

**RSPO – Recertification Assessment (RA)
Public Summary Report**

Sime Darby Plantation Sdn. Bhd.
Head Office: Level 3A, Main Block, Plantation Tower, No 2 Jalan P.J.U 1A/7 47301 Ara Damansara, Selangor, Malaysia.
Certification Unit: Strategic Operating Unit (SOU 18) - Diamond Jubilee Palm Oil Mill, KM 8, Jasin - Simpang Bekoh Road, District of Jasin 77100 Jasin, Melaka, Malaysia

TABLE of CONTENTS

Page N^o

SECTION 1: Scope of the Recertification Assessment.....	3
1. Company Details.....	3
2. RSPO Certification Information & Other Certifications.....	3
3. Location(s) of Mill & Supply Base.....	3
4. Description of Certified Supply Base.....	4
5. Plantings & Cycle.....	4
6. Certified Tonnage.....	4
SECTION 2: Assessment Process.....	5
Certification Body.....	5
Assessment Methodology, Programme, Site Visits.....	5
Assessment Program.....	6
Tentative Date of Next Visit.....	6
Total No. of Mandays.....	6
BSI Assessment Team.....	6
Accompanying Person.....	7
SECTION 3: Summary of Assessment Findings.....	8
3.1 Details of audit results.....	8
3.2 Progress against Time Bound Plan.....	8
3.3 Details of Findings.....	12
Non-Conformity.....	13
Observation.....	15
Positive Findings.....	15
Issues raised by Stakeholders.....	16
3.3.1 Status of Non-Conformities Previously Identified and Observations.....	17
3.3.2 Summary of the Nonconformities and Status.....	18
Assessment Conclusion and Recommendation.....	19
Acknowledgement of Assessment Findings.....	19

List of Appendices

A	Summary Report of the Assessment
B	Time bound Plan
C	Sime Darby Plantation Sdn Bhd – SOU 18 Diamond Jubilee Certification Unit RSPO Certificate Details
D	Assessment Plan
E	Stakeholders Contacted
F	Diamond Jubilee Palm Oil Mill Supply Chain Assessment (Module D - CPO Mills: Identity Preserved)
G	Location Map of Diamond Jubilee POM and Supply Base
H	Diamond Jubilee Estate Field Map
I	Serkam Estate Field Map
J	List of Abbreviations Use

Section 1 Scope of the Recertification Assessment

1. Company Details			
RSPO Membership Number	1-0008-04-000-00	Date	Member since: 6 September 2004
Company Name	Sime Darby Plantation Sdn Bhd		
Address	Head Office: Level 3A, Main Block, Plantation Tower, No 2 Jalan P.J.U 1A/7, 47301 Ara Damansara, Selangor, Malaysia.		
Mill Address	Certification Unit: Diamond Jubilee Palm Oil Mill, KM 8, Jasin - Simpang Bekoh Road, District of Jasin, 77100 Jasin, Melaka, Malaysia.		
Subsidiary of (if applicable)	N/A		
Contact Name	Mdm. Shylajadevi Vasudevan Nair (Head Office) Mr. Senthilkumaran a/l Gopal (Mill Manager)		
Website	www.simedarby.com	E-mail	shylaja.vasudevan@simedarby.com kks.diamond.jubilee@simedarby.com
Telephone	03 – 78484371 (Head Office) 06 – 5291 302 (Mill)	Facsimile	03 – 78484363 (Head Office) 06- 5292 019 (Mill)

2. RSPO Certification Information			
Certificate Number	RSPO 591224	Certified Issued Date	05/10/2011
		Expiry Date	04/10/2021
Scope of Certification	Palm Oil and Palm Kernel Production from Diamond Jubilee Palm Oil Mill and Supply Base (Diamond Jubilee Estate, Bukit Asahan Estate, Serkam Estate).		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
NIL	-	-	-

3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
Diamond Jubilee Palm Oil Mill	KM 8, Jasin – Simpang Bekoh Road, District of Jasin, 77100 Jasin, Melaka, Malaysia	102° 33' 6"	2° 2' 35"
Diamond Jubilee Estate	Ladang Diamond Jubilee, KM 8, Jasin – Simpang Bekoh Road, District of Jasin, 77100 Jasin, Melaka, Malaysia	102° 29' 18"	2° 19' 50"
Bukit Asahan Estate	Ladang Bukit Asahan, Jalan Asahan, 77100 Melaka, Malaysia.	102° 32' 45"	2° 23' 38"
Serkam Estate	Ladang Serkam, Kemendore Div., 77009 Jasin, Malacca, Malaysia.	102° 24' 59"	2° 19' 24"

RSPO Public Summary Report
Revision 1 (Sept/2014)

4. Description of Certified Supply Base						
Estate	Mature (ha)	Immature (ha)	Total Planted Area (ha)	Infrastructure & Other (ha)	Total Hectareage	% of Planted
Diamond Jubilee*	2366.85	434.16	2801.01	139.19	2940.20	93.20
Bukit Asahan	2876.52	89.01	2965.53	106.31	3071.84	96.00
Serkam	1447.50	385.25	1832.75	283.14	2115.89	86.62
TOTAL	6690.87	908.42	7599.29	528.64	8127.93	273.02

*Total hectareage has been revised after verified with DJE land title summary.

5. Plantings & Cycle								
Estate	Age (Years) & Hectare					FFB Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Estimated (July 14 June-15)	Actual (July 2015-June 2016)	Forecast (July 2016-June 2017)
Diamond Jubilee	434.16	1048.52	1,099.30	228.09	0	52,169.00	49,724.59	56,342.78
Bukit Asahan	67.19	431.24	405.00	346.66	264.60	58,460.00	60,560.31	61,848.60
Serkam	79.34	279.20	2424.03	93.95	0	34,745.00	30,511.98	32,957.40
TOTAL	580.69	1758.96	3,928.33	668.7	264.6	145,374.00*	140,796.88	151,148.78

*The total of estimated FFB revised due to inaccurate sum up of previous year data.

- o Serkam Estate: Total FFB produced 30,511.98 mt. 11,979.18 mt processed at Diamond Jubilee Mill and 18,532.8 mt FFB was sent to Kempas Palm Oil Mill.
- o D. Jubilee Estate: Total FFB produced 49,724.59 mt. 46,562 mt processed at Diamond Jubilee Mill and 4,620.65 mt was sent to Kempas Palm Oil Mill.
- o Bkt Asahan Estate: Total FFB produced 60,560.30 mt. 52,286.05 mt processed at Diamond Jubilee Mill and 8,274.25 mt was sent to Kempas Palm Oil Mill.
- o FFB diversion was due to Diamond Jubilee Palm Oil Mill was running under lower capacity.

6. Certified Tonnage									
Mill	Estimated (Previous Year (July 14 June-15))			Actual (This Year (July 15 June-16))			Forecast (Next Year (July 16-June 17))		
	FFB	CPO*	PK*	FFB	CPO	PK	FFB	CPO	PK
Diamond Jubilee Palm Oil Mill (Capacity: 25mt/hr)	145,374.00	32054.97	8140.94	109,369.17	23,681.07	5,983.18	151148.80	34008.48	8313.18
Other Sime Darby Plantation's certified Supply	0	0	0	4,040.01	834.43	211.42	0	0	0
TOTAL	145,374.00	32054.97	8140.94	113,409.18	24,515.50	6,194.60	151,148.78	34,008.48	8,313.18

*The total of estimated CPO and PK revised according to total FFB using OER and PKER.

Section 2 Assessment Process

BSI Services Malaysia Sdn Bhd,
(ASI Accreditation Number: RSPO-ACC-19)
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The Vertical Business Suites, Bangsar South
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BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (RSPO-ACC-19) since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia and an affiliate office at Singapore, Jakarta, Bangkok and Australia which involve in RSPO Certification Program.

Assessment Methodology, Programme, Site Visits

The on-site recertification assessment was conducted from 20-22 July 2016. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply bases as a RSPO Certification Unit. Mill was audited together with the sample estates (Diamond Jubilee and Serkam 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. There is no any associated smallholder or outgrowers in the supply base.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families, review of documentation and monitoring data. RSPO P&C MYNI-2014 was used as Checklists and questionnaires were used to guide the collection of information. The comments made by external stakeholders were also taken into account in the assessment. For the mill supply chain element assessment RSPO SCCS November 2014 was used.

Public Stakeholder Notification was made on 16 June 2016, 30 days prior to the recertification assessment. No written feedback received at the end of the 30 days period. Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone and email to arrange meetings at a location convenient to them to discuss Diamond Jubilee Certification Unit's environmental and social performance.

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.

There was one major and one minor non-conformity raised during ASA4 and previous nonconformities remain closed and re-verified during this assessment. The assessment findings 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.

RSPO Public Summary Report
Revision 1 (Sept/2014)

This report was internally reviewed by Hafriazhar Mohd Mokhtar and externally by independent peer 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

1.Assessment Program					
Name (Mill / Supply Base)	Year 1 (recertification)	Year 2 (ASA1)	Year 3 (ASA2)	Year 4 (ASA3)	Year 5 (ASA4)
Diamond Jubilee Palm Oil Mill	√	√	√	√	√
Diamond Jubilee Estate	√	-	√	√	√
Asahan Estate	-	√	√	-	-
Serkam Estate	√	√	-	√	√

Tentative Date of Next Visit: July 2017

Total No. of Mandays: 9 mandays

BSI Assessment Team:

Hoo Boon Han– Lead Assessor

He holds Master of Technology (Environmental Management) from the University Malaya and Bachelor of Science Forestry (Hons) Majored in International Tropical Forestry from University Malaysia Sabah. He has more than 3 years working experience in environmental monitoring & audit, carbon accounting & reduction, wastewater treatment, waste management and sustainable development. He has successfully completed the RSPO Lead Auditor and RSPO Supply Chain Training in April 2012. He has been involved in RSPO P&C audit in Indonesia and Malaysia as well as RSPO SC audit across different region including Asia, Europe and North America for the past 4 years. During this assessment, he assessed on the aspect of environment, Safety and Health, Legal, social and community engagements, stakeholders consultation, and workers welfare. He is able to speak and understand Bahasa Malaysia, English and Mandarin.

Mohamed Hidhir Zainal Abidin – Team member

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

**RSPO Public Summary Report
Revision 1 (Sept/2014)****Ragu Samy Erulappan – Team member**

Ragu Erulappan is a fulltime employee with BSI Services Malaysia. He graduated from University Technology Malaysia. He attended internal RSPO training in 22 December 2014. He has completed ISO 9001:2008 Quality Management System Lead Auditor training, ISO 14001 and ISO 18001 Lead Auditor Training. Currently he is an ISO 9001:2008, ISO 14001 and ISO 18001 Lead Auditor. He has more than 5 years of auditing experience since August 2010 covering Environment, Safety and Health, Legal aspects in various industries. He is involved as Environment, Safety and Health Auditor during the RSPO Assessment. For this assessment he assesses Mill and Estate OSH, Legal, and Environment aspects. He is able to speak and understand Bahasa Malaysia, English and Tamil.

Accompanying Persons: Not Applicable

Section 3 Summary of Assessment Findings

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

- ☒ RSPO P&C MYNI 2014 Checklist – **Appendix A:** Summary report of the Assessment.
- ☒ Sime Darby Plantations Sdn Bhd Time Bound Plan – **Appendix B:** Time Bound Plan.
- ☒ RSPO Supply Chain Certification Checklist – **Appendix F:** CPO Mill Supply Chain Assessment Report.

3.2 Progress against Time Bound Plan

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

RSPO Public Summary Report
Revision 1 (Sept/2014)

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.

Time Bound Plan		
Requirement	Remarks	Compliance
Summary of the Time Bound Plan		
Does the plan include all subsidiaries, estates and mills?	<p>The time bound plan includes all SOUs in Malaysia and Indonesia.</p> <p>Malaysia- Effectively 34 SOUs: Sg Samak and Jeleta Bumi, Yong Peng, Sepang, Mostyn and Segaliud POM has been closed down.</p> <p>Indonesia- Effectively 25 SOUs.</p> <p>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.</p>	Yes
<p>Is the time bound plan challenging?</p> <ul style="list-style-type: none"> • Age of plantations. • Location. • POM development • Infrastructure. • Compliance with applicable law. 	<p>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.</p> <p>For Indonesian operations, currently, 1 SOU in Indonesia (PT MAS) is pending for RSPO Certification due to social legacy issues.</p> <p>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.</p>	Yes
Have there been any changes since the last audit? Are they justified?	<p>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.</p> <p>SDP's time bound plan has been revised to take into consideration the social challenges</p>	Yes

	<p>encountered in Indonesia for the remaining SOU (PT MAS) yet to be certified.</p> <p>Sime Darby Plantation will proceed with the next steps of certification upon satisfactory resolution of the matter.</p>	
<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 30th 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.</p> <p>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>Yes</p>

RSPO Public Summary Report
Revision 1 (Sept/2014)

	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.	
Have there been any isolated lapses in implementation of the plan?	No lapses.	Yes
Un-Certified Units or Holdings		
Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	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 th June 2016. Further details please refer to the RSPO Complaints Website: http://www.rspo.org/members/complaints/status-of-complaints/view/29 Liberia – New mill commissioned in Feb 2016, identification of gaps and preparation to meet the requirements of the RSPO P&C is in progress.	Yes
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	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).	Yes
Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings	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	Yes

RSPO Public Summary Report
Revision 1 (Sept/2014)

Procedure.	<p>SDP targets to undergo RSPO Certification by end 2017.</p> <p>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>*Note: RSPO NPP Announcements for SDP can be found at http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14?</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>Sime Darby (Liberia) Plantation Inc.</p> <p>Status: Box G - Close for Monitoring</p> <p>Further details please refer to: http://www.rspo.org/members/complaints/status-of-complaints/view/46</p> <p>PT Mitra Austral Sejahtera (Sime Darby Sdn Bhd)</p> <p>Further details please refer to: http://www.rspo.org/members/complaints/status-of-complaints/view/29</p>	Yes
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	No stakeholder comments or complaints received.	
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.

3.3 Details of findings

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

During the recertification assessment there was one (1) major nonconformity and three (3) minor nonconformities were raised. Diamond Jubilee Palm Oil Mill and Supply Base Estates submitted Corrective Action Plans for the nonconformities. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted. The evidence of implementation for the major nonconformities was verified. The major nonconformity was closed on 05/08/16 and effectiveness of corrective action taken for minor nonconformities will be verified in the next audit. Following are the details of the nonconformities:

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1358112M1	<p>Requirements: Indicator 6.5.2: Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>Evidence of Nonconformity: The content of the extension contract between Indonesian and other foreigner (Indian, Bangladesh, Sri Lanka, Nepal and Cambodian) were not standardized. The main difference for Indonesian’s contract (Kontrak Perpanjangan May 2016) and other foreigner’s contract (Extension Contract January 2015) as below: a. Accommodation b. Termination of contracts c. Transport allowances d. Food subsidy e. Phone allowance.</p> <p>Samples were verified as (Passport no: AR532860; AR532860; K1268518) in Diamond Jubilee estate.</p> <p>Serkam Estate: There are no records or document to confirm that the workers were given the extended contract of employment and acknowledged signed the extension of employment. a. Employee Number 000058855: Employment contract expired on 16/12/2013 b. Employee Number 0000112074: Employment contract expired on 31/06/2013</p> <p>Employment contract records missing: a. Employee Number 000012815: Joined on 21/1/2008 b. Employee Number 000012818: Joined on 21/1/2008 c. Employee Number 000012820: Joined on 21/1/2008 d. Employee Number 000063248: Joined on 11/3/2011</p> <p>Statement of Nonconformity: Contracts/Extended contracts of employment for workers extended 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 effectively managed.</p> <p>Action: a. Any variance with regards to the content in the contract extension will be clarified with HR/IR Department and all contract extension will be issued accordingly upon completion of the process. b. To liaise with HR Department regarding the new contract statement for extended workers. c. To appoint PIC for monitoring of the extension employment contract. d. Management to retrieve all related documents and assign a designated PIC to</p>	Major

RSPO Public Summary Report
Revision 1 (Sept/2014)

	ensure a proper monitoring in future.	
	<p>Status: The CAP and evidence submitted confirmed that the issue has been fully addressed hence the Major NC was closed on 05/08/2016. Effectiveness of corrective action taken will be verified in the next audit.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1358112N1	<p>Requirements: Indicator 2.1.2: A documented system, which includes written information on legal requirements, shall be maintained.</p>	Minor
	<p>Evidence of Nonconformity: Minimum Wage Order 2016 which takes effect 1st July 2016 was yet to be included Legal and Other Requirements Register (LORR).</p>	
	<p>Statement of Nonconformity: POM, Diamond Jubilee Estate & Serkam Estate: Legal & Other Requirement Register (LORR) were found not updated.</p>	
	<p>Action: To liaise with PSQM on the updates of LORR and ensure that all new applicable law is included.</p>	
	<p>Status: Effectiveness of corrective action taken will be further verified in the next assessment.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1358112N2	<p>Requirements: Indicator 4.7.6: All workers shall be provided with medical care, and covered by accident insurance.</p>	Minor
	<p>Evidence of Nonconformity: Renewed Foreign Worker Compensation Scheme Certificate of Insurance Policy were not available for verification in Diamond Jubilee Estate.</p>	
	<p>Statement of Nonconformity: Implementation of Foreign Worker Compensation Scheme Certificate of Insurance Policy is lacking.</p>	
	<p>Action: To follow up with Workforce Management Unit (WMU) on the FWCS for all Diamond Jubilee Estate's workers and to appoint PIC for monitoring the records.</p>	
	<p>Status: Effectiveness of corrective action taken will be further verified in the next</p>	

assessment.

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1358112N3	<p>Requirements: Indicator 6.10.3: Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>Evidence of Nonconformity: Contractors' agreements were found expired and yet the relevant services such as grass cutting, transportation and harvesting are still continue in the estate. Following contracts were verified in Serkam Estate: a. Contract no: 07/2013/2014; Validity: 01 July 2013 to 30 June 2014 b. Contract no: 06/2013/2014; Validity: 01 July 2013 to 30 June 2014 c. Contract no: 02/2015/2016; Validity: 01 July 2015 to 30 June 2016</p> <p>Statement of Nonconformity: Contractors' agreement were expired.</p> <p>Action: 1. To renew the contract agreement. 2. To appoint PIC for monitoring Contractor Contract Agreement.</p> <p>Status: Effectiveness of corrective action taken will be further verified in the next assessment.</p>	Minor

Observation	
OBS #	Description
-	Nil

Positive Findings	
PF #	Description
1	Stakeholders, e.g. local community representatives, contractors/suppliers and government bodies provided positive feedback about the company. Regular interactions being maintained with stakeholders.
2	The company has good asphalt road leading to nearby village passing through the Bukit Asahan Estate build by the government.
3	KAIZEN projects have been initiated in the mill and estates to improve on environment and safe working practices. Internally certified to 5s practices.
4	Stakeholders have positive feedback on the certification unit's contribution to local development.

Issues raised by Stakeholders

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

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

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

IS #	Description
1	<p>Issues: Diamond Jubilee Estate: Personal Protective Equipment (PPE) e.g. safety helmets difficult to obtain replacement unit for workers from Diamond Jubilee Estate management.</p> <p>Management Responses: Diamond Jubilee Estate Management responded that replacement units provided upon verification of requester’s current condition of Personal Protective Equipment (PPE) whether their existing PPE has really damaged or not.</p> <p>Audit Team Findings: Visited the PPE Store, verified the PPE issuance record and interviewed workers to ensure whether any difficulties in obtaining any replacement unit for Personal Protective Equipment (PPE). Based on the sampling of assessment done, it was concluded that Diamond Jubilee Estate Management has issued the PPE accordingly and details of issuance been recorded accordingly in the PPE issuance record book.</p>
2	<p>Issues: Forestry Department – Informed that the management has given good co-operation to the department by provided road access to pass through forest reserved. No encroachment or hunting activities noted.</p> <p>Management Responses: The management will continue giving full co-operation to the department.</p> <p>Audit Team Findings: No other issue.</p>
3	<p>Issues: Serkam Estate Workers Union Representative: Recently there was some revision on MAPA-NUPW agreement and pay has been revised. Melaka state secretary visits the estate quarterly and meets up with the workers to identify any issues need attention. There is no any pending issue.</p> <p>Management Responses: The management continue to have good relationship with the workers union and resolve issues through discussions.</p> <p>Audit Team Findings: No disputes or grievances were identified at the time of assessment. MAPA Circular No 10/2015 Agreed Note 4: Ex-Gratia payment has been completed.</p>
4	<p>Issues:</p>

RSPO Public Summary Report
Revision 1 (Sept/2014)

	<p><u>Wildlife Department</u> There was an incident of male Tapir shot dead at Bukit Asahan Estate and still under investigation.</p> <p>Management Responses: Full corporation was given to the Wild Department for the incident for further the investigation and post-mortem. Estate management continue to liaise closely with Wildlife Department if any encounter of ERT species within the estate.</p> <p>Audit Team Findings: No further issue noted.</p>
5	<p>Issues: <u>Department of Environment</u> Inspection to Diamond Jubilee Mill and up to date has no issue on compliance in aspect of schedule waste, wastewater and CEMS. Record such as log book</p> <p>Management Responses: The company will always commit in complying to the environmental legal requirements.</p> <p>Audit Team Findings: No further issue noted.</p>
6	<p>Issues: Contractors and suppliers – They were satisfied with the management on the payment date which according to the contract signed. They have no issue with the contract.</p> <p>Management Responses: The payment is paid as per agreed terms.</p> <p>Audit Team Findings: No further issue.</p>
7	<p>Issues: DOSH commented on the OSH Organisation chart to be balanced between management and workers.</p> <p>Management Responses: OSH chart at all visited estates were verified. Noted the committee member from workers representative is more than management representative.</p> <p>Audit Team Findings: No further issue.</p>

3.3.1 Status of Nonconformities Previously Identified and Observations

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1223265N1	<p>Requirements: Indicator 4.1.3: Records of monitoring and any actions taken shall be maintained and available, as appropriate. Sustainable Plantation Management System (SPMS) Appendix 7 Standard Operation Procedure (SOP) for taking water samples from streams/rivers, version 1, year 2008, issue no. 1, dated 1/11/2008. The water sampling exercise for river samples as well as water for domestic usage requirements need to be carried out on quarterly basis (January, April, July and October)</p> <p>Evidence of Nonconformity: No records found for domestic water quality monitoring at Ayer Tekah Division. The last water quality monitoring was conducted on 18/3/14.</p> <p>Statement of Nonconformity: Domestic water quality monitoring was not effectively monitored and maintained as per</p>	Minor

RSPO Public Summary Report
Revision 1 (Sept/2014)


	requirements.	
	<p>Action:</p> <ul style="list-style-type: none"> i) To cease the pumping of water supply from the pond immediately. ii) To flush out/clean holding tank to ensure that water inside is only from SAINS. iii) To establish an action plan to accommodate any water shortage from SAINS. iv) This action plan will be briefed to all workers in Ayer Tekah Division 	
	<p>Status:</p> <p>The water directly sourcing from SAMB (Syarikat Air Melaka Berhad) through piping. No longer using their own treated water. It was verified through the water bill since August 2015. Thus minor NC was closed out on 22/07/16.</p>	

Observation	
OBS #	Description
NIL	

3.3.2 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1223265M1	Major	20/8/2015	Closed out on 16/10/15
1223265N1	Minor	20/8/2015	Closed out on 22/07/16
1358112M1	Major	22/7/2016	Closed out on 05/08/2016
1358112N1	Minor	22/7/2016	"Open"
1358112N2	Minor	22/7/2016	"Open"
1358112N3	Minor	22/7/2016	"Open"

RSPO Public Summary Report
Revision 1 (Sept/2014)

Assessment Conclusion and Recommendation:	
Based on the findings during the recertification assessment of Diamond Jubilee Palm Oil Mill Certification Unit and supply base complies with the RSPO P&C Malaysian National Interpretation (MY-NI 2014) and the RSPO Supply Chain Certification Standard (Nov 2014) for CPO Mill. It is recommended that the certification of Diamond Jubilee Palm Oil Mill Certification is approved and continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name : Mr Senthilkumaran Gopal	Name : Mr Hoo Boon Han
Company name: Sime Darby Plantation Sdn Bhd Diamond Jubilee Palm Oil Mill	Company name: BSI Services Malaysia Sdn Bhd
Title : Mill manager	Title : Lead auditor
Signature :    Date : 09/09/16	Signature :  Date : 8 Sep 2016

Appendix A: Summary Report of the Assessment

Criterion / Indicator		Assessment Findings	Compliance
Principle 1: Commitment to Transparency			
Criterion 1.1: Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.			
1.1.1	There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Adequate information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Requests for information from the Regulatory Department such as DOE quarterly reports were attended and no noncompliance or complaints were noted. Information on environmental, social and legal issues relevant to RSPO Criteria was made available to relevant stakeholders for effective participation in decision making. Publicly available documents such as land title, OSH plan, HCV documents, negotiation procedure, complaint records, RSPO public summary reports, EIA, Management Plans & Continuous Improvement Plans and company policies are available.	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	NOI issued (25/4/2016) Diamond Jubilee POM DOE dated 25 April 2016 – i.e.: desludging pond for more than 2 years; labeling of the schedule waste and etc.	Complied
Criterion 1.2: Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			

RSPO Public Summary Report
Revision 1 (Sept/2014)

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"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; • Human Rights Policy (Criterion 6.13). <p>- Major compliance –</p>	<p>No restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>Sime Darby Plantations Sdn Bhd continued to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans was made available at all operating units. Procedure for complaints and grievances were available through Sime Darby Plantations Sdn Bhd website at http://www.simedarbyplantation.com/Sustainability.aspx</p> <p>Among the documents that were made available for viewing are:</p> <ul style="list-style-type: none"> • Good Agricultural Practices • Social Enhancement • Sustainability Management Programmes • Complaint and Grievances procedure. • Environmental Conservation <p>These documents highlight current Sime Darby Plantations Sdn Bhd practices and their continual improvement plans. Besides the above document Sime Darby Plantations Sdn Bhd policy on the followings are also available:</p> <ol style="list-style-type: none"> 1) Social 2) Quality 3) Food Safety 4) Occupational Safety & Health 5) Environment & Biodiversity 6) Slope Protection and Buffer Zone 7) Lean Six Sigma 8) Gender <p>In addition to the website, the policies were also displayed at various locations at the operating units 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>

Criteria 1.3:

Growers and millers commit to ethical conduct in all business operations and transactions.

<p>1.3.1</p> <p>There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.</p> <p>-Minor compliance</p>	<p>Sime Darby plantation has established policy on code of ethical conduct and integrity which covers all operations in the plantation operation under Corporate Policy Statement dated January 2015. Policy displayed on the notice board and communicated to employees.</p> <p>Code of Business Conduct (COBC) Refresher Course had provided to all the workers on 28 & 29 August 2015. Attendance list and signed of code of business conduct sighted during onsite visit. Interviewed with employees reveal that they are aware of the policy.</p>	<p>Complied</p>
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Principle 2: Compliance with applicable laws and regulations

Criterion 2.1:

There is compliance with all applicable local, national and ratified international laws and regulations.

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
<p>2.1.1</p> <p>Evidence of compliance with relevant legal requirements shall be available. - Major compliance -</p>	<p>SOU 18 generally complied with legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and PSQM sustainability team. Following license and permits were checked and verified:</p> <p>POM:</p> <p>The Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2):</p> <p>a) Boiler 1, PMD 4367 valid until 27/3/17 b) Crane 2, PMA 22220 valid until 27/03/17 c) Air Receiver 3, PMA PMT 537 valid until 27/03.17</p> <p>DOE Licence/ Jadwal Pematuhan : JPKKS 004043 (validity period 1/7/2016 - 30/6/2017) for 30 MT/hr and method of POME discharge is land application</p> <p>FMA 1967 - 1st Grade Engine Driver Registration No. MA 042/2005.</p> <p>MPOB license: No. 500288804000 (validity period 1/10/2015 - 30/9/2016)</p> <p>Local City Council (Jasin) License (Account No. L-0007430-5, validity period 1/10/2016 - 31/12/2016)</p> <p>Authorised Entrant And Standby Person For Confined Space Refresher NW-HQ-AE-R-4333-M (valid until 3/11/16)</p> <p>Diamond Jubilee Estate:</p> <p>MPOB license: No. 550648011000 (validity period 1/07/2016 - 30/6/2017)</p> <p>The Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2): Air Receiver, Mk PMT 535 valid until 27/4/17</p> <p>Local City Council (Jasin) License (Account No. L-0000438-8, validity period 1/10/2016 - 31/12/2016)</p> <p>Serkam Estate:</p> <p>MPOB license: No. 570733011000 (validity period 1/04/2016 - 31/3/2017)</p>	<p>Complied</p>

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
2.1.2 A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	List of applicable legal and other requirements was made available during the assessment and compiled in the QSHE/04/5.2.4 folder. Documented procedure has been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008. POM, Diamond Jubilee Estate & Serkam Estate: Legal & Other Requirement Register (LORR) found to be not updated. Minimum Wage Order 2016 which takes effect 1 st July 2016 was yet to be included Legal and Other Requirements Register (LORR). Minor Non-conformity been raised.	Minor Nonconformity
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. 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. Reference made 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's Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations. Tracking system on any changes in the law been well implemented. E.g. regular notification by Head Office and regular updates from the DOE/DOSH websites.	Complied
Criterion 2.2: The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.		
2.2.1 Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -	Diamond Jubilee Estate consists of 32 land titles with 30 freehold and 2 leasehold such as (grant# 20718 lot 3, state lease land 11651 lot 6, grant# 20102 lot 228, grant# 20094 (DSPN 2563) lot 2563). The land title stated all legal use for oil palm plantation. Mill land ownership is under Diamond Jubilee Estate. Land title sampled at Serkam Estate for Jasin Division: Grant# 22661, lot 769, Grant# 49369, lot 5340 & Grant# 2267, lot 1772.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	During the field visit it was noted that legal boundaries are clearly demarcated and visibly maintained throughout the estate. i.e. Diamond Jubilee: - P06H (adjacent with Rim Estate) - P07H (adjacent with Tan Hai Estate) Serkam Estate under Jasin Division along government road reserved P05J1and private own land (orchard) etc.	Complied
2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	Review on land ownership records and interview with relevant stakeholders confirmed there are no conflict or dispute over the land within legal boundary.	Complied
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	There is no land dispute in the operating units at the time of audit. The land belongs to Sime Darby and land ownership documents verified.	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	There is no land dispute in the operating units at the time of audit. The land belongs to Sime Darby and land ownership documents verified.	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	There is no land dispute in the operating units at the time of audit. The land belongs to Sime Darby and land ownership documents verified.	Complied
Criterion 2.3: Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.		
2.3.1 Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).. - Major compliance -	The estate lands are legally owned by the company. The existing estates are not encumbered by any customary land rights. Interview with the surrounding communities and stakeholders confirm no disputes.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. - Minor compliance -	The estate lands are legally owned by the company and no other users were identified within the land area.	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	There is no land dispute in the operating units at the time of audit. The land belongs to Sime Darby and land ownership documents verified.	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	There is no land dispute in the operating units at the time of audit. The land belongs to Sime Darby and land ownership documents verified.	Complied
Principle 3: Commitment to long-term economic and financial viability		
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.		
3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	Documented business plan for SOU18 was reviewed. The 5 Year Business Plan for period covering 2015 - 2019 and reviewed annually by operating unit and zone General Manager. The last review was carried out beginning of June 2016 prior to end of financial year 2016/2017. The plan includes environment, social (workers and staffs welfare), and health and safety component and associated capital expenditure for improvement. Noted that new 27 tph boiler included in the new budget for process improvement.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance	
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.</p> <p>- Minor compliance -</p>	<p>Diamond Jubilee and Serkam estates have 5 years replanting program until 2019. Replanting is planned for palm older than 25 years old. Replanting programme for the next financial year as follow:</p> <p><u>Diamond Jubilee</u> FY 16/17 : 233.87 ha (field 1991 H1, 1994H & 1994H1)</p> <p><u>Serkam Estate</u> FY 16/17 : 162.76 ha (1985J, 1986J)</p>	Complied
<p>Principle 4: Use of appropriate best practices by growers and millers</p>			
<p>Criterion 4.1: Operating procedures are appropriately documented, consistently implemented and monitored.</p>			
4.1.1	<p>Standard Operating Procedures (SOPs) for estates and mills are documented</p> <p>- 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. 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.</p> <p>New revised Sustainable Plantation Management System - Appendix 7: SOP for water quality monitoring effective 1/6/16.</p>	Complied
4.1.2	<p>A mechanism to check consistent implementation of procedures shall be in place.</p> <p>- Minor compliance -</p>	<p>External Mill Advisor and a Planting Advisor inspect and report on the operations on annual basis. There were other audits by PSQM and GCAD to ensure compliance against company policy and procedure with regards to operation, finance as well as safety, health and welfare requirements. The following are rating given by internal and external for FY2016/2017 at SOU 18:</p> <p>i) MA visit – PQR rating for 2016 (21-23 June 2016) preliminary report: 78%, safety rating: 70%.</p> <p>ii) Diamond Jubilee Estate : PA visit dated 18-19/1/16, report ref# SOU18/DJE/01/15-16. PQR rating : mature OP + others (79.56%), immature OP (83.84%), Manuring (92.19) & crop recovery (3/5)</p> <p>iii) Serkam Estate : PA visit dated 21-22/6/16, report ref# SOU18/SE/02/15-16. PQR rating : mature OP + others (71.33%), immature OP (81.68%), Manuring (93.75) & crop recovery (4/5)</p>	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
<p>4.1.3</p> <p>Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -</p>	<p>Verification of previous minor NC – no longer use own treated water. Government water supply starting from July 15 onwards. Refer to the water bill, ref# B082015.</p> <p>Domestic water analysis for Diamond Jubilee Mill. Two (2) sampling point were selected at mill and executive quarters. Refer to cert# PLW-00379-00005115-16 and PLW-00379-00005115-16 dated 29/3/16.</p> <p>DOE quarterly return report for the latest quarter (Apr-June 2016) submitted on 2/7/16. Verified summary report and monthly test report ref#EP195/2016, #EP255/2016 and EP321/2016.</p> <p>Serkam Estate (Jasin Division) domestic water analysis (tube well) and industrial effluent analysis:</p> <p><u>Latest quarter 2016</u></p> <p>i) Microbiology water sample; ML174/2016 dated 23/6/16. E.Coli and Total Coliform was not detected.</p> <p>ii) Industrial effluent (water sample), IE591/2016 dated 20/6/16. Parameter tested (pH, TDS, AN, turbidity and Chloride) and all within the limits.</p> <p><u>1st quarter 2016</u></p> <p>i) Microbiology water sample; ML90/2016 dated 17/3/16. E.Coli and Total Coliform was not detected.</p> <p>ii) Industrial effluent (water sample), IE309/2016 dated 23/3/16. Parameter tested (pH, TDS, AN, turbidity and Chloride) and all within the limits.</p>	<p>Complied</p>
<p>4.1.4</p> <p>The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -</p>	<p>There is no third party FFB received by the mill. Sometime there are certified FFB received by the mill from Sime Darby Group estates. This is verified through RSPO certificate validity by the management through the weighbridge receiving system.</p>	<p>Complied</p>
<p>Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p>		
<p>4.2.1</p> <p>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 -</p>	<p>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</p>	<p>Complied</p>

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
4.2.2 Records of fertiliser inputs shall be maintained. - Minor compliance -	<u>Diamond Jubilee Estate</u> Fertilizer application follows the Agronomist recommendation from the R&D department. Recommendation for FY2015/2016: Mature : AC (25% N) & MOP (60% K2O) Feb- Apr 2016 Coverage: AC- 1330.72 Ha, 314.7 mt, MOP – 1330.72 Ha, 329.05 mt. <u>Serkam Estate</u> The application of fertilizer has been recorded in the application program form. The application of fertilizer for the 1 st quarter of 2015 has been verified and according to the recommendation. Fertilizer applied MOP at rate of 2kg/palm in February 2014 as per recommendation.	Complied
4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	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 Diamond Jubilee estate the leaf sampling was carried out on 13/5/16. Refer to test report# P250/2016, dated 18/7/16. Soil analysis carried out at 5 years interval. Recent soil analysis was carried out on 27/5/14, Report# S42/2014 dated 1/10/14. <u>Serkam Estate</u> Soil sampling carried out on 22/8/14, report ref#S70/2014.	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 -	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. Average about 45mt/ha EFB applied. POME applied at Diamond Jubilee Estate at specific block 2002H, 2005H & 2006H. During site visit, noted that Pome was applied on specific block 2006H. Total of 343.80 mt applied at 2006H.	Complied
Criterion 4.3: Practices minimise and control erosion and degradation of soils.		
4.3.1 Maps of any fragile soils shall be available. - Major compliance -	Soil series map available. Refer to soil series map dated April 2014 prepared by R&D-TTAS Precision Agriculture Unit (NHM). Soil series summary as follow: <u>Diamond Jubilee (Union Division)</u> Majority: Rengam, (67.12%), Jerangau (20.34%) <u>Serkam Estate (Jasin Division)</u> Majority: Rengam (50.75%), Gajah Mati (20.09%) There are no peat soils or soil categorised as problematic or fragile soil at all estates.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
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 -	Slope map available. Terrain classification: Flat – 739.76 Ha Undulating – 1,744.57 Ha 6-20° slope : 278.93 Ha Slope area constructed with terrace and side drainage. Planting terraces had been constructed where slope >10°. Fields are established with cover crops such as <i>muccuna</i> and soft grasses and ferns.	Complied
4.3.3 A road maintenance programme shall be in place. - Minor compliance -	Estates visited have implemented annual Road Maintenance Programme. Roads inspected during field audit are generally in a good condition due to the lateritic soil. Road maintenance carried out with grader and compactor. Road maintenance includes road grading, laterite re-surfacing wherever necessary, road side drain upkeep, culvert upkeep, road side silt pits construction etc. Monthly progress records are prepared and sent to zone office. Mill is located beside the government road.	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 -	No peat soil at SOU 18	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 -	No peat soil at SOU 18	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 soil categorised as problematic or fragile soil at all estates visited.	Complied

Criterion 4.4:
Practices maintain the quality and availability of surface and ground water.

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance												
<p>4.4.1</p> <p>An implemented water management plan shall be in place. - Minor compliance -</p>	<p>Establishment of water management plan: Contingency plan during water shortage for financial year 2015/2016 at Diamond Jubilee Mill are:</p> <ul style="list-style-type: none"> • Water shortage/dry spell <ol style="list-style-type: none"> 1) Purchase water from SAM 2) Train staff/workers to conserve water 3) Revise demand and supply conditions 4) Monitor water supply • Severe water pollution <ol style="list-style-type: none"> 1) Purchase water from SAM 2) Perform treatment of polluted water 3) Reusing/recycling/rationing <p>Establishment of water management plan:</p> <p>Wastewater management:</p> <ul style="list-style-type: none"> • Chemical mixing water spillage – recycle for chemical mixing • Sprayer PPE washing water – recycle for chemical mixing • Workshop , linesite & office drains and washrooms water – septic tank and drains <p>Contingency plan during water shortage:</p> <ul style="list-style-type: none"> • No rain / prolonged dry period - planting area <ol style="list-style-type: none"> 1) Fill up drain with water from catchment area 2) Fill up drain with water from waterway • No rain / prolonged dry period - line site <ol style="list-style-type: none"> 1) Purchase water from SAM • Emergency condition / Severe water pollution / contamination – planting area <ol style="list-style-type: none"> 1) Use mobile water tank 2) Purchase water supply from SAM 	<p>Complied</p>												
<p>4.4.2</p> <p>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="662 1473 1303 1659"> <thead> <tr> <th>River width</th> <th>Buffer zone</th> </tr> </thead> <tbody> <tr> <td>> 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>< 5 meters</td> <td>5 meters</td> </tr> </tbody> </table> <p>For water analysis, Serkam Estate (Jasin Division): <u>Latest quarter 2016</u></p> <p>i) Water analysis report, IE591/2016 dated 20/6/16. Parameter tested (pH, TDS, AN, turbidity and Chloride) and all within the limits.</p> <p><u>1st quarter 2016</u></p> <p>i) Water analysis report, IE309/2016 dated 23/3/16. Parameter tested (pH, TDS, AN, turbidity and Chloride) and all within the limits.</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													
20 to 40 meters	40 meters													
10 to 20 meters	20 meters													
5 to 10 meters	10 meters													
< 5 meters	5 meters													

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator		Assessment Findings	Compliance
4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -	Effluent monitoring records: Latest Monthly Effluent Analysis Test Report no. EP321/2016 dated 13/6/16 by Sime Darby Research Sdn. Bhd.; parameter monitored: pH, Total Alkalinity, VFA, BOD, COD, TS, SS, VSS, TN, AN, O&G. Samples were taken from each point of treatment in the system consist of raw pond, acid ponds, digester tanks and final pond before field application. BOD limit for final discharge <5000mg/L were met as well as all parameters that were within allowable limit.	Complied
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	Diamond Jubilee mill monitored the water consumption on monthly basis for both its source of water supply from Syarikat Air Melaka Berhad (SAMB) (drinking) and raw water (boiler & process). Total water consumed for the period from July 2015 to June 2016 was 1.29 m3/mt FFB processed.	Complied
Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.			
4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	The 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 for initiation of control measures. There was no leaf eating pest attack in the estates visited. Barn owls <i>Tyto alba</i> has been introduced for biological control of rats. Barn owl boxes are constructed at the rate of 1 box to 10ha. Although there have been no outbreaks of leaf eating pests, beneficial plants are being established along roadsides to attract natural predators. The estates have planted beneficial plants such as <i>Cassia cobanensis</i> and <i>Turnera subulata</i> and <i>Antigonon leptopus</i> . It was noted that the census interval for barn owl occupancy was as per Sime Darby SOP in Agricultural Reference Manual v.1 Section 15.	Complied
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	IPM training is given by R&D crop protection, Pulau Carey to selected estate assistant manager on 21-22/4/16. The training is mainly to update the use of new chemical, Acephate for bagworm treatment as well as other IPM application in field. Rat baiting training was conducted on 17/7/16 by assistant manager. Interview with the barn owl occupancy census staff and mandor confirm their understanding of the Sime Darby SOP in Agricultural Reference Manual v.1 Section 15 on census.	Complied
Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment			

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
4.6.1 Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. - Major compliance -	The written justification in Standard Operating Procedure (SOP) of all agrochemical are available the Agricultural Reference Manual (ARM), SOP and in the Safety Pictorial Book prepared by Sime Darby Plantation Sdn Bhd. Refer to Sime Darby Agricultural Reference Manual, issue:1 version:3 dated 1/7/2011. Selected products are specific to the target pest, weed and disease. Some of recommended pesticides are: Immature planting (sample) <ul style="list-style-type: none"> - General weeds : Glyphosate - Legume & broad leave : Metsulfuron Methyl - Stenochlaena palustris : Sodium chlorate Mature planting <ul style="list-style-type: none"> - VOPs : glyphosate & sodium chlorate The selection is also evaluated by the agronomist during his visit to the estate.	Complied
4.6.2 Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -	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 a minimum of 5 years (2010 to 2015). Verified that records of monitoring were satisfactorily.	Complied
4.6.3 Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -	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	Complied
4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -	Paraquat was eliminated. At the time of assessment there was no class 1a or 1b pesticide. Alternatives such as Glyphosate were used with the elimination of Paraquat.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
4.6.5 Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -	Pesticide operators given training on the safe handling and application of the pesticides. Suitable personal protective equipment's 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.	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 -	The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During visit it was noted that all the remaining pesticides are kept in the store and securely locked and comply with regulation.	Complied
4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	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.	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 at SOU 18.	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. Employees handling pesticide given knowledge and skill required by the R&D Department and OSH Department to cover safe handling practices and standard operating procedures.	Complied
4.6.10 Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Proper disposal of waste material are carried out as per the company procedures. The procedures are fully understood by workers and managers. Workers interview reveal that they are aware of the zero burning policy including domestic waste are not allowed to be burned. Management disposes waste material as per regulation for schedule waste and domestic waste.	Complied
4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	Medical surveillance was conducted as per recommendation under newly revisited CHRA by PAC Testing and Consulting (JKKP IH 127/171-2(308) and JKKP IH 127/171-2(223) dated April 2015. Groups of pesticides operators/sprayers was sent for health surveillance on April and May 2016. From the medical report, all operators were found to be fit without any detrimental of health.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator		Assessment Findings	Compliance
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	There are female pesticide operators but only for normal weeding work. However, based on interview with female workers confirmed knowledge of the policy of transfer to alternative duties if they wished to continue working when pregnancy was confirmed or breast-feeding	Complied
Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:			
4.7.1	A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -	OSH Policy found to be clearly displayed at POM and in the estates office. Adequate posters, regulations, newsletters were prominently displayed on notice boards. Interviewed workers demonstrated awareness towards occupational safety and health. Occupational Safety and Health (OSH) Plan in compliance with OSH Act and Factory Machinery Act had been documented and implemented. The Safety & Health Officer is in charge of safety and health planning, operation & coordination. Mill/Assistant Mill Managers and Estate Managers / Assistant Estate Managers are also directly involved.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.2</p> <p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.</p> <p>- Major compliance -</p>	<p>Risk assessment had been carried out on all operations where health and safety is an issue at mill and estates. Significant hazards were determined and documented in the HIRARDC analysis which included noise exposure, chemical and pesticides exposure, accident and fire outbreak. Procedures and control measures were implemented to mitigate the risks. Mill management have taken steps to reduce the noise levels by more frequent lubrication of machinery, reducing the exposure time to high noise and mandatory use of ear plugs and ear muffers. Annual audiometric tests/ reports conducted for all mill staff and workers were available and maintained. The workers checked did not suffer from significant hearing disabilities. The employees exposed to high noise levels were interviewed. The workers are aware of the danger of hearing loss due to prolonged exposure to high noise levels. The workers are also aware of the complaints process and mechanism available. "Permit to work" system was applied at the POM. Staff and workers have been trained and certified by NIOSH for gas entry and stand-by involving work in confined space. It was verified that the mill and estates have provided the appropriate PPE (safety boots, safety helmets, rubber boots, cartridge masks, safety goggles, gloves, ear plugs, ear muffers) and the associated training to address safety and health issues. The audit for determining compliance with the minimum standards had been annually conducted on all types of PPE used by the Safety and Health Officer and team for the operating units.</p> <p><u>POM</u>: Chemical Health Risk Assessment (CHRA) done on 6/5/15-7/5/15. Audiometric test done on 13/7/15 - 6/8/15. LEV Monitoring inspection done on 24/6/16. LEV Inspection Report will be verified during next visit. Medical Surveillance as per CHRA recommendation conducted on 22/9/15.</p> <p><u>Diamond Jubilee Estate</u>: Chemical Health Risk Assessment (CHRA) done on 17/3/15 by PAC Testing & Consulting Sdn Bhd, DOSH Registration No. MK/05/04/548. Medical Surveillance as per CHRA recommendation conducted on 16/6/16.</p> <p><u>Serkam Estate</u>: Chemical Health Risk Assessment (CHRA) done on 18/3/15 by PAC Testing & Consulting Sdn Bhd, DOSH Registration No. MK/04/04/314. Medical Surveillance as per CHRA recommendation conducted on 29/12/15.</p>	<p>Complied</p>

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.3</p> <p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <ul style="list-style-type: none"> - Minor compliance - 	<p>Training programme planned for year 2016 was consistently implemented. The programme includes training for all categories of workers. Evidence of adequate and appropriate training on safe working practices provided to:</p> <ul style="list-style-type: none"> - workers exposed to machinery and high noise levels, - workers working in confined space, - harvesters - pesticides operators - manurers <p>Training also provided on use of fire extinguishers and fire drill, awareness and understanding of MSDS/CSDS and first aid. Employees interviewed at POM confirmed to be provided with safety training relating to their work at least once a year by the qualified Safety & Health Officer and training records are available. Evaluation carried out on each training programme to determine its effectiveness. The training content was revised periodically for improvement. The safety and health training on exposure to noise levels conducted by the qualified Safety & Health Officer complied with the requirements of the Factories and Machinery (Noise Exposure) Regulations. All staff and mill employees attended the training as indicated in the records maintained. The content of the training include the said provisions of the regulations, purpose and explanation of audiometric test, proper usage of ear plugs and ear mufflers, and consequence of hearing loss. Appropriate PPE had been provided to all workers at the place of work to cover all potentially hazardous operations. There are warning signs to use PPE (this includes helmet, safety boots, ear plugs, ear mufflers, etc.) displayed at appropriate work areas for the protection of safety and health.</p>	<p>Complied</p>
<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.</p> <ul style="list-style-type: none"> - Major compliance - 	<p>The responsible persons are the Assistant Managers of the respective operating units. Records of regular meetings between the responsible person and workers to discuss about health and safety had been verified to be satisfactory.</p> <p><u>POM</u>: OSH meeting for year 2016 done on 28/3/16, 30/5/16. DOSH visit log book sighted visit report dated 28/12/15.</p> <p><u>Diamond Jubilee Estate</u>: OSH meeting for year 2016 done on 13/7/16, 22/4/16.</p>	<p>Complied</p>

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
4.7.5 Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. - Minor compliance -	Accident and emergency procedures had been written and briefed to staff, workers, contractors and visitors. Workers trained in First Aid were present in the mill and field operations. Records on all accidents had been verified to be maintained satisfactorily. Quarterly review on accident cases had been carried out during quarterly meeting of Safety & Health (OSH). <u>POM:</u> Fire Drill done on 15/12/15. First Aid Training by Internal Competent First Aider i.e. QA Supervisor on 12/5/15 and participated by workers and staff. <u>Diamond Jubilee Estate:</u> Fire Drill done on 15/8/15. First Aid Training by Medical Assistant on 23/6/16 and participated by workers and staff. <u>Serkam Estate:</u> Fire Drill done on 23/11/15. First Aid Training by Medical Assistant on 22/5/15 and participated by workers and staff.	Complied
4.7.6 All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -	<u>POM:</u> Sighted Foreign Worker Compensation Scheme Certificate of Insurance Policy No. FW 179385 & FW 184343. <u>Serkam Estate:</u> Sighted Insurance Guarantee No. BR-BG138360 from RHB Insurance Bhd. <u>Diamond Jubilee Estate:</u> Implementation of Foreign Worker Compensation Scheme Certificate of Insurance Policy found to be infective. Renewed Foreign Worker Compensation Scheme Certificate of Insurance Policy were not available for verification. Minor Non-compliance been raised.	Minor Non Compliance
4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	Records on Lost Time Accident (LTA) metrics had been verified to be satisfactory. <u>POM:</u> JKKKP 8 submitted for year ending 2015 to DOSH on 12/1/16. <u>Diamond Jubilee Estate:</u> JKKKP 8 submitted for year ending 2015 to DOSH on 14/1/16. <u>Serkam Estate:</u> JKKKP 8 submitted for year ending 2015 to DOSH on 11/1/16.	Complied
Criterion 4.8: All staff, workers, smallholders and contract workers are appropriately trained.		
4.8.1 A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. - Major compliance -	Formal training programme for the year 2016 available and implemented. Regular assessment of training conducted to ensure understanding among the employees. Trainings conducted include a formal training programme on all aspects of RSPO Principles and Criteria and the Supply Chain Certification System. The various trainings conducted and the training records maintained to be acceptable.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
4.8.2 Records of training for each employee shall be maintained. - Minor compliance -	Records of training for each employee are available in Mill and estates. Some of the samples checked; 1. POM: WTP/Chemical Handling Training dated 8/6/16 & Schedule Waste Store & Handling Training dated 7/8/15. 2. Diamond Jubilee: Rat Bait Handling Training dated 17/6/16 & Pesticide Handling Training dated 23/12/15. 3. Serkam Estate: Chemical Handling & Spraying Training dated 16/6/15.	Complied
Principle 5: Environmental responsibility and conservation of natural resources and biodiversity		
Criterion 5.1: Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.		
5.1.1 An environmental impact assessment (EIA) shall be documented. - Major compliance -	POM and Estates carried out the annual review of environmental impacts in term of Environmental Impact Evaluation. The last review was conducted in 18 August 2015 at POM, Diamond Jubilee Estate on 15/1/16 & 4/7/16 at Serkam Estate with no changes due to any further changes in the operation.	Complied
5.1.2 Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	The continuous implementation of the improvements activities were checked during the field and document audit. The environmental management plan has been established to monitor the identified significant activities that give impacts on environment. A specific staff and executive have been appointed to do the monitoring to ensure the plan is effectively implemented.	Complied
5.1.3 This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. - Minor compliance -	An environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Continuous awareness training programme has been carried out by the company to its workers and other stakeholders.	Complied
Criterion 5.2: The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.		

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
5.2.1	<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>Information on the HCV assessment was collected internally to identify possible presence of HCVs within and adjacent to the planted area in estates. The assessment also include identification of any protected area within and adjacent to the operating units.</p> <p>HCV in SOU18 as per baseline biodiversity report: Diamond Jubilee : HCV 4 & 6 – 8.85 Ha Bukit Asahan : HCV 4 & 6 – 2 Ha Serkam : HCV 4 & 6 - 2.5 Ha</p>	Complied
5.2.2	<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>No RTE was identified within the planted or surrounding village area. Enhancement of the river buffer zones are carried out by planting jungle trees (<i>shorea sp</i>) during the "Tree Planting" initiative by Sime Darby Plantation. Planting of jungle trees has increased the biodiversity of tree species along the internal field roads and buffer zones. Habitat protection includes prevention of disturbance by workers through awareness campaigns and regular patrols of the area. Inspection of housing areas and interview of residents confirmed workers are aware of the company policy that prohibits illegal hunting. There was a case where a male Tapir unfortunately shot dead at Bukit Asahan Estate. The case is still under investigation by Wildlife Department suspected to be shot by illegal hunter nearby. All estates proactively monitored any encroachment by security patrolling as well as constructing security trenches along forest boundary. On-going awareness and education is necessary to prevent recurrence of the same issue in future.</p>	Complied
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> <p>Staff and workers were given briefing on company policies that prohibit disturbance of designated protected areas. Signages are maintained at the entrance to the estates prohibiting illegal hunting, fishing and the use of fire. Posters are displayed on the notice boards at muster areas. Noted that combined HCV training conducted on 23/2/16 at Kempas Oil Mill for all estates under SOU18.</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"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. <p>- Minor compliance -</p> <p>On-going monitoring of the management plan on the status of any RTE species at the plantation areas (if any) is done. Based on the latest incident at Bukit Asahan Estate, it was noted that Tapir is under IUCN Red List Categories and Criteria Version 3.1 (Endangered, EN). Management plan has been developed and monitored due to this incident. The latest HCV report is still in progress and will be further verified in the next audit.</p>	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
5.2.5 Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. - Minor compliance -	It is verified that there has been no instance of HCV set-aside that conflicts with the rights of local communities at the estates visited. Thus negotiated agreement of such nature is not applicable.	Complied
Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.		
5.3.1 All waste products and sources of pollution shall be identified and documented. - Major compliance -	Visits made to Mill together with Diamond Jubilee Estate and Serkam Estate showed that all waste products and sources of pollution were identified and documented. The documentation and identification of all the waste products such as scheduled waste, domestic waste and recyclable waste such as metal, plastic, mill waste and polluting materials e.g. EFB, POME, Stack emissions and Boiler ashes were maintained and monitored at the Mill. Scheduled Waste identified included spent hydraulic oil (SW 305), spent lubricant oil (SW 306), used chemical containers/drums (SW 409), used filters (SW 410) and Waste of non-halogenated organic solvents (Spent IPA) SW 322. 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.	Complied
5.3.2 All chemicals and their containers shall be disposed of responsibly. - Major compliance -	The disposal of used chemicals and containers were done in accordance with their schedule on waste management as planned. Stores for scheduled waste were inspected at audited sites i.e. Mill and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment. The mill and estates also have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor e.g. for POM by Ranama Resource Sdn Bhd, Diamond Jubilee Estate & Serkam Estate.	Complied
5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -	Segregation of wastes i.e. general wastes and scheduled wastes was verified to be satisfactory in the POM & estates. Proper storage areas were identified for the storage of the recyclable wastes at the estates and mill.	Complied
Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimised.		

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
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. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. For Diamond Jubilee mill, there was no diesel generator for power generation and alternatively used electricity from the grid for process start-up and the main power generation is from steam turbine.</p> <p>Mill using biomass fuel (palm fibre and shells) to generate electricity through steam turbine and boiler. The use of energy in palm oil mill and line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where Palm fibre and PK shells were used as renewable energy/fuel on a 70:30 ratio basis respectively. Monthly records of energy consumption of non-renewable and renewable fuel per metric tonne of palm product at the Mill were available.</p> <p>At the estates, diesel consumption per metric ton FFB was also monitored on a monthly basis. It was verified that energy usage are being monitored at the operating units for better control and comparison of trends.</p>	Complied
Criterion 5.5: Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.		
5.5.1 There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	It was noted that zero open burning policy as per SOP Section B2 - Felling/Land Clearing & Land Preparation dated November 2008 implemented. Management complying with the Malaysian environmental law –EQA and Regulations 1974. No open burning noted during the field visit.	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 -	No use of fire for land preparation during replanting.	Complied
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.		

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
5.6.1 An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -	Based on the assessment done by Diamond Jubilee Mill of all polluting activities as of the Environment Aspect and Impact assessment, identified source was boiler chimney. Current monitoring was through online boiler smoke density and alarm and quarterly boiler stack monitoring of dust particulate. Sampled monitoring report of boiler stack #1 sampling records for 3 rd and 4 th quarter of 2015 and 1 st quarter of 2016. 3 rd quarter of 2015(16/9/15) : 0.020 g/Nm3 4 th quarter of 2015 (20/1/16) : 0.030 g/Nm3 1 st quarter of 2016 (19/4/16) : 0.009 g/Nm3 Stack Emission Monitoring for Boiler No. 1 carried out by Spectrum Laboratories (Johore) Sdn. Bhd. Refer to report ref# ETD/KKSD/SE/2015/9/13246, ref# ETD/KKSD/SE/2016/1/13686, ref# ETD/KKSD/SE/2016/4/14050	Complied
5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH ₄) emission through POME treatment. Diamond Jubilee are not is the list of methane capture facilities in POME treatment pond. Other less significant GHG emissions identified including CO _x , SO _x and NO _x from various sources including fossil fuel, chemical and fertilizer consumptions	Complied
5.6.3 A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. - Minor compliance -	Monitoring of the GHG quantity was done through RSPO approved calculator Palm GHG. Annual quantification of all GHG sources was input into the calculator. These calculations were done in HQ level where GHG calculations were done as per SOU basis. Reporting of the GHG to RSPO ERWG was done on 15/7/16.	Complied

Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.

Criterion 6.1:

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

RSP0 Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
6.1.1 A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	<p>The social impact assessment for SOU18 was conducted on 16th to 17th of February 2009. With the participation of affected parties' i.e stakeholders, estate management & staff, field workers, government agencies, neighboring villagers.</p> <p>The recent assessment of SIA which conducted every 5 years has been done by Sime Darby Sustainability Department for the whole SOU 18 from 12th July to 15th July 2015 The PSQM department is responsible to perform the SIA assessment.</p> <p>Current social action plan contains a timetable with person responsible to manage and monitor each issue still based on the previous SIA while awaiting latest SIA report to be finalize.</p>	Complied
6.1.2 There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	<p>There is evidence that the assessment has been done with the participation of affected parties. All records of meetings, consultation takes place during the SIA is incorporated in the document. List of the stakeholders consulted are also available.</p> <p>Interviewed with the contractor and local communities confirmed that they had attended the stakeholder meeting.</p>	Complied
6.1.3 Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	Action Plan for Social Assessment has been developed based on the recommendation from SIA report which reviewed on 1 July 2016. The latest review of management plan on SIA for Diamond Jubilee Estate was conducted on 1 July 2016.	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 -	The SIA action/management plan is reviewed annually. One of the management plan in Serkam estate was sighted and the last review was conducted on 11 th July 2016.	Complied
6.1.5 Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	Not applicable as no smallholder scheme.	Not applicable
Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.		
6.2.1 Consultation and communication procedures shall be documented. - Major compliance -	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.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator		Assessment Findings	Compliance
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Mill and Estate Assistant Manager have been appointed as responsible person for communication and consultation with the affected parties. Appointment letter dated 01/08/2015 has been issued to Mill Assistant Manager (Muhamad Nasrudin bin Alam) and 01/07/2015 for Serkam Estate Assistant Manager (Mohd Syahid bin Hasan).	Complied
6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -	Diamond Jubilee and its' supply base has updated stakeholders list and stakeholder meeting and communication records. a. List of stakeholder 2016/2017 b. Stakeholder meeting minutes dated 03 June 2016; during the meeting, request for road painting; clear the EFB left from the road and etc. c. In Serkam estate, the stakeholder meeting conducted on 1 June 2016.	Complied
Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.			
6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -	Sime Darby has an established and documented system for dealing with complaints and grievances. Record shows that "Complaints and Grievances Book" in all estates visited are still active in recording complaints/requests made by employees and other stakeholders. Over the past 12 months, entries made were mainly on minor repairs needed to the housing facilities repairs were verified to be attended to in a timely manner.	Complied
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance -	The management has organized stakeholder's meeting, Gender committee's meeting as well as OSH committee's meeting to give opportunity to the affected internal and external stakeholders to raise their concerns and issues. The issues will be lodged into the complaint book and action taken has been acknowledged by the assistant. For example, Job Requisition for Workers	Complied
Criterion 6.4: Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.			
6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	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

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance	
6.4.2	<p>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.</p> <p>- Minor compliance -</p>	<p>There are no indigenous communities within or surrounding SOU 18 that holds legal or customary rights over the land.</p> <p>Procedure for handling land disputes to identify legal, customary rights and people entitled to compensation has been established dated 01 Nov 2008.</p>	Complied
6.4.3	<p>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.</p> <p>- Major compliance -</p>	<p>No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders. It was confirmed when during interview the Head of Village Tehel.</p>	Complied
<p>Criterion 6.5: Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p>			
6.5.1	<p>Documentation of pay and conditions shall be available.</p> <p>- Major compliance -</p>	<p>Documentation of pay and conditions such as pay slips shows gross pay, net pay, leave, medical leave pay etc are maintained by the company. Samples taken:</p> <p>Diamond Jubilee POM:</p> <ul style="list-style-type: none"> a. Worker no: 0000048944 b. Worker no: 0000090606 c. Worker no: 0000111727 d. Worker no: 0000111739 e. Worker no: 0000118478 f. Worker no: 0000118822 <p>Serkam estate:</p> <ul style="list-style-type: none"> a. Worker no: 000058855 b. Worker no: 0000101946 c. Worker no: 0000112074 d. Worker no: 0000063248 <p>For the implementation of minimum wage order 2016 (revised to RM1000), an email already circulated from HR department regarding the revised basic rate which takes effect 1st July 2016.</p>	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
<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>Employment contract are available in bi-lingual that understood by workers. Pay and conditions explained to workers during post-arrival orientation. The working hours, deduction, annual leave and etc are stated in the employment contract.</p> <p>Sampled workers' contract as below: <u>Diamond Jubilee Mill:</u> Passport Number AT196005: Employment contract from 02/03/2015 till 01/03/2018 Passport Number AT321794: Employment contract from 02/03/2015 till 01/03/2018 Passport Number AT450583: Employment contract from 22/11/2015 till 21/11/2018 Passport Number AT325026: Employment contract from 17/06/2016 till 16/06/2019</p> <p><u>Diamond Jubilee estate:</u> The content of the extension contract between Indonesian and other foreigner (Indian, Bangladesh, Sri Lanka, Nepal and Cambodian) were not standardized. The main difference for Indonesian's contract (Kontrak Perpanjangan May 2016) and other foreigner's contract (Extension Contract January 2015) as below:</p> <ol style="list-style-type: none"> Accommodation Termination of contracts Transport allowances Food subsidy Phone allowance. <p>Samples were verified as (Passport no: AR532860; AR532860; K1268518) in Diamond Jubilee estate.</p> <p>During interviewed confirmed there is no discrimination in terms of implementation such as water supply and electricity deduction and medical although the contract's content is difference. It was further verified the evidence (pay slip: worker no- 0000103351 and 0000083964 of June 2016) such as water supply deduction for usage more than 35 gallon water and interview of the workers confirmed that there is no discrimination.</p> <p><u>Serkam Estate:</u> There are no records or document to confirm that the workers were given the extended contract of employment and acknowledged signed the extension of employment.</p> <ol style="list-style-type: none"> Employee Number 000058855: Employment contract expired on 16/12/2013 Employee Number 0000112074: Employment contract expired on 31/06/2013 <p>Employment records missing:</p> <ol style="list-style-type: none"> Employee Number 000012815: Joined on 21/1/2008 Employee Number 000012818: Joined on 21/1/2008 Employee Number 000012820: Joined on 21/1/2008 Employee Number 000063248: Joined on 11/3/2011 	<p>Major Nonconformity</p>

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance
6.5.3 Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance –	<p>Visited to the linesite and interview with the worker, confirmed that Palm Oil Mill and estates provide adequate housing, water supplies, medical, educational and welfare amenities in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). There is on-going upgrading of housing. Water is supplied to workers housing through piping. The water tanks are provided for storage purpose.</p> <p>Accesses to food for the workers are considered adequately and sufficiently as the estate is very near to the town.</p> <p>Line site inspection was done weekly by HA and recorded in the log book. Weekly summary reported via new reporting format for housing inspection. In Serkam Estate, the latest inspection report recorded on July 2016.</p>	Complied
6.5.4 Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food. - Minor compliance –	Accesses to food for the workers are considered adequately and sufficiently. Location of POM and supply base is near to the town.	Complied
<p>Criterion 6.6: The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>		
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.	Complied
6.6.2 Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	<p>The Union has also held meetings with the Management in cases where the matters discussed and actions taken could not resolve the issues concerned at estate or mill level. The minutes for each of the meetings held to discuss internal issues by union or worker representatives and the estate management were available during the audit.</p> <p>Diamond Jubilee POM: 4 July 2016 for Union Committee Members Meeting-discussed topic such as revised minimum wages, food menu, transportation to hospital and also increase "transportation claim"</p> <p>Serkam Estate: 27 June 2016 for Union Meeting-mainly discuss on the water supply, waste and fogging issue.</p>	Complied
<p>Criterion 6.7: Children are not employed or exploited.</p>		
6.7.1 There shall be documentary evidence that minimum age requirements are met. - Major compliance -	The company has developed Child Labor policy dated January 2015. Operating units are complied with the minimum age requirement. No employees below the age of 18.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	Social & Humanity Management Policy dated January 2015 is available and displayed at the office which is accessible by the relevant parties.	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 -	There is no any discrimination based on religion, gender, nationality and etc during their recruitment. Amenities provided to all the workers without any discrimination. There are OSH committee, Gender committee and stakeholder meeting as a channel for all the stakeholders to complaint if any. No grievances were highlighted to the audit team by internal and external stakeholders.	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 -	There is no any discrimination based on religion, gender, nationality and etc during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary and etc.	Complied
Criterion 6.9: There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	Gender policy dated January 2015 signed by Managing Director is available and displayed at the office compound. Gender committee meeting has been conducted and meeting minutes were sighted. Latest meeting minutes (15/04/2016 & 12 February 2016 – Diamond Jubilee POM, 18 March 2016 – Serkam Estate) were sampling and no issue on sexual harassment and violence sighted.	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 -	Gender policy dated January 2015 signed by Managing Director is available and displayed at the office compound. Social & Humanity Management Policy dated January 2015 described the management protects women reproductive rights.	Complied
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	Sexual Harassment Grievance Procedures is part of the Manual on Implementation of the Gender Policy. The Gender Committee will carry out investigation upon receipt of the grievance report. The investigation shall, as far as is practicable, commence within 2 days from the filling of the grievance. The findings will be made known to the victim within 5 days of the commencement of the investigation Up to date, no grievances received.	Complied
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	The palm oil mill does not purchase FFB from third party or out growers. However, the mill has the details of FFB prices based on MPOB pricing.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance	
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	The palm oil mill does not purchase FFB from third party or out growers. However, the mill has the details of FFB prices based on MPOB pricing. Operating units have pricing mechanisms for inputs/services documented for the contract work under the control of the mill or plantation through contract agreements.	Complied
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Contractors' agreements were found expired and yet the relevant services such as grass cutting, transportation and harvesting are still continue in the estate. Following contracts were verified in Serkam Estate: a. Contract no: 07/2013/2014; Validity: 01 July 2013 to 30 June 2014 b. Contract no: 06/2013/2014; Validity: 01 July 2013 to 30 June 2014 c. Contract no: 02/2015/2016; Validity: 01 July 2015 to 30 June 2016	Minor Nonconformity
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	Interviewed with the contractor confirmed that all the payment are made in a timely manner. Further verified their payment voucher and purchase order as below: a. Invoice date: 27 June 2016; Invoice no:009-Payment Voucher date: 5 July 2016	Complied
Criterion 6.11: Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	All operating units continued to make contributions for local communities surrounding when requested that are considered appropriate and approved by the head office. In Diamond Jubilee estate, the management continues to support local communities such as sponsor milk powder to SJK (T) LDG Diamond Jubilee, recorded on 22 June 2016; grass cutting for a Church dated 08 June 2016	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 smallholder	Not applicable
Criterion 6.12: No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	All employees are legal with local identification card for local employees and foreign employees are with valid passports and working permits. No evident of trafficked workers were found during the audit.	Complied
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	No contract substitution was noted. This was confirmed through inspection of employment contract and interview with workers.	Complied

RSPO Public Summary Report
Revision 1 (Sept/2014)

Criterion / Indicator	Assessment Findings	Compliance	
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
Criterion 6.13: Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	The Social and Humanity management policy dated January 2015 covers the necessary aspects of human rights. Employees are aware of their rights and workers and staff union monitor to ensure no violations.	Complied
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.	Not applicable
Principle 7: Responsible development of new plantings Diamond Jubilee Palm Oil Mill Certification unit and supply base did not carry out any new plantings since November 2005. It was verified through the land title and planting history. Therefore, Principle 7 is not applicable during this recertification assessment. The immature area are replanted area.			
Principle 8: Commitment to continual improvement in key areas of activity			
Criterion 8.1: Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.			
8.1.1	The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: <ul style="list-style-type: none"> • Reduction in use of pesticides(Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); <ul style="list-style-type: none"> • Optimising the yield of the supply base. - Major compliance -	The company is continues committed to reduce pesticide use and hazardous agrochemical use. All operating units are not using paraquat and class 1a or 1b agrochemicals. These efforts are continue to reflect the commitment to reduce the use of hazardous agrochemicals. Systemic herbicides such as glyphosate are used with increased efforts in IPM. Barn owl is being introduced as well. These are the continuous efforts from operating units to reduce pesticide use. All operating units have carried out annual review of the environmental and social aspects of its operations to identify improvements. The Social Action Plan has continued to work towards improving stakeholder relationship through engagement and dialogue besides further improving the workers housing. Initiative on KAIZEN project at operating units showed commitment towards continual improvement to improve safety and environment quality through 5s implementation. On the social improvement efforts, the operating units continue to have good relationship with stakeholders.	Complied

Appendix B: Time Bound Plan

TIME BOUND PLAN – Certification Units in Malaysia			
No.	MANAGEMENT UNIT		LOCATION
	P O M	Time Bound	
1	Sg Dingin	Certified 2010 - Recertification Completed	Kedah
2	Chersonese	Certified 2011	Perak
3	Elphil	Certified 2011	Perak
4	Flemington	Certified 2011	Perak
5	Seri Intan	Certified 2011 – Recertification Completed.	Perak
6	Selaba	Certified 2011 – Recertification Completed.	Perak
7	Tenamaram	Certified 2011 - Recertification Completed.	Selangor
8	Bkt Kerayong	Certified 2011 – Recertification Completed.	Selangor
9	East	Certified 2010 - Recertification Completed	Selangor
10	West	Certified 2010 - Recertification Completed	Selangor
11	Bukit Puteri	Certified 2011	Pahang
12	Kerdau	Certified 2011	Pahang
13	Jabor	Certified 2011	Pahang
14	Labu	Certified 2011	N. Sembilan
15	Tanah Merah	Certified 2010 - Recertification Completed	N. Sembilan
16	Sua Betong	Certified 2014	N. Sembilan
17	Kok Foh	Certified 2011	N. Sembilan
18	Kempas	Certified 2010 - Recertification Completed	Malacca
19	Diamond Jubilee	Certified 2011	Malacca
20	Pagoh	Certified 2014	Johor
21	Chaah	Certified 2010 – Recertification Completed	Johor
22	Gunung Mas	Certified 2010 – Recertification Completed	Johor
23	Bukit Benut	Certified 2011	Johor
24	Ulu Remis	Certified 2011	Johor
25	Hadapan	Certified 2011	Johor
26	Sandakan Bay	Certified 2008 - Recertification completed.	Sabah
27	Melalap	Certified 2011- Recertification Completed.	Sabah
28	Binuang	Certified 2009 - Recertification completed.	Sabah
29	Giram	Certified 2009 - Recertification completed.	Sabah
30	Merotai	Certified 2009 - Recertification completed.	Sabah
31	Lavang	Certified 2011	Sarawak
32	Rajawali	Certified 2011	Sarawak
33	Derawan	Certified 2011	Sarawak
34	Pekaka	Certified 2011	Sarawak

TIME BOUND PLAN – Certification Units in Indonesia			
No.	MANAGEMENT UNIT		LOCATION
	P O M	Time Bound	
1	Sekunyir (PT. Indotruba Tengah)	Certified 2010 (Recert. Completed)	Seruyan and West Kotawaringin District – Central Kalimantan
2	Manggala (PT. Tunggal Mitra Plantation)	Certified 2010 (Recert. Completed)	Rokan Hilir District – Riau
3	Bk. Ajong (PT. Sime Indo Agro)	Certified 2010 (Recert. Completed)	Sanggau District –West Kalimantan
4	Teluk Siak (PT Aneka Inti Persada)	Certified 2011	Pekanbaru, Siak District – Riau

RSPO Public Summary Report
Revision 1 (Sept/2014)

5	Sungai Pinang (PT. Bina Sains Cemerlang)	Certified 2012	Musi Rawas District – South Sumatera
6	Sukamandang (PT. Kridatama Lancar)	Certified 2011	Seruyan and East Kotawaringin District – Central
7	Pematang (PT. Teguh Sempurna)	Certified 2011	Seruyan and East Kotawaringin District – Central
8	Alur Dumai (PT Lahan Tani Sakti)	Certified 2012	Rokan Hilir District – Riau
9	Teluk Bakau (PT. Bhumireksa Nusa Sejati)	Certified 2011	Indra Giri Hilir District – Riau
10	Mandah (PT. Bhumireksa Nusa Sejati)	Certified 2014	Indra Giri Hilir District – Riau
11	Angsana Mini (PT Sajang Heulang)	Certified 2011	Tanah Bumbu District – South Kalimantan
12	AngsanaPT Ladangrumpun Suburabadi	Certified 2011	Tanah Bumbu District – South Kalimantan
13	Mustika (PT Sajang Heulang)	Certified 2013	Tanah Bumbu District – South Kalimantan
14	Gunung Aru (PT Bersama Sejahtea Sakti)	Certified 2011	Kotabaru District – South Kalimantan
15	Bebunga (PT. Langgeng)	Certified 2012	Kotabaru District – South Kalimantan
16	Blang Simpo (PT Padang Palma Permai)	Certified 2013	Aceh Tamiang, Nangroe Aceh Darussalam
17	Pondok Labu (PT Paripurna Swakarsa)	Certified 2012	Kotabaru District – South Kalimantan
18	Selabak (PT Swadaya Andhika)	Certified 2012	Kotabaru District – South Kalimantan
19	Rantau (PT Laguna Mandiri)	Certified 2012	Kotabaru District – South Kalimantan
20	Betung (PT Laguna Mandiri)	Certified 2014	Kotabaru District – South Kalimantan
21	Ungkaya (PT Tamaco Graha Krida)	Certified 2012	Morowali District – Sulawesi Tengah
22	Ladang Panjang (PT Bahari Gembira Ria)	Certified 2012	Muaro Jambi District - Jambi
23	Rantau Panjang (PT Guthrie Pecconina Indonesia)	Certified 2012	Musi Banyuasin District – South Sumatera

RSPO Public Summary Report
Revision 1 (Sept/2014)

24	<p>MAS (PT Mitra Austral Sejahtera) The certification body for PT MAS has considered that Sime Darby Plantation still meets the requirements of the RSPO for Partial Certification and the report has been submitted for EB review. A verification audit was conducted by the Certification Body in early 2013 and Sime Darby Plantation will proceed with the next steps of certification upon satisfactory resolution of the matter. Regular discussions is ongoing between Sime Darby Plantation and the project affected communities.</p>	2016	<p><u>Sanggau District – West Kalimantan</u> RSPO Certification Target Date for PT MAS</p> <ul style="list-style-type: none"> - The target date for certification is by 2016. However the progress of the matter being resolved. <p><u>Progress Update (As at end Oct 2015)</u></p> <ul style="list-style-type: none"> - Regular discussion is ongoing between Sime Darby Plantation and the project affected communities (PAC) through bi-monthly Tim Kerja Perwakilan Petani (TKPP) meeting since November 2012. - In October 2013, representatives from two of nine villages (Kerunang and Entapang) left TKPP and backed by TuK and OXFAM. They have then requested SDP to enter into Dispute Settlement Facility (DSF) in June 2014. - Hence, there are two groups of PAC: 1) TKPP (7 of 9 villages) and 2) Kerunang & Entapang (2 of 9 villages) <p><u>Engagement with TKPP:</u></p> <ul style="list-style-type: none"> - The most recent TKPP meeting was held on 16th October 2015. The meeting was on reviews on the current and planned CSR activities for the communities. - Engagement with Kerunang/ Entapang: - SDP visited the communities on 27 August 2014 to listen and have a better understanding on their requests - The subsequent meeting with the communities was held on 12 Dec 2014 where the communities highlighted that they will not join the current SDP-PAC committee (TKPP) meetings and will continue to engage directly with SD. <p><u>Engagement with RSPO:</u></p> <ul style="list-style-type: none"> - RSPO Secretariat is well informed on the progress through regular briefing and progress reports. The latest report submitted to RSPO dated 7th August 2015. <p><u>Engagement with TuK-Indonesia:</u> In May 2015, TuK submitted a proposal (in the form of concept note). SDP has requested for a presentation from TuK for better understanding, before signing of agreement.</p> <ul style="list-style-type: none"> - To-date, 12 out of 14 demands have been resolved whilst, another two remaining demands are related to land matters. SDP is in engagement with TuK-Indonesia to resolve the remaining issues involving land matters. - Latest meeting with community was held on 14 Jan 2016 and pending for the outcome. <p>SDP continues to work on direct engagement with PAC – working towards a consensus with the PAC to withdraw their complaint.</p>
25	Lembiru (PT Sandika Nata Palma)	Certified 2014	Ketapang District – West Kalimantan

Appendix C: Sime Darby Plantation Sdn Bhd – SOU 18 Diamond Jubilee Certification Unit RSPO Certificate Details

Sime Darby Plantation Sdn. Bhd.
 Strategic Operating Units (SOU 18) – Diamond Jubilee Palm Oil Mill
 KM 8, Jasin – Simpang Bekoh Road, District of Jasin, 77100 Jasin,
 Malacca, Malaysia.
 RSPO Membership number: 1-0008-04-000-00

BSI RSPO Certificate N^o: RSPO 591224
 Date of Initial Certificate Issued: 5 October 2011
 Date of Expiry: 4 October 2021
 Applicable Standards: RSPO P&C MY-NI 2014; RSPO Certification System June 2007 (revised March 2011); Annex 4: Procedures for Annual Surveillance; RSPO P&C 2013; RSPO Supply Chain Certification Standard and System 21 November 2014 Module D - CPO Mills: Identity Preserved

Diamond Jubilee Palm Oil Mill and Supply Base					
Location Address	KM 8, Jasin - Simpang Bekoh Road, District of Jasin, Jasin, Melaka, Malaysia.				
GPS Location	102° 33' 6" E ; 2° 2' 35" N				
CPO Tonnage Total	34,008.48 mt				
PK Tonnage Total	8,313.18 mt				
CPO Claimed for Certification	34,008.48 mt				
PK Claimed for Certification	8,313.18 mt				
Own estates FFB Tonnage	151,148.78 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)			
Diamond Jubilee*	2366.85	434.16	139.19	2940.20	56,342.78
Bukit Asahan	2876.52	89.01	106.31	3071.84	61,848.60
Serkam	1447.50	385.25	283.14	2115.89	32,957.40
TOTAL	6690.87	908.42	528.64	8127.93	151,148.78

Appendix D: Assessment Plan

Date	Time	Subjects	Hoo BH	Muhd Hidhir	Ragu
Monday, 18/07/2016	PM	Audit Team travelling to site	√	√	√
Tuesday, 19/07/2016	09.00– 17.00	Stakeholder consultation	√	√	√
Wednesday 20/07/2016 Diamond Jubilee Palm Oil Mill	08.30 – 09.00	Opening Meeting: <ul style="list-style-type: none"> Opening Presentation by Audit team leader. Confirmation of assessment scope and finalize Audit plan (including stakeholder’s consultation). 	√	√	√
	09.00 – 12.00	Diamond Jubilee Palm Oil Mill Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders etc.	√	√	√
	12.00 – 13.00	Lunch	√	√	√
	13.00 – 16.30	Diamond Jubilee Palm Oil Mill: Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	√	√	√
	16.30-17.00	Interim Closing briefing.	√	√	√
Thursday 21/07/2016	08.30 – 12.00	Diamond Jubilee Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	√	√	-
	09.00 – 12.00	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	-	-
	12.00 – 13.00	Lunch	√	√	√
	13.00 – 16.30	Diamond Jubilee Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16.30-17.00	Interim Closing Briefing	√	√	√
Friday 22/07/2016	8.30 – 12.00	Serkam Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	√	√	√
	12.00 – 13.00	Lunch	√	√	√

Date	Time	Subjects	Hoo BH	Muhd Hidhir	Ragu
	13.00 – 16.30	Serkam Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√
	16.30-17.30	Prepare for closing meeting Closing Meeting	√	√	√
Friday 23/07/2016	AM	Audit Team Travelling back to KL			

Appendix E: Stakeholders Contacted

INTERNAL STAKEHOLDERS

Management and Employees	Contractors
Diamond Jubilee Certification Unit Management team and Staff Representatives from Sustainability Department On site compliance executives Mill Managers and Assistants Estate Managers and Assistants Facility Administrators Gender Committee Representatives Hospital Assistant Male and Female workers Workers Union Representatives Onsite NUPW secretary AMESU Representative	Hardware supplier Sundry contractor FFB Transport contractor Engineering work contractor

EXTERNAL STAKEHOLDERS

Government Departments	NGOs, Local Communities and others
Police Representative Department of Environment DOSH Forestry Department Wildlife Department	Village Representatives Mosque representative

Appendix F: Diamond Jubilee Palm Oil Mill Supply Chain Assessment (Module D - CPO Mills: Identity Preserved)

Requirements	Compliance
D.1 Definition	
<p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p>	<p>Diamond Jubilee Palm Oil Mill only receives certified FFB. Therefore qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.</p>
D.2 Explanation	
<p>D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.</p>
<p>D.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	<p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>
D.3 Documented procedures	
<p>D.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site’s procedures for the implementation of this standard.</p>	<p>Latest written documented procedures (version 2; issue no:1; dated March 2016) for the chain of custody is with Identity Preserved (IP) model covering all the RSPO Supply Chain Certification Standard and Traceability under Appendix 15. This developed based on the RSPO SCCS 21 November 2014.</p> <p>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 Diamond Jubilee Palm Oil Mill. The mill manager and assistant manager have awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.</p>
<p>D.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>Diamond Jubilee 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 FFBs.</p>
D.4 Purchasing and goods in	
<p>D.4.1 The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p>	<p>Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified and non-certified FFB.</p>

RSPO Public Summary Report
Revision 1 (Sept/2014)

	Records verified by internal and external audit. Weighbridge tickets were verified: <ul style="list-style-type: none"> a. FFB Receive; ticket: 72781 b. FFB Receive; ticket: 72748
D.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	The facilities aware of this procedure.
D.5 Record keeping	
D.5.1 The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	All the inventory records are maintained and updated on daily basis and monthly report shows monthly inventory. Computerized system in place. PK is sold to Sime Darby's Kernel Crushing Plant. Daily records are prepared at the entry and exit point at the weighbridge (Daily production Summary Report for Production Date: 30 June 16). Daily summary and monthly summary documented for all the FFB received (sample: FFB Received Details Report by Supplier/Division/Product dated 12 July 16). Records of certified FFB received verified during annual surveillance. Records verified by internal and external audit. The palm oil mill record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.
D.6 Processing	
D.6.1 The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.	During this assessment it was confirmed that only certified source of FFB from own plantation and adjacent RSPO Certified Sime Darby Group Estates is processed. This ensures that there is no possibility of mixing during processing. During this assessment the mill received
D.6.2 The objective is for 100 % segregated material to be reached.	Processing and storage records can trace back to only certified segregated FFB and finish product (CPO and PK) through traceability records such as weighbridge records. This ensures that 100% segregated materials are reached.

Actual Tonnage Certified Palm Production – 01 July 2015 – 30 June 2016 (RA)

Mill	Capacity	CPO	PK
Diamond Jubilee Palm Oil Mill	25 mt/hr	20,446	5,141

Actual Tonnage Sales of Certified Palm Products - 01 July 2015 – 30 June 2016 (RA)

Mill	Certified CPO Sales	Certified PK Sales	Remarks
Diamond Jubilee Palm Oil Mill	11,165.32	7,388.84	Physical Sales Transaction in eTrace

RSPO Public Summary Report
Revision 1 (Sept/2014)

Actual Tonnage Certified FFB Received Monthly by the mill - 01 July 2015 – 30 June 2016 (ASA4)

Month	Certified Supply Base (from own certificate scope) (mt)									Total FFB/Mth (mt)
	Diamond Jubilee Estate	Bkt Asahan Estate	Serkam Estate	** Pagoh Estate	** Welch Estate	** Tangkah Estate	** Lanadron Estate	** Kemuning Estate	** Kempas Estate	
July 2015	5801.03	6317.46	773.63	-	-	-	-	-	-	12892.12
Aug 2015	4570.45	6097.15	627.63	-	-	-	-	-	-	11295.23
Sept 2015	5355.02	6118.45	1183.36	-	-	-	-	-	-	12656.83
Oct 2015	4852.47	5883.25	1815.22	-	-	-	-	-	-	12550.94
Nov 2015	3862.08	4214.81	971.59	-	-	-	-	-	-	9048.48
Dec 2015	1208.36	1352.26	359.44	-	-	-	-	-	-	2920.06
Jan 2016	2238.17	2496.86	776.44	-	-	-	-	-	-	5511.47
Feb 2016	3191.96	3350.70	1031.50	-	-	-	-	-	-	7574.16
Mar 2016	3571.73	4082.13	1134.36	26.79	238.32	1327.48	14.21	-	-	10395.02
Apr 2016	3754.99	5150.17	1214.76	-	-	-	-	-	-	10119.92
May 2016	4442.92	5270.40	1297.85	-	-	-	-	-	-	11011.17
June 2016	2254.76	1952.41	793.4	-	-	325.14	-	605.51	1502.56	7433.78
Total	45103.94	52286.05	11979.18	26.79	238.32	1652.62	14.21	605.51	1502.56	113,409.18

** Estate from other SOU.

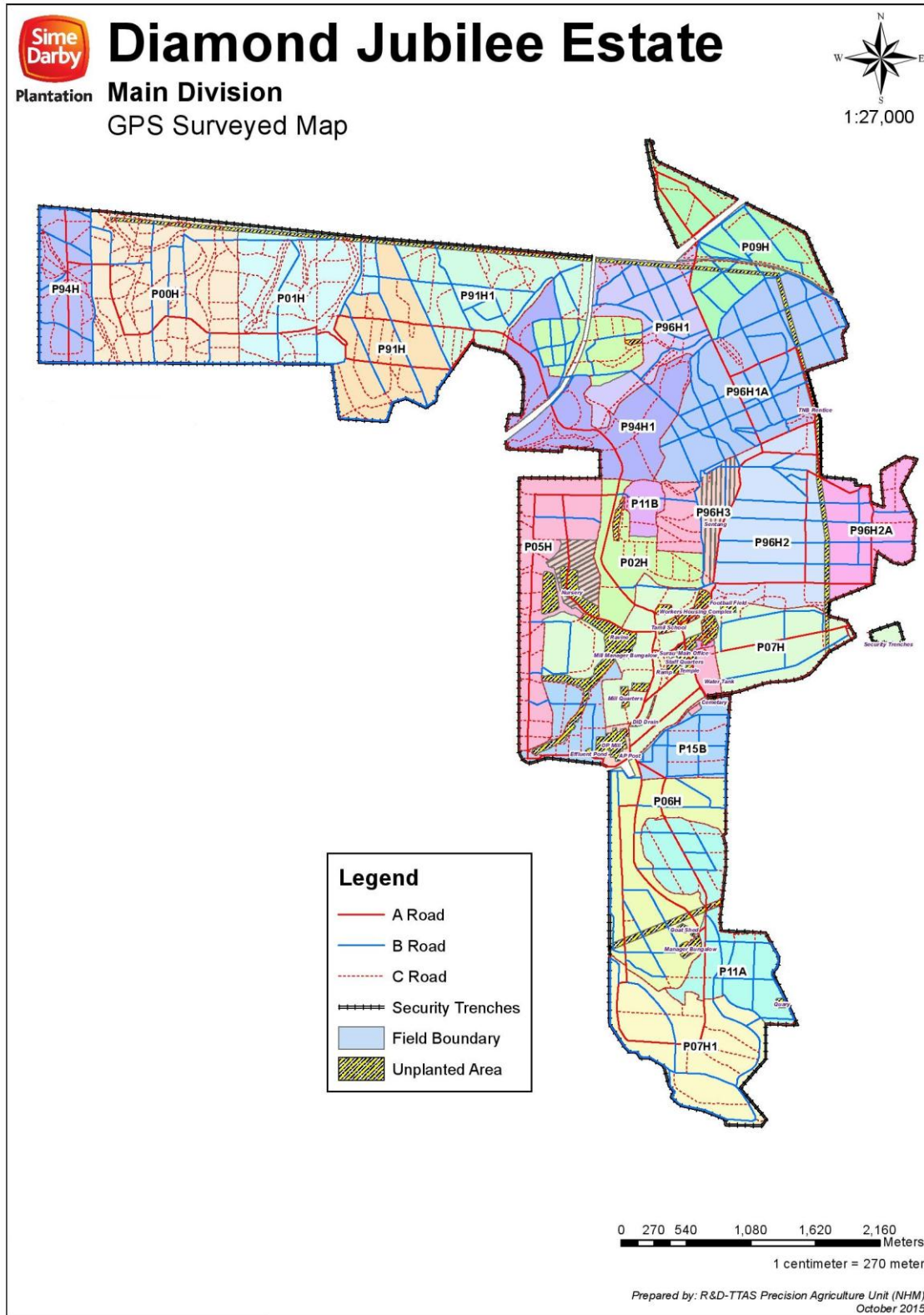
SOU Kempas (Tangkah Estate, Kemuning Estate, Kempas Estate): RSPO 0005

SOU Pagoh (Pagoh Estate, Welch Estate, Lanadron Estate): SPO 600305

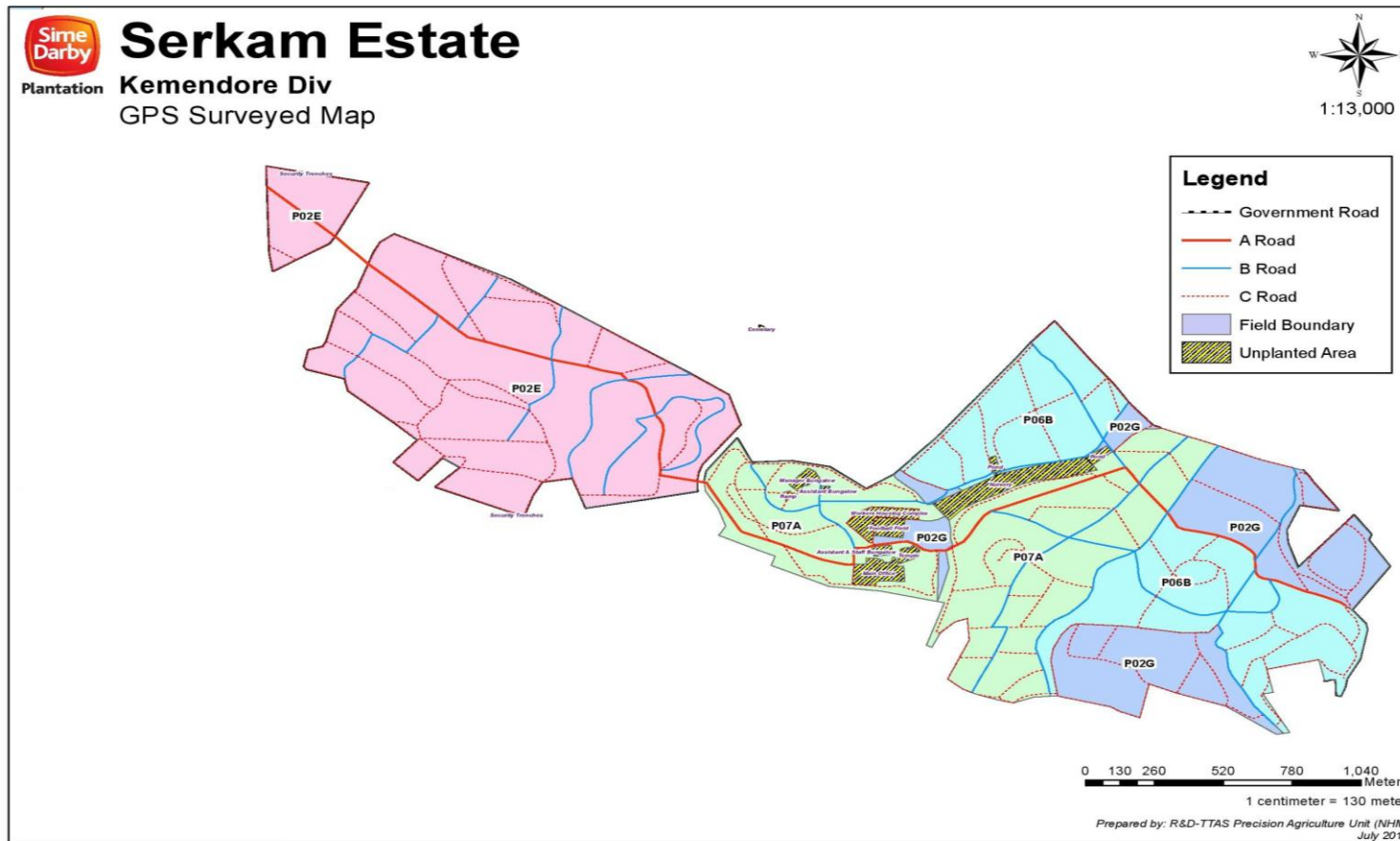
Appendix G: Location Map of Diamond Jubilee POM and Supply Base



Appendix H: Diamond Jubilee Estate Field Map



Appendix I: Serkam Estate Field Map



Appendix J: List of Abbreviations Used

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