



PUBLIC SUMMARY REPORT
ANNUAL SURVEILLANCE ASSESSMENT (ASA1)

SIME DARBY PLANTATION Sdn Bhd
Management Unit SOU8
Carey Island, Selangor, Malaysia

Report Author

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SUMMARY

BSi Group Singapore Pte Ltd (BSi) has conducted the first Annual Surveillance Assessment (ASA1) of Sime Darby Plantation Sdn Bhd Management Unit SOU8 (SOU8) operations comprising East Mill and supply base. During 2010/11, Sime Darby commenced the re-alignment of Managements Units and Sepang Estate crop was supplied to East Mill. The East Mill supply base now consists of East, Dusun Durian and Sepang Estates. BSi concludes that SOU8 operations comply with the requirements of RSPO Principles & Criteria: 2007 and MY-NI Indicators and Guidance : 2010.

BSi recommends the continuation of the approval of SOU8 as a producer of RSPO Certified Sustainable Palm Oil.

ABBREVIATIONS

AMESU	All Malayan Estates Staff Union
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
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
ESHMS	Environment Safety Health Management System
FFB	Fresh Fruit Bunch
HCV	High Conservation Value
LCC	Leguminous Cover Crop
LTA	Lost Time Accident
MAPA	Malayan Agricultural Producers Association
MPOB	Malaysian Palm Oil Board
MSDS	Material Safety Data Sheet
MY-NI	Malaysian National Interpretation
NUPW	National Union of Plantation Workers
OER	Oil Extraction Rate
OSH	Occupational Safety & Health
PK	Palm Kernel
POME	Palm Oil Mill Effluent
R&D	(Sime Darby) Research and Development
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
SOU	Strategic Operating Unit
TQEM	(Sime Darby) Total Quality Environmental Management
TSS	Total Suspended Solids

1.0 SCOPE OF CERTIFICATION ASSESSMENT

1.1 Identity of Certification Unit

The SOU8 East Mill and East Estate are located on Carey Island, and Dusun Durian Estate and Sepang Estate are located on the mainland approximately 40 km from the Mill in Selangor, Malaysia (Figure 1). Additional maps showing details of Dusun Durian and Sepang Estates are included (Figures 2 and 3). The GPS location of the Mill is shown in Table 1.

Table 1: Mill GPS Location

MILL	LONGITUDE	LATITUDE
East Mill	2° 53' 0-00" N	101° 26' 10-09" E

1.2 Production Volume

The production tonnages for CPO and PK for the period from the start of the Certificate (19/05/2010) through to the 31 March 2011 and projected for the next twelve months are listed in Table 2. At Initial Certification, the tonnage of FFB supplied from other Sime Darby Estates and smallholders, which accounted for 51.9% of the crop processed at the Mill, was excluded from the Certificate.

During the first year of the Certificate all of the Sime Darby Estates supplying FFB to the East Mill became RSPO Certified and the tonnage of Certified CPO increased from 12,965 to 22,163. It should be noted that the tonnage of CPO reported for 2010/11 (22,163 t) is not for a full 12 month period. Sime Darby is in the process of re-aligning several Management Units and all of the Sepang Estate crop will be processed at SOU8 Mill in 2011/12. The quantity of FFB processed at SOU8 Mill is expected to increase in 2011/12 due to inclusion of Sepang Estate crop and due to young palms reaching maturity as indicated in Tables 3, 4a and 4b.

Table 2: Production Tonnages

East Palm Oil Mill	Estimate at Initial Certification	Actual 19/05/10 – 31/03/11	Projected 19/05/11 – 18/05/12
CPO	12,965	22,163	38,283
PK	3,414	5,456	9,748

1.3 Certification Details

Sime Darby RSPO Membership No: 035-04(O)
 BSi CSPO Certificate No: SPO 543543
 Initial Certification Assessment: 23,24 and 30 January 2009
 Date of Certification: 19/05/2010

1.4 Description of Fruit Supply Base

At the time of Initial Certification, the SOU8 supply base was mainly East and Dusun Durian Estates, supplemented with crop diverted from other adjacent Management Units, such as the 1,688 tonnes from Sepang Estate.

LOCATION MAP FOR SOU 8

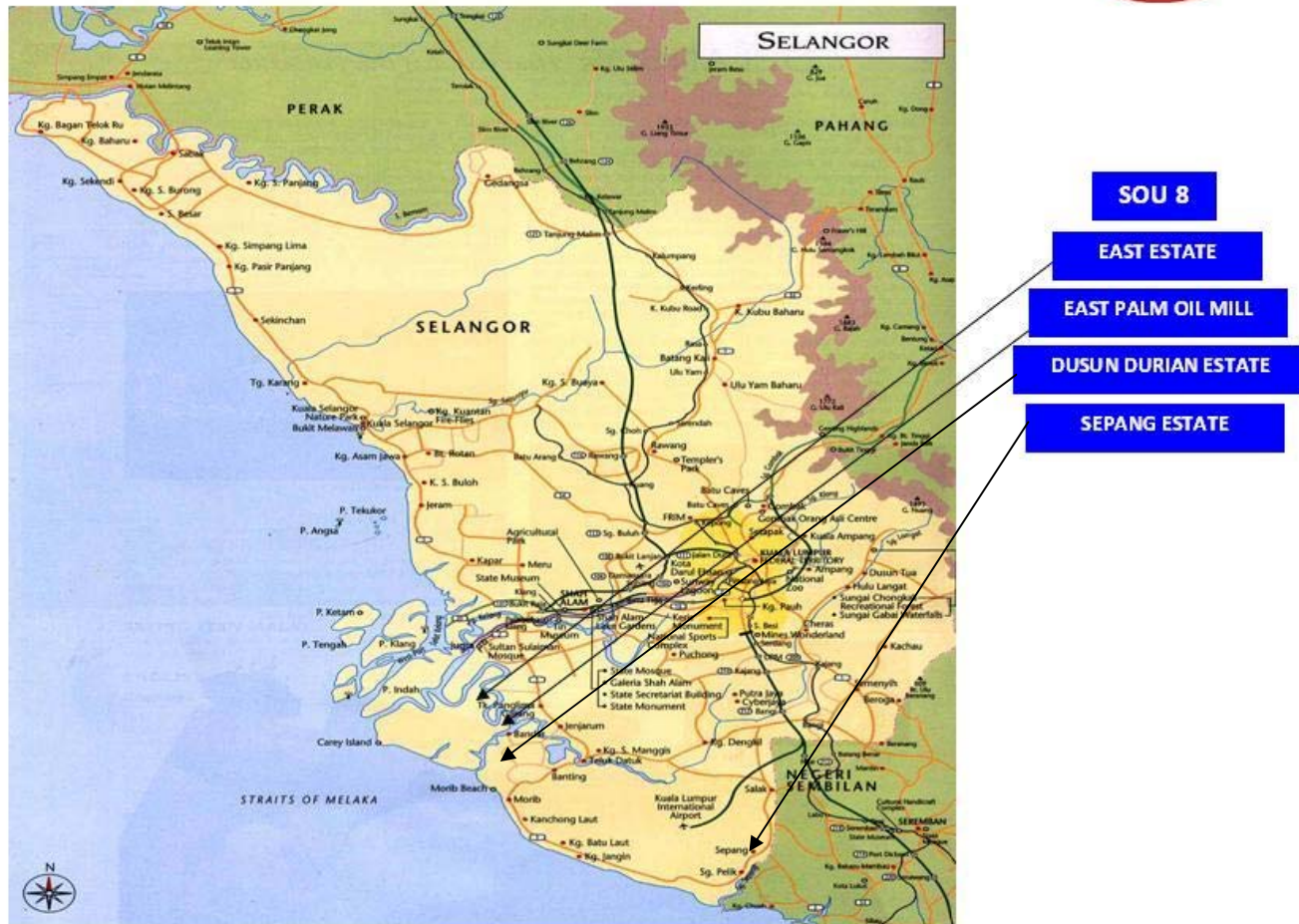


Figure 1: SOU8 Location Map

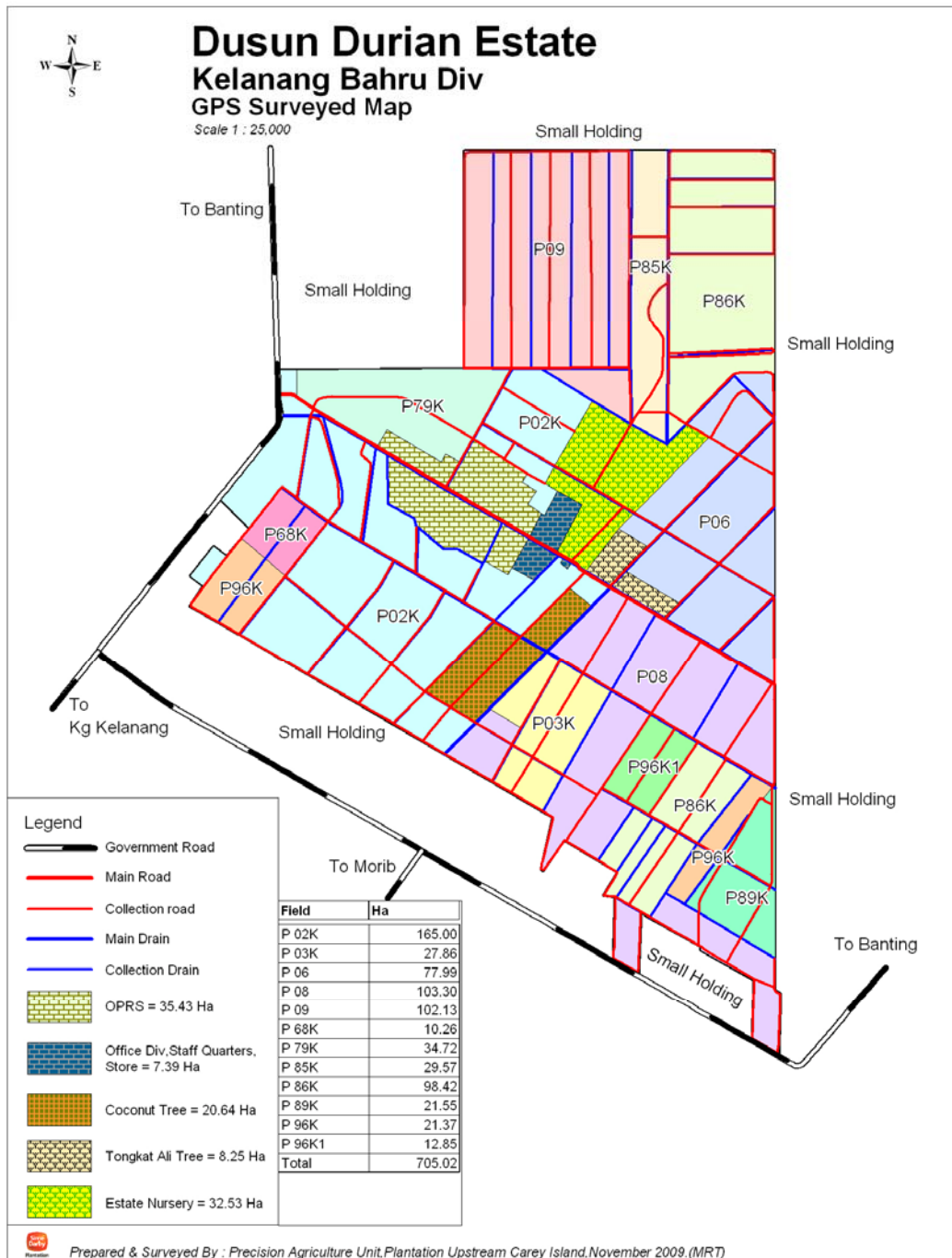


Figure 2: Dusun Durian Estate (Kelang Bahru Division) Layout

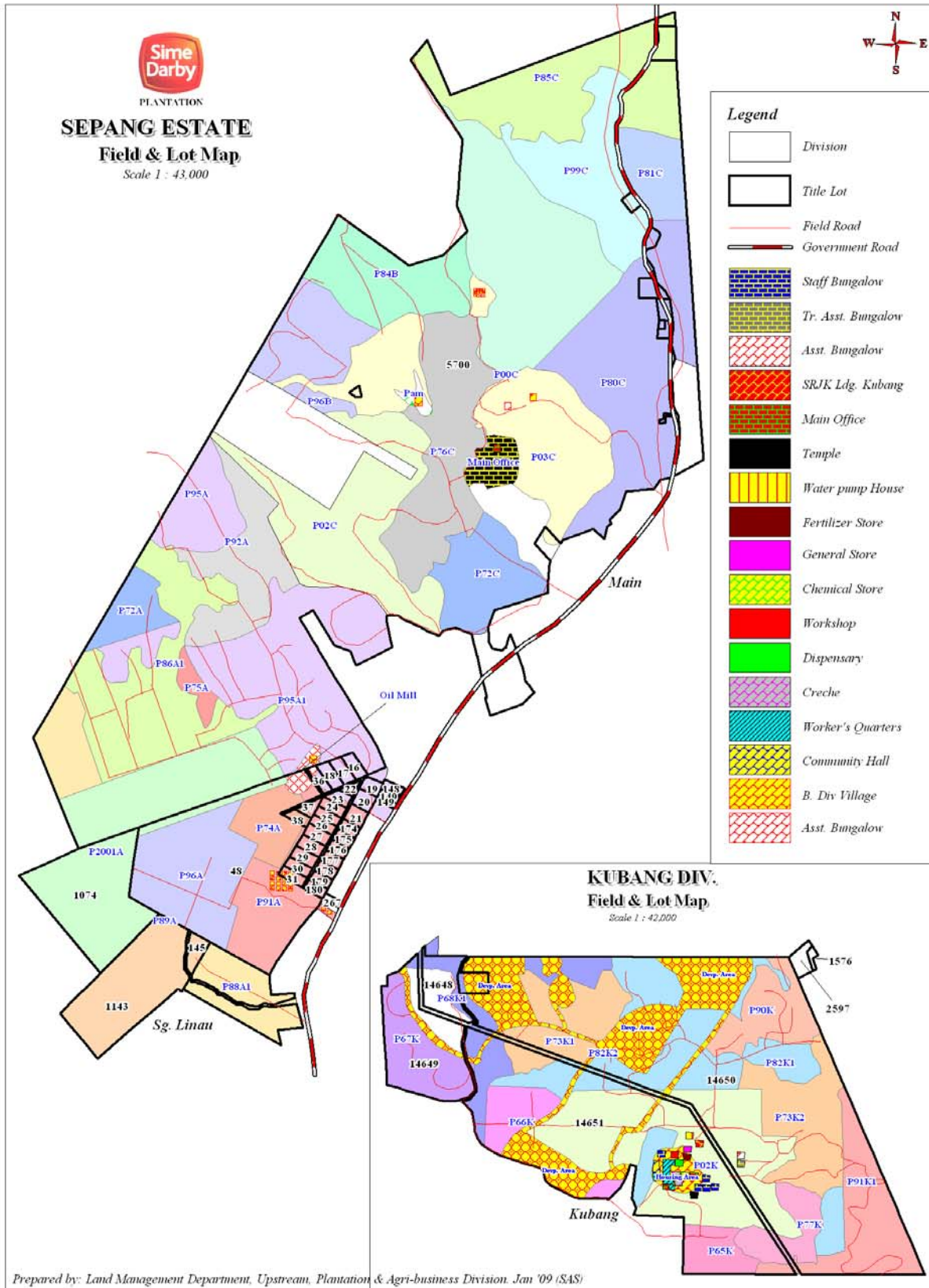


Figure 3: Sepang Estate Layout

Sime Darby is re-aligning Management Unit SOU9a and in 2010/11 the majority of the Sepang Estate FFB was processed at SOU8 Mill and is shown in Table 3 as an SOU8 Estate. In 2011/12, all of the Sepang Estate crop is expected to be processed at East Mill. The East Mill supply base now consists of FFB from East, Sepang and Dusun Durian Estates. It should be noted that the FFB tonnages shown in Table 3 (19/05/2010 – 31/03/2011) is not for a full year, as also indicated in Section 1.2 for CPO production.

Sime Darby does not plan to purchase any crop from outside suppliers for processing at East Mill in 2011-12, as listed in Table 3.

Table 3: FFB Production

Source	Estimate at Initial Certification	Actual 19/05/10 – 31/03/11	Projected 19/05/11 – 18/05/12
SOU8 Estates			
East	21,597	89,451	122,098
Sepang	1,688	49,581	65,562
Dusun Durian	37,133	32,754	33,983
Sub-total	60,418	171,786	221,643
Adjacent Sime Darby Estates			
SOU6			
Bukit Talang	–	2	–
SOU9			
West	380	2,990	–
SOU7			
Bukit Cheraka	1,435	–	–
Sg Kapar	1,739	–	–
Bukit Rajah	4,697	–	–
Jalan Acob	713	–	–
SOU13			
A Tenang	45,467	–	–
Bradwall	3,023	48	–
Labu	4,064	103	–
New Labu	281	206	–
Linsum	1,289	–	–
Kerby	305	–	–
SOU15			
Sengkang	–	60	–
Salak	–	112	–
Siliau	–	13	–
Tampin Linggi	–	41	–
Sub-total	63,393	3,575	–
Smallholders*			
Agrosegar	1,774	6,174	–
Sub-total	1,774	6,174	–
OVERALL TOTAL	125,585	181,535	221,643

* The FFB production from the Smallholders is excluded from the RSPO Certificate

The SOU8 Estates were developed in the 1920s for rubber and other crops, such as cocoa. Oil palms were

first planted in 1954 at Dusun Durian Estate and in the 1960s at East and Sepang Estates and are in their second and third cycle. The age profile of the palms is shown in Table 4a. The areas planted are shown in Table 4b.

Table 4a: Age Profile of SOU8 Palms

Age (years)	Estate and % of Planted Area		
	East	Dusun Durian	Sepang
21–35	36	23	37
11–20	35	12	32
4–10	10.1	38	18
0–3	18.9	27	13

Table 4b: SOU8 Estates and Areas Planted

Estate	Mature (ha)	Immature (ha)
East	3,902	914
Dusun Durian	1,494	561
Sepang	2,364	360
Total	7,760	1,835

1.5 Progress against Time Bound Plan

Sime Darby Time Bound Plan (updated December 2010) is included as Appendix A. During 2010, Sime Darby initiated the realignment of three of the Management Units in Malaysia for strategic operating reasons. To date, the realignment of only one Management Unit (SOU 24a) has been completed, reducing the total number of Management Units from 61 to 60.

Sime Darby has completed Initial Certification Assessments for all of the Management Units in Malaysia, and 11 of the 21 in Indonesia. Sime Darby has scheduled the Initial Certification Assessments for the remaining 10 Management Units in Indonesia for mid-2011 and is on track to achieve the targets of the Time Bound Plan.

Sime Darby provided BSi with an update on progress with resolution of issues raised in 2008 at PT MAS in Indonesia. A follow-up meeting was held between top management of Sime Darby Plantation and representatives of Serikat Petani Kepala Sawit (SPKS) (Organisation for Representing Smallholders) during the RT8 Conference in Jakarta. Mr Paul Wolvekamp of Both ENDS mediated the meeting that was also attended by representatives of Sawit Watch and House of "Adat" from Sanggau. BSi enquiries indicate that significant progress has been made with regard to the issues raised earlier. No new issue was highlighted during the meeting.

BSi's continued involvement with 14 of the Sime Darby Management Units during the previous 12 months has not identified:

- (1) any unresolved significant land disputes;

- (2) any replacement of primary forest or loss of HCVs (Sime Darby did not carry out any new land development during 2010);
- (3) any labour disputes that are not being resolved through an agreed process;
- (4) any evidence of noncompliance with any law at any of the landholdings.

BSi considers that Sime Darby meets the RSPO requirements for Partial Certification.

1.6 Progress of Associated Smallholders/ Outgrowers towards RSPO Compliance

SOU8 does not plan to purchase any crop from smallholders or outside suppliers for the 2011/12 year.

1.7 Organisational Information / Contact Person

Sime Darby Plantation Sdn Bhd
 Management Unit SOU8
 Ladang East
 42960 Carey Island
 Selangor Malaysia
 Contact Person: Mr Adrianudin Raj Bin Azman
 Senior Manager East Estate
 Phone: 03-3122 0519
 Fax: 03-3122 0524
 Email: adrianudin.raj.azman@simedarby.com

2.0 ASSESSMENT PROCESS

2.1 Assessment Team Members

Charlie Ross – Lead Assessor

Iman Nawireja – Social/Environment Assessor

Robyn Ross – Social Assessor (Women and Families)

Noryati Hambali – Facilitator (Women and Families)

CVs for Mr Nawireja and Ms Hambali, new team members, are included at Appendix B.

2.2 Assessment Programme

The ASA1 was carried out 4th, 5th and 8th April 2011. The Assessment Programme is included as Appendix C.

The Programme included assessments of the Mill and two Estates (Dusun Durian and Sepang) against all of the applicable RPSO indicators.

The nonconformity assigned to Major Compliance Indicator 2.1.1 and the eight (8) observations that were identified during the Initial Certification Assessment were followed up to check the effectiveness of corrective actions (Refer Section 3.3 Page 16).

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of

documentation and monitoring data. Checklists and questionnaires were used to guide the collection of information. The ASA1 findings are detailed in Section 3.2 Page 15.

This report is structured to provide a summary for each Principle, together with details for selected indicators. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

Mr Soon Leong Chia, BSi Product Manager RSPO, has reviewed this report for conformance with BSi Procedures and the RSPO Certification System requirements.

2.3 Stakeholder Consultation

Internal and external stakeholders were consulted to obtain their views on SOU8 environmental and social performance and any issues of concern that they may have. External stakeholders were interviewed at their premises where practical or they were invited to the Mill or the Estate. Internal stakeholders were interviewed in groups in the workplace or at their housing. Company officers were not present at any of the meetings. A list of stakeholders contacted is included at Appendix D.

3.0 ASSESSMENT FINDINGS

3.1 Summary of Findings

During this First Annual Surveillance Assessment, Nonconformities were assigned against Major Compliance Indicator 5.3.1 and Minor Compliance Indicator 2.2.3. Eleven (11) Observations/Opportunities for improvement were identified. SOU8 prepared a Corrective Action Plan for addressing the identified Nonconformities, which BSi reviewed and accepted.

SOU8 carried out corrective action to address the Nonconformity assigned against Major Compliance Indicator 5.3.1 that BSi Assessors considered appropriate and effective. The Nonconformity was closed on 10 May 2011.

Review of the nonconformity assigned to Major Compliance Indicator 2.1.1 during the Initial Certification Assessment found the corrective actions were being effectively and consistently implemented and the nonconformity remained closed. In addition, the eight (8) observations had been actioned and the improvements were considered to be effective for addressing the issues (Refer Section 3.3 Page 16).

BSi recommends continuation of Certification for SOU8 as a producer of RSPO Certified Sustainable Palm Oil.

PRINCIPLE 1: Commitment to Transparency

SOU8 has maintained up to date policies, procedures and management plans for provision of information to the public on request, in accordance with Sime Darby Group Policy. The majority of requests for information are received at Head Office and are then forwarded to

the Estates and Mills for provision of site-specific information. A number of requests, mainly from local schools or places of worship, seeking financial assistance are received at the Estates and Mills and these are handled locally. Records held on file showed that replies were sent with the requested information in a timely manner.

Criterion 1.1: Oil palm growers and Millers provide adequate information to other stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages & forms to allow for effective participation in decision making.

Sime Darby website has a webpage for the public to request information. Head Office maintains records of requests for information received via the website. The Estate and Mill hold records of requests for information and responses. For example, the Mill received a request from MPOB 10 February 2011 on a Benchmarking Survey, to which the Mill replied on 17 February 2011. Review of records showed the Estate and Mill reply constructively and promptly to requests. Dusun Durian Estate maintains a file with copies of correspondence from external stakeholders and the decision/action taken in relation to requests for assistance. For example, on 23 February 2011 a neighboring plantation requested the use of the Estate's road roller for repair of the road, which was agreed by the Manager.

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.

Sime Darby SOU8 Estates and the Mill hold copies of each of the management documents that are required to be publicly available and specific details are provided in the relevant Criteria, such as 4.7 and 5.1 of this Report. The Estates and Mill are located on Freehold land. A copy of the Land Title was held at the Estates.

PRINCIPLE 2: Compliance with Applicable Laws and Regulations

SOU8 has maintained the systems for documentation, checking and assessment of legal compliance with applicable laws and regulations. Inspection of records confirmed that the Mill and the Estates visited have maintained legal compliance with statutory requirements, such as the Factories & Machinery Act 1967, the OSH Act 1994, the Environmental Quality (Clean Air Regulation) 1978 and the Employment Act 1955. The boundaries of the Estates are well defined by trenches and boundary stones are clearly marked. Interview of local community representatives did not identify any land tenure issues.

Criterion 2.1 – There is compliance with all applicable local, national and ratified international laws and regulations.

The Mill has maintained certification to ISO 14001:2004, which was originally issued 16 June 2000 and is current

to 15 June 2012 (Certificate No MY-ER 0192). The Mill also holds ISO 9001:2008 certification that was issued 25 May 2010 and current to 22 July 2013 (Certificate No AR0213). The Mill is in compliance with DOSH inspection and there were no outstanding issues following the inspection 21 January 2011; the MPOB inspection 01 March 2011 and the DOE visit 14 July 2010. Mill boiler emissions were tested on 16 February 2011 and 14 July 2010 and found in compliance with Regulations 14 and 25 of the Malaysian Environmental Quality (Clean Air) Regulations, 1978. The Mill has maintained continuous monitoring of smoke density and records confirmed operation within the licence limit.

Housing is of good standard and exceeds the legal minimum requirement. The water for domestic use at housing is supplied from the government reticulation system. Houses also are supplied with electricity from the Government Supply. Inspection confirmed the Mill and Estate machinery inspection certificates (Factories and Machinery Act, 1967) were current and copies were held of trade certificates and operators licences, for example, First Class Boilerman Certificate No SL/27/89 issued at Kuala Lumpur on 21 April 1989. Treated Mill effluent is disposed by land application and the treated effluent quality complied with the DOE licence requirements during the previous 12 months, for example, BOD (Figure 4).

Inspection of Mill pay records showed that overtime hours for all workers were in compliance with the maximum permitted by the Labour Law, except for 2 workers during December 2010. **Observation 01 – Refer Section 3.2 Page 16 – Inspection of records showed a small number of Mill workers exceeded the maximum approved monthly Overtime limit, which indicates that internal compliance checks need improvement.**

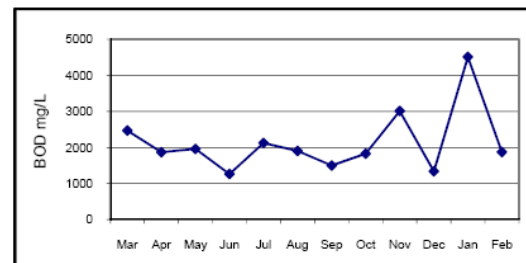


Figure 4: BOD of Treated Mill Effluent 2010 – 2011

The Sepang Estate legal register was updated 10 July 2010. The Mill maintains a Register of legal requirements for environment, safety and health, fire services, factory and machinery, housing and amenities, and labour, which was reviewed and updated 01 July 2010.

Estate Legal Compliance is evaluated by internal self-assessment by the Plantation Advisor, with the most recent visit August 2010. The Sime Darby Standards and Compliance Department has recently implemented Legal Compliance Audits and an audit of the Estate is scheduled during each year. Mill Legal compliance is assessed by internal audit and external certification audits for ISO 14001 (most recent audit May 2010).

Criterion 2.2 – The right to use the land can be demonstrated and is not legitimately contested by local communities with demonstrable rights.

The East and Dusun Durian Estates are on Freehold land and copies of the Land Titles are held at the Estates. The original Freehold Titles were granted in 1913 and have been held by the company since that time.

The Estates boundaries have been surveyed and new boundary stones installed to replace missing ones. A sample of boundary stones was inspected during the audit and confirmed these were marked with red and white paint and were being maintained. **CR03 – Refer Section 3.2 Page 16** – No progress was made on the Observation made during the Initial Certification Assessment of Sepang Estate (SOU9a) in relation to engaging a surveyor to locate missing boundary stones. At the ASA01, the Observation was upgraded to a Nonconformity.

The Kampung Sungai Rambai smallholders who had planted oil palm on the company's land stated that they were still waiting for settlement of the issue. They confirmed that relations with Management remain amicable and they will continue to maintain and harvest the palms on the over-planted land – Refer to Criterion 6.3 Page 13 for details.

Criterion 2.3 – Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users without their free, prior and informed consent.

There are Government roads through the Estates and access through the Divisions is unrestricted, except in relation to trucks, in order to minimise the risk of FFB theft.

PRINCIPLE 3: Commitment to Long Term Economic and Financial Viability

SOU8 has implemented a management system for monitoring and reporting of performance against production targets for achieving long-term economic and financial viability. Reports were available showing the details of production and costs. SOU8 has continued its commitment to sustainability by funding improvements at the Mill and Estates. The achievement of improved OER and FFB Yield over the past 5 years is a strong indicator of more sustainable palm oil production.

Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.

The Estates and the Mill have an annual budget (2010/11) with a four year projection. The budgets include performance objectives and targets related to production, efficiency and quality. The East Mill OER target for 2010/11 is 21.6%. The Estate and Mill production are reported monthly against the performance objectives and targets. Dusun Durian and Sepang Estate average palm yields have increased since 2006 (Figure 5). The Estates have a yield target of 26.9 t/t FFB for 2010/11 but this may not be achieved due to

the low rainfall conditions in 2009/10 year, which is expected to depress yields in the current year.

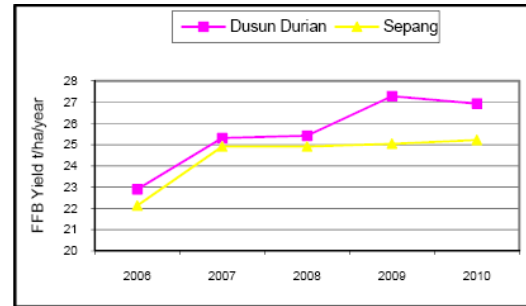


Figure 5: Average Annual FFB Yield 2006 – 2010

The Estates have a Replanting Programme that is projected to 2019 and was revised in May 2010 during the annual budget preparation process. Dusun Durian is replanting 125 ha in 2010/11 year, while Sepang is scheduled to replant 160 ha in 2011/12.

PRINCIPLE 4: Use of Appropriate Best Practices by Growers and Millers

SOU8 has well established management systems for monitoring and control of best practice implementation at its Mill and Estates. This includes a programme of regular internal audits by Mill Advisors and Plantation Inspectors and Agronomists for maintaining and improving production. The OER has been increasing over the past 5 years from 20.09% in 2006 to 21.81 in 2009 (Figure 6) due to closer attention paid to FFB quality and reduction of oil losses in the Mill. Fertiliser is the main cost input for the Estates and palm and soil nutrients are closely monitored in order to optimise production.

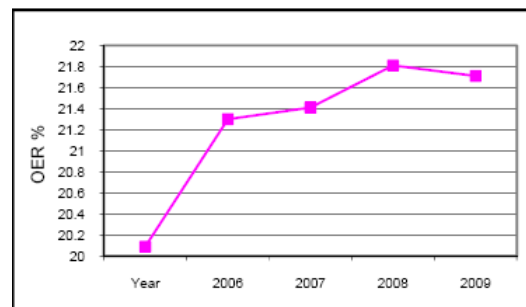


Figure 6: Average Annual OER 2006-2010

The Estates have continued to implement soil conservation practices and groundcover vegetation has been consistently managed. Although the Estates are near the sea, acid sulphate soils are not present. Watergates are used to maintain the watertable and to prevent ingress of salt water.

Integrated Pest Management and regular monitoring of field conditions are important techniques for managing palm pests. Safe work practices are a management priority and greater emphasis on training has reduced the frequency of lost time accidents.

Criterion 4.1: Operating procedures are appropriately documented and consistently implemented and monitored.

Senior Assistants and the Estate Manager monitor SOP implementation on a daily basis, while the Plantation Advisor carries out 6 monthly checks. Inspection of field conditions and observation of tasks during the audit indicated consistent implementation of field practices.

The implementation of the Mill SOPs is subject to the Quality Management System controls. The Mill carries out daily checks of operating conditions for all work stations, which are recorded on Shift Log Sheets. The Shift Supervisor and Assistant Engineer review the Shift Log Sheets for any maintenance or repairs that may be required. The Mill Advisor inspects and checks implementation of SOPs quarterly, and the most recent visit was 10 January 2011. Inspection of the Mill confirmed that operational log sheets were filled in consistently and accurately.

Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.

Sime Darby Agronomy Section of R&D Department makes annual recommendations for fertiliser applications. The Estate Executive Manager checks that fertiliser application matches the recommendation.

Sime Darby Agronomy Section of R&D Department carries out annual inspection of the palms and leaf sampling to monitor nutrient status. The Estate holds a summary of the results on file. The R&D Department maintains detailed records of palm nutrition monitoring. The nutrient status of soils is monitored in relation to assessment of yield in conjunction with the palm nutrient status determined by annual visual inspection of palms and foliar sampling and analysis. The most recent visits to Dusun Durian and Sepang Estates were in September 2010 and recommendations were made for the fertiliser program. Soil sampling was carried out at all divisions of Dusun Durian Estate in August 2009, Soil Report No S51/2009.

R&D Department monitors the nutrition of palms at areas where EFB and POME are applied. The R&D results from the foliar sampling are used to advise on the annual fertiliser requirement at these areas.

Criterion 4.3: Practices minimise and control erosion and degradation of soils.

All of the Dusun Durian Estate land is flat, while at Sepang Estate it is gently undulating. Harvesting paths are maintained using a tractor-driven rotary slasher. *Mucuna bracteata* is planted along sides of drains to minimise erosion. Inspection of field conditions showed adequate groundcover vegetation was maintained for minimising soil erosion.

At replanting, the fallow period is minimised to prevent erosion. LCC is established immediately following palm replanting. Field inspection and observation of spray application to palm circles confirmed appropriate

techniques are applied to maintain ground cover vegetation and minimise bare soils.

The Estate has an annual budget and programme for road maintenance. This includes grading and rolling, manual repair of potholes and selective resurfacing. Repairs also are carried out to culverts and bridges. Inspection indicated roads were adequately maintained to provide access for crop evacuation.

Dusun Durian has Watergates at three divisions for controlling water levels. The Estate maintains records of daily water level monitoring.

Criterion 4.4: Practices maintain the quality and availability of surface and groundwater

The system of Watergates is operated to maintain a stable level of the watertable. Inspection of records and interview of staff showed the water management system has been operated consistently.

There is a small stream flowing through Telok Datoh Division of Dusun Durian Estate that will be reinstated during replanting in 2012.

The Mill carries out monthly sampling at the three monsoon drain outlets, as well as at three Watergates before discharge off-site and the receiving river water. The quality of the water discharged at the Mill drain outlets and the Watergates showed consistently low concentrations of BOD and TSS, indicating good segregation and management of Mill rainfall runoff water quality.

Dusun Durian Estate water sampling shows relatively low concentrations of TSS of outflow. Water quality at two Divisions Tanjung 12 and Teluk Datoh are affected by water quality from nearby privately owned palm oil mills, with high BOD and low pH of the inflows to the Estate.

The Mill water supply is obtained from the Government Reticulation System and consumption is monitored closely and reported to head office monthly. The average annual usage was 1.14 t/t FFB in 2008 and 2009, but reduced to 1.09 t/t FFB in 2010 (Figure 7) due to recycling of boiler blow-down water and water softener “backwash” water for use in Mill cleaning.



Figure 7: Annual Mill Water Usage 2006-2010

Inspection of the Mill drainage and review of water quality monitoring results showed high BOD effluents

were well segregated from monsoon drains and rainfall runoff contained only relatively low concentrations of TSS.

The Dusun Durian Estate water management plan appeared adequately resourced with dedicated staff for conducting twice daily inspections, monitoring and making adjustments to the Watergates as necessary. Inspection indicated consistent implementation of water management to maintain the target water level and water quality.

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

The IPM program includes monitoring of pest numbers and the use of triggers for initiation of control measures.

The Estates monitor twice yearly barn owl occupancy of the nesting boxes located in each field. At Dusun Durian the occupancy was 19%, which is low and explained by the low incidence of rat damage, which in turn indicated low rat population. The Estates have a program for establishment of beneficial plants, with extensive planting of *Turnera subulata*, *Cassia cobanensis* and *Antigonon leptopus* along roadsides, especially at newly replanted areas. The R&D Department monitors the effectiveness of the IPM techniques for controlling the targeted pest.

The Estates maintain records of the locations within the Estates and quantities of pesticides that have been applied. Pesticide usage (units per hectare) has been calculated and information is available since July 2007.

Criterion 4.6: Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where agrochemicals are used that are categorised as World Health Organisation Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives and this is documented.

The quantity of chemical and the treatment required are documented in Section 16.5 of the Agricultural Reference Manual. The Work Instruction for spraying is displayed at the Main and Divisional pesticide stores.

Sime Darby Head Office Central Purchasing Unit controls the purchase of chemicals. Inspection of the Chemical Stores and review of stock records confirmed only Pesticide Board approved chemicals were used.

The Main Pesticide Store and Division Pesticide Stores are well designed and meet the regulatory requirements in relation to security, ventilation, spill containment, separation and labeling of chemicals. Facilities are provided at the pesticide mixing area for sprayers to shower and to wash their PPE and work clothes upon return from the field. **Observation 02 – refer Section 3.2 Page 16 – At Sepang Estate there was inadequate**

control of used pesticide containers with several observed at the Workshop and outside the pesticide mixing area.

All chemicals were labelled in Bahasa Malaysia. In addition, signs with simple symbols and pictorials illustrating precautions for safe handling of chemicals were displayed prominently. Interview of spray supervisors and workers and observation of tasks indicated good understanding of the hazards and safe work practices for the chemicals being used.

Observation 03 – refer Section 3.2 Page 16 – At Sepang Estate the some of the MSDS were available only in English which may not be understood by the workers.

The Hospital Assistant and a private doctor carry out monthly checks of all sprayers. A medical check in accordance with CHRA requirements was carried out by a DOSH registered doctor at Klinik Hartati Healthcare and Screening – Telok Panglima Garang, Selangor for 35 pesticide operators between 25 March and 4 April 2011. During interview of female pesticide sprayers it was stated that if confirmed pregnant and they wish to continue working, it was company policy that they would be transferred to other duties.

Use of Paraquat at the Estates ceased in 2004. Inspection of the pesticide stores and stock records confirmed nil stock of Paraquat. Usage of other Class 1 chemicals, such as Methamidophos, is applied strictly on the basis of pest census information. For example, the Pesticides Board granted approval on 10 January 2011, Ref No: SG/METHA(GL)/11/002, for Dusun Durian Estate to purchase and use Methamidophos for treatment of bagworm.

Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented.

- (a) The Mill and the Estates have revised their OSH Plans that include a schedule of work place inspections, meetings, training and LTA targets.
- (b) The Mill and the Estates carried out reviews of the Hazard Identification, Risk Assessment and Risk Control for all tasks under the Group ESHMS Programme 2010/11. A noise survey of the Mill was carried out 25 August 2009 by Earwright Services & Consultants, who recommended enforcement of wearing hearing protection at the kernel plant, sterilization station, power station, boiler station and threshing section.
- (c) The Estate has a Training Programme that covers harvesting, spraying, tractor drivers, motorcycle riders, trunk injection and training for Contractors. The Mill has documented a Safety Training Programme with details of the topics and scheduled for 2010-11.
 - i. Training includes informal “on-the-job” instruction, briefings at muster and specialised training courses by external trainers. The Mill and Estates have maintained records of all training, including on-the-job instruction, for individual workers with description of the training and signature of trainer

and attendees. An example was training on 9 March 2011 at all Dusun Durian Estate Divisions for circle spraying for 15 sprayers. Interview of workers at the Estate and Mill, observation of tasks and site inspections confirmed a good level of safety awareness.

ii. Observation of spray preparation and spraying indicated appropriate product safety requirements were understood and implemented.

(d)

i. SOU8 provides appropriate PPE to all workers, including safety boots, hard hats and for specific tasks, gloves, aprons, masks, safety spectacles and high visibility vests. Records are held for issues to individual staff and workers, including signatures of recipient for each item of PPE issued.

(e) The Senior Assistant Manager is the designated Estate coordinator of OSH. The Mill Assistant Engineer is the designated coordinator of OSH.

(f) Estate OSH Meetings are held quarterly with the most recent 28 February 2011, attended by 24 staff and worker representatives. Attendees included staff and mandores who represent the workers and a Contractor. Meeting records are held on file. The Mill has held quarterly safety meetings with most recent on 29 January 2011. The safety meeting minutes included a high level of detail on hazards identified, corrective action and progress. Inspection also included workers' wearing of PPE.

(g) The Estates and Mill have revised the Emergency Response Plans (March 2011 Dusun Durian Estate) and the Mill (14 December 2010). The Mill has posted emergency information at work stations throughout the Mill. Test drills were carried out in 2010 for fire fighting, including evaluation of shortcomings and corrective actions for improvement.

h) The Dusun Durian HA carried out First Aid training on 26 March for 16 Estate Supervisors and Workers. 23 Staff and workers at the Mill were trained in first-aid in January 2011.

i) First Aid Kits are held at the Estate workshop and at each Division Office. First Aid Kits are held at four locations in the Mill – inspection of a sample confirmed kits were stocked and records showed that kits were appropriately stocked.

The Mill and Estates maintain records of all accidents, including the associated investigation. The Mill has increased safety awareness by conducting daily briefings, together with regular workplace inspections and discussion of issues at the quarterly OSH Meetings. The LTA Index (Figure 8) has decreased from 46.3 in 2008 to 8.77 in 2010.

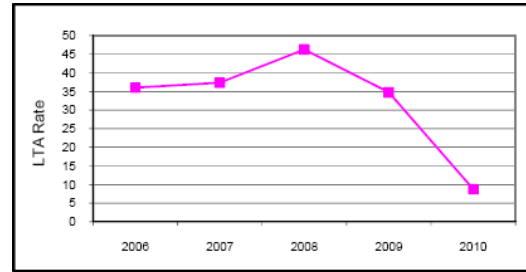


Figure 8: LTA Index for Mill and Estates 2006 – 2010

Malaysian staff and workers are covered by Social Security Organisation (SOCSO) Insurance. Foreign workers are covered with RHB Insurance Berhad under Master Policy Number D08WFWC8606982KL/002 current 01/07/2010 to 30/06/2011.

Criterion 4.8: All staff, workers, smallholders and contractors are appropriately trained.

The Estates and Mill have developed a Training Programme for the period July 2010- June 2011 that includes training in SOPs and safety (OSH). Training of workers in SOPs is ongoing in order to maintain and improve skill levels. Records are held for all types of training and include details of trainer, topic and attendees. The Estates and Mill maintain up to date records of driving licences and trade certificates, such as steam certificate for the fireman.

PRINCIPLE 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity

The Mill and Estates reviewed the Environmental Improvement Plans that continued to focus on reducing the impact of point source pollutants. The Estates Improvement Plans included expansion of biological controls, such as barn owls and beneficial plants in the IPM Programme. Inspection confirmed these programmes for the Improvement Plan were being implemented.

The progress with implementation of waste segregation at housing has been slow, but the company is persisting with the awareness programme, in order to reduce the quantity that requires disposal by landfill. There is improved control of scheduled waste with workshop and pesticide wastes consistently disposed to a licensed recycler. The Mill has optimised the generation of electricity from renewable energy sources and biodiesel now provides 10% of the overall quantity used by the transport fleet. The company's zero burn policy has been consistently applied at replanting areas.

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 continuous improvement.

The Mill and Estates have revised the Environmental Aspects and Impacts Registers (Mill 30 December 2010) and Dusun Durian Estate (01 December 2010).

Dusun Durian's Improvement Plan (December 2010) has focused on issues such as reduction of chemical usage by spraying circles only and construction of a spill containment pad for fuel transfer to the storage tank. The Mill has an Environmental Management Programme with objectives and targets for improvement. The main focus of the Mill Improvement Programme is water conservation to maximise recycling and reduce consumption of fresh water below the target of 1:1 t/t FFB. Improvements are the recycling of steriliser condensate as dilution water, implemented January 2011. Collection of rainwater from the clarification station is planned to be implemented by installing guttering. Another improvement is to reduce electricity usage and to minimise the use of diesel for generating electricity.

Criterion 5.2: The status of rare, threatened or endangered species and 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 their conservation taken into account in management plans and operations.

All land within the Estate boundaries was cleared during the early years of development for rubber. Dusun Durian Estate has only HCV6 that was assigned to places of worship and HCV4 along a small stream at Telok Datok Division. The situation is similar at Sepang Estate, with HCV4 assigned to the water supply pond.

The HCV Management Plan includes the places of worship that are maintained by workers. A small stream at Telok Datok Division will be reinstated during replanting in 2011/12. The fringing mangroves at Carey Island are important for protecting the inter-tidal area from erosion, for nutrient cycling and for providing important habitat for aquatic fauna. Sime Darby has continued support for the Mangrove Research Centre at West Estate. Sime Darby R&D Department is collaborating with the University of Malaya on research associated with mangrove stabilisation of foreshores to enhance the mangrove habitat and prevent erosion.

Signboards prohibiting the disturbance of vegetation, hunting, fishing and lighting of fires are located near entrances to the Estates. Dusun Durian Estate has carried out awareness of staff and workers at morning muster on the protection of flora and fauna. **Observation 04 – refer Section 3.2 Page 16 – Several cages of birds (spotted dove) were observed at the shop near the Sepang Estate Office indicating inadequate commitment to discourage the taking of fauna from the Estate.**

Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.

The Estates have revised the Waste Management Plan that identifies the types of wastes generated, the location and the action to be taken for their

management (March 2010). The Mill has identified waste products and sources of pollution in the Environmental Aspects and Impacts Register – updated 30 December 2010. **CR02 – Refer Section 3.2 Pages 15/16 – The leakage of fuel from the bowser at Sepang Estate has caused significant contamination of soil. Although the issue has been reported twice to Petronas, with the most recent on 22 March 2011, the bowser continued to be used causing further pollution and loss of fuel. This has not been identified as a high priority issue and the Estate has not identified an action plan other than to wait for Petronas to repair the leak.**

Inspection of facilities and housing at the Mill and Dusun Durian Estate confirmed solid wastes are well controlled. Inspection of the Mill confirmed the oil and sediment traps on the monsoon drains were being maintained. **Observation 05 – Refer Section 3.2 Page 16 – At the time of the Sepang Estate inspection, domestic refuse was inadequately controlled with litter scattered around the housing and at the landfill. When this was brought to the Estates attention, action was taken immediately to clean up the litter.**

Inspection of facilities and records confirmed that scheduled wastes are stored and disposed in accordance with DOE regulatory requirements. For example, Dusun Durian Estate consignment collected by G-Planter on 04 April 2011 Reference No 680924-11-5097. Sepang Estate has engaged Aldwich Berhad, DOE license No WO 17888, for disposal of scheduled waste. The small quantity of spent lubricating oil generated at Dusun Durian Estate workshop is transferred to East Oil Mill for disposal to a licensed recycler. The Mill disposes scheduled waste to Kualiti Alam Sdn Bhd, DOE Licence Nos 000211- 000218. **Observation 06 – Refer Section 3.2 Page 16 – The Mill and Dusun Durian Clinic waste is taken to a local hospital for disposal but there were inconsistent records that waste has been received by the Hospital.**

Field inspection confirmed EFB and treated Mill effluent are recycled to the field. Treated Mill effluent is recycled by discharge into a system of furrows, which appeared well maintained. The Mill maintains weighbridge records of the quantities of crop residues recycled to the field.

Criterion 5.4: Efficiency of energy use and use of renewable energy is maximised.

Renewable and Non-renewable energy use are monitored and reported monthly to top management. This information has been used to optimise the operation of the Mill boiler for electricity generation. A constraint to extending the operating hours of the boiler for electricity generation has been the cost of feedwater that is obtained from the government supply. This has had to be balanced against the cost of operating the diesel genset for standby power.

The average annual renewable energy use (Figure 9) has decreased slightly from 18.1 kWh/t CPO in 2008 to 16.9 in 2010, while usage of Non-renewable energy increased

from 2.2 kWh/t CPO to 4.1 in the same period, for the reasons outlined above.

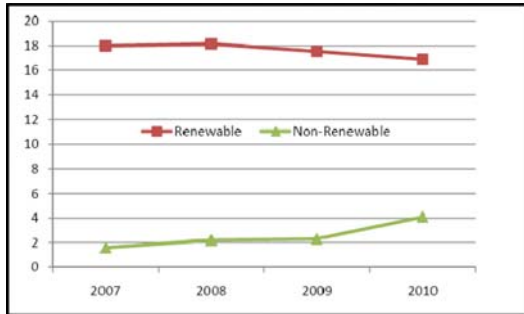


Figure 9: Renewable and Non-renewable Energy Usage (kWh/t CPO) 2007 – 2010

Criterion 5.5: Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situation, as identified in the ASEAN guidelines or other regional best practice.

Field inspection confirmed no evidence of open burning being used for waste disposal during replanting at Dusun Durian Estate. Inspection of replanting areas confirmed felled palms are chipped and placed in trenches in the field for decomposition as mulch.

Inspection of the Mill and Dusun Durian Estate housing, workshops and stores indicated fire has not been used for disposal of packaging wastes or other materials. **Observation 07 – Refer Section 3.2 Page 16 – Inspection of housing at Sepang Estate found evidence of fire recently being used for waste disposal indicating residents’ lack of awareness of the “Zero Burning Policy”.**

Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.

The Pollution Prevention Plan for Dusun Durian Estate (revised 01 December 2010) for mitigation of the significant impacts identified in the EIA process, has identified reduction in chemical use and prevention of spillage. A recent improvement is the preparation of spraymix in a single tank for the field requirement. This has eliminated the small errors associated with separate measurement for each 20 litre container.

PRINCIPLE 6: Responsible Consideration of Employees and of Individuals and Communities by Growers and Millers

SOU8 has reviewed and updated the SIA and Social Action Plans for the Estates and the Mill. Important improvements are building on the more open communication and relationship with local communities. Local communities have good infrastructure and the government and commercial services are readily accessible and the company’s contribution is support for community requests.

The Joint Consultative Committee (JCC) continued to operate with quarterly meetings at the Mill and each

Estate. Interviews of workers and their families indicated they are treated fairly and there were no issues related to discrimination.

Female staff and workers appreciated the operation of the Gender Committee which provided them the opportunity to raise any issues of common concern related to gender and families.

The company continued to maintain a good relationship with Contractors, some of whom had worked with SOU8 for more than 10 years. They stated that dealings with the company were fair and transparent.

Criterion 6.1: Aspects of plantation and Mill management, including replanting, that have social impacts 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 continuous improvement.

The SIA was revised at each location, for example, at Dusun Durian Estate in January 2011 and Sepang Estate on 15 September 2010. The SIA update took into account the interviews of stakeholders and contractors and the issues raised. **Observation 08 – refer section 3.2 Page 16 – The Sepang Estate SIA had been updated but there appeared limited input from the participation of external stakeholders.**

Interview of local community representatives at Kampung Sungai Rambai, staff and workers confirmed that they were interviewed and contributed information in the SIA review process.

The Mill and Estates have updated the SIA Action Plans, which focus on social events and donations to local schools and places of worship. **Observation 09 – refer section 3.2 Page 16 – An SIA Action Plan has been prepared for the Mill but the Plan does not clearly state the action to be carried out, target completion date and responsibility. (6.1.3)**

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.

The Mill and Estates continued to follow the corporate communication procedures. Dusun Durian Estate has developed a Stakeholder Map showing the locations and details of its main stakeholders, which was updated March 2011.

The Estates and the Mill have updated the list of stakeholders. Files are maintained of communications from stakeholders including action taken by the Company. For example Sepang Estate received a request from the Universiti Putra Malaysia on 17/11/2010 for students to carry out practical work experience at the Palm Nursery with permission granted 27/11/2010. SOU8 gives priority to local contractors for tender/work opportunities. **Observation 10 – refer section 3.2 Page 16 – The Mill Stakeholder List had not been updated with contact details for the individuals.**

Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.

The Mill and Estates continued to use the dispute resolution procedure that is documented in the Sime Darby Sustainable Plantation Management System Appendix 5 and is shown as a flow chart.

Follow-up of the issue at Kampung Sungai Rambai where local people had overplanted on Sime Darby land found that the status quo was maintained. Available information indicates the process has been appropriate for progressing towards resolution of the issue.

The Procedure for handling social issues is open to all affected parties. Interview of staff confirmed their knowledge of the Procedure for addressing grievances.

Criterion 6.4: Any negotiations concerning compensation for loss of legal or customary 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.

Sime Darby has implemented a procedure for handling land disputes, including boundary and squatter issues. TQEM has recently socialised this to SOU8 and SOU9.

The land dispute procedure refers the compensation assessment to the corporate land management department of Sime Darby who assess and advise on compensation. The procedure has been implemented and is currently being followed in the land issue at East Estate. The Estate is maintaining detailed records of the current land issue and the process. When settled, information will be made available on request.

Criterion 6.5: Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.

Pay and conditions are documented in the NUPW/AMESU and MAPA Agreement. Interview of Mill and Estate male and female staff and workers confirmed they understand terms and conditions of employment and receive correct leave entitlements. Workers wages are supplemented by the company with two monthly “handouts” of rice and cooking oil.

SOU8 provides a good standard of housing for workers and their families. Interview of a sample of staff, workers and residents indicated their houses were comfortable and that requested repairs were carried out in a timely manner.

The water for domestic use is obtained from the government reticulated supply. The water is supplied to housing for an allocated number of hours each day and residents stated this was adequate. Primary and Secondary Schools are readily accessible with the company providing transport and subsidising transport costs. There is no Kindergarten located on-site and this was raised as an issue during the interview process. The

company stated that a census of children will be taken and the need for a Kindergarten will be assessed and discussed with Management. A Crèche is available free to all Staff and Worker children with milk and biscuits provided free. Good medical facilities are provided on site and a Visiting Medical Officer attends the clinics fortnightly.

Criterion 6.6: The employer respects the right 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.

Interview of workers confirmed that meetings are held with worker representatives of the NUPW when requested. Records are held on file of communications with the Unions and Worker Representatives. There has been no recent formal meeting between the Company and the Union. **Observation 11 – refer Section 3.2 Page 16 – Although Sepang Estate had recently held a meeting with worker union representatives (as confirmed by an NUPW Official), the record of the meeting was incomplete.** The policy on freedom of association is included in the Social Policy, which is displayed at Offices and at Muster areas.

Criterion 6.7: Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education programmes. Children are not exposed to hazardous working conditions.

The Mill and Estates minimum hire age is 18. During the audit inspections, no children were observed at or near any of the Estate or Mill workplaces.

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.

The anti-discrimination policy is included in the Social Policy, which is displayed in Bahasa Malaysia and English at Offices and at Muster areas. Interviews of workers and examination of pay records confirmed that there is no discrimination between workers on the basis of ethnicity, religion or gender.

Criterion 6.9: A Policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.

The policy to prevent sexual harassment is stated in the Social Policy. A Gender Policy has been implemented and a Committee formed. Interview of female staff and workers confirmed their knowledge of the Committee and inspection of records indicated meetings are held regularly. A gender grievance mechanism has been established and interview of female staff and workers confirmed awareness. Interviewees also stated that the

necessity to follow the grievance procedure had never arisen.

Criterion 6.10: Growers and Mills deal fairly and transparently with smallholders and other local businesses.

Sime Darby Marketing Department advises the Mill of FFB pricing and information is available on the method of calculation. The FFB pricing is based on the MPOB pricing that is linked to movements in the CPO price and is considered to be fair and comparable to market prices. Current FFB prices are displayed at the Mill Weighbridge. Interview of an FFB supplier confirmed knowledge of up-to-date FFB prices. In 2011–12, SOU8 does not plan to purchase FFB from outside suppliers.

The agreed rates for a contractor are documented in the Memorandum of Agreement and explained to the contractor. For contracts above a predetermined value, additional clauses are included that are explained before signing. Interview of Contractors at the Estate confirmed understanding of Contract Terms and Conditions and that the company was fair in its dealings. The contractors and FFB supplier stated at interview that payments are made in a timely manner.

Criterion 6.11: Growers and Millers contribute to local sustainable development wherever appropriate.

The local communities have reasonably well developed infrastructure and access to government services, for example, sealed road access, government electricity and water supplies to housing and schools. The Estate and Mill make donations to local communities for their places of worship and local schools when requested.

Principle 7: Responsible Development of New Plantings

SOU8 has not carried out any new oil palm developments and there are no plans for expansion of plantings. Principle 7 is therefore not applicable to this Assessment.

PRINCIPLE 8: Commitment to Continuous Improvement in Key Areas of Activity

Following the implementation of improvements to achieve Initial Certification, SOU8 has made progress with improvements that contribute to overall sustainability of the operations. Importantly, gains have been made in the average FFB yield per hectare as well as the OER resulting in important improvement as an efficient palm oil producer.

Environmental and social issues also continue to be addressed appropriately. The expansion of beneficial plants and application of pest census are important factors in the IPM programme. The company has continued to build on the more open relationship with internal and external stakeholders.

Criterion 8.1: Growers and Millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.

The use of Class I chemicals is restricted to situations assessed as necessary on the basis of pest census data. Paraquat has not been used at the Estates since 2005.

The Mill Environmental Management Programme has continued to focus on water conservation to maximise recycling and reduce consumption. The main focus of the Estate improvement plan is to reduce the quantity of pesticides by limiting the use of herbicide to spraying of palm circles only. In addition, plantings of “beneficials” have been expanded for the IPM programme.

Mill by-products (EFB and treated Mill effluent) are recycled to the field. Solid wastes at the Mill and Estate, such as scrap metal, are separated at source and are recycled. The Mill and Estates are continuing with awareness training for the separation of household wastes at source to reduce the quantity requiring landfill disposal.

The Estates pollution prevention plans continue to target the establishment and maintenance of groundcover vegetation for control of soil erosion. The Mill plan is focusing on water conservation which will reduce the quantity of wastewater requiring discharge.

The Social Action Plan includes consultation and communication improvements to build on the relationship with stakeholders.

Sime Darby Management Review process shares information on best practices for performance improvement. TQEM has requested SOUs to record information on expenditure related to social and environmental aspects.

3.2 Identified Nonconformities and Noteworthy Positive and Negative Observations

Nonconformities were assigned to Major Compliance Indicator 5.3.1 and Minor Compliance Indicator 2.2.3. Eleven (11) Observations/Opportunities for improvement were identified.

SOU8 has prepared a Corrective Action Plan for addressing the identified Nonconformities. BSi has reviewed and accepted the SOU8 Corrective Action Plan.

CR02: 5.3.1 Documented identification of all waste products and sources of pollution

A Nonconformity was assigned to this Major Compliance Indicator because leakage of fuel from the bowser at Sepang Estate has caused major contamination of soil. Although the issue has been reported twice to Petronas, with the most recent on 22 March 2011, the bowser continues to be used causing further pollution and loss of fuel. This has not been identified as a high priority issue and the Estate has not identified an action plan other than to wait for Petronas to repair the leak.

SOU8 has prepared a Corrective Action Plan for addressing the identified nonconformity as follows:

- Petronas has agreed to replace the damaged tank with a new skid tank within one month. The estate has identified the new location for the new skid tank.

- Transfer the remaining fuel from the tank and immediately cease use.

SOU8 carried out the following corrective action:

- The remaining fuel was removed from the old tank;
- The contaminated soil was excavated and placed in containers for disposal as scheduled waste;
- SOU8 provided photographic evidence of the work carried out.

The BSi Assessors considered that the corrective action was satisfactory and appropriate.

The Nonconformity was closed 10/05/2011

CR03: 2.2.3 Evidence that boundary stones along the perimeter adjacent to state land and other reserves are being located and visibly maintained

A Nonconformity was assigned to this Minor Compliance Indicator because no progress had been made on the Observation made during the Initial Certification Assessment of Sepang Estate (SOU9a) in relation to engaging a surveyor to locate missing boundary stones. At the ASA01, the Observation was upgraded to a nonconformity.

SOU8 has prepared a Corrective Action Plan for addressing the identified nonconformity that involves:

Management will engage a certified surveyor to carry out a land survey and to locate all boundary stones adjacent to the state land with completion by the end of June 2011.

Progress toward resolution of the issue will be followed up at the next Annual Surveillance Assessment.

Observations/Opportunities for Improvement

Eleven (11) Observations/Opportunities for Improvement were identified. The progress with the Observations/Opportunities for Improvement will be checked at the Surveillance Assessment 02 visit scheduled within twelve months of RSPO approval of the Initial Certification Assessment.

- 01 (2.1.3)** Inspection of records showed a small number of Mill workers exceeded the maximum approved monthly Overtime limit, which indicates that internal compliance checks need improvement.
- 02 (4.6.3)** At Sepang Estate there was inadequate control of used pesticide containers with several observed at the Workshop and outside the pesticide mixing area.
- 03 (4.6.4)** At Sepang Estate the some of the MSDS were available only in English which may not be understood by the workers.
- 04 (5.2.3)** Several cages of birds (spotted dove) were observed at the shop near the Office indicating

inadequate commitment to discourage the taking of fauna from the Estate.

- 05 (5.3.2)** At the time of the Sepang Estate inspection, domestic refuse was inadequately controlled with litter scattered around the housing and at the landfill.
- 06 (5.3.2)** The Mill and Dusun Durian Clinic waste is taken to a local hospital for disposal but there were inconsistent records that waste has been received by the Hospital.
- 07 (5.5.3)** Inspection of housing at Sepang Estate found evidence of fire recently being used for waste disposal indicating residents' lack of awareness of the "Zero Burning Policy".
- 08 (6.1.1)** The Sepang Estate SIA had been updated but there appeared limited input from the participation of external stakeholders.
- 09 (6.1.3)** An SIA Action Plan has been prepared for the Mill but the Plan does not clearly state the action to be carried out, target completion date and responsibility.
- 10 (6.2.3)** The Mill Stakeholder List had not been updated with contact details for the individuals.
- 11 (6.6.1)** Although Sepang Estate had recently held a meeting with worker union representatives (as confirmed by an NUPW Official), the record of the meeting was incomplete.

Noteworthy Positive Components

- Mill OER percentage is increasing over the past five years from 20.09% to 21.7%.
- The Estate FFB yield has increased over the past five years from 22.9 to 27 t/ha/year.
- The LTA rate at both the Mill and Estates have decreased since 2008.
- Improving stakeholder relations both internal and external.

3.3 Status of Nonconformities (Major and Minor) Previously Identified (during Initial Certification Assessment)

Corrective Actions implemented for the Nonconformity identified during the Initial Certification Assessment against Major Compliance Indicator 2.1.1 remain in place and the nonconformity remains closed.

Review of Progress with Observations/ Opportunities for Improvement Previously Identified (during Initial Certification Assessment)

01 (2.1.1) The Nonconformity issued against Indicator 2.1.1 was closed out during the audit. An Observation was assigned for follow-up and checking of compliance during the surveillance audit.

ASA1 Findings: *Inspection of records showed a small number of Mill workers exceeded the approved monthly overtime limit, which indicates that internal compliance checks need improvement.*

02 (4.4.7) Guttering on some houses is rusted away therefore harvest of rainwater is not possible. It was also stated during interview of residents that some of the tanks leak and could not retain the water harvested. This indicates inadequate attention to this aspect of water conservation.

ASA1 Findings: *SOU8 water conservation had focussed on reducing Mill water usage and the programme for housing has yet to be implemented.*

03 (4.6.4) Work Instructions at chemical use areas and labelling of chemicals are in Bahasa Malaysia but a number of MSDSs are in English, which would not be understood by workers.

ASA1 Findings: *The MSDS at the Mill and Dusun Durian Estate are in Bahasa Malaysia, but there are still a small number of MSDS in English at Sepang Estate.*

04 (5.2.2) The monitoring aspect of the HCV Management Plan is too general and it does not specify practical, measurable indicators. There is an opportunity to work with the Carey Island Mangrove Research Centre to develop a practical monitoring programme that is based on sound science.

ASA1 Findings: *The Estate proposes to establish photo-points for monitoring changes to mangrove vegetation and foreshore erosion.*

05 (5.3.2) At the clinic, used bandages have not been identified as scheduled waste and were disposed of in a separate landfill on the Estate. Action was taken immediately to correct the situation and to dispose all medical wastes to Pantai Medivest Sdn Bhd (DOE-G/005/COR.08/02).

ASA1 Findings: *Procedure still in place with transfer of clinic wastes to Sentosa Clinic twice weekly. Records show Sentosa Clinic “stamp” of receipt for chain of custody.*

06 (6.1.1) The SIA Report includes a summary of meetings but does not include full details of attendances.

ASA1 Findings: *The SIA had been updated but there were limited details of meetings and discussions with stakeholders.*

07 (6.3.3) The Procedure for handling social issues is open to all affected parties. However, interview of

Estate Contractors indicated they were not aware of the company’s Grievance Procedure.

ASA1 Findings: *Interviews of contractors confirmed they were aware of the grievance process and would raise a complaint directly with the Manager.*

08 (6.5.3) Some houses that have suffered termite damage have been treated for pest eradication, the structural soundness confirmed by Sime Darby engineers and external repairs have been completed. Although internal repairs have not yet been carried out, an allocation has been approved in the next financial year budget and repairs are scheduled to commence in July 2009.

ASA1 Findings: *Inspection found repairs had been carried out to houses identified at that time but there are still some Mill worker houses that require repair.*

The Assessment Team concluded SOU8 had implemented appropriate and effective improvements for each of the Observations identified during the Certification Assessment.

3.4 Issues Raised by Stakeholders

The issues raised by stakeholders during the Certification Assessment (2009) were followed up during this Assessment and found to have been actioned appropriately by the company.

Annual Surveillance Assessment (ASA1) Issues

The majority of stakeholders had positive comments about SOU8. For the situations where stakeholders raised issues, the company’s response is stated below.

Residents stated there is no Kindergarten on site with the nearest located at Telok and families have to transport their children themselves – they asked if the company could provide some assistance.

Company Response: *A census of children will be taken to understand the need for a Kindergarten, which will be assessed and discussed with Management.*

A Night Market “Pasar Malam” and a mobile vegetable seller were not permitted to visit the Estate – residents ask why this was so as West Mill and West Estate allow a “Pasar Malam” to visit.

Company Response: *There is presently a “Pasar Malam” visiting B Division – Management will discuss with the traders the possibility of visiting other Divisions.*

Indonesian workers at the Mill stated that the photocopy of their passport deteriorated rapidly and the writing was not legible, which caused problems when they travelled off-site. They requested a laminated photocopy if possible.

Company Response: *Photocopies of passports will be laminated.*

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Date of Next Surveillance Visit

The next surveillance visit will be scheduled within twelve months of ASA1.

4.2 Date of Closing Nonconformities (Major and Minor)

Table 5: Status of Nonconformities

CAR	CLASS	ISSUED	STATUS
CR01	Major	23/01/2009	Closed 30/01/2009
CR02	Major	05/04/2011	Closed 10/05/2011
CR03	Minor	05/04/2011	"Open"

4.3 Sign-off of Surveillance Assessment Findings

Please sign below to acknowledge receipt of the assessment visit described in this report and confirm the acceptance of the assessment report contents including assessment findings.

Signed for on behalf of
Sime Darby Plantation Sdn Bhd (SOU8)



Mr Adrianudin Raj Bin Azman
Senior Manager East Estate
Date: 19/5/2011

Signed for on behalf of
BSi Group Singapore Pte Ltd



Mr Charlie Ross
Lead Auditor

Date: 22 May 2011

Appendix “A”

Sime Darby Time Bound Plan

**SIME DARBY PLANTATION
RSPo CERTIFICATION TIME BOUND PLAN & STATUS**

Financial Year	SOU	Main Assessment	Status	Surveillance Assessment	Status
PLANTATION MALAYSIA					
2010 / 2011	SOU 26	Jun-08	Certified in Oct-08	Sep-10	Re-certification approved
	SOU 28, 29, 30 & 30b	May-08	Certified in Jan-09	Nov-10	Assessed, report pending with CB
	SOU 14 & 17	Sep-08	Certified in May-10	Mar-11	Planned
	SOU 8, 9 & 9a	Jan-08	Certified in May-10	Mar-11	Planned
	SOU 21	Feb-09	Certified in May-10	Apr-11	Planned
	SOU 25 & 30a	Apr-09	Certified in May-10	Apr-11	Planned
	SOU 1	Jul-09	Certified in Aug-10	Jun-11	Planned
	SOU 19a	Jun-09	Certified in Oct-10	Aug-11	Planned
	SOU 20	Jun-09	Certified in Nov-10	Sep-11	Planned
	SOU 24	Dec-08	Assessed, report under review		
	SOU 23	Jan-09	Assessed, report under review		
	SOU 5, 5a & 6	Jan-09	Assessed, report under review		
	SOU 2, 4, 18 & 22	Feb-09	Assessed, report pending with CB		
	SOU 19	Jun-09	Assessed, report under review		
	SOU 10, 11 & 12	Jun-09	Assessed, report pending with CB		
	SOU 13, 15 & 16	Jun-09	Assessed, report pending with CB		
	SOU 3 & 7	Jul-09	Assessed, report pending with CB		
	SOU 31, 32, 33 & 34	Jul-09	Assessed, report pending with CB		
	SOU 27	May-10	Assessed, report pending with CB		
PLANTATION INDONESIA					
2010 / 2011	SOU 13	Nov-08	Certified in Aug-10	Jun-11	Planned
	SOU 1, 14	May-09	Certified in Nov-10	Sep-11	Planned
	SOU 2, 3, 4, & 5	Oct-10	Assessed, report pending with CB		
	SOU 14, 15, 19 & 20	Nov-10	Assessed, report pending with CB		
	SOU 18	Dec-10	Audit pending		
	SOU 6, 7, 8, 9 & 10	Jun-11	Planned		
	SOU 11, 12, 20 & 21	Jun-11	Planned		

Appendix “B”

CVs for New Team Members

IMAN K NAWIREJA – Curriculum Vitae

Date of Birth:	19/11/1971
Nationality:	Indonesian
Sex and Status:	Male and Single
Present Status:	Lecturer and Researcher, responsible for collection, analysis and review of agricultural data for various land use, cropping pattern and crop yield, farming practices, migration, and socio-culture attitude.
Office:	Bogor Agricultural University PO Box 168, Bogor Telephone (0251) 624661, 621947, 621667 Fax (0251) 624661
Residential:	Komplek Darmaga Pratama Blok M1 No. 21 Bogor Indonesia

Mr Nawireja is experienced in social and environmental impact assessments, with wide experience throughout Indonesia and Malaysia working with local communities and multinational corporations.

Mr Nawireja has more than 10 years working experience and has been involved in many RSPO Audits in Indonesia, Malaysia and PNG; Environmental Impact Assessment Projects (EIA); and other social development projects. He is also a member of the RSPO INA SWG Working Group.

Mr Nawireja has graduated with a B.Sc in Agricultural Science, Majoring in Social and Economics of Agriculture, Bogor Institute of Agriculture (IPB), Bogor, 1997 and a Masters Degree in Communications, Majoring in Mass Communications, Faculty of Post Graduate Program, University of Indonesia (UI), Jakarta, 2002. Mr Nawireja is now pursuing Doctorate degree in Rural Sociology providing extensive and multi-disciplinary capabilities.

FIELDS OF COMPETENCE

Socio-Economist
Rural Sociology
RSPO Principles & Criteria

Education/Training

PhD Candidate, Rural Sociology, Faculty of Post Graduate Program. Bogor Agricultural University (IPB).
MA, Communications. Faculty of Post Graduate Program. University of Indonesia (UI). Jakarta. 2002.
BS, Agricultural Science, Majoring in Agricultural and Resource Economics, Bogor Agricultural University (IPB), 1997.

Languages

Indonesian (excellent – native)
English (good)

Key Industry Sectors

Palm Oil
RSPO Principles & Criteria
Mining and Extractive
Oil and Gas

Training

- IRCA ISO 9000: 2000 Lead Auditor Training. Sucofindo-ICS. 2008. Jakarta.
- Journalistic "Air Pollution" Training, Toyota Astra Motor Company, Swiss Contact, and PT. Gilang Qipra Qualita. 1998. Jakarta.

- English (Pre Advance Class), the English Language Center. Bogor Institute of Agriculture. 1995. Bogor.
- National Training on Organizational Profession Management (TMOP). The MISETA – IPB. 1994. Ciawi, Bogor.
- English Course (Intermediate Class), the English Language Center. Bogor Institute of Agriculture. 1993. Bogor.
- Intermediate Journalistic Training, State High School of Accountancy (STAN). Jakarta. 1993.
- English Course (Lower Intermediate Class), The English Language Center. Bogor Institute of Agriculture. 1992. Bogor.
- Basic Journalistic Training, Gema Almamater IPB (Campus Newspaper of Bogor Institute of Agriculture). 1992. Bogor.

Publication & Paper

- Iman K Nawireja and Charlie Ross, 2010. Challenges to Certification for Smallholders and Practical Solutions. Paper presented in ICOPE Conference: Measurement and mitigation of environmental impact of palm oil production, 23 - 25 February 2010. Grand Hyatt Hotel Nusa Dua Bali – Indonesia.
- Charlie Ross, Iman K Nawireja and Dini Harmita. 2009. Trial Audit of Scheme Smallholders Indonesian National Interpretation RSPO Principles & Criteria 13-18 July 2009. Paper presented in RSPO Roundtable 7, Kuala Lumpur. Malaysia. November 2009.
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- Ruffi'e, Iman K Nawireja, dan Fitri Nurfatriani, 2006. Prosiding Seminar Peran Serta Para Pihak Dalam Pengelolaan Jasa DAS Ciatih-Cimandiri: Peran serta para pihak dalam pengelolaan jasa lingkungan daerah aliran sungai Ciatih-Cimandiri. Bogor : Departemen Kehutanan, Badan Penelitian dan Pengembangan Kehutanan, Pusat Penelitian Sosial Ekonomi dan Kebijakan Kehutanan.
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- Iman K Nawireja. 2005. Memediasi Pesan: Faktor yang Mempengaruhinya Pesan Media. Paper pada Pelatihan Jurnalistik KAMMI. KAMMI. Bogor.
- Hariadi Kartodihardjo dan Iman K Nawireja. 2005. Perekonomian lokal dan wilayah. Studi Rencana Pengelolaan Lingkungan Daerah Bekas Tambang Timah di Pulau Bangka. Kementerian Lingkungan Hidup.
- Pudji Muljono, Nurmala K. Pandjaitan, Amri Djahi, Sutisna Riyanto dan Iman K Nawireja. 2005. Proyeksi Kebutuhan Prasarana Fisik, Peralatan, Tenaga Akademik dan Administratif Departemen Komunikasi dan Pengembangan Masyarakat Tahun 2005-2010. Makalah Pembentukan Departemen Komunikasi dan Pengembangan Masyarakat. IPB
- Gunardi, Sarwiti Sarwoprasodjo, Yusalina, dan Iman K Nawireja. 2004. Modul Komunikasi Massa. CERD Depdagri-Sosek Faperta IPB. Bogor.
- Lala M. Kolopaking, Hermanto Siregar, dan Iman K Nawireja. 2003. Socio-Economic Analysis of BT-Cotton Plantation: Early Finding from South Sulawesi. Mimbar Sosek. Jurusan Ilmu-Ilmu Sosial Ekonomi Pertanian IPB.
- Lala M. Kolopaking, Fredian Tonny, and Iman K Nawireja. 2003. Pemberdayaan Tenaga Kerja Migran (TKI) dan Kelembagaan Koperasi dalam Pembangunan Pedesaan di Lombok Timur. Riset Unggulan Terpadu. PSP-LIPI.
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- Iman K Nawireja. 1998. Technique of News Editing. Journalistic Training: Basic and Intermediate Level, Gema Almamater Tabloid. IPB. Darmaga. Bogor.
- Iman K Nawireja. 1996. "Technique of Interview for Journalist. Paper presented in the Journalistic Basic Training, Cephalos Magazine, HIMABIO-IPB. Bogor.

Key Projects

- Social Auditor, RSPO Surveillance Audit Hargy Palm Oil Limited, Biiala, West New Britain, PNG. March – March 2011.
- Social Auditor, RSPO Surveillance Audit Sime Darby SOU 03, Perak, Malaysia. March – March 2011.
- Social Auditor, RSPO Surveillance Audit IOI Pamol Kluang, Johor, Malaysia. March – March 2011.
- SOPs Implementation Assessment and RSPO Pre-Assessment of PT Bhuana Aditama, West Kalimantan, Indonesia. February – March 2011.
- Team Leader, RSPO Baseline Assessment of PT MSS Plantation Bengkulu, PT SAP Plantations, South Sumatra and SSS Plantation, West Kalimantan, Indonesia. State Secretariat for Economic Affairs (SECO). February – February 2011.
- Socio-Economic Auditor. Surveillance RSPO audit PT Hindoli, CTP Company. Sungai Lilin, Banyuasin and Musi Banyuasin. South Sumatra. Indonesia. February – February 2011.
- Social Auditor, RSPO Surveillance Audit IOI Sakilan, Sandakan, Sabah, Malaysia. January – January 2011.
- Social Auditor, RSPO Surveillance Audit Kulim Sdn Bhd, Johor Bahru, Johor, Malaysia. January – January 2011.
- Team Leader, RSPO Baseline Assessment of Asianindo Group, Central Kalimantan, Indonesia. November – December 2010.
- Social Auditor. Standard Operating Procedures (SOP) Verifications: SOP of New Planting and the “Green Book”. PT SMART, Tbk. Jakarta, Indonesia. December – December 2011.
- Socio-Economic Auditor. RSPO Pre-Audit Felda Jengka 18, Jengka 21, and Lepar Utara 4. October – November 2010.
- Socio-Economic Auditor. RSPO Main-Audit PT Indo Sawit Subur, Ukui, Riau Indonesia. October – November 2010.
- Socio-Economic Auditor. RSPO Main-Audit PT Agromuko, Muko-Muko, Bengkulu Indonesia. September – October 2010.
- Socio-Economic Auditor. Close out of Major Non-Conformity of SOU 07, Selangor, Malaysia. September – September 2010.
- Socio-Economic Auditor. Surveillance RSPO audit of SOU 26 Sime Darby Sandakan Bay Mill, Tunku and Tun Tan Estate Sandakan, Sabah, Malaysia. September – September 2010.
- Socio-Economic Auditor. Compulsory Environment Audit of PT Indonesia Power, Suralaya, Banten. August – October 2010.
- Socio-Economic Auditor. Compulsory Environment Audit of PT Baroid, Pendingin, Sanga-Sanga. East Kalimantan. July – July 2010.
- Socio-Economic Auditor. Compulsory Environment Audit of PT Asahan 1, Porsea, North Sumatra. July – July 2010.
- Socio-Economic Auditor. RSPO Pre-Audit PT Indosawit Subur, Riau, Indonesia. July – July 2010.
- Socio-Economic Auditor. RSPO Pre-Audit PT Agromuko, Muko-Muko, Bengkulu Indonesia. June – June 2010.
- Socio-Economic Auditor. RSPO audit SOU 27 Sime Darby Melalap Estate, Tenom - Sabah. Malaysia. May – May 2010.
- Socio-Economic Auditor. Independent Verification Exercise (IVEX) of PT SMART, Tbk (Greenpeace Claim Againsts PT SMART, Tbk). April – July 2010.
- Socio-Economic Auditor. RSPO audit PT Tolan Tiga Indonesia, SIPEF Company. Bukit Meraja Mill, Bukit Meraja Estate, and Bukit Kerasaan Estate; Perlabian Mill, Perlabian Estate, and Tolan Estate. North Sumatra. Indonesia. March – March 2010.
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- Socio-Economic Auditor. Audit Lingkungan Wajib. PT Intilube Dede Kembar (IDK). Ministry of Environment, Jakarta. Indonesia. November 2009 – January 2010.
- Socio-Economic Auditor. JCorp Plantation, Johor Malaysia: Tunjuk Laut Mill and Estate, Palong Mill and Estate, and Siang Mill and Estate. Johor, Malaysia. December – December 2009.
- Sociologist. Investigation of Social Issues in IOI Pelita Plantation. Miri, Sarawak, Malaysia. November – November 2009.
- Sociologist. Investigation of Social Issues in PT Hindoli, South Sumatra and PT HSL and ISK, West Kalimantan. October – October 2009.
- Socio-Economic Auditor. RSPO Certification. Plasma Hindoli (Smallholders). Sungai Lilin, South Sumatra. Indonesia, October – October 2009.

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- Socio-Economic Auditor, RSPO Certification Audit Sime Darby Plantation (SOU 03 Sime Darby Kalumpang Estate), Perak, Malaysia. July – July 2009.
- Socio-economic Auditor, RSPO Certification Audit Sime Darby Plantation (SOU 07 Sime Darby Bukit Kerayong Mill, Bukit Kerayong Estate, and Bukit Cheraka Estate), Selangor, Malaysia. July – July 2009.
- Socio-economic Auditor, RSPO Certification Audit Sime Darby Plantation (SOU 19 Sime Darby Nordanal Oil Palm Mill and Estate), Johor, Malaysia. Juni – Juni 2009.
- Social Auditor, RSPO Certification Audit Sime Darby SOU 25 Segaliud, Sandakan, Sabah, Malaysia. April – April 2009.
- Social Auditor, RSPO Certification Audit Sime Darby SOU 30 Jeleta Bumi, Tawau, Sabah, Malaysia. March – March 2009.
- Social Auditor, RSPO Certification Audit IOI Plantation (Kluang Mill, West Kluang Estate, and East Kluang Estate), Johor, Malaysia. December – December 2008.
- Social Auditor, RSPO Certification Audit IOI Plantation (Sakilan Mill and Estate and Linbar 1 & 2 Estate), Sabah, Malaysia. November – November 2008.
- Social Auditor, RSPO Certification Audit Sime Darby Sdn Bhd SUO PTSIA, Kabupaten Sanggau, Kalimantan Barat, Indonesia. Oktober – Oktober 2008.
- Team Leader. Workshop Penyuluhan dan Penyadaran Masyarakat COREMAP 2008. Satker Rehabilitasi Dan Pengelolaan Terumbu Karang Direktorat Jenderal Kelautan, Pesisir Dan Pulau-Pulau Kecil Departemen Kelautan Dan Perikanan. July 2008 – October 2008.
- Social Auditor, RSPO Certification Audit Sime Darby Sdn Bhd SUO14, Tanah Merah, Negeri Sembilan, Malaysia. September – September 2008.
- Social Auditor, RSPO Certification Audit PT Hindoli, Sungai Lilin, Musi Banyuasin, Sumatera Selatan. September – September 2008.
- Sociologist, Environmental and Social Assesment the Development of Oil Palm Plantation of PT Agro Bukit. Tanah Bumbu, South Kalimantan. August – August 2008.
- Social Auditor, Progress of RSPO Implementation Audit. PT Gunung Pelawan Lestari. Bangka. Indonesia. July – July 2008.
- Social Auditor, RSPO Certification Audit Kulim Sdn Bhd, Johor Bahru, Johor, Malaysia. July – July 2008.
- Socio Economic Auditor. RSPO Certification, Sime Darby, BU9 Sandakan Bay, Sabah, Malaysia. May – June 2008.
- Socio Economic Auditor. PT Agronusa Investama Plantation, Landak, Kalimantan Barat. Kementerian Negara Lingkungan Hidup. Maret – April 2008.
- Socio Economic Auditor. PT Buluh Cawang Plantation, Sambas, Kalimantan Barat. Kementerian Negara Lingkungan Hidup. November 2007 – Januari 2008.
- Socio Economic Auditor. PT Wilmar Sambas Plantation, Sambas, Kalimantan Barat. Kementerian Negara Lingkungan Hidup. November 2007 – Januari 2008.
- Sociologist, Environmental and Social Assesment the Development of PT Agro Wana Lestari. Kotawaringin Timur, Central Kalimantan. Maret – April 2008.
- Sociologist, Environmental Impact Assessment (EIA) Pertambangan Nikel Weda Bay Nickel. PT Weda Bay Nickel. Halmahera. Maluku Utara. Agustus 2007 – Januari 2008.
- Sociologist, Environmental Impact Assessment (EIA) Tambang Emas Martabe, kecamatan Batang Toru, Kabupaten Tapanuli Selatan, Sumatera Utara. Agustus 2007 – Maret 2008.
- Konsultan Sosial Ekonomi Studi Pengendalian Banjir di DAS Ciliwung, Jawa Barat, Phase II. Pusat Kajian Limnologi, Lembaga Ilmu Pengetahuan Indonesia. On going.
- Socio-Economic Assessor, RSPO Certification Audit: PT Harapan Sawit Lestari (A CTP Company) Manismata, Ketapang, West Kalimantan. January 2008 – February 2008.
- Socio-Economic Assessor, RSPO Certification Audit: PT Hindoli (A CTP Company). Sungai Lilin, Musi Banyuasin, South Sumatra. January 2008 – February 2008.
- Sociologist, Environmental and Social Assesment the Development of PT ARRTU Plantation. Ketapang, West Kalimantan – LD Commodities. January – February 2008.
- Sociologist, Environmental Impact Assessment (EIA) Peningkatan dan Optimalisasi Produksi Penambangan dan Pengolahan Bijih Nikel PT Inco hingga Mencapai 225 Juta Pon Nikel dalam Matte per Tahun, PT Inco Indonesia, Sorowako, Sulawesi Selatan. Januari 2007 – Februari 2008.

- Sociologist, Environmental and Social Audit, PT Agro Bukit. Kotawaringin Timur, Central Kalimantan — HSBC. November 2007 – Desember 2007.
- Sociologist, Environmental and Social Assessment, PT Kalimantan Hijau Sentosa. Kotawaringin Timur, Central Kalimantan —Unicredit. November 2007 – Desember 2007.
- Sociologist, Environmental and Social Assessment, PT Dwie Warna Karya and PT Susantri Permai. Kapuas, Central Kalimantan —Unicredit. November 2007 – Desember 2007.
- Sociologist, Environmental and Social Assessment, PT Sawit Lamandau Raya. Lamandau, Central Kalimantan — Unicredit. November 2007 – Desember 2007.
- Ahli Sosiologi dan Komunikasi. Penyusunan Strategi Pengembangan Komoditas Unggulan Provinsi Maluku Utara (DCU Inpres 6/2004, T.A. 2006). Bappeda Halmahera Barat. Agustus 2007 – Desember 2007.
- Auditor Sosial Ekonomi, TPA Cipayung, Depok, Bappedalda Kotamadya Depok. November 2007 – Desember 2007.
- Sociologist, Environmental and Social Assessment, PT Mitra Jaya Abadi Plantation of East Barito Regency — ANZ Bank. November 2007 – Desember 2007.
- Social Auditor, RSPO Audit of PT SMART Batu Ampar, East Kalimantan, Indonesia, and Belawan Mill, Medan North Sumatra. HSBC. August 2007.
- Social Auditor, Environmental and Social Assessment, of PT Kertas Padalarang, Padalarang West Java Indonesia. June 2007 - August 2007.
- Sosiologist. PT Inco CSR Preliminary Assessment. PT Inco, Tbk, July 2007-July 2007.
- Sosiologist. Preparation of ANTAM CSR Report. PT Antam Tbk, February 2007-June 2007.
- Sociologist, Environmental and Social Assessment, Coal Mining of PT Kideco Jaya Agung, Balikpapan— East Kalimantan Indonesia. JP Morgan. May 2007 - May 2007.
- Sociologist, Environmental and Social Assessment, Expansion of Oil Palm of PT Prima Mitrajaya Mandiri and Teguh Jayaprima Abadi of Balikpapan—MP Evans Group, Kutai Kartanegara, East Kalimantan Indonesia. April 2007 - May 2007.
- Sociologist, Environmental and Social Assessment, Mukut Expansion of PT Hindoli—CTP Group, Sungai Lilin, South Sumatra, Indonesia. Maret 2007 - April 2007.
- Sociologist, Environmental Impact Assessment (EIA) for The Development of Landfill Category II, PT Prasadha Pamunah Limbah Industri (PPLI). January 2005 – January 2007
- Socio-Economist Specialist, Flood Control Study of Ciliwung Watershed, West Java, Indonesia, Indonesian Institute of Science (LIPI). June 2006 – December 2006
- Sociologist, Environmental Site Audit, The Closing of Field Facilities, Cianjur, West Java, Indonesia, PT Eisai Indonesia. September 2006 – November 2006
- Sociologist, Environmental and Social Assessment, Expansion of Oil Palm of PT Henrindo Inti Persada (HIP), Sorong, West Papua, Indonesia, PT Henrindo Inti Persada (HIP). August 2006 – September 2006
- Social Auditor, RSPO Pre-Audit of Five Oil Palm Plantation and Mills, North Sumatra and Riau Province, Indonesia, EDF Energy, UK. August 2006 – September 2006.
- Sociologist, Penyusunan Blue Print Bisnis Pembangkitan Saguling PT. Indonesian Power. Saguling, Rajamandala, West Java, PT Indonesia Power. October 2005 – July 2006
- Sociologist, Pengendalian Banjir Ditinjau dari Aspek Tekno-Ekonomi Dan Sosial Budaya: Peran Pemerintah, Dunia Usaha dan Masyarakat, Environment Ministry (KLH). December 2005 – June 2006
- Sociologist, Evaluation of Sustainable Nature Production Forest Management (PHAPL)—PT Sulwood, Sulawesi, Department of Forestry. October 2005 – December 2005
- Sociologist, Study of Acceleration New Autonomy Regency, National Planning Agency (BAPPENAS). April 2005 – October 2005
- Sociologist, Environmental and Social Assessment, Expansion of Oil Palm PT Gunung Palawan Lestari, Bangka Island Indonesia, German Investment and Development Company (DEG). April 2005 – Mei 2005
- Sociologist, Socio-cultural Impact and Community Development Program of PT Riau Andalan Pulp and Paper, PT Riau Andalan Pulp and Paper (APRIL Group). January 2005 – April 2005
- Sociologist, Urban Poverty (P2KP Program) Evaluation Study, National Planning Agency (BAPPENAS). November 2004 – December 2004
- Sociologist, PT Petro Widada (Chemical Blast Accident) Environmental and Social Audit, Gresik, East Java, Environment Ministry (KLH). August 2004 – September 2004

- Sociologist, Environmental and Social Assessment, Expansion of Oil Palm Plantation Expansion, PT Harapan Sawit Lestari, Manismata, West Kalimantan Indonesia, German Investment and Development Company (DEG). July 2004 – August 2004
- Socio-Economic Auditor for Environmental and Social Audit of PT Kalisco, Pontianak West Kalimantan Indonesia, Environment Ministry (KLH). March 2004 – June 2004
- Sociologist, for Environmental Impact Assessment of Tin Mining in Bangka Island Indonesia, PT. Mitra Stania Prima. September 2003 – February 2004.
- Sociologist, Evaluation of Sustainable Nature Production Forest Management (PHAPL)—PT Inhutani II Pulau Laut, South Kalimantan, Department of Forestry. October 2003 – December 2003
- Sociologist, Collaborative Networking for Community Development, Agency for Regional Development Planning of Indragiri Hilir Regency. July 2003 – November 2003
- Sociologist, Migrant Worker Empowerment and Institutional Cooperation in Village Development, Phase III, Indonesian Institute of Science (LIPI) and Center for Development Study – Bogor Agricultural University (PSP – IPB). February 2003 – October 2003
- Institutional, Environmental Monitoring (Socio-Economic) in Awi Bengkok Geothermal field (Phase II), Unocal Geothermal of Indonesia, Ltd (UGI). August 2002 – December 2002
- Sociologist, Study of Strategic Development in the Sumatra Region, National Planning Agency (BAPPENAS). June 2002 – November 2002
- Sociologist, Evaluation of Social and Economic Impact of Bt-Cotton Cultivation in South Sulawesi, PT Monagro Kimia and Agro Ekonomika Foundation. February 2002 – July 2002
- Sociologist, Migrant Worker Empowerment and Cooperation Institution in Village Development, Phase II, Indonesian Institute of Science (LIPI) and Center for Development Study – Bogor Agricultural University (PSP – IPB). February 2002 – October 2002
- Sociologist, Socio-Economic and Cultural Typology of Transmigration Area in West Kalimantan and Riau Province, Department of Transmigration, the Government of Indonesia. July 2002 – November 2002
- Sociologist, Environmental Impact Assessment (EIA) for Offshore Gas Exploration, Beyond Petroleum (BP) Muriah. January 2002 – December 2002
- Sociologist, Migrant Worker Empowerment and Cooperation Institution in Village Development, Phase I, Indonesian Institute of Science (LIPI) and Center for Development Study – Bogor Agricultural University (PSP – IPB). February 2001 – October 2001
- Sociologist, "Formulation of Mimika Regency Five Years Development Plan". Government of Mimika Regency, BAPPENAS. November 2000 – February 2001
- Project Economist, for Formulation of Project Type Sector Loan (PTSL II) on Water Resources Development. Western of Indonesia. Department of Public Work and Japan Bank for International Cooperation (JBIC), Department of Public Work. September 2000 – October 2000
- Project Economist for Project Completion Report of Small Scale Irrigation Management Project PCR SSIMP – Phase II) – Package II OECF Loan No. IP – 422 West Nusa Tenggara and South Sulawesi January 2000 – to April 2000.
- Sociologist, Environmental Monitoring (Socio-Economic) in Awi Bengkok Geothermal field (Phase I), Unocal Geothermal of Indonesia, Ltd. January 2000 – February 2000
- Sociologist, Remote Sensing Application to the Water Resources Development in Bogor Regency, Agency for Technological Assesment and Implementation (BPPT). November 1999 – February 2000
- Agricultural Economist and Project Officer for Formulation of Indonesian Agriculture Policy. Department of Agriculture and IPB Research Center November 1999 – to April 2000
- Sociologist, Evaluation of Agriculture Infrastructure Development Program (PSSP Program), Ministry of Agriculture. September 1999 – November 1999
- Agricultural Economist for "Project Completion Report" – (PCR) of PTSL (OECF Loan No. IP-476) for Water Resource Development. The project covered 25 provinces throughout Indonesia, consist of irrigation, village irrigation, swamp, ponds, and flood control program, managing OECF loan for those program amount of 11,787 billion yen. April 1999 – to November 1999.
- Project Officer "Economics Community Empowerment Based on Natural Resources: Case Study on Plantation and Forestry" Indonesia Science Board. The project covered policy designation of forestry, estate, and plantation throughout Indonesia. Desember 1998 – to April 1999

- Project Economist, Feasibility Study For Coffee Plantation of PT Sahid Sembada Nabrocom, Subsidiary of Sahid Group. Intensification coffee plantation on running condition and develop coffee plantation on the idle lands. The project covered 980 ha in Rejang Lebong, Bengkulu. The main object of the project is to improve production. September 1998 – November 1998
- Sociologist, International Labor Migration and Peasant Capital Accumulation: A Case Study at Pagubugan and Binangun Village, Binangun District, Cilacap Regency. Faculty of Agriculture, IPB. July 1996 – January 1997
- Sociologist, Environmental Impact Assessment (EIA) for Inland Mining (Tin and Sand) at Bangka island, PT Timah Tbk. November 1996 – April 1997
- Sociologist, Environmental Impact Assessment (EIA) for Multiple Mining (Tin and Sand) at Karimun, and Kundur island, PT Timah Tbk. November 1996 – April 1997

Noryati Hambali – Curriculum Vitae

Year of Birth:	1986
Nationality:	Malaysian (Permanent Resident)
Present Status:	Student
Location:	Puchong, Selangor, Malaysia
Home Address:	Lahad Datu, Sabah, Malaysia

Educational Qualifications

Noryati Hambali was born in Lahad Datu Sabah 1986 and attended the Government Primary School Sekolah Kebangsaan Pekan 3 Lahad Datu (1993-1998). She completed 'O' Level in Sekolah Menengah Kebangsaan Segama Lahad Datu, Sabah 2003 and is now doing her Diploma in Business Administration at Rima International College, Selangor to complete her 'A' Level.

Work Experience

She commenced working in Humana (Borneo Child Aid Society) as a Teacher in (2006) and relocated to teach at a school in the Lahad Datu area. Due to her good performance, within a year she was offered an Administration position with Humana where she assisted the Manager for a Period of 3 years (2007-2010). She then resigned in 2010 in order to continue her studies.

RSPO Experience

Noryati has assisted with the assessments of oil palm plantation companies in Sabah and Peninsula Malaysia. Her role has involved assisting and facilitating the interview of female workers and their families at oil palm Mills and Estates. She has first-hand knowledge of the issues facing families working and living in remote locations. She is fluent in Bahasa Malaysia, Sabahan and English, which is a key asset for effective communication with local as well as foreign workers.

Appendix “C”

Annual Surveillance Assessment Programme

Annual Surveillance Assessment Programme – 04, 05 and 08 April 2011

TEAM: CR: Charlie Ross; RR: Robyn Ross; IN: Iman Nawireja; NH: Noryati Hambali					
DATE	TIME	ACTIVITY	CR	RR/ NH	IN
Monday 4 April 2011 SOU8 EAST MILL	AM	Opening Meeting Mill Documentation Interview Male Workers Interview Female Office Staff/Workers Review Pay Documentation Interview Contractors/External Stakeholders	√ √	√ √ √	√ √ √
	PM	Physical Inspection Mill, Effluent Ponds, Workshop, Stores Contact Government Offices DOSH, DOE, Labour Department, AMESU, NUPW Regional Office (Union Official), NGOs Visit Local Communities Visit Clinic and Interview Staff Inspect Housing and Interview Residents Closing Briefing	√ √	 √ √ √	√ √ √
Tuesday 5 April 2011 SOU8 Team 1 DUSUN DURIAN ESTATE	AM	Opening Briefing Physical Inspection Estate including any Buffer Zones Interview Female Fieldworkers Physical Inspection Stores, Landfill Interview Female Office Staff/Workers Review Pay Documentation	√ √ √	√ √ √ √	
	PM	Estate Documentation Visit Clinic and Interview Staff Inspect Housing and Interview Residents Closing Briefing	√ √	 √ √ √	
Team 2 SEPANG ESTATE	AM	Opening Briefing Physical Inspection Estate/Interview Male Fieldworkers Inspect any Buffer Zones Physical Inspection Stores, Landfill Interview Contractors/External Stakeholders Clinic and Interviews			√ √ √ √ √ √
	PM	Inspect Housing Visit any Local Communities Estate Documentation Closing Briefing			√ √ √ √
Friday 8 April 2011	AM	Combined Closing Meeting SOU8 and SOU9	√	√	√

Appendix “D”

List of Stakeholders Contacted

LIST OF STAKEHOLDERS CONTACTED

<p><i>Internal Stakeholders</i></p> <p>5 Local Male Mill Workers 7 Foreign Male Mill Workers 5 Foreign Harvesters (Sepang Estate) 4 Foreign Male Sprayers (Sepang Estate) Health Assistant (Mill Clinic) Health Assistant (Sepang Estate Clinic)</p>	<p><i>Internal Stakeholders</i></p> <p>12 Female Mill Staff/Workers 2 Residents Mill Housing 6 Female Pesticide Sprayers (Dusun Durian Estate) 5 Female Staff/Workers (Dusun Durian Estate) Group of Residents (Dusun Durian Estate Housing) Health Assistant (Dusun Durian Estate Clinic)</p>
<p><i>Contractors</i></p> <p>2 Mill Contractors 2 FFB Suppliers</p>	<p><i>Local Communities</i></p> <p>Kampung Asli Bukit Bangkong Representatives Kampung Seri Rambai Representatives</p>
<p><i>Government Departments</i></p> <p>Department of Labour Lands Department</p>	<p><i>NGOs and others</i></p> <p>Tenaganita AMESU, Subang Jaya NUPW, Selangor</p>