistent with the Agriculture Reference Manual Section 16.5.</p>	<p>Complied</p>																				



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4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -	Paraquat was eliminated. Alternatives such as Glyphosate were used with the elimination of Paraquat. Based on the latest chemical register only class II, III & IV chemical used at visited estates.	Complied
4.6.5 Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -	Pesticide operators given training on the safe handling and application of the pesticides. Suitable personal protective equipments and application equipment provided to the operators. All precautions attached to the products explained to operators and understood by them. This was noted during the interview with workers. Latest chemical mixing training was carried out on 27/5/17 at Pengkalan Bukit Estate.	Complied
4.6.6 Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	It was found at Pengkalan Estate, pesticide containers was not properly disposed of and used for other purposes. Observed at Pengkalan Bukit Estate’s line site; i)Used chemical container was found at the back of workers linesite no. B107 ii)Used chemical container was at linesite no. C105 and used as supporting bed structure. Therefore, a major non-conformity was raised.	Major nonconformance
4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	Quantity of agrochemicals required for various field conditions are documented and justified in Sime Darby Plantation Agriculture Reference Manual Section 16.5. The implementation in the field is consistent with the Agriculture Reference Manual Section 16.5. For weeding activities, knapsack spray pump and low volume CDA spray are used for selective and circle spraying.	Complied
4.6.8 Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -	No aerial spraying been done in Pagoh and Pengkalan Bukit Estate.	Complied
4.6.9 Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	No associated smallholders at SOU19. Employees demonstrate knowledge and skills on pesticide handling. MSDS/SDS was displayed in local Bahasa Malaysia language at the agrochemical store for each chemical stored as well as the use of safety pictorial poster for the easy understanding of the agrochemical handlers.	Complied

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4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Disposal method of all identified waste was already included in the pollution prevention plan where the site visit confirmed that the practice of reduce, reuse and recycle of materials has been implemented throughout the company within mill and estates  Complied
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	<p><b><u>Pagoh POM</u></b></p> <p>Medical surveillance carried out once a year for all chemical handlers. Last medical check-up was conducted on 06 &amp; 07/07/2017 by DOSH Registered doctor No.: HQ/14/DOC/00383. 07 workers were found fit based on the medical results except for 01 worker which was transferred from current working station to workshop office and required to repeat blood test for every 3 months until results normal. Repeat blood test for worker 58XXXX-0X-XXXX every 3 months for Serum Manganese. Sighted internal letter dated 29/08/2017.</p> <p><b><u>Pengkalan Bukit Estate</u></b></p> <p>Medical surveillance carried out once a year for all chemical handlers. Last medical check-up was conducted on 25-26/09/2017 by DOSH Registered doctor No.: HQ/14/DOC/00/383. 31 workers were found fit based on the medical results and 01 worker was transferred from spraying to loose fruit collection due to colour blind.</p> <p><b><u>Pagoh Estate</u></b></p> <p>Medical surveillance carried out once a year for all chemical handlers, sprayers and workshop foreman. Last medical check-up was conducted on 14-18/11/2016 by DOSH Registered doctor No.: HQ/14/DOC/00383. Total 64 workers undergone for medical check. 37 workers were found fit based on the medical results. 15 unfit workers were sent for re-test on 13-14/06/2017 was found fit to work. However, 2 unfit workers returned back home due to family issue and did not repeat the medical.</p> Complied
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	No female sprayer/pesticide operator at both visited operating unit.  Complied
<p><b>Criterion 4.7:</b>  An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:</p>		

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<p>4.7.1</p> <p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -</p>	<p>Group Safety &amp; Health Management Policy and Occupational Safety &amp; Health Policy had been established and implemented. The policy was signed by the Managing Director of SIME Plantation on January 2015 and is displayed prominently on notice boards in English. The Policy is implemented through the OSH activities by the onsite Safety Officers and monitored by OSH Manager from Head Office.</p> <p><b><u>Audiometric Testing</u></b></p> <p><b>Pagoh POM</b> - Annual audiometric testing completed on 17 &amp; 24/07/2017 by Pantai Hospital Ayer Keroh, Melaka HQ/14/DOC/00383. Total of 33 workers were sent for the annual testing. All tested normal.</p> <p><b><u>Chemical Health Risk Assessment (CHRA)</u></b></p> <p><b>Pagoh POM</b> - CHRA report was conducted on 02-03/04/2013 by registered assessor JKPP HIE 127/171-2(317). Based on the CHRA, a total of 08 findings/recommendations reported.</p> <p><b>Pengkalan Bukit Estate</b> - CHRA was conducted on 10/03/2015 by registered assessor JKPP/IH 127/171-2(223). Based on the CHRA, a total of 10 findings/recommendations reported.</p> <p><b>Pagoh Estate</b> - CHRA was conducted on 14/04/2015 by registered assessor JKPP/IH 127/171-2(223). Based on the CHRA, a total of 12 findings/recommendations reported.</p> <p>The action plan was established through the recommendation from the assessor. The action plan has been implemented and is being monitored by the management regularly.</p> <p><b><u>Chemical Exposure Monitoring</u></b></p> <p><b>Pagoh POM</b> - The chemical exposure monitoring report ref: PR16-CHM-0030 was conducted on 07/07/2017 by JKPP NIE 127/171-3/1(20) for the laboratory was observed. Based on the monitoring result has complied with the standard limit. The monitoring result has complied with the standard limits under the USECHH Regulation 2000.</p> <p><b><u>Contractors Management</u></b></p> <p><b>Pagoh POM</b> - Permit to Work (PTW) has been implemented for internal and external works involving confined space, hot work, working at height, LOTO and etc.</p> <p>Monitoring of PTW for confined space entry, permit issuance and cancellation are effectively implemented.</p>	<p>Complied</p>

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	<p><b><u>Annual LEV System Inspection and Testing</u></b></p> <p><b>Pagoh POM</b> – The annual LEV inspection and testing (report ref #: HQ/16/JHII/00/27-2017/07 was conducted on 06/07/2017 by registered assessor JKPP/HIE 127/171-3/2(27). Based on the testing results, the performance of the LEV 2 was satisfactory but for LEV 3 the result was unsatisfactory and need to take further action as recommended to ensure the LEV systems work effectively at all time.</p> <p>Recommendation to replace the air cleaner (activated carbon filter) for both of the LEV systems as the hood face velocity has tremendously dropped compared to the last year even after servicing the filters.</p> <p>Sighted quotation: QEN0917/SDPSB-KKSP(01) dated 29/09/2017 and award Contract form Doc: 4300392008 dated 03/10/2017.</p>	

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<p>4.7.2</p> <p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.                      - Major compliance -</p>	<p>SOU 19 had identified and reviewed significant hazards and risks and determined appropriate risk control measures.</p> <p>The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment.</p> <p><b><u>Pagoh POM</u></b></p> <p>HIRARC was reviewed on 29/09/2017 and approved by the Mill Manager. Mill activities was identified and risk assessed with respect to FFB grading and sorting, FFB sterilization, kernel and oil extraction, oil clarification, maintenance activities at the workshop, working in confined space, working at height and hot work activities. Revision done on Oblique sterilizer for sterilized the FFB operation activity.</p> <p>At the estates, amongst the HIRARC carried out covered activities like chemical mixing and spraying, chemical storage, harvesting and FFB collection and vehicle maintenance.</p> <p><b><u>Pengkalan Bukit Estate</u></b></p> <p>HIRARC was reviewed on 03/03/2017 and approved by the Manager. Revision done for harvesting, collection, frond stacker, sickle, manuring and workshop activities.</p> <p><b><u>Pagoh Estate</u></b></p> <p>HIRARC was reviewed on 06/10/2017 and approved by the Manager. Revision done for harvesting and collection on 25/09/2017 due to accidents (18/09/2017). Additional HIRARC sighted for General works (carpentry) and Bee Hive Removal (Night Only) dated 06/10/2017.</p> <p>Monitoring is carried out for all the best practices and checklists maintained to ensure the implementation and practicality.</p>	<p>Complied</p>

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<p>4.7.3</p> <p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>- Minor compliance -</p>	<p>Awareness and training program had been carried out in SOU 19. All workers involved had been adequately trained in safe working practices. The objective was to ensure all workers involved have been adequately trained in understanding MSDS, safe working practices and the correct use of PPE.</p> <p>Suitable PPE has been provided to the workers based on the information in the MSDS and CHRA assessor's recommendation.</p> <p>List of Personal Protective Equipment (PPE) Provided – identifies the type of PPE for the respective activities.</p> <ul style="list-style-type: none"> <li>i. Boiler/Engine operator – Safety Helmet, Semi leather Hand Glove, Cotton Gloves, Safety Shoes, Safety Vest and Ear Muff.</li> <li>ii. Field workers (sprayer, manure &amp; harvester) – N95 respirator, anti-mist goggles, wellington boots, apron and sickle cover.</li> </ul> <p>The chemical store was found to be adequately organized, properly labelled, secured and person in charge understands the OSH procedures.</p> <p>MSDS was placed at the chemical stores and is available. The person in charge understands the information written in MSDS.</p>	<p>Complied</p>

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<p>4.7.4</p> <p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. - Major compliance -</p>	<p>SOU 19 OSH policies were well briefed to all workers. Interview with workers revealed that they understand the policies and the importance of safety at work. Morning briefing was also carried out to ensure that the workers are aware of the safe working practices.</p> <p><b><u>Pagoh POM</u></b></p> <p>OSH meeting was conducted on a quarterly basis and the last meeting was conducted on 21/09/2017 attended by 17 persons.</p> <p>The work place inspection was conducted on 18/09/2017 and review of accident record was discussed during the OSH meetings. No unresolved safety and health issues noted.</p> <p><u>OSH Committee Members for 2017/2018</u></p> <p>Chairman – Tuan Ahmad Fauzi Bin Hj Jantan (appointment letter dated 13/07/2017). Appointment letters for other OSH committee members dated 13/07/2017.</p> <p>OSH/EHS meeting: 21/09/2017, 05/07/2017, 05/04/2017 and 06/01/2017.</p> <p><b><u>Pengkalan Bukit Estate</u></b></p> <p>OSH meeting was conducted on a quarterly basis and the last meeting was conducted on 14/08/2017 attended by 21 persons.</p> <p>The work place inspection was conducted on 11/08/2017 and review of accident record was discussed during the OSH meetings. No unresolved safety and health issues noted.</p> <p><u>OSH Committee Members for 2017/2018</u></p> <p>Chairman – Tuan Senin Bin Sumirin (appointment letter dated 01/02/2016). Appointment letters for other OSH committee members dated 01/04/2017.</p> <p>OSH meeting: 14/08/2017, 15/05/2017 and 17/02/2017.</p> <p><b><u>Pagoh Estate</u></b></p> <p>OSH meeting was conducted on a quarterly basis and last meeting was conducted on 19/07/2017 attended by 21 persons.</p> <p>The work place inspection was conducted on 15/07/2017 and review of accident record was discussed during the OSH meetings. No unresolved safety and health issues noted.</p> <p><u>OSH Committee Members for 2016/2018</u></p> <p>Chairman – Tuan Syahrul Bin Saramiah (appointment letter dated 01/04/2016). Appointment letters for other OSH committee members dated 01/07/2017 &amp; 01/09/2017.</p> <p>OSH meeting: 19/07/2017, 19/04/2017, 23/01/2017 and 27/10/2016.</p>	<p>Complied</p>

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<p>4.7.5</p> <p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>- Minor compliance -</p>	<p>Accident and emergency procedures have been communicated to all employees, contractors and visitors.</p> <ol style="list-style-type: none"> <li><b>Pagoh POM</b> - Fire evacuation drill was last conducted on 20/03/2017 to test the state of readiness during emergency situation.</li> <li><b>Pengkalan Bukit Estate</b> – Fire evacuation drill was last conducted on 13/03/2017 to test the state of readiness during emergency situation.</li> <li><b>Pagoh Estate</b> - Fire evacuation drill was last conducted on 20/03/2017 to test the state of readiness during emergency situation.</li> </ol> <p>Accident and emergency procedures are in Bahasa Malaysia and this is understood by the responsible workers, staff or executives involved in the operation. Good understanding level observed among the workers.</p> <ol style="list-style-type: none"> <li>Training for First Aid is conducted in every 3 month. Sufficient first aiders trained.</li> <li>First aid equipment is available at worksites. During the site visit there is evident that First Aid Box is available at the relevant area with sufficient contents and in good condition.</li> <li>Fire extinguisher (ABC Powder) assessed during the site observation are available and within the expiry date.</li> <li>Emergency eye wash facility available at chemical store and laboratory. Both are in good working condition.</li> </ol> <p>Fire extinguishers at the Chemical store, Schedule Waste store and Laboratory was sent for servicing. No standby units available.</p> <p><b><u>Pagoh POM</u></b></p> <p>First aid box content was insufficient (Ramp, Workshop and Laboratory). Safety pin was not available in the Ramp. Eye lotion was not available in the workshop.</p> <p><b><u>Pengkalan Bukit Estate</u></b></p> <p>First aid box was insufficient. Only 1 first aid box available at the workshop which has insufficient content.</p> <p><b><u>Pagoh Estate</u></b></p> <p>First aid box content at the workshop and chemical store eq. Antiseptic cream did not have expiry date.</p>	<p>Minor nonconformance</p>



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	<p>Quarterly review on accident cases carried out during OSH quarterly meeting.</p> <p><b><u>Pagoh POM</u></b></p> <p>01 accident reported. Sime Darby Incident Detailed Report was observed. JKKP 6 submitted on 28/09/2017. JKKP 7 was submitted on 28/08/2017. JKKP 8 was sent to DOSH on 31/01/2017.</p> <p>DOSH visit (27/03/2017) has been recorded in the DOSH log book and noted comment highlighted by DOSH has been taken action accordingly by the organization.</p> <p><b><u>Pengkalan Bukit Estate</u></b></p> <p>10 accidents reported. Sime Darby Incident Detailed Report was observed. JKKP 6 submitted on 17/04/2017. JKKP 9 submitted on 11/05/2017. JKKP 8 was sent to DOSH on 24/01/2017.</p> <p>DOSH visits (05/12/2016) been recorded in the DOSH log book and noted comments highlighted by DOSH has been taken action accordingly by the organization.</p> <p><b><u>Pagoh Estate</u></b></p> <p>31 accidents reported. JKKP 6 was sent on 11/03/2017, 06/04/2017 &amp; 12/06/2017. Sime Darby Incident Detailed Report was observed. JKKP 8 was sent to DOSH on 19/01/2017.</p>	

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<p>4.7.6</p> <p>All workers shall be provided with medical care, and covered by accident insurance.</p> <p>- Minor compliance -</p>	<p>Medical care is provided to all the employees. Reviewed on workers profile records found that all workers are covered by the accident insurances.</p> <p>Malaysian workers are covered by SOCSO or Perkeso (Pertubuhan Keselamatan Sosial). Refer to form 8A, "Jadual Caruman" for <b>September 2017</b>.</p> <p>Foreign workers are covered by Foreign Workers Compensation Scheme Certificate of Insurance.</p> <table border="1" data-bbox="660 667 1299 1332"> <thead> <tr> <th>Insurance</th> <th>Period</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>RHB Insurance Berhad (BG149798)</td> <td>01/11/2016 – 10/05/2018</td> <td>Pagoh POM</td> </tr> <tr> <td>RHB Insurance Berhad (BG145529)</td> <td>06/09/2016 – 05/03/2018</td> <td>Pagoh POM</td> </tr> <tr> <td>RHB Insurance Berhad (FW206485)</td> <td>19/05/2017 – 18/05/2018</td> <td>Pengkalan Bukit Estate</td> </tr> <tr> <td>RHB Insurance Berhad (FW200178)</td> <td>06/01/2017 – 05/01/2018</td> <td>Pengkalan Bukit Estate</td> </tr> <tr> <td>RHB Insurance Berhad (FW205294)</td> <td>19/04/2017 – 18/04/2018</td> <td>Pagoh Estate</td> </tr> <tr> <td>RHB Insurance Berhad (FW202540)</td> <td>22/02/2017 – 21/02/2018</td> <td>Pagoh Estate</td> </tr> </tbody> </table>	Insurance	Period	Remark	RHB Insurance Berhad (BG149798)	01/11/2016 – 10/05/2018	Pagoh POM	RHB Insurance Berhad (BG145529)	06/09/2016 – 05/03/2018	Pagoh POM	RHB Insurance Berhad (FW206485)	19/05/2017 – 18/05/2018	Pengkalan Bukit Estate	RHB Insurance Berhad (FW200178)	06/01/2017 – 05/01/2018	Pengkalan Bukit Estate	RHB Insurance Berhad (FW205294)	19/04/2017 – 18/04/2018	Pagoh Estate	RHB Insurance Berhad (FW202540)	22/02/2017 – 21/02/2018	Pagoh Estate	<p>Complied</p>
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<p>4.7.7</p> <p>Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics</p> <p>- Minor compliance -</p>	<p>Accident records are found to be updated. All records on Lost Time Accident (LTA) metrics are maintained.</p> <p>Samples of accident statistic as shown below :</p> <table border="1" data-bbox="660 1429 1299 1637"> <thead> <tr> <th>Year (to-date)</th> <th>Pagoh POM</th> <th>Pengkalan Bukit Estate</th> <th>Pagoh Estate</th> </tr> </thead> <tbody> <tr> <td><b>2016</b></td> <td>0 (0 LTA)</td> <td>8 (62 LTA)</td> <td>17 (21 LTA)</td> </tr> <tr> <td><b>2017</b></td> <td>0 (0 LTA)</td> <td>10 (29 LTA)</td> <td>25 (108 LTA)</td> </tr> </tbody> </table> <p>*LTA is equivalent to lost man days (MC)            Pagoh POM recorded LTI as at January 2017 – 222,144.            Pengkalan Bukit Estate recorded LTI as at January 2017 – 807,944.            Pagoh Estate recorded LTI as at January 2017 – 558,855.</p> <p><b>Pagoh Estate</b>            The accident rates at Pagoh Estate had seen a drastic decrease due to the successful implementation of the Harvesting Competency Training Program (HCTP) which was introduced during the last financial year and full implementation started since September 2016.</p>	Year (to-date)	Pagoh POM	Pengkalan Bukit Estate	Pagoh Estate	<b>2016</b>	0 (0 LTA)	8 (62 LTA)	17 (21 LTA)	<b>2017</b>	0 (0 LTA)	10 (29 LTA)	25 (108 LTA)	<p>Complied</p>									
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<p><b>Criterion 4.8:</b>            All staff, workers, smallholders and contract workers are appropriately trained.</p>																							

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<p>4.8.1</p> <p>A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.</p> <p>- Major compliance -</p>	<p>SOU 19 has established an annual training program that covers all aspects of the RSPO Principles and Criteria.</p> <p><b>KKS Pagoh</b> Staff/Workers Competency Training Plan FY 17/18. Implementation is still on-going. 23 training needs/requirements identified for various categories of operating units.</p> <p><b>Pengkalan Bukit Estate</b> – OSH Training Plan for FY 2017/2018. Implementation is still on-going. 27 training needs/requirements identified for various categories of operating units.</p> <p><b>Pagoh Estate</b> – Training Schedule FY2017/2018. Implementation is still on-going. 24 training needs/requirements identified for various categories of operating units.</p>	<p>Complied</p>

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<p>4.8.2 Records of training for each employee shall be maintained. - Minor compliance -</p>	<p>SOU 19 Training records for all employees are available and well maintained in the office. Records are verified on a sampling basis which covers all aspect of training and RSPO P&amp;C requirement.</p> <p>Samples of training record for 2017 as follows:</p> <p><b>Pagoh POM</b></p> <table border="1" data-bbox="660 611 1297 916"> <thead> <tr> <th>Date</th> <th>Training</th> <th>Trainer</th> </tr> </thead> <tbody> <tr> <td>27/09/2017</td> <td>HCV Training</td> <td>PSQM</td> </tr> <tr> <td>08/09/2017</td> <td>BLESS</td> <td>BOMBA</td> </tr> <tr> <td>24/08/2017</td> <td>Management of Schedule Waste</td> <td>PSQM</td> </tr> <tr> <td>04/08/2017</td> <td>First Aid</td> <td>MA</td> </tr> <tr> <td>20/07/2017</td> <td>Chemical Handling</td> <td>NALCO</td> </tr> </tbody> </table> <p><b>Pengkalan Bukit Estate</b></p> <table border="1" data-bbox="660 963 1297 1326"> <thead> <tr> <th>Date</th> <th>Training</th> <th>Trainer</th> </tr> </thead> <tbody> <tr> <td>15/08/2017</td> <td>Scheduled Waste Training</td> <td>Sr Asst.</td> </tr> <tr> <td>27/05/2017</td> <td>Chemical Mixing</td> <td>Mohamad Aqbal</td> </tr> <tr> <td>25/05/2017</td> <td>Manuring Techniques</td> <td>Mohamad Aqbal</td> </tr> <tr> <td>21/05/2017</td> <td>Refreshment Training of Beneficial Plant</td> <td>PSQM</td> </tr> <tr> <td>16/05/2017</td> <td>Pest and Disease Training</td> <td>Mohamad Aqbal</td> </tr> </tbody> </table> <p><b>Pagoh Estate</b></p> <table border="1" data-bbox="660 1373 1297 1765"> <thead> <tr> <th>Date</th> <th>Training</th> <th>Trainer</th> </tr> </thead> <tbody> <tr> <td>12/09/2017</td> <td>ERT Training (Chemical Spill)</td> <td>MA</td> </tr> <tr> <td>06/09/2017</td> <td>Circle Spraying &amp; Safety Training</td> <td>Mohd Azmil</td> </tr> <tr> <td>10/08/2017</td> <td>First Aid Kit Training and Snake Bite ERT</td> <td>Dr Sahrudin</td> </tr> <tr> <td>07/06/2017</td> <td>Fire Fighting</td> <td>MA</td> </tr> <tr> <td>27/04/2017</td> <td>Medical Evacuation Training (MEDIVAC)</td> <td>PSQM-ESH</td> </tr> </tbody> </table>	Date	Training	Trainer	27/09/2017	HCV Training	PSQM	08/09/2017	BLESS	BOMBA	24/08/2017	Management of Schedule Waste	PSQM	04/08/2017	First Aid	MA	20/07/2017	Chemical Handling	NALCO	Date	Training	Trainer	15/08/2017	Scheduled Waste Training	Sr Asst.	27/05/2017	Chemical Mixing	Mohamad Aqbal	25/05/2017	Manuring Techniques	Mohamad Aqbal	21/05/2017	Refreshment Training of Beneficial Plant	PSQM	16/05/2017	Pest and Disease Training	Mohamad Aqbal	Date	Training	Trainer	12/09/2017	ERT Training (Chemical Spill)	MA	06/09/2017	Circle Spraying & Safety Training	Mohd Azmil	10/08/2017	First Aid Kit Training and Snake Bite ERT	Dr Sahrudin	07/06/2017	Fire Fighting	MA	27/04/2017	Medical Evacuation Training (MEDIVAC)	PSQM-ESH	<p>Complied</p>
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**Principle 5: Environmental responsibility and conservation of natural resources and biodiversity**

**Criterion 5.1:**

Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.

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Criterion / Indicator	Assessment Findings	Compliance
<p>5.1.1</p> <p>An environmental impact assessment (EIA) shall be documented. - Major compliance -</p>	<p>Plans and impact assessments relating to environmental impacts based on documents as following:</p> <ul style="list-style-type: none"> <li>i) Appendix 5.4.1b - Environmental Aspect and Impact Evaluation Procedure, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009; Register.</li> <li>ii) Appendix 5.4.1c - Environmental Aspect and Impact Identification form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009; MR-01/EAI.</li> <li>iii) Appendix 5.4.1d – Environmental Impacts Evaluation form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009; MR-02/EIE.</li> </ul>	<p>Complied</p>
<p>5.1.2</p> <p>Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -</p>	<p>There were no change of current practices required to mitigate negative effects based on identified impacts for both the mill and estates.</p> <p>However the mill and estates have conducted periodical review on the aspects and impacts identified and evaluated as registered.</p> <p>The mill and estates has continuously implemented its annual programs that were established as part of its individual Pollution Prevention Plan. Managers and assistant managers of mill and estates were identified as person-in-charge of the programs which were established upon review of the aspect and impact register. It was observed that the reviewing and updating on the registers were done annually if there’s no any new activity within respective sites.</p> <p>Review of aspect and impact register were done as following:</p> <p><b>Pagoh POM</b> Environmental Aspect Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated on 05/07/2017. Neither any change to current operation nor new activity identified by the mill other than normal mill operation including weighbridge operation, process, maintenance, water and waste water treatment.</p> <p><b>Pengakalan Bukit Estate</b> Environmental Aspect Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated on 05/09/2017. No any changes identified to the environmental aspects and impacts. Legal references were corrected for (i) EQA (Scheduled Waste) Regulations 2005 and (ii) EQA (Clean Air) Regulations 2014.</p> <p><b>Pagoh Estate</b> Environmental Aspect Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated on 04/09/2017. No any changes identified to the environmental aspects and impacts. Legal references were corrected for (i) EQA (Scheduled Waste) Regulations 2005 and (ii) EQA (Clean Air) Regulations 2014.</p>	<p>Complied</p>

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<p>5.1.3</p> <p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>- Minor compliance -</p>	<p>Monitoring plan was established based on DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling.</p> <p>Based on Sustainable Plantation Management System Appendix 10 Procedure for Mill Environmental Performance version 1, year 2008, issue no. 1, dated 1 October 2008. Uses the Mill Environmental Performance Review (Form A) Mill environmental monitoring records available/sighted:</p> <p><b>Pagoh POM</b> - Online consignment note file ref: AS(B)J31/152/000/090 for scheduled waste inventory no. 0106J31807161102017 submitted on 02/10/2017 where the quantity and storage period were within allowable limit.</p> <p><b>Pengkalan Bukit Estate</b> - Online consignment note for scheduled waste inventory no. 2016101712DTGVB652017 (File ref # AS(B)J11/123/000/112) submitted on 09/05/2017 where the quantity and storage period were within allowable limit.</p> <p><b>Pagoh Estate</b> - Online consignment note for scheduled waste inventory no. 0106J09752901102017 (File ref # AS(B)J11/123/000/091) submitted on 03/10/2017 where the quantity and storage period were within allowable limit.</p>	<p>Complied</p>
<p><b>Criterion 5.2:</b>  The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>		
<p>5.2.1</p> <p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).</p> <p>- Major compliance -</p>	<p>HCV Toolkit for Malaysia by WWF – Malaysia was used for the HCV assessment. There was an appropriate consultation process for identification, management and monitoring of HCVs. The latest review was conducted in the July 2016. Refer to revisited HCV report, version 2 dated August 2016. Based on the latest report, total HCV area within SOU19 is 32.33 Ha with the detailed breakdown per each estates:</p> <p>Welch Estate: 0.95 Ha (catchment area)  Lanadron Estate: 19.41 Ha (river reserve, Muar river)  Pagoh Estate: 9.10 Ha  Pengkalan Bukit Estate: 2.87 Ha</p>	<p>Complied</p>
<p>5.2.2</p> <p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.</p> <p>- Major compliance -</p>	<p>IUCN &amp; WCA 2010 – Wildlife (such as avifauna, mammals, reptiles, insect) which are least concern &amp; vulnerable and totally protected &amp; protected were identified based on the latest HCV report. For example vulnerable wildlife: bearded pig (mammals) under category totally protected. The established management plan has been incorporated the action plan for those identified animals (IUCN and WCA 2010) for proper monitoring. Training is also part of the management plan as to create awareness among workers.</p> <p>Refer to indicator 5.2.3 for further details.</p>	<p>Complied</p>

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5.2.3	<p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.</p> <p>- Minor compliance -</p>	Complied
5.2.4	<p>Where a management plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> <li>• The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;</li> <li>• Outcomes of monitoring shall be fed back into the management plan.</li> </ul> <p>- Minor compliance -</p>	Complied
5.2.5	<p>Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.</p> <p>- Minor compliance -</p>	Complied
<p><b>Criterion 5.3:</b> Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		

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<p>5.3.1</p> <p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>As per to the Sustainable Plantation Management System Appendix 9 Procedure for Handling of Domestic Waste version 1, year 2008, issue no. 1, dated 01/10/2008.</p> <p>Mill: type of waste – effluent, fibre/shell, EFB, boiler clinker, wash water, scrap metal, scheduled waste, boiler blowdown, hydro-cyclone wash water, methane gas.</p> <p>Estate: type of waste – scheduled waste – SW102, SW305, SW306, SW409, SW410, SW404 – workshop, clinic, SW store, store; domestic waste – rubbish &amp; sewage – line-site, office, workshop, store, shop &amp; recycle waste – empty container, scrap metal.</p> <p>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 accordingly.</p> <p><b><u>Pagoh POM</u></b>            Scheduled waste for Pagoh POM was through contractor Kualiti Alam Sdn Bhd. Sighted consignment:-</p> <ol style="list-style-type: none"> <li>1. Date: 23/06/2017; C/N: 090908-009; Doc: 0111989 for SW324.</li> <li>2. Date: 23/06/2017; C/N: 090908-001; Doc: 0111988 for SW322.</li> <li>3. Date: 23/07/2017; C/N: 090908-004; Doc: 0111986 for SW410.</li> <li>4. Date: 23/06/2017; C/N: 090908-007; Doc: 0111987 for SW110.</li> <li>5. Date: 23/06/2017; C/N: 090908-006; Doc: 0111985 for SW409.</li> </ol> <p><b><u>Pengkalan Bukit Estate</u></b>            Scheduled waste disposal was through contractor Ranama Resource Sdn Bhd. Sighted consignment :-</p> <ol style="list-style-type: none"> <li>1. 20170504097HWNQR; Date: 04/05/2017 for SW410.</li> <li>2. 2017050610Q9TH7Y; Date: 06/05/2017 for SW409.</li> <li>3. 2017050610Vfy5TN; Date: 06/05/2017 for SW306.</li> <li>4. 2017050610G3N96R; Date: 06/05/2017 for SW305.</li> </ol> <p><b><u>Pagoh Estate</u></b>            Record of medical waste SW404 disposal shown latest disposal was done on 03/10/2017 through Kualiti Alam Sdn Bhd. Sighted consignment serial no: 0175918.            Scheduled waste disposal for Pagoh Estate was through contractor Ranama Resources Sdn Bhd. Sighted consignment #6420 dated 09/06/2017 for SW410 &amp; SW305.</p>	<p>Complied</p>



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<p>5.3.2</p> <p>All chemicals and their containers shall be disposed of responsibly. - Major compliance -</p>	<p>Based on the SOU 19 policy to reduce, reuse and recycle, the management of used chemicals and containers were done in accordance with the Scheduled Waste regulations.</p> <p>For estates, the empty pesticides container were collected in the scheduled waste store after being triple rinsing and punctured at the bottom of the container.</p> <p>Stores for scheduled waste were inspected at audited sites in mill and estates and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment (DOE).</p> <p>The mill and estates also have a proper Scheduled Waste Store for storing scheduled waste until the time of disposal by DOE authorized waste disposal contractor.</p>	<p>Complied</p>
<p>5.3.3</p> <p>A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -</p>	<p>The scheduled waste was managed well with designated storage area at the mill and each of the estates in accordance with the requirements of the Environmental Quality Act 1974 (Scheduled Wastes), Regulations, 2005. Disposal was through a licensed collector.</p> <p>The operating unit has continued managing the scheduled waste stores at the mill and each of the estates. Agrochemical containers are triple rinsed and punctured to avoid any misuse.</p> <p><b>KKS Pagoh</b> Waste Management Action Plan 2017/2018 including domestic waste, recycled waste and scheduled waste sighted during the visit for the mill.</p> <p><b>Pengkalan Bukit Estate</b> Waste Management Action Plan 2017/2018 dated 18/07/2017 including scheduled waste, industrial waste and domestic waste sighted during the visit for the estate.</p> <p><b>Pagoh Estate</b> Waste Management Action Plan FY 2017/2018 dated 01/09/2017 including scheduled waste, domestic waste and industrial waste sighted during the visit for the estate.</p>	<p>Complied</p>
<p><b>Criterion 5.4:</b> Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		

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5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented.</p> <p>It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement.</p> <p>RE usage: 5.18 mt per CPO, kWh turbine (3,379,200 KWj) ratio 21.93 kWh/FFB (FY 16/17)</p> <p>Sighted Pagoh POM Energy Management Plan 2017/2018 for electricity energy usage.</p> <p>Action plan includes:</p> <ol style="list-style-type: none"> <li>1. To install energy saving appliances.</li> <li>2. To educate workers on saving energy usage.</li> <li>3. Workers quarters and mill inspection on regular basis.</li> <li>4. Using timer for street lighting.</li> <li>5. To reduce certain power supply in the mill.</li> </ol>	Complied
<b>Criterion 5.5:</b> Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.		
5.5.1 There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	<p>Zero burning within estate area has been implemented in Pengkalan Bukit Estate and Pagoh Estate as part of its pollution prevention plan. This was based on the action plan to prevent open burning which includes planting cover crops, installing zero burning notice boards, briefing and etc.</p> <p>Furthermore, the Group policy of "Zero open burning" is enforced since July 2008. The operating units adhered to the policy of "Zero open burning" for any replanting, if any, in the estates. Field inspections made in both Pagoh and Pengkalan Bukit estates field showed no evidence of open burning.</p> <p>Sample of replanting contractor scope of work found that the method for field preparation is mechanization and no used of fire noted. Refer to contract# 4300391197 dated 1/10/17 for replanting work at field 2017A and 2017B</p>	Complied
5.5.2 Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	<p>The operating units have adhered to the zero burning policy for replanting at the estates. During the audit, there were no replanting activities carried out at Pengkalan Bukit and Pagoh estate. There was no evidence of any burning of domestic waste at the housing line sites and at the domestic landfills of the estates during on site field assessment.</p>	Complied
<b>Criterion 5.6:</b> Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.		

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<p>5.6.1</p>	<p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -</p>	<p>Assessment of all polluting activities was conducted under Environmental Aspect Impact for identifying activities that contributes significant impact to environment.</p> <p>Environmental Improvement Plan/Pollution Prevention Plan (Pagoh Oil Mill) dated 11/07/2017 has been established with the mitigation measures for those activities. Source of pollution from mill processes and related activities in the premise were described as follows:</p> <table border="1" data-bbox="662 645 1300 1243"> <thead> <tr> <th>Environmental Issue</th> <th>Mitigating Measures</th> </tr> </thead> <tbody> <tr> <td>Spillage of leachate at EFB disposal area (EIE/2013/FHD/05)</td> <td>Fabricate and install gutter at surrounding the EFB yard.</td> </tr> <tr> <td>Trampling of loose fruit by prime mover (EIE 2013/RCP/02)</td> <td>To collect the loose fruit time to time</td> </tr> <tr> <td>Rapture of schedule waste drum (EIE/2013/SWS/05)</td> <td>To ensure make containment wall well maintain.</td> </tr> <tr> <td>Crude palm oil tank leakage (EIE/2013/PSD/03)</td> <td>Visual inspection to be carried out by maintenance crew and mill supervisors.</td> </tr> <tr> <td>CPO over flow from storage tank (EIE/2013/PSD/03)</td> <td>To ensure level indicator is in working order.</td> </tr> </tbody> </table> <p>As prescribed under "Jadual Pematuhan, license# 002366, air emission from boiler stack have to be monitored twice per year. Stack sampling (PAC-AE-170406) result for 2017 :</p> <table border="1" data-bbox="662 1400 1300 1892"> <thead> <tr> <th>Date of monitoring</th> <th>Stack no.1</th> </tr> </thead> <tbody> <tr> <td>11/04/2017 (1st half)</td> <td>                     Solid particle (dust) – 0.2-0.21 g/Nm<sup>3</sup>, dry@ 12%CO<sub>2</sub>.                      Oxides of nitrogen (NO<sub>x</sub>) – 0.03 g/Nm<sup>3</sup>                      Sulphuric acid mist (H<sub>2</sub>SO<sub>4</sub>) as SO<sub>3</sub> – Not detected.                      Dark smoke – no smoke (7-16 min), Ringelmann Chart Shade No. 0 (32-27 min) and Ringelmann Chart Shade No. 1 (12-16 min).                 </td> </tr> </tbody> </table> <p>The emissions of all parameters tested were complied with their respective limits as stipulated in the EQ (Clean Air) Regulations 1978.</p>	Environmental Issue	Mitigating Measures	Spillage of leachate at EFB disposal area (EIE/2013/FHD/05)	Fabricate and install gutter at surrounding the EFB yard.	Trampling of loose fruit by prime mover (EIE 2013/RCP/02)	To collect the loose fruit time to time	Rapture of schedule waste drum (EIE/2013/SWS/05)	To ensure make containment wall well maintain.	Crude palm oil tank leakage (EIE/2013/PSD/03)	Visual inspection to be carried out by maintenance crew and mill supervisors.	CPO over flow from storage tank (EIE/2013/PSD/03)	To ensure level indicator is in working order.	Date of monitoring	Stack no.1	11/04/2017 (1st half)	Solid particle (dust) – 0.2-0.21 g/Nm <sup>3</sup> , dry@ 12%CO <sub>2</sub> . Oxides of nitrogen (NO <sub>x</sub> ) – 0.03 g/Nm <sup>3</sup> Sulphuric acid mist (H <sub>2</sub> SO <sub>4</sub> ) as SO <sub>3</sub> – Not detected. Dark smoke – no smoke (7-16 min), Ringelmann Chart Shade No. 0 (32-27 min) and Ringelmann Chart Shade No. 1 (12-16 min).	<p>Complied</p>
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	<p>Ambient air monitoring was done every quarter as per compliance schedule, 002366. Ambient air monitoring for 2017 as summarized below:</p> <table border="1" data-bbox="662 506 1299 958"> <thead> <tr> <th>Date of monitoring</th> <th>Ambient air (Ug/m3)</th> </tr> </thead> <tbody> <tr> <td>16-17/01/2017 (1st quarter)</td> <td>Point A1: 24 Point A2: 19 Vs limit 260</td> </tr> <tr> <td>10-11/04/2017 (2nd quarter)</td> <td>Point A1: 27 Point A2: 31 Vs limit 260</td> </tr> <tr> <td>06-07/07/2017 (3rd quarter)</td> <td>Point A1: 22 Point A2: 21 Vs limit 260</td> </tr> </tbody> </table> <p>Results of monitoring in compliance with Malaysian Recommended Air Quality Guidelines, 1989.</p> <p>Smoke emission was monitored using online system (CEMS-DIS) to DOE based on the transmitted data from boiler smoke density indicator and recorder. Emission result was found in compliance with the regulatory limit.</p> <p>Verified smoke density CEMS report ref: 2017-09-28 for September 2017. Noted there were a few occasion of black smoke (&gt;40% opacity) but only during boiler start-up. Smoke density recorder was last calibrated on 02/06/2017 and valid until 02/12/2017 for the next calibration.</p> <p>For effluent discharge, regular monitoring was conducted as per requirement. Monthly and quarterly report was submitted to DOE. Refer to Indicator 4.4.3 for details</p>	Date of monitoring	Ambient air (Ug/m3)	16-17/01/2017 (1st quarter)	Point A1: 24 Point A2: 19 Vs limit 260	10-11/04/2017 (2nd quarter)	Point A1: 27 Point A2: 31 Vs limit 260	06-07/07/2017 (3rd quarter)	Point A1: 22 Point A2: 21 Vs limit 260	
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5.6.2	<p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance</p>	<p>Main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH4) emission through POME treatment. The company are in process of obtaining proposals to construct methane capture facilities in POME treatment pond. There are a few selected mill for this project initiation.</p> <p>Other less significant GHG emissions identified including COx, SOx and NOx from various sources including fossil fuel, chemical and fertilizer consumptions.</p>	Complied							

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5.6.3	<p>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.</p> <p>- Minor compliance -</p> <p>Monitoring of the GHG quantity was done through RSPO approved GHG calculator (Palm GHG) where annual quantification of all GHG sources was input into the calculator. These calculations were done in HQ level where GHG calculations were combined between the mill and estates. Reporting of the GHG to RSPO ERWG has been implemented since Jan 2015.</p> <p>Latest GHG report submission to RSPO was PalmGHG v3.0. Report dated 05/04/2017 was verified. The report was then submitted to RSPO on 25/04/2017.</p>	Complied
<p><b>Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.</b></p>		
<p><b>Criterion 6.1:</b> Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>		
6.1.1	<p>A social impact assessment (SIA) including records of meetings shall be documented.</p> <p>- Major compliance -</p> <p>For all the estates, the Social Impact Re-Assessment was carried out on May 2015 with the participation of affected parties i.e stakeholders, estate management &amp; staff, field workers, government agencies, neighbouring villagers and being internally reviewed on yearly basis as per recommendation. The Social &amp; Environment Project Unit of PSQM department is responsible to perform the SIA assessment. The social action plan contains a time table with person responsible to manage and monitor each issues raised by stakeholders with timeframe for action.</p> <p>While the SIA for the POM conducted separately on June 2013 as the POM started its commissioning in December 2012.</p>	Complied
6.1.2	<p>There shall be evidence that the assessment has been done with the participation of affected parties.</p> <p>- Major compliance -</p> <p>The assessment was conducted by the PSQM team. Methodology of the assessment was through field observation, dialogues with stakeholders and in-depth interview with affected parties. The stakeholders that involved in the assessment included social amenities, environment, road users, employee changes, safety and health issues, surrounding communities, government official, police, labour department, health department, contractors and suppliers.</p> <p>It was confirmed during as during interview with stakeholder as they had participated in the meeting/assessment.</p>	Complied

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6.1.3 Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	Action Plan for Social Assessment for FY 2017/2018 for Pagoh Oil Mill has been developed based on the findings from Social Impact Assessment conducted on June 2013 and also stakeholder meeting which conducted on yearly basis. The plan has incorporated issues & strategies, action plan, action by and time frame. The issues from the external and internal stakeholder such as government agency, contractor, village representative, Worker representative has been included in the plan and with the action plan. In POM, the issues such as issues raised by Policeman on safety issue, due to foreign worker's not having valid motorbike license, helmet and lights (at night) was completed on 09.08.17 together in Briefing on KOD Etika (COBC) workers & staff on 9.8.17 as per planned. In Pagoh Estate, sighted the SIA Programme for FY2017/2018. Example of the issue raised was to maintain good relationship between management and workers and estate has taken action to regularly conduct Meeting with main trade union/union representative. The action plan of social impact assessment FY2017/18 for Pengkalan Bukit and Pagoh estate has been implemented based on the findings from Social Impact Assessment and stakeholder meeting.	Complied
6.1.4 The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. - Minor compliance -	Action plan of social assessment for FY2017/18 has been reviewed on yearly basis. The latest review available in year 2017. The assessment was through conducted with the effected parties and stakeholders.	Complied
6.1.5 Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	No smallholder schemes at SOU19 Pagoh Certification Unit.	Not applicable
<b>Criterion 6.2:</b> There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.		
6.2.1 Consultation and communication procedures shall be documented. - Major compliance -	For social issue, documented procedure in Sustainable Plantation Management System on handling social issues, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008 was established and available. Besides, procedure for external communication (version 1; issue 1 dated 1 Nov 2008) is to be activated when communicating and reporting on mil's quality, safety & health environment (QSHE) issues with all internal and external interested parties.	Complied

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<p>6.2.2</p> <p>A management official responsible for these issues shall be nominated. - Minor compliance -</p>	<p>Specific personnel are responsible to communicate on social, OSH and environmental matters to Head Office, communication to employees on matters pertaining to social, OSH and environmental performance and receive all communication related to social, OSH and environment issues from employees and external stakeholders.</p> <p>In POM, the assistant manager- Mr Muhamad Izzad has been nominated on 14 July 2017 as the personnel in charge for the social issue and Mr Balasandar (QA) appointed as the Environmental/Quality Management Systems on 13.07.17. In Pengkalan Bukit, Pagoh Estates, the Senior Assistant Manager-Suhaily Abadi Abd Yadi and Mohd Ibrahim Abd Rahim has been appointed as the person in charge for handling social issue.</p>	<p>Complied</p>
<p>6.2.3</p> <p>A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -</p>	<p>Mill and estates have generated stakeholder list which included contractors and suppliers, local community heads, transporters, buyers and etc. The date of updates was on 3 July 2017 for mill, early September for Pengkalan Bukit Estate and October 2017 for Pagoh Estate. Stakeholder meeting was conducted on 03/08/2017 for the POM. Other stakeholders such as Contractors, villagers and local authorities were invited to the meeting. Meeting minutes is sighted. Only 1 issue raised which is Kampong Baru and Pagoh Estate (Gentian Division) boundary road to be repair and install culvert prevent raining water stagnant and mill manager will write to Pagoh Estate Manager on the action. In Pagoh Estate, the stakeholder meeting was held on 26.09.17 attended by 10 people from neighbor village, contractor, government officers, etc. All issues raised are targeted to be completed by December 2017.</p>	<p>Complied</p>
<p><b>Criterion 6.3:</b> There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.</p>		

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6.3.1 The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -	Under the sustainable plantation management system Appendix 5, procedure on handling social issue (version 1; year 2008) has been implemented Under Group policies and authorities GPA No 85 Whistleblowing provide an internal mechanism for reporting, investigating and remedying any wrongdoing. The complaint and grievances is open to effected parties including internal and external stakeholders. The time to process the complaints or grievances is 14 days. Seen the complaint record was resolved within 14 days. Example is bathroom damage, and bathroom shower damage, date 26.7.17 and completed to 27.7.17. For Pengkalan Bukit, the complaint recorded mainly for house damage. The complaint recorded in Buku Laporan Kerosakan Rumah, there is one complaint regarding broken doors and sink. The issue was solved within 14 days. So far, no complaint received by external stakeholder.  In Pagoh Estate, the complaint recorded was mainly for house damage by internal stakeholder recorded in Buku Aduan Kerosakan Rumah. For external stakeholder complaint, they will write officially to estate management on issues related, but so far, only contribution/donation request received and recorded in the CSR file.	Complied
6.3.2 Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance -	SOP to resolve social disputes "Handling Social Issues" SOP dated 01 Nov 2008 has been established. Stakeholder meetings are held regularly to identify and give opportunity to stakeholders to complaint or raise disputes.	Complied
<b>Criterion 6.4:</b> Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.		
6.4.1 A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	SOP to identify legal and customary rights as well as people entitled to compensation has been established- titled "Handling Land Disputes" SOP dated 01 Nov 2008. There have been no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders.	Complied
6.4.2 A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. - Minor compliance -	According to the Procedure Handling Land Disputes dated 1 Nov 2008, clause 6, in the event that the estate is required to provide compensation to affected local communities or stakeholders for loss of land rights, the Land Management Department shall determine the calculation and distribution of compensation to the affected parties.	Complied



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6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. - Major compliance -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit. It is confirmed during the interview with head of village as well.	Complied
<b>Criterion 6.5:</b> Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.			
6.5.1	Documentation of pay and conditions shall be available. - Major compliance -	<p>Mill and estate have employed local and foreign workers. All the mill workers are under direct employment and estates consisted of direct and contract employment of workers. The payslip has included basic income, allowance pay, working days, medical leave, deduction of salary and etc.</p> <p>Sampled payslip on Dec'16, Mar'17 and Jul'17 as below:</p> <ul style="list-style-type: none"> <li>a) Employee No.: 135276 (Pagoh POM)</li> <li>b) Employee No.: 126703 (Pagoh POM)</li> <li>c) Employee No.: 134415 (Pagoh POM)</li> <li>d) Employee No.: 86598 (Pagoh POM)</li> <li>e) Employee No.: 129963 (Pagoh POM)</li> <li>f) Employee No.: 86639 (Pagoh POM)</li> <li>g) Employee No.: 0000128691 (Pengkalan Bukit)</li> <li>h) Employee No.: 0000108686 (Pengkalan Bukit)</li> <li>i) Employee No.: 0000109324 (Pengkalan Bukit)</li> <li>j) Employee No.: 0000130269 (Pengkalan Bukit)</li> <li>k) Employee No.: 0000114349 (Pengkalan Bukit)</li> <li>l) Employee No.: 0000123606 (Pengkalan Bukit)</li> <li>m) Employee No.: 0000131554 (Pengkalan Bukit)</li> <li>n) Employee No.: 0000114885 (Pengkalan Bukit)</li> <li>o) Employee No.: 0000011855 (Pengkalan Bukit)</li> <li>p) Employee No.: 0000125688 (Pagoh Estate)</li> <li>q) Employee No.: 0000117147 (Pagoh Estate)</li> <li>r) Employee No.: 0000125145 (Pagoh Estate)</li> <li>s) Employee No.: 0000135383 (Pagoh Estate)</li> <li>t) Employee No.: 0000131253 (Pagoh Estate)</li> <li>u) Employee No.: 0000130524 (Pagoh Estate)</li> <li>v) Employee No.: 0000133063 (Pagoh Estate)</li> <li>w) Employee No.: 0000135183 (Pagoh Estate)</li> <li>x) Employee No.: 0000135696 (Pagoh Estate)</li> <li>y) Employee No.: 0000114789 (Pagoh Estate)</li> </ul> <p>All the sampled workers for direct employment and contract workers were achieved the minimum wage accordance to Minimum Wage Order 2016 which achieved RM 1000/ month or RM 38.46/ day. Where the deduction has been made not according to employment contract, company able to show the letter sent to JTK on the request of Electrical, Mosque and NUPW deduction as agreed with workers, dated on 22.11.16 and 29.03.17. For Pagoh Estate, sighted the letter sent to JTK on the request of deduction of worker's salary on NUPW, MESMCS and Temple Fund, dated 05.01.17 and received by Pejabat Tenaga Kerja Muar on 09.01.17.</p>	Complied

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<p>6.5.2</p> <p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>- Major compliance -</p>	<p>The mill and estates have employed local and foreign workers under direct employment and contract employment. Employment contract are available in language that understood by workers. The contract has detailing the payments and employment conditions such as period of working, working hour, medical assistance, holiday and annual leave and period of notice.</p> <p>The contract was signed by the workers in their understandable language (bilanguage with English and worker's country language) and sampled contracts as below:</p> <ul style="list-style-type: none"> <li>a) Employee No.: 135276 (Pagoh POM)</li> <li>b) Employee No.: 126703 (Pagoh POM)</li> <li>c) Employee No.: 134415 (Pagoh POM)</li> <li>d) Employee No.: 86598 (Pagoh POM)</li> <li>e) Employee No.: 129963 (Pagoh POM)</li> <li>f) Employee No.: 86639 (Pagoh POM)</li> <li>g) Employee No.: 0000128691 (Pengkalan Bukit)</li> <li>h) Employee No.: 0000108686 (Pengkalan Bukit)</li> <li>i) Employee No.: 0000109324 (Pengkalan Bukit)</li> <li>j) Employee No.: 0000130269 (Pengkalan Bukit)</li> <li>k) Employee No.: 0000114349 (Pengkalan Bukit)</li> <li>l) Employee No.: 0000123606 (Pengkalan Bukit)</li> <li>m) Employee No.: 0000131554 (Pengkalan Bukit)</li> <li>n) Employee No.: 0000114885 (Pengkalan Bukit)</li> <li>o) Employee No.: 0000011855 (Pengkalan Bukit)</li> <li>p) Employee No.: 0000125688 (Pagoh Estate)</li> <li>q) Employee No.: 0000117147 (Pagoh Estate)</li> <li>r) Employee No.: 0000125145 (Pagoh Estate)</li> <li>s) Employee No.: 0000135383 (Pagoh Estate)</li> <li>t) Employee No.: 0000131253 (Pagoh Estate)</li> <li>u) Employee No.: 0000130524 (Pagoh Estate)</li> <li>v) Employee No.: 0000133063 (Pagoh Estate)</li> <li>w) Employee No.: 0000135183 (Pagoh Estate)</li> <li>x) Employee No.: 0000135696 (Pagoh Estate)</li> <li>y) Employee No.: 0000114789 (Pagoh Estate)</li> </ul> <p>Estate already contacted JTK for the request on deduction on Temple, Mosque, Electricity and NUPW from November 2016. No official letter respond from JTK so far although the follow up through phone call.</p> <p>For Pagoh Estate, the deduction for NUPW and temple fund for local/foreign workers are supported with the JTK letter and consent letter between employer and employee as per sighted in yearly basis-Monthly Temple Fund Deduction-D014 Indian Workers-E022 Pagoh Estate 2017.</p>	<p>Complied</p>

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<p>6.5.3</p> <p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.                      - Minor compliance –</p>	<p>In Pagoh POM and Estate, the housing area are next to each other. During the site visit, seen the housing area is in clean, maintained and equipped with government water and limited electricity subsidy. For housing area on lower land area, company has provided the closed water tank to support during no water. All division in Pagoh Estate are using the government water (SAJ).</p> <p>The housing inspection done on weekly basis and updated accordingly by QA. Latest inspection done on 28.9.17 covering cleanliness/domestic waste/landscaping, communicate disease controls, drainage system, lavatory &amp; sewerage system, etc. Based on the result, no stagnant water or mosquito larvae breeding sighted since 6.4.17 to present.</p> <p>For Pengkalan Bukit Estate, housing inspection was done in quarterly basis done together with workplace inspection for all Divisions. Seen the VMO Inspection Report Book, the visit conducted twice a month and the new MA just newly transferred since the past 1 year plus.</p> <p>In Division C, there were chemical containers found used as the bed structure supports at house no C-105 and in Division B, 1 chemical container placed at the house backyard at house no B-107. Apart from that, it was observed that some workers used the fertilizer bags as the window's shade and act as mosquito net at house no C-105 in Division C.</p> <p>Other than that, some houses at Division C are having the water tank to support the water source during water supplied ceased. It was sighted that the water tank at house C-105 was left open and having the larvae although it was mentioned to be used as the toilet usage.</p> <p>Seen the latest biology water samples analysis on 25.07.17 from Sime Darby Research Sdn Bhd for Division C (using water treated) resulted Total Coliform and E-Coli were 'Not Detected' for domestic use.</p> <p>For Pagoh Estate, seen the weekly linesite inspection record and the checklist provided with photos as evidence of result. The latest inspection was done on 27.9.17 by the Medical Assistant, Mohd Khairul Nizam.</p> <p>In Pagoh Estate, as per HR guideline on ratio for worker per room stated in 'Pemberian Peralatan Penuaian/Keselamatan Mulai 01.06.10-Kemudahan Asas di dalam rumah', the ratio for 1 room is 2 workers, however, when visiting at house no 83 occupied by Indian workers, there were 1 house occupied with 8 workers (2 rooms) and both 2 rooms occupied with 3 workers and 1 worker is having no room where he sleep at living room, near the kitchen utensils.</p> <p>Sime Darby is having the Housing Guideline as per Doc No: SD/SDP/PSQM(ESH)/204-OD6 dated 26.2.15 which crossed reference with Workers Minimum Standards of Housing and Amenities Act 1990-Malaysia and other national laws.</p>	<p>Major nonconformance</p>

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6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food. - Minor compliance -	Accesses to food for the workers are considered adequately and sufficiently. In Pagoh POM and Pagoh Estate, grocery shop and food stalls are available at the neighbouring village which is located within walking distance. In Pengkalan Bukit, the nearest town is Pagoh town which is within 8 km from estate.	Complied
<b>Criterion 6.6:</b> The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.			
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	The company has developed Social Policy dated January 2015 signed by Managing Director stated the employees have freedom of association. The employees are freely choose to join workers union. List of workers who joined union sighted during site visit.	Complied
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	The management has conducted meeting with Union and NUPW representatives on 20/7/2017 (Pagoh POM), 18/5/2017 (Pengkalan Bukit Estate) and 07.01.17 (Pagoh Estate). Total of 11, 9 and 16 participants attended the meeting which consists of management representatives and NUPW representatives. Meeting minutes is sighted. The management has developed action plan for the issues raised during the meeting. For Pagoh POM, one of the issue raised is the secretary informed that mill workers getting very low over time due to short processing hours. For Pengkalan Bukit Estate, issue raised was on the Penyelarasan Kawasan Perumahan Untuk Warga Tempatan Supaya tidak bercampur dengan warga asing. In Pagoh Estate, the meeting conducted between management and worker's representatives discussing on the welfare and others issue. Example seen is the festival leave, linesite maintenance, etc.	Complied
<b>Criterion 6.7:</b> Children are not employed or exploited.			
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	Pagoh has implemented Social Policy where they will not employed child labour according to Children and Young Persons (Employment) Act 1966. The policy has been communicated to each of the workers. Awareness training on child labour has been conducted on 13.10.2016 to all the 7 workers by PSQM. For internal, the training was done together with human right training was held on 17/10/2016 to 41 workers. In Pengkalan Bukit Estate, the training for Policy has been held on 13.10.2016 to all 26 workers. For Pagoh Estate, the training was done on 13.10.2016 to all 6 workers titled 'Introduction to Reproductive Right, Human Right & Gender Committee Refresh Training'.  Review on the list of workers in POM and estates, all workers are complied with the minimum age requirement. No employees below the age of 18.	Complied
<b>Criterion 6.8:</b> Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			

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Criterion / Indicator	Assessment Findings	Compliance
6.8.1 A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	SOU 19 has implemented Social Policy dated January 2015. Social Policy has been developed and the management is committed to support non-discrimination in any form. They respect equal opportunities and maintain an equal gender relationship on the work environment. Awareness training on no discrimination has been conducted on 20/9/2016 (Pagoh POM), 13/10/2016 (Pengkalan Bukit Estate) and 13/10/2016 (Pagoh Estate) to all the workers.	Complied
6.8.2 Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. - Major compliance -	Migrant workers are recruited with 2 years contract. Local workers are on a long term employment. No any kind of discrimination was noted. Job opportunities and amenities such as free housing, water and electricity subsidize supplies, medical care are given to all employees without discrimination	Complied
6.8.3 It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	Recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. It was noted during the audit that there is no discrimination based on nationality, race, gender, age, etc.	Complied
<b>Criterion 6.9:</b> There is no harassment or abuse in the work place, and reproductive rights are protected.		
6.9.1 Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	Policy on protection against Sexual Harassment and other forms of harassment available and implemented. There is no any reported case of harassment in the operating units. The refresher training for the relevant policy has been conducted Gender committee and Refresher Training on Human Rights and Gender Committee by PSQM-13.10.16, attended by 7 attendees. For Pengkalan Bukit and Pagoh Estate, the training was done on 13.10.16 titled Introduction to Reproduce Right, Human Right and Gender Committee Refresher Training.	Complied
6.9.2 A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	Social and Humanity Management Policy dated January 2015 covers reproductive rights of all, especially of women was implemented through Gender committee and Refresher Training on Human Rights and Gender Committee by PSQM-13.10.16, attended by 7 attendees. For Pengkalan Bukit Estate, the meeting was held quarterly and latest meeting sighted was on 25.08.17 at Community Hall attended by 30 female workers. Meeting minutes sighted and updated by Bawani (Secretary). For Pagoh estate, the latest meeting was held on 20.07.17 attended by 10 people. Among the issues discussed were the coming activities for Deepavali and suggestion to buy the stuff for gender committee meeting such as plates, spoon and fork, kettle, etc.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>6.9.3</p> <p>A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce.</p> <p>- Minor compliance -</p>	<p>The mill and estates management have established Gender Committee. In the Gender Committee handbook (first edition 2014), the management has adopted the guidelines on monitoring and reporting process for evaluation implementation of the effectiveness of the policy. A reporting procedure has been developed and to be utilized if there is any sexual harassment case reported.</p> <p>Seen the appointment letter for chairman for Rosni and assisted with Nor Syaza as the secretary position in Gender Committee dated 16.08.17 for 2 years approved by mill manager. Sighted the latest meeting minutes on 16.08.17 attended by 10 female workers. Seen the example of gender committee event held on 15.09.17 – Aktiviti Mewarna Sempena Sambutan Hari Kemerdekaan dan Satu Malaysia.</p> <p>For Pengkalan Bukit Estate, the appointment letter for chairman, secretary and members available during the audit. Siti Salina was appointed as the chairmain for 2 years since 01.02.17.</p> <p>For Pagoh Estate, the appointment letter for chairman, secretary and members available during the audit. Liliana Farhana Jamaludin on 01.07.17 as the chairman for 1 year (FY 2017/18)</p>	<p>Complied</p>
<p><b>Criterion 6.10:</b> Growers and mills deal fairly and transparently with smallholders and other local businesses.</p>		
<p>6.10.1</p> <p>Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.</p> <p>- Minor compliance -</p>	<p>Pagoh POM did not purchase FFB from third party or out growers. However, the mill has the details of FFB prices based on MPOB pricing.</p>	<p>Complied</p>
<p>6.10.2</p> <p>Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation).</p> <p>- Major compliance -</p>	<p>Not applicable. There is no smallholder dealing with the SOU 19 Pagoh POM. Mill only receive FFB from their own certified estates.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
<p>6.10.3</p> <p>Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -</p>	<p>For Pagoh POM, seen the contract agreement:</p> <ol style="list-style-type: none"> <li>1. Arm Multi Work Enterprise Sdn Bhd (Doc No: 4300388346) on 05.09.2017 for labour, grass cutting at mill compound, water reservoir and OSD pond as well as effluent treatment plant (ETP).</li> <li>2. Novaflow Engineering Sdn Bhd (Doc No: 4300387199) on 05.09.2017 for labour, general repair.</li> </ol> <p>In Pengkalan Bukit Estate, seen the agreement:</p> <ol style="list-style-type: none"> <li>1. Ng Sah Leng – valid from 1.07.17 until 30.06.18.</li> <li>2. Ananthan A/L Letchumanan – valid from 1.07.17 until 30.06.18.</li> </ol> <p>For Pagoh Estate, sighted the contractor’s monthly agreement:</p> <ol style="list-style-type: none"> <li>1. Sam Wun Hoong Replanting Contractor Sdn Bhd – Monthly renewal contract (latest contract valid from 01.9.17 – 30.09.17).</li> <li>2. Kim Soon Lee Transport Sdn Bhd – Monthly renewal contract (latest contract valid from 25.8.17 – 24.9.27).</li> </ol>	<p>Complied</p>
<p>6.10.4</p> <p>Agreed payments shall be made in a timely manner. - Minor compliance -</p>	<p>For Pagoh POM seen the payment:</p> <ol style="list-style-type: none"> <li>1. Arm Multi Work Enterprise Sdn Bhd– Tax invoice no-ARM/KKSP/0051/17 on 19.8.17 agreed payment as per contract, ie: for labour, grass cutting at mill compound, water reservoir and OSD pond as well as effluent treatment plant (ETP) : RM 6100/trip.</li> <li>2. Novaflow Engineering Sdn Bhd– Tax invoice no: INV17/336563 on 11.9.17 agreed payment as per contract, ie: for labour, general repair is RM3500/unit.</li> </ol> <p>In Pengkalan Bukit Estate, seen the payment:</p> <ol style="list-style-type: none"> <li>1. Ng Sah Leng-Document No: 1600007031 date 08.08.2017. Agreed payment of RM35/trip paid in timely manner.</li> <li>2. Ananthan A/L Letchumanan- Document No: 1600012309 date 08.09.2017. Agreed payment of ‘rates for miscellaneous works at replants’ paid in timely manner.</li> </ol> <p>In Pagoh Estate, seen the payment:</p> <ol style="list-style-type: none"> <li>1. Sam Wun Hoong Replanting Contractor Sdn Bhd – Tax invoice no: Inv 00110 on 30.9.17 agreed payment as per contract, ie: Rental Excavator-Drain &amp; trenches (RM92/unit).</li> <li>2. Kim Soon Lee Transport Sdn Bhd – Tax invoice no: Inv 00000488 on 30.9.17 agreed payment as per contract, ie: EFB transport and Boiler Ash &amp; Decanter Solid (RM 8.65/unit).</li> </ol>	<p>Complied</p>

**Criterion 6.11:**

Growers and millers contribute to local sustainable development where appropriate.



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Criterion / Indicator	Assessment Findings	Compliance	
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	Mill and estates management have made contribution to the internal and external stakeholders. For example: 1. Pagoh Mill: Majlis Sambutan Hari Raya 1438H Marhaban Sayawal on 16.7.17 (RM3,500) Annual sports 20-25 March 2017 & Annual Dinner (Sport carnival RM 667.05 & Dinner RM3,500). 2. Pengkalan Bukit Estate: Sumbangan Anak Yatim (15.06.17), Kebenaran Menggunakan Laluan Ladang bagi majlis kejohanan merentas desa, Menggunakan Kemudahan Padang (27.02.17) dan Balai untuk Kejohanan Trek 2017 (16.02.17). 3. Pagoh Estate: Pembukaan gate pos2 bagi laluan kepada orang luar untuk perayaan Vinayagar Sathurthi on 24.08.17 (4.00 pm-10.30 pm) and 25.08.17 (7.00 am-3.00 pm) and donation request to temple renovation on 24.08.17.	Complied
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	No scheme smallholders.	Not applicable
<b>Criterion 6.12:</b>			
No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	SOU 19 has implemented Social Policy since January 2015. Social Policy has been developed and the management is prohibited to engage or support the use of forced labour in all of their operations and administrations. All the local and foreign workers were hold a valid identification card and passports prior to work.	Complied
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	No contract of substitution was noted.	Complied
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	Equal opportunity and non-discriminatory policy is implemented. No temporary workers. Migrant workers are treated equally as per the locals.	Complied
<b>Criterion 6.13:</b>			
Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	SOU 19 has implemented Social Policy since January 2015. Human rights is one of the elements under the Social Policy. The management is treated the workers with respect and fair. Awareness training on human rights has been conducted on 13.10.2016 to all the 7 workers by PSQM. For internal, the human right training was held on 17/10/2016 (Pagoh Mill) to 41 workers, 13/10/2016 to 26 workers (Pengkalan Bukit Estate) and 6 workers (Pagoh Estate).	Complied



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Criterion / Indicator	Assessment Findings	Compliance
6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation.	Not applicable.
<p><b>Principle 7: Responsible development of new plantings</b>  <b>Pagoh Palm Oil Mill</b> Certification Unit and supply base did not carry out any new plantings since November 2005. Therefore, Principle 7 is not applicable during this annual surveillance assessment. The immature areas are replanted area.</p>		
<p><b>Principle 8: Commitment to continual improvement in key areas of activity</b></p>		
<p><b>Criterion 8.1:</b>            Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.</p>		
8.1.1	<p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction in use of pesticides(Criterion 4.6);</li> <li>• Environmental impacts (Criteria 4.3, 5.1 and 5.2);</li> <li>• Waste reduction (Criterion 5.3);</li> <li>• Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);</li> <li>• Social impacts (Criterion 6.1);               <ul style="list-style-type: none"> <li>• Optimising the yield of the supply base.</li> </ul> </li> </ul> <p>- Major compliance -</p>	<p>Action plan for continual improvement has been implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill. Sighted example of continual improvement project at SOU19:</p> <ul style="list-style-type: none"> <li>i) Process improvement – machinery repair and replacement</li> <li>ii)Estate/operation – new tractor and bin for FFB evacuation</li> <li>iii) Recycling of empty chemical container – based on National Recycling Programme</li> <li>iv)Continuous repair/upgrading of workers housing</li> </ul>
Complied		

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**Appendix B: Approved Time Bound Plan**

**SDP- RSPO Certification Status for Malaysia Operations**

SOU NO	Name of SOU	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	Sg. Dingin	Karangan, Kedah	12 Aug '10	11-Aug-20	RSPO 550179	N.A
2	Chersonese	Kuala Kurau, Perak	5 Oct '11	4-Oct-21	CU-RSPO-815148, RSPO 590800	N.A
3	Elphil	Sg Siput, Perak	18 Jun '11	17-Jun-21	RSPO 550180	N.A
4	Flemington	Teluk Intan, Perak	5 Oct '11	4-Oct-21	CU-RSPO-819144, RSPO 590802	N.A
5	Seri Intan	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-811218, RSPO 0015	N.A
5	Selaba	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-819142, RSPO 0016	N.A
5a	Sg Samak		3 Mar '11	NA	NA	N.A
6	Tennamaram	Bestari Jaya, Selangor	3 Mar '11	2-Mar-21	CU-RSPO-819143, RSPO 0014	N.A
7	Bkt Kerayong	Kapar, Selangor	15 Apr '11	14-Apr-21	RSPO 550181	N.A
8	East	Carey Island, Selangor	19 May '10	18-May-20	RSPO 543543	N.A
9	West	Carey Island, Selangor	19 May '10	18-May-20	RSPO 543594	N.A
9a	Sepang	Sepang, Selangor	19 May '10	NA	NA	N.A
10	Bukit Puteri	Raub, Pahang	7 Jul '16	6-Jul-21	CU-RSPO-815147, 18502206 001, 824 502 14020, MUTU – RSPO/091	N.A
11	Kerdau	Temerloh, Pahang	7 Jul '16	6-Jul-21	CU-RSPO-819155, 18502207 001, 824 502 14019	N.A
12	Jabor	Kuantan, Pahang	7 Jul '16	6-Jul-21	CU-RSPO-819156, RSPO 928288, 824 502 16049, MUTU-RSPO/094	N.A
13	Labu	Nilai, Negeri Sembilan	30 Dec '16	29-Dec-21	CU-RSPO-855480	
14	Tanah Merah	Port Dickson, Negeri Sembilan	19 May '10	18-May-20	RSPO 541905	
15	Sua Betong	Port Dickson, Negeri Sembilan	18/2/2014	17-Feb-19	SGS-RSPOPM-MY14/01364, 824 502 16032	Sua Betong Oil Mill has been commissioned to replace Rantau Oil Mill with Certificate No: CU- RSPO-819165, certification date: 30 Dec 2011.

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16	Kok Foh	Bahau, Negeri Sembilan	7 Jul '16	6-Jul-21	CU-RSPO-819157, RSPO 928188, 824 502 16051, MUTU-RSPO/093	N.A
17	Kempas	Jasin, Melaka	19 May '10	18-May-20	RSPO 005	N.A
18	Diamond Jubilee	Jasin, Melaka	5 Oct '11	4-Oct-21	CU-RSPO-819146, RSPO 591224	N.A
19	Pagoh	Muar, Johor	28/1/2014	27-Jan-19	RSPO 600305	Pagoh Oil Mill has been commissioned to replace Nordanal Oil Mill with Certificate No: SPO 549297, certification date: 7 Jan 2011.
19a	Yong Peng	Yong Peng, Johor	20 Oct '10	19-Oct-15	RSPO 550182	N.A
20	Chaah	Chaah, Johor	18 Nov '10	17-Nov-20	RSPO 548299	N.A
21	Gunung Mas	Kluang, Johor	19 May '10	18-May-20	RSPO 901888	N.A
22	Bukit Benut	Kluang, Johor	5 Oct '11	4-Oct-21	CU-RSPO-819147, RSPO 591229	N.A
23	Ulu Remis	Layang-layang, Johor	11 Apr '16	10-Apr-21	BV-RSPO-20170705-01	N.A
24	Hadapan	Layang-layang, Johor	29 Mar '11	28-Mar-21	BV-RSPO-20170623-01	N.A
25	Segaliud	Sandakan, Sabah	20 May '10	19-May-15	RSPO 547123	Mill close down
26	Sandakan Bay	Sandakan, Sabah	1 Oct '08	30-Sep-18	RSPO 537872	N.A
27	Melalap	Tenom, Sabah	21 Jan '11	20-Jan-21	RSPO 547124	N.A
28	Binuang	Kunak, Sabah	16 Jan '09	12-Jul-20	RSPO 001	N.A
29	Giram	Kunak Sabah	16 Jan '09	12-Jul-20	RSPO 002	
30	Merotai	Tawau, Sabah	16 Jan '09	12-Jul-20	RSPO 004	
30a	Jeleta Bumi	Kunak, Sabah	24/5/2010	NA	NA	N.A
30b	Mostyn	Kunak Sabah	16 Jan '09	NA	NA	N.A
31	Lavang	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819166, MUTU-RSPO/053	N.A
32	Rajawali	Bintulu, Sarawak	30 Dec '16	29-Dec-21	CU-RSPO-819167, RSPO 0020	N.A
33	Derawan	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819169, RSPO 0019	N.A
34	Pekaka	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-815150, MUTU-RSPO/054	N.A

**Legends**

Certification Withdrawal

NA - NOT APPLICABLE

Note: There are 2 certificate numbers for some SOUs due to transfer of CB.

**SDP- RSPO Certification Status for Indonesia Operations**

NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	PT LAHAN TANI SAKTI	ALUR DUMAI	Bagan Sinembah/Tanh	16-Jan-17	15-Jan-22	SGS-RSPO/PC17-00005	

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			Putih, Pujud, Rokan Hilir, Riau				
2	PT SAJANG HEULANG	ANGSANA MINI	Sebamban, Indonesia	6-Jul-11	6-Jul-16	MUTU-RSPO/006b	Mill closed down
3	PT SAJANG HEULANG	MUSTIKA	Sebamban, Indonesia	4-Aug-17	3-Aug-22	MUTU-RSPO/027	
4	PT LADANGRUMPUN SUBURUBADI	ANGSANA	Sebamban, Indonesia	9-Nov-16	8-Nov-21	MUTU-RSPO/006a	
5	PT LANGGENG MUARAMAKMUR	BEBUNGA	Pamukan Utara, Tanah Grogot, Kotabaru/Pasir, Kalimantan Selatan/Kalimantan Timur	16-Mar-12	16-Mar-17	MUTU-RSPO/014	
6	PT KRIDATAMA LANCAR	SUKAMANDANG	Seruyan Tengah, Sampit, Seruyan, Kalimantan Tengah	2-Sep-16	1-Sep-21	MUTU-RSPO/003	
7	PT BAHARI GEMBIRA RIA	LADANG PANJANG	Kumpeh Ulu, Jambi, Muaro Jambi, Jambi	29-Nov-17	28-Nov-22	MUTU-RSPO/019	
8	PT TUNGGAL MITRA PLANTATIONS	MANGGALA	Riau, Indonesia	25-Nov-10	24-Nov-20	MUTU-RSPO/002	
9	PT PARIPURNA SWAKARSA	PONDOK LABU	Pamukan Selatan, Tanah Grogot, Kotabaru, Kalimantan Selatan	20-Jul-17	19-Jul-22	MUTU-RSPO/016	
10	PT BERSAMA SEJAHTERA SAKTI	GUNUNG ARU	Sebamban, Indonesia	21-Oct-16	20-Oct-21	MUTU-RSPO/005	
11	PT GUTHRIE PECCONINA	RANTAU PANJANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	20-Nov-17	19-Nov-22	MUTU-RSPO/017	
12	PT LAGUNA MANDIRI	RANTAU BETUNG	Sungai Durian, Kotabaru, Kalimantan Selatan	7-April-17	6-April-22	MUTU-RSPO/035	
14	PT INDOTRUBA TENGAH	SEKUNYIR	Kalimantan Tengah, Indonesia	23-Nov-10	22-Nov-20	MUTU-RSPO/001	
15	PT SWADAYA ANDIKA	SELABAK	Sungai Durian, Kotabaru, Kalimantan Selatan	16-Mar-12	16-Mar-17	MUTU-RSPO/015	
16	PT BINA SAINS CEMERLANG	SG PINANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	11-Sep-12	11-Sep-17	MUTU-RSPO/020	
17	PT TEGUH SEMPURNA	PEMANTANG	Kuala Kuayan, Sampit, Kotawaringin Timur, Kalimantan Tengah	9-Sep-16	8-Sep-21	MUTU-RSPO/004	
18	PT BHUMIREKSA NUSA SEJATI	TELUK BAKAU MANDAH	Pelangiran, Sg. Guntung, Indragiri Iilir, Riau	01-Dec-16 1 April 2014	30-Nov-21 1 April 2019	MUTU-RSPO/008	

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						MUTU- RSPO/036	
20	PT ANEKA INTIPERSADA	TELUK SIAK	Tualang, Perawang, Siak, Riau	8-Dec-16	7-Dec-21	MUTU- RSPO/007	
21	PT TAMACO GRAHA KRIDA	UNGKAYA	Witaponda, Kolonodale, Morowali, Sulawesi Tengah	10-Jul-12	10-Jul-17	MUTU- RSPO/018	
22	PT SIME INDO AGRO	BK AJONG	Kalimantan Barat, Indonesia	18-Jul-16	17-Jul-21	MUTU- RSPO/088	
23	PT PADANG PALMA PERMAI/PT PERKASA SUBUR SAKTI	BLANG SIMPO	Karang Baru, Kuala Simpang, Aceh Tamiang, Nangroe Aceh Darussalam	3-May-13	3-May-18	MUTU- RSPO/026	
24	PT SANDIKA NATAPALMA/PT BUDIDAYA AGRO LESTARI	LEMBIRU	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	3-Jul-14	2-Jul-19	MUTU- RSPO/044	
25	PT MITRAL AUSTRAL SEJAHTERA	MAS Mill	Desa Rahayu Kec. Parindu Kab. Sanggau, Kalimantan Barat	NA	NA	NA	

Legends

Pending Certification by RSPO EB	Mill down	closed
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NA - NOT APPLICABLE

**Appendix C: Certification Unit RSPO Certificate Details**

Sime Darby Plantation Berhad  
Strategic Operating Unit (SOU 19)  
Pagoh Palm Oil Mill  
Lot 2159, Ladang Pagoh, Mukim Jalan Bakri  
84309 Muar, Johor, Malaysia

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

BSI RSPO Certificate No. : RSPO 600305  
Date of Initial Certificate Issued:28/01/2014  
Date of Expiry: 27/01/2019  
Applicable Standards: RSPO P&C MYNI-2014; RSPO Supply Chain Certification Standard November 2014 Module D  
– CPO Mills: Identity Preserved)

<b>Pagoh Palm Oil Mill and Supply Base</b>					
Location Address	Strategic Operating Unit (SOU 19) – Pagoh Palm Oil Mill, Lot 2159, Ladang Pagoh, Mukim Jalan Bakri 84309 Muar, Johor, Malaysia				
GPS Location	102° 43' 7.3" E ; 2° 4' 40.62" N				
CPO Tonnage Total	29,015.11 mt				
PK Tonnage Total	7,679.65 mt				
CPO Claimed for Certification*	29,015.11 mt				
PK Claimed for Certification *	7,679.65 mt				
Own estates FFB Tonnage	139,630.00 mt				
Scheme Smallholder FFB Tonnage	-				
Estates	Production Area		Other use (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (mt)
	Mature (ha)	Immature (ha)			
Lanadron Estate	1,688.01	211.77	270.42	2,170.20	39,030
Pengkalan Bukit Estate	2,492.81	491.70	172.37	3,156.88	54,600
Welch Estate	576.20	0	871.62	1,447.82	9,000
Pagoh Estate	1,339.18	648.84	337.91	2,325.93	37,000
<b>TOTAL</b>	<b>6,096.20</b>	<b>1,352.31</b>	<b>1652.32</b>	<b>9,100.83</b>	<b>139,630</b>

**Appendix D: Assessment Plan**

Date	Time	Subjects	Mohd Hihdir	Elzy	Daniel
Tuesday 03/10/2017	PM	Audit Team travelling to Muar, check in at Classic Hotel, Muar	✓	✓	✓
Wednesday 04/10/2017 <b>Pagoh Palm Oil Mill</b>	08.30 – 09.00	Opening Meeting: <ul style="list-style-type: none"> <li>Opening Presentation by Audit team leader.</li> <li>Confirmation of assessment scope and finalize Audit plan (including stakeholder’s consultation).</li> </ul>	✓	✓	✓
	09.00 – 12.00	<b>Pagoh Palm Oil Mill</b> Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	✓	✓	✓
	12.00 – 13.00	Lunch	✓	✓	✓
	13.00 – 16.30	<b>Pagoh Palm Oil Mill:</b> Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	✓	✓	✓
	16.30-17.00	Interim Closing briefing.	✓	✓	✓
Thursday 05/10/2017 <b>Pengkalan Bukit Estate</b>	08.30 – 12.00	<b>Pengkalan Bukit Estate</b> 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.	✓	✓	✓
	09.00 – 12.00	<b>Meeting with stakeholders</b> (Government, village rep, smallholders, Workers Leader, contractor etc.)	-	✓	-
	12.00 – 13.00	Lunch	✓	✓	✓
	13.00 – 16.30	<b>Pengkalan Bukit Estate</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	✓	✓	✓
	16.30-17.00	Interim Closing Briefing	✓	✓	✓
Friday 06/10/2017 <b>Pagoh Estate</b>	8.30 – 13.00	<b>Pagoh Estate</b> 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.	✓	✓	✓
	13.00 – 14.30	Lunch and Friday Prayer	✓	✓	✓
	14.30 – 16.30	<b>Pagoh Estate</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	✓	✓	✓
	16.30-17.00	Prepare for closing meeting Closing meeting	✓	✓	✓

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<b>Date</b>	<b>Time</b>	<b>Subjects</b>	<b>Mohd Hihdir</b>	<b>Elzy</b>	<b>Daniel</b>
Saturday 07/10/2017	AM	Audit Team travelling back to KL	✓	✓	✓



**Appendix E: Stakeholders Contacted**

<p><b>Internal Stakeholders</b></p> <p>Managers and Assistants Mill &amp; Estate  Male Mill Staff/Workers  Female Mill Staff/Workers  Foreign Worker  Male and Female Estate workers  Joint Consultative Committee  Gender Committee representatives  Workers Union Representatives  Onsite NUPW representative/secretary  AMESU Representative  Hospital Assistant  Creche Attendant</p>	<p><b>Local Communities</b></p>
<p><b>Government Departments</b></p> <p>Head Master of SK Panjang Sari</p>	<p><b>Contractors and Suppliers</b></p> <p>General Supplier  FFB Transport contractor  Engineering &amp; Civil work contractor</p>

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

Requirements	Compliance
<b>D.1. Definition</b>	
<p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&amp;C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p>	<p>Pagoh Palm Oil Mill only receives certified FFB. Therefore qualifies for the Identity Preserved supply chain system and module. During the P&amp;C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.</p>
<b>D.2 Explanation</b>	
<p>D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&amp;C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.</p>
<p>D.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	<p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim) via palm trace ID, RSPO_PO1000001031</p>
<b>D.3 Documented procedures</b>	
<p>D.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <ul style="list-style-type: none"> <li>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</li> <li>b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.</li> </ul>	<p>Latest written documented procedures (RSPO SCCS v.2 Year 2014) for the chain of custody is with Identity Preserved (IP) model covering all the RSPO Supply Chain Certification Standard and Traceability for handling certified and non-certified FFB under Appendix 15. This developed based on the RSPO SCCS 21 November 2014. The previous SOP was for SG. The mill manager has the responsibility to ensure implementation assisted by the on-site compliance executive. The IP model is used because only certified FFB from own supply base is received and processed at Pagoh Palm Oil Mill. RSPO Supply Chain Certification Standard and Traceability for handling certified and non-certified FFB under Appendix 15, version:2, issue: 2 dated October 2016 was made available fo review.</p> <p>The mill manager and assistant manager have awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.</p>
<p>D.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>Pagoh Palm Oil mill has documented procedures (as per above in D 3.1) for the incoming FFB, processing and outgoing palm products (CPO and PK). The procedure covers receiving and processing certified and non-certified FFBs.</p>
<b>D.4 Purchasing and goods in</b>	

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<p>D.4.1 The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p>	<p>Similar to last assessment daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. Records verified by internal and external audit. Pagoh mill have system to verify at the weighbridge.  Sample of weighbridge ticket :</p> <p><b><u>SOU 17: Kempas (Kempas Estate)</u></b>  Code : E-024, date:19/8/17, WB ticket# 109703, Field 1992A1, 1995A2, 1992A3, 1993A and 2000A (A crop), weight: 15.97 mt</p> <p><b><u>SOU 16 : Kok Foh (Muar River Estate)</u></b>  Code : E-149, date:20/06/17, WB ticket# 107841, Field 93G &amp; 97T (A crop), weight: 11.68 mt</p> <p><b><u>SOU 16 : Kok Foh (Sg Senarut Estate)</u></b>  Code : E-127, date:20/06/17, WB ticket# 107849, Field 01C &amp; 05B (A crop), weight: 24.93 mt</p> <p><b><u>SOU 17 : Kempas (Tangkah Estate)</u></b>  Code : E-129, date 24/6/17, WB ticket# 107977, Field 01K, 07K, 2013A, 97K (B crop), weight: 13.29 mt</p> <p><b><u>SOU 16 : Kok Foh (Sg Gemas Estate)</u></b>  Code : E-109, date:20/06/17, WB ticket# 107842, Field 1997A, 2001I and 2001J (A crop), weight: 24.93 mt</p>
<p>D.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p>	<p>Overproduction of certified tonnage recorded for the period of October 2016 – June 2017 recorded at 122,013 mt which exceeded the projected certified tonnage of 119,618 mt. Thus a major NC was issued.</p>
<p><b>D.5 Record keeping</b></p>	
<p>D.5.1 The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p>	<p>All the inventory records are maintained and updated on daily basis and monthly and reported on monthly and 3 monthly inventory. Computerized system in place. No PKO and Palm kernel meal at Pagoh Palm Oil mill. PK is sold to Sime Darby's Kernel Crushing Plant and also other 3<sup>rd</sup> party KCP. CPO sold to Sime Darby's owned refineries (SDP Nuri, SDP Joma) and the other 3<sup>rd</sup> party buyer. Daily records are prepared at the entry point at the weighbridge.</p> <p>Sample of CPO contract and WB ticket:  Commodity: RSPO CPO-IP  Aug 2017 – S/C-PSD/1708/CPO0345B (SDP JOMA)  Date: 4/8/17, Lorry: DBC1361, WB ticket# 008974, weight; 40.98mt.</p> <p>Daily summary and monthly summary documented for all the FFB received. Records of certified FFB received verified during annual surveillance. Records verified by internal and external audit.</p>
<p><b>D.6 Processing</b></p>	

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<p>D.6.1 The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.</p>	<p>During this assessment it was confirmed that only certified source of FFB from own plantation is processed. This ensures that there is no possibility of mixing during processing. There is a possibility that the mill will receive Certified FFB from other Sime Darby's Certified Estate which was certified under SOU 18 (RSPO 591224 valid until 4/10/21), SOU17 (RSPO 005 valid until 19/5/20) and SOU16 (RSPO 928188 valid until 6/7/21). This will be further verified during next surveillance assessment if such cases occurred and observed. No non-certified FFB received.</p>
<p>D.6.2 The objective is for 100 % segregated material to be reached.</p>	<p>Processing and storage records can trace back to only certified segregated FFB and finish product (CPO and PK) through traceability records such as weighbridge records. This ensures that 100% segregated materials are reached.</p>

**Actual Certified Palm Production – October 2016 – Sept 2017**

Mill	Capacity & Supply Chain Model	CPO	PK
Pagoh Palm Oil Mill	45 mt/hr Identity Preserved (IP)	32,568.79 mt	8,553.54 mt

**Actual Sales of Certified Palm Products – October 2016 – Sept 2017**

Mill	Certified CPO Sales	Certified PK Sales	Remarks
Pagoh Palm Oil Mill	4,600 mt (Physical sales)	1,700 mt (Physical sales)	Confirmed sales through PalmTrace

**Actual Tonnes Sales of Certified Palm Products (Under Other Schemes) - October 2016 – Sept 2017**

Mill	Certified CPO Sales	Certified PK Sales	Other Scheme(s)
Pagoh Palm Oil Mill	Nil	Nil	n/a

**Actual Tonnes Sales of Conventional Palm Products - October 2016 – Sept 2017**

Mill	Certified CPO Sales	Certified PK Sales	Remarks
Pagoh Palm Oil Mill	27,968.79 mt	6,853.54 mt	Based on balance sheet

**Actual Certified FFB Received Monthly – October 2016 – Sept 2017**

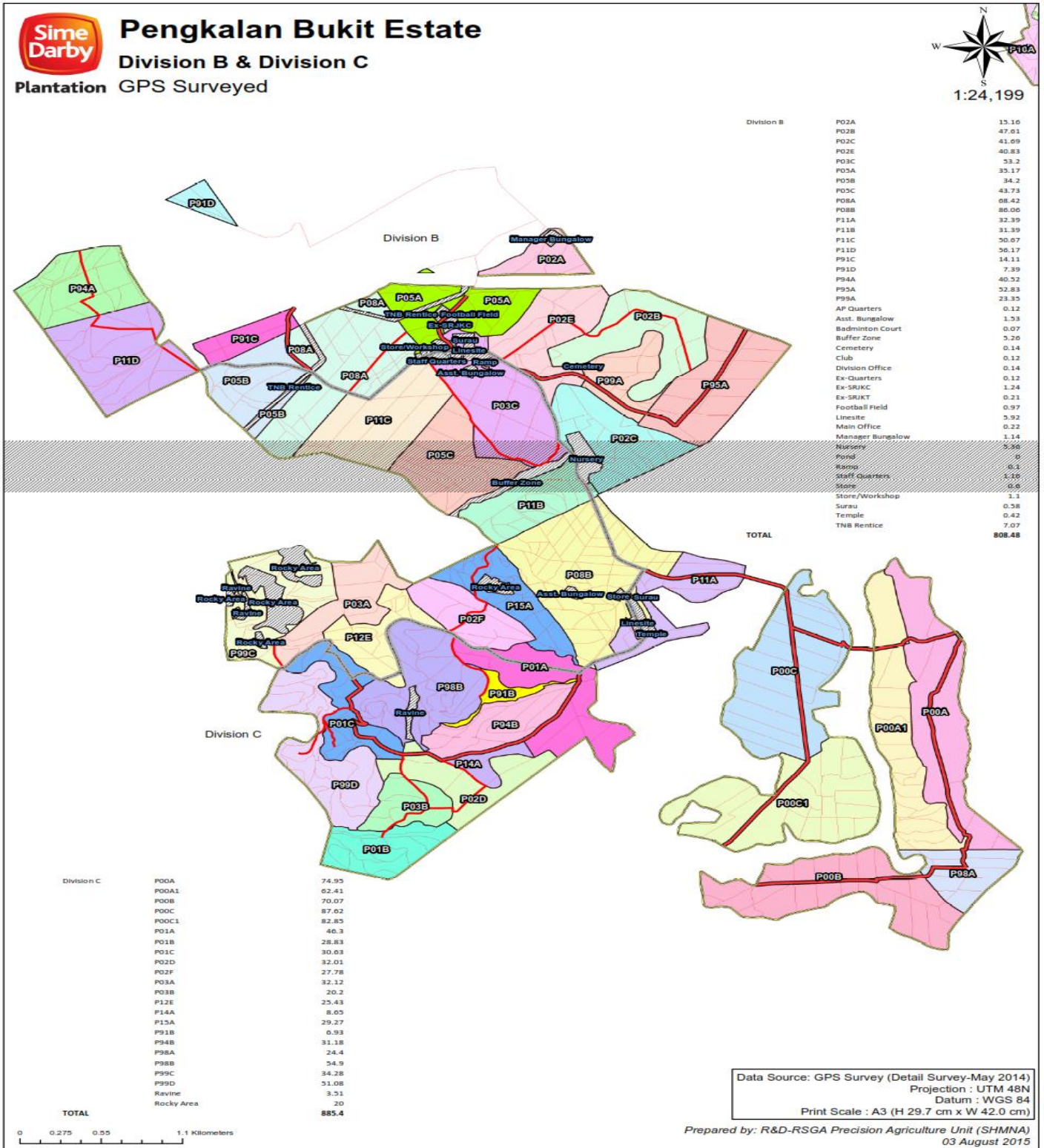
Month	Certified Supply Base (from own certificate scope) (mt)														Total FFB/Month (mt)
	Lanadron Estate	Pengkalan Bukit Estate	Welch Estate	Pagoh Estate	Tangkah Estate	Kempas Estate	Kok Foh Estate	Sg.Gemas Estate	Bukit Pilah Estate	Muar River Estate	Sg.Senarut Estate	Pertang Estate	St.Helier Estate	Sg.Sabaling Estate	
Oct 2016	3649.33	5566.73	635.37	2748.85	1826.86	0	77.69	456.96	27.25	794.22	449.21	31.19	6.49	6.60	16276.75
Nov 2016	4217.05	5739.98	863.25	3646.15	808.82	0	0	0	0	0	0	0	0	0	15275.25
Dec 2016	3974.55	5230.35	832.29	3415.55	691.76	726.52	0	0	0	0	0	0	0	0	14871.02
Jan 2017	3124.14	3628.26	728.37	2423.69	444.29	286.87	0	54.53	0	67.31	0	0	0	0	10757.46
Feb 2017	3560.51	3491.22	708.94	2714.70	3085.94	263.04	0	0	0	0	0	0	0	0	13824.35
Mar 2017	1896.09	2235.64	560.03	2071.70	2231.71	0	0	0	0	0	0	0	0	0	8995.17
Apr 2017	2996.37	3766.73	1083.21	3142.75	3271.18	0	0	0	0	0	0	0	0	0	14260.24
May 2017	2956.28	3936.92	833.97	3315.24	202.32	0	0	0	0	0	0	0	0	0	11244.73
June 2017	2827.06	3628.46	649.91	3130.80	2613.83	3305.91	0	109.58	0	187.28	55.97	0	0	0	16508.8
July 2017	2860.74	3984.51	545.22	3529.09	0	0	0	0	0	0	0	0	0	0	10919.56
Aug 2017	3471.94	5232.88	683.98	3607.34	935.32	577.12	0	0	0	0	0	0	0	0	14508.58
Sept 2017	4033.32	6380.74	1130.63	3820.33	3162.63	0	0	0	0	0	0	0	0	0	18527.65
<b>Total</b>	<b>39567.38</b>	<b>52822.42</b>	<b>9255.17</b>	<b>37566.19</b>	<b>19274.66</b>	<b>5159.46</b>	<b>77.69</b>	<b>621.07</b>	<b>27.25</b>	<b>1048.81</b>	<b>505.18</b>	<b>31.19</b>	<b>6.49</b>	<b>6.6</b>	<b>165969.56</b>

**Appendix G: Location Map of Pagoh Palm Oil Mill Certification Unit and Supply bases**

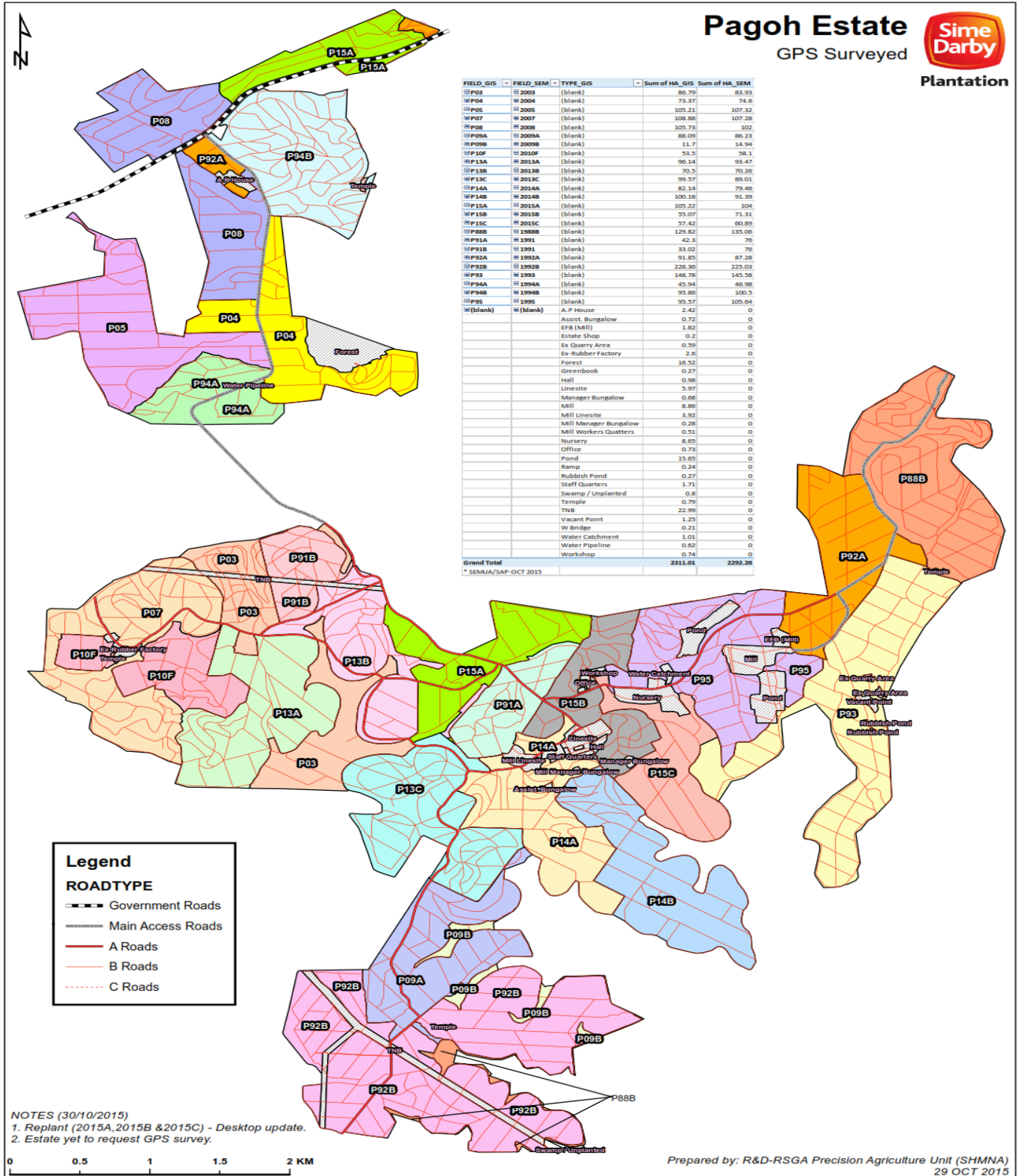




**Appendix H: Pengakalan Bukit Estate Field Map**



**Appendix I: Pagoh Estate Field Map**





Appendix J: GHG Reporting Executive Summary

The GHG emissions that were produced in 2016 for Pagoh Palm Oil Mill and supply base was calculated using the GHGpalm Calculator version 3.0. The assessment team had verified the data input in the GHGpalm Calculator against operations records. Palm GHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

- i. Estates area planted data
- ii. Fuel consumed
- iii. Mill datas include CPO produced, PKO Produced and FFB Processed
- iv. Fertilizer consumed data for both estates and smallholders.

The summary of the Net GHG emitted in 2016 for Pagoh Palm Oil Mill mill and supply base are as following:

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	1.45
PKO	1.45

Extraction	%
OER	19.9
KER	5.08

Production	t/yr
FFB Process	145,668.42
CPO Produced	28,984.67
PKO Produced	7,401.16

Land Use	Ha
OP Planted Area	31,742.44
OP Planted on peat	190.8508
Conservation (forested)	-
Conservation (non-forested)	
<b>Total</b>	<b>31,933.2908</b>

**Summary of Field Emission and Sink**

	Own Crop*		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB
<b>Emission</b>								
Land Conversion	60364.43	0.49	10638.53	0.64	0	0	71002.96	1.03
CO <sub>2</sub> Emissions from Fertiliser	6519.82	0.05	1414.86	0.06	0	0	7934.68	0.11
N <sub>2</sub> O Emissions	5551.39	0.04	908.03	0.04	0	0	6459.42	0.08
Fuel Consumption	695.39	0.01	89.7	0.01	0	0	785.09	0.02
Peat Oxidation	2681.83	0.02	863.95	0.02	0	0	3545.78	0.04
<b>Sink</b>								
Crop Sequestration	-56433.36	-0.45	-10084.75	-0.6	0	0	-66,518.11	-1.05
Sequestration in Conservation Area	0	0	0	0	0	0	0.00	0.00

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Total	-56433.36	-0.45	-10084.75	-0.6	0	0	-66,518.11	-1.05
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\*Note: Includes both estates and smallholders

**Summary of Mill Emission and Credit**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emission</b>		
POME	28553.48	0.2
Fuel Consumption	28.76	0
Grid Electricity Utilisation	882.41	0.01
<b>Credit</b>		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>29464.65</b>	<b>0.2</b>

**Summary of Kernel Crusher Emission and Credit (if applicable)**

Emissions	tCO <sub>2</sub> e
PK from own mill	10714.4
PK from other source	0
Fuel Consumptions	0
<b>Total Crusher emissions</b>	<b>0</b>

\*This mill has no kernel crusher operation.

<b>Palm Oil Mill Effluent (POME) Treatment:</b>	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	100

<b>POME Diverted to Anaerobic Digestion:</b>	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	0

**Appendix K: List of Smallholder Sampled**

- Not applicable -

**Appendix L: List of Abbreviations Used**

ASA	Annual Surveillance Assessment
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CIP	Continual Improvement Plan
COBC	Code of Business Conduct
CPO	Crude Palm Oil
DOE	Department of Environment
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
EIA	Environmental Impact Assessment
EMS	Environmental Management System
ERP	Emergency Response Plan
FFB	Fresh Fruit Bunch
HCV	High Conservation Value
HIRARC	Hazard Identification, Risk Assessment and Risk Control
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
JE	Jentayu Estate
MAPA	Malayan Agricultural Producers Association
MPOA	Malaysian Palm Oil Association
MSDS	Material Safety Data Sheet
MSPO	Malaysian Sustainable Palm Oil
MY-NI	Malaysian National Interpretation
NGO	Non Governmental Organisation
NUPW	National Union of Plantation Workers
OSH	Occupational Safety & Health
PBE	Padang Buluh Estate
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
PPOM	Pagoh Palm Oil Mill
PPE	Personal Protective Equipment
RED	Renewable Energy Directive
RSPO P&C	Roundtable on Sustainable Palm Oil Principle & Criteria
SCCS	Supply Chain Certification Standard
SDPOM	Sungai Dingin Palm Oil Mill
SDPSB	Sime Darby Plantation Sdn Bhd
SE	Somme Estate
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
SW	Scheduled Waste
VMO	Visiting Medical Officer