

**RSPO PRINCIPLE AND CRITERIA  
1<sup>st</sup> Annual Surveillance Assessment (ASA1\_1)  
Public Summary Report**

|   |
|---|
| <b>Sime Darby Plantation Sdn Bhd</b>  |
| Head Office:<br>Level 3A, Main Block<br>Plantation Tower,<br>No. 2, Jalan P.J.U 1A/7<br>47301 Ara Damansara<br>Selangor, Malaysia |
| <b>Strategic Operating Unit (SOU 20)<br/>Chaah Palm Oil Mill</b><br>Peti Surat 104<br>85400 Chaah<br>Johor, Malaysia              |

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## Section 1: Scope of the Certification Assessment

| 1. Company Details                   |  |                  |  |
|--------------------------------------|--|------------------|--|
| <b>RSPO Membership Number</b>        | 1-0008-04-000-00   | <b>Date</b>      | Member since:<br>6 September 2004  |
| <b>Company Name</b>                  | Sime Darby Plantation Sdn Bhd  |                  |  |
| <b>Address</b>                       | Head Office: Level 3A, Main Block, Plantation Tower, No. 2, Jalan PJU 1A/7 47301 Ara Damansara, Selangor, Malaysia<br>Certification Unit: Strategic Operating Unit (SOU 20) – Chaah Palm Oil Mill, Peti Surat 104 85400 Chaah, Johor, Malaysia |                  |  |
| <b>Subsidiary of (if applicable)</b> | N/A  |                  |  |
| <b>Contact Name</b>                  | Mdm. Shylaja Devi Vasudevan Nair (Head, Sustainability Unit PSQM)<br>Mr Wan Mahadi Wan Yaacob (Mill Manager)   |                  |  |
| <b>Website</b>                       | <a href="http://www.simedarby.com">www.simedarby.com</a>   | <b>E-mail</b>    | <a href="mailto:kks.chaah@simedarby.com">kks.chaah@simedarby.com</a><br><a href="mailto:shylaja.vasudevan@simedarby.com">shylaja.vasudevan@simedarby.com</a> |
| <b>Telephone</b>                     | 03-78484379 (Head Office)<br>07-9342454 (Mill)   | <b>Facsimile</b> | 03-78484356 (Head Office)<br>07-9341455 (Mill)   |

| 2. Certification Information  |   |                                |                    |
|-------------------------------|---|--------------------------------|--------------------|
| <b>Certificate Number</b>     | RSPO 548299   | <b>Certificate Issued Date</b> | 18/11/2010         |
|                               |   | <b>Expiry Date</b>             | 17/11/2020         |
| <b>Scope of Certification</b> | Palm Oil and Palm Kernel Production from Chaah Palm Oil Mill and Supply Base (Chaah Estate, North Labis Estate and Simpang Kiri Estate) |                                |                    |
| Other Certifications          |   |                                |                    |
| <b>Certificate Number</b>     | <b>Standard(s)</b>  | <b>Certificate Issued by</b>   | <b>Expiry Date</b> |
| Nil                           |   |                                |                    |

| 3. Location(s) of Mill & Supply Bases       |   |              |            |
|---|---|--------------|------------|
| Name<br>(Mill / Supply Base)                | Location [Map Reference #]  | GPS          |            |
|   |   | Easting      | Northing   |
| Chaah Palm Oil Mill<br>(Capacity: 30 mt/hr) | Peti Surat 104, Chaah Palm Oil Mill 85400 Chaah, Johor, Malaysia  | 102° 59' 47" | 2° 10' 40" |
| Chaah Estate                                | Pejabat Ladang Chaah 85400 Chaah, Johor, Malaysia                 | 102° 59' 53" | 2° 10' 31" |
| North Labis Estate                          | Ladang North Labis, P.O. Box No. 501 85300 Labis, Johor, Malaysia | 103° 03' 00" | 2° 23' 00" |

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|                     |   |              |            |
|---------------------|---|--------------|------------|
| Simpang Kiri Estate | Ladang Sg. Simpang Kiri, K.B. No. 103 85400<br>Chaah, Johor | 103° 00' 10" | 2° 08' 54" |
|---------------------|---|--------------|------------|

| 4. Description of Supply Base |             |               |                    |          |                     |                 |              |
|-------------------------------|-------------|---------------|--------------------|----------|---------------------|-----------------|--------------|
| Estate                        | Mature (ha) | Immature (ha) | Total Planted (ha) | HCV (ha) | Infras & Other (ha) | Total Hectarage | % of Planted |
| Simpang Kiri                  | 1,769.84    | 350.28        | 2,120.12           | 0        | 268.02              | 2,388.14        | 89.39        |
| North Labis                   | 2,640.73    | 715.00        | 3,355.73           | 0        | 191.85              | 3,547.58        | 94.59        |
| Chaah                         | 2,743.45    | -             | 2,743.45           | 0        | 57.17               | 2,800.62        | 96.03        |
| Total                         | 7,154.02    | 1,065.28      | 8,219.30           | 0        | 517.04              | 8,736.34        | 94.08        |

Note: Infras = infrastructure

| 5. Plantings & Cycle |             |        |          |         |         |                                 |                              |                                |
|----------------------|-------------|--------|----------|---------|---------|---------------------------------|------------------------------|--------------------------------|
| Estate               | Age (Years) |        |          |         |         | Tonnage / Year                  |                              |                                |
|                      | 0 - 3       | 4 - 10 | 11 - 20  | 21 - 25 | 26 - 30 | Estimated (Jul 2015 – Jun 2016) | Actual (Jul 2015 – Jun 2016) | Forecast (Jul 2016 - Jun 2017) |
| Simpang Kiri         | -           | 143.46 | 1,626.38 | -       | -       | 41,746.90                       | 29,490.68                    | 38,461.39                      |
| North Labis          | -           | 797.64 | 1,423.40 | 419.69  | -       | 52,946.00                       | 46,207.37                    | 57,696.56                      |
| Chaah                | -           | 34.70  | 2,695.79 | 3.96    | -       | 73,531.55                       | 59,976.63                    | 61,439.55                      |
| Total                | -           | 975.80 | 5,745.57 | 423.65  | -       | 168,224.45                      | 135,674.68                   | 157,597.51                     |

| 6. Certified Tonnage of FFB (Own Certified Scope) |                                      |                                   |   |
|---|--------------------------------------|-----------------------------------|---|
| Estate  | Tonnage / year                       |                                   |   |
|   | Estimated (RC) (Jul 2015 – Jun 2016) | Actual (RC) (Jul 2015 – Jun 2016) | Forecast (ASA1_1) (Jul 2016 – Jun 2017) |
| Simpang Kiri                                      | 41,746.90                            | 29,490.68                         | 38,461.39                               |
| North Labis                                       | 52,946.00                            | 46,207.37                         | 57,696.56                               |
| Chaah   | 73,531.55                            | 59,976.63                         | 61,439.55                               |

| 7. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable |                                      |                                   |   |
|--|--------------------------------------|-----------------------------------|---|
| Independent FFB Supplier   | Tonnage / year                       |                                   |   |
|  | Estimated (RC) (Jul 2015 – Jun 2016) | Actual (RC) (Jul 2015 – Jun 2016) | Forecast (ASA1_1) (Jul 2016 – Jun 2017) |
| Not applicable   | Nil                                  | Nil                               | Nil                                     |

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**8. Certified Tonnage**

| Mill                   | Estimated (RC)<br>(Jul 2015 – Jun 2016) |              |             | Actual (RC)<br>(Jul 2015 – Jun 2016) |              |             | Forecast (ASA1_1)<br>(Jul 2016 – Jun 2017) |              |             |
|------------------------|---|--------------|-------------|--------------------------------------|--------------|-------------|--|--------------|-------------|
|                        | FFB                                     | CPO OER<br>% | PK KER<br>% | FFB                                  | CPO OER<br>% | PK KER<br>% | FFB  | CPO OER<br>% | PK KER<br>% |
| Chaah Palm Oil Mill    | 168,224.45                              | 35,027.35    | 8,214.38    | 135,674.68                           | 29,911.91    | 7,958.19    | 157,597.51                                 | 35,144.24    | 8,667.86    |
| Other adjacent estates | -                                       | -            | -           | -                                    | -            | -           | -  | -            | -           |
| Total                  | 168,224.45                              | 35,027.35    | 8,214.38    | 135,674.68                           | 29,911.91    | 7,958.19    | 157,597.51                                 | 35,144.24    | 8,667.86    |

## Section 2: Assessment Process

### Certification Body:

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

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

### Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from 20 – 22 September 2016. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates (Simpang Kiri Estate & Chaah Estate). A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. RSPO Principles & Criteria 2013 (MYNI-2014) and RSPO Supply Chain Certification Standard 2014 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates (or smallholders) of its supply base. The estates sample were determined based on formula  $N = 0.8\sqrt{y}$  where  $y$  is the number of estates while when applicable, the smallholders sample were determined following the RSPO Certification Requirement for Group Certification Standard 2016. The sampling of smallholders were based on the formula  $(0.8\sqrt{y}) \times (z)$ ; where  $y$  is total number of independent group member and where  $z$  is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix I.

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

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

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

All the previous nonconformities are remains closed. The assessment findings for the Recertification Assessment are detailed in Section 3.3.

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

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

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

| <b>1. Assessment Program</b>         |                                     |                           |                           |                           |                           |
|--------------------------------------|-------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>Name<br/>(Mill / Supply Base)</b> | <b>Year 1<br/>(Recertification)</b> | <b>Year 2<br/>(ASA 1)</b> | <b>Year 3<br/>(ASA 2)</b> | <b>Year 4<br/>(ASA 3)</b> | <b>Year 5<br/>(ASA 4)</b> |
| Chaah Palm Oil Mill                  | ✓                                   | ✓                         | ✓                         | ✓                         | ✓                         |
| Chaah Estate                         |                                     | ✓                         | ✓                         |                           | ✓                         |
| North Labis Estate                   | ✓                                   |                           | ✓                         | ✓                         |                           |
| Simpang Kiri Estate                  | ✓                                   | ✓                         |                           | ✓                         | ✓                         |

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

**Tentative Date of Next Visit:** August 8, 2017 – August 10, 2017

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

**BSI Assessment Team:**

**Hafriazhar Mohd Mokhtar – Lead Auditor**

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

**Mohamed Hidhir Zainal Abidin – Team Member**

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

**Hu Ning Shing- Team Member**

She holds Bachelor Degree in Science majoring in Applied Chemistry, graduated from University of Malaya on 2011. She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSPO and RSPO in his previous certification body. She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia. During this assessment, she assessed on the aspects of social. She is fluent in Bahasa Malaysia and English languages.

**Accompanying Persons: -**

## Section 3: Assessment Findings

### 3.1 Details of audit results

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

- Sime Darby Plantation Sdn Bhd Time Bound Plan
- RSPO Group Certification Standard 2016 Checklist
- RSPO P&C for Smallholders TH-WG 2012 Checklist
- RSPO P&C GN-NIWG 2010 Checklist
- RSPO P&C INA-NIWG 2016 Checklist
- RSPO P&C PNG-NIWG 2016 Checklist
- RSPO P&C SI-NIWG 2010 Checklist
- RSPO P&C MY-NIWG 2014 Checklist
- RSPO P&C TH-WG 2011 Checklist
- RSPO Supply Chain Certification Checklist November 2014
- RSPO P&C 2013 Generic Checklist

### 3.2 Progress against Time Bound Plan

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

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

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

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

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

BSI has continued involvement with assessments of Sime Darby Management Units during the 2014 period and beginning 2015. BSI is also communicating with other Certification Bodies that auditing Sime Darby’s other operating units to identify any noncompliance with rules of partial certification as per requirement in RSPO Certification System. During this assessment BSI has contacted the certification body that audited PT MAS to get the latest update of the progress. Sime Darby consistently has kept BSI informed of any emerging issues and claims made against it. Other than the PT MAS issue, at the time of preparation of this Report, BSI is not aware of any new issues involving:

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

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

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|--|--|------------|
| <p>Have there been any changes since the last audit? Are they justified?</p> | <p>97% of Sime Darby Plantation's upstream operations is RSPO certified, one SOU - PT MAS pending certification in Indonesia due to some social disputes and a new oil mill in Liberia has been commissioned in Feb 2016.<br/>SDP's time bound plan has been revised to take into consideration the social challenges encountered in Indonesia for the remaining SOU (PT MAS) yet to be certified.<br/>Sime Darby Plantation will proceed with the next steps of certification upon satisfactory resolution of the matter.</p>   | <p>Yes</p> |
| <p>If there have been changes, what circumstances have occurred?</p>         | <p>Indonesia- PT MAS has undergone RSPO Main Assessment in July 2011. The certification body for PT MAS has considered that Sime Darby Plantation still meets the requirements of the RSPO for Partial Certification and the report has been submitted for EB review. A verification audit was conducted by the Certification Body in early 2013 and Sime Darby Plantation will proceed with the next steps of certification upon satisfactory resolution of the matter. Ongoing and regular (bi-monthly) discussions is ongoing between Sime Darby Plantation and the project affected communities. Reports on the progress update are submitted to RSPO on a regular basis since November 2012. The latest progress report submitted to RPSO dated 30<sup>th</sup> June 2016.<br/>Smallholders- As at June 2016, total of 24,820 Ha (59%) of total Ha, (42,008 Ha) of associated smallholders in Indonesia has been certified. Certification process for the remaining associated smallholders areas is on-going. SDP expect to achieve 100% RSPO certification of associated smallholders and outgrowers by end 2019.<br/>Liberia- A new mill will be set up in Liberia and planned for commissioning in Feb 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p> | <p>Yes</p> |
| <p>Have there been any stakeholder comments?</p>                             | <p>Up to date, there is no comment.<br/>SDP continues to engage all affected parties through regular discussions and progress reporting is being made to the RSPO Secretariat.</p>   | <p>Yes</p> |
| <p>Have there been any newly acquired subsidiaries?</p>                      | <p>In March 2015, Sime Darby Plantation completed the acquisition of New Britain Palm Oil Limited (NBPOL). NBPOL is managed under a separate entity and the reporting of timebound plan will be under NBPOL's management. NBPOL is considered as a different entity/member under the RSPO and NBPOL is 100% RSPO Certified.<br/>A new mill has been set up in Liberia and planned for commissioning in Feb 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets</p>  | <p>Yes</p> |

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

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| accordance with RSPO criteria 6.4, 7.5 and 7.6.   | PT Mitra Austral Sejahtera (Sime Darby Sdn Bhd)<br>Further details please refer to:<br><a href="http://www.rspo.org/members/complaints/status-of-complaints/view/29">http://www.rspo.org/members/complaints/status-of-complaints/view/29</a> |           |
| Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.                     | No stakeholder comments or complaints received.  |           |
| Any Legal non- compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2. | None noted. No stakeholder comments or complaints received.  | Complied. |

**3.3 Details of findings**

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

During the 1<sup>st</sup> Annual Surveillance Assessment there were four (4) Major & one (1) Minor nonconformities raised. The Chaah Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

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

| Non-Conformity |   |                          |
|----------------|---|--------------------------|
| NCR #          | Description   | Category (Major / Minor) |
| 1381349M1      | <p><b>Requirements</b><br/><b>Indicator 6.5.2</b><br/>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p><b>Evidence of Nonconformity</b><br/>Chaah POM and Chaah Estate:<br/>The workers were signed on an old version contract (version April 2013) and sampled contracts as below:<br/>a) Passport No.: B 3059596 joined on 1/6/2016 (Chaah POM)<br/>b) Passport No.: AS 930859 joined on 8/9/2016 (Chaah POM)<br/>c) Passport No.: AS 3903906 joined on 19/8/2015 (Chaah POM)<br/>d) Employee No.: 120425 joined on 2/4/2016 (Chaah Estate)<br/>e) Employee No.: 120986 joined on 3/5/2016 (Chaah Estate)<br/>f) Employee No.: 125092 joined on 6/9/2016 (Sungai Simpang Kiri Estate)<br/>g) Employee No.: 125591 joined on 11/9/2016 (Sungai Simpang Kiri Estate)</p> | Major                    |

|  |  |  |
|--|--|--|
|  | <p>h) Employee No.: 125564 joined on 8/9/2016 (Sungai Simpang Kiri Estate)</p> <p>Chaah Estate:<br/>Contract signed by one of the Bangladesh worker (Employee No.: 108996) was different with other Bangladesh and nationality workers where in the contract under section 5.2, it mentioned that the particular Bangladesh worker who have full attendance to work for the month will received an allowance of RM 85. The terms in the contract are contradicted with the actual practices. For example:</p> <ul style="list-style-type: none"> <li>a) Term No. 5.2: Salary (Bangladesh worker version)</li> <li>b) Term No. 13: Location Incentive</li> <li>c) Term No. 15: Work departure cash gift</li> <li>d) Term No. 21.5: FW security deposit home leave</li> </ul> <p>Besides, workers who signed on the contract where the public holiday entitlement was 12 days instead of 13 days. Sampled workers as below:</p> <ul style="list-style-type: none"> <li>a) Employee No.: 77028 (Chaah POM)</li> <li>b) Employee No.: 110481 (Chaah POM)</li> <li>c) Employee No.: 108996 (Chaah Estate)</li> </ul> <p>Worker's contract were not implemented consistently among the SOU.</p> <p>Chaah Estate:<br/>Worker's contracts of employment sampled found that the employment contract for those worked more than 3 years were expired. Example:</p> <ul style="list-style-type: none"> <li>a) Employee No. 13571: Employment contract expired on 15/10/2010</li> <li>b) Employee No. 55721: Employment contract expired on 4/10/2013</li> <li>c) Employee No. 94923: Employment contract expired on 12/9/2016</li> </ul> <p>There are no records or document to confirm that the workers were given the extended contract of employment and acknowledged signed the extension of employment.</p> <p>In addition, according to MAPA/NUPW Circular No. 22/2015, the employer required to fully subsidize RM 3.00 per month for each of the members of NUPW as premium towards NUPW/AIA Personal Accident Group Scheme. However, the management has yet to subsidize and deducted RM 11.00 from sampled workers below:</p> <ul style="list-style-type: none"> <li>a) Employee No.: 13571</li> <li>b) Employee No.: 55721</li> <li>c) Employee No.: 94923</li> </ul> <p><b>Statement of Nonconformity</b><br/>Version of worker's contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) were not implemented consistently.<br/>Extension contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) were not implemented effectively.<br/>The management did not comply with the MAPA/NUPW Circular No. 22/2015.</p> <p><b>Corrective Actions</b><br/>Immediate correction:<br/>i) Management has send an e mail pertaining the new version of the contract to the HR Department and will update the contract accordingly.</p> |  |
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|  | <p>ii) An e mail has been send to the HR Department for the new version of contract. Management to reissue the latest contract agreement to the respective workers.</p> <p>iii) An e mail has been send to the HR Department for the new version of contract. Management to reissue the extension contract agreement to the respective workers.</p> <p>iv) Estate management noted on the new regulation on the said subsidies. Estate management identified list of the affected workers and will reimburse the fee in coming salary.</p> <p>Corrective actions:</p> <p>i) Management has decided to give this monitoring to the Check-roll clerk aware for the contract sign by the new workers and also to follow up with the HR Department in order to ensure all the version are maintain up-to-date.</p> <p>ii) Management has decided to give this monitoring to the Check-roll clerk aware for the contract sign by the new workers and also to follow up with the HR Department in order to ensure all the version are maintain up-to-date.</p> <p>iii) Management has decided to give this monitoring to the Check-roll clerk aware for the contract sign by the new workers and also to follow up with the HR Department in order to ensure all the version are maintain up-to-date.</p> <p>iv) Briefing on the MAPA/NUPW Collective Agreement and new requirements have been conducted involving estate management and office staff.</p> <p>v) Objective of the briefing is to enhance the understanding and awareness on the changes related to the latest CA and MAPA Circular (No 22/2015).</p> <p><b>Assessment Conclusion</b><br/>Evidence for both accepted immediate correction and corrective actions taken were submitted and Major nonconformity has been closed on 11/11/2016. No onsite audit is required as the closure evidence relating to documentation is sufficient for offsite closure.</p> |  |
|--|--|--|

| <b>Non-Conformity</b> |  |                                 |
|-----------------------|--|---------------------------------|
| <b>NCR #</b>          | <b>Description</b>   | <b>Category (Major / Minor)</b> |
| 1381349M2             | <p><b>Requirements</b><br/><b>Indicator 4.7.1</b><br/>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.</p> <p><b>Evidence of Nonconformity</b><br/>i) There was no latest Personal Chemical Exposure Monitoring (PCEM) done as to date and only referred to last monitoring in 2013.<br/>ii) LEV inspection and monitoring was last done in May 2015 and there was no monitoring done as to date.</p> <p><b>Statement of Nonconformity</b><br/>Health and safety plan was not effectively implemented and monitored</p> <p><b>Corrective Actions</b><br/>Immediate correction:<br/>The mill has called for the potential and approved company to be quote for the Personal Chemical Exposure Monitoring and LEV inspection</p> | Major                           |

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|  | <p>Corrective action:<br/>The mill management has appointed one of the mill staff En Hanif Arif to monitor for all the documented related to compliance report.</p>   |  |
|  | <p><b>Assessment Conclusion</b><br/>Evidence for both accepted immediate correction and corrective actions taken were submitted and Major nonconformity has been closed on 11/11/2016. No onsite audit is required as the closure evidence relating to documentation is sufficient for offsite closure.</p> |  |

| Non-Conformity |  |                          |
|----------------|--|--------------------------|
| NCR #          | Description  | Category (Major / Minor) |
| 1381349M3      | <p><b>Requirements</b><br/><b>Indicator 2.1.1</b><br/>Evidence of compliance with relevant legal requirements shall be available for following:</p> <ol style="list-style-type: none"> <li>1. DOE Licence/ Jadwal Pematuhan: 002153 – Boundary noise monitoring requirements</li> <li>2. Factories and Machinery (Noise Exposure) Regulations 1989, Part III (Exposure Monitoring) - Regulation 12 (additional monitoring)</li> <li>3. EQ (Scheduled Waste) Regulations 2005 – Notification of scheduled waste generation</li> </ol> <p><b>Evidence of Nonconformity</b><br/>Chaah POM:<br/>- No evidence of boundary noise monitoring as per DOE License requirements<br/>- There was no additional noise monitoring done after installation of new Shinko 1240 kW turbine<br/>Simpang Kiri Estate:<br/>- Waste batteries (SW 102) not handled as scheduled waste</p> <p><b>Statement of Nonconformity</b><br/>Evidence of compliance with relevant legal requirements was not effectively demonstrated</p> <p><b>Corrective Actions</b><br/>Immediate correction:<br/>The Mill Management was called the potential and approved company to be quoted for the noise boundary and mapping and produce report accordingly.<br/>The mill has send invitation to quote the work via an e mail and they need to reply before 29.09.2016. After the quote being received mill will awarded to the successful bidder and create the PO accordingly</p> <p>Corrective action:<br/>The mill management has appointed one of the mill staff En Hanif Arif to monitor for all the documented related to compliance report.</p> <p><b>Assessment Conclusion</b><br/>Evidence for both accepted immediate correction and corrective actions taken were submitted and Major nonconformity has been closed on 11/11/2016. No onsite audit is required as the closure evidence relating to documentation is sufficient for offsite closure.</p> | Major                    |

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| Non-Conformity |   |                          |
|----------------|---|--------------------------|
| NCR #          | Description   | Category (Major / Minor) |
| 1381349M4      | <b>Requirements</b><br><b>Indicator 4.6.11</b><br>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.  | Major                    |
|                | <b>Evidence of Nonconformity</b><br>Sprayer, Employee ID 4623488 was not sent for medical surveillance in 2016. Last medical surveillance was done on 7/5/15  |                          |
|                | <b>Statement of Nonconformity</b><br>Specific annual medical surveillance for pesticide operators was not effectively demonstrated  |                          |
|                | <b>Corrective Actions</b><br>Immediate correction:<br>Medical surveillance already sent on 26/09/2016<br><br>Corrective action:<br>Schedule listing for medical surveillance to be created each workers under spraying and monitor by assistant in charge.  |                          |
|                | <b>Assessment Conclusion</b><br>Evidence for both accepted immediate correction and corrective actions taken were submitted and Major nonconformity has been closed on 11/11/2016. No onsite audit is required as the closure evidence relating to documentation is sufficient for offsite closure. |                          |

| Non-Conformity |   |                          |
|----------------|---|--------------------------|
| NCR #          | Description   | Category (Major / Minor) |
| 1381349N1      | <b>Requirements</b><br><b>Indicator 6.2.3</b><br>A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.   | Minor                    |
|                | <b>Evidence of Nonconformity</b><br>Chaah POM:<br>The management has maintained a list of stakeholders which included government bodies, local communities and contractors. However, they did not include suppliers/vendors, other contractors, internal representatives, school and few government bodies which related to the management in the list. |                          |

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|  | <p>Sungai Simpang Kiri Estate:<br/>Stakeholder list was incomplete where some government bodies and internal representative was not included in the list.</p>   |  |
|  | <p><b>Statement of Nonconformity</b><br/>List of stakeholder was incomplete.</p>  |  |
|  | <p><b>Corrective Actions</b><br/>All operating units have been given generic list of stakeholders by PSQM to identify each applicable stakeholders by appointed person-in-charge at operating units</p> |  |
|  | <p><b>Assessment Conclusion</b><br/>Corrective actions plan accepted and verification on effectiveness and evidence of CAP will be done during nextcoming audit.</p>                                    |  |

| <b>Observation</b> |                    |
|--------------------|--------------------|
| <b>OBS #</b>       | <b>Description</b> |
| Nil                |                    |

| <b>Positive Findings</b> |   |
|--------------------------|---|
| <b>PF #</b>              | <b>Description</b>  |
| 1                        | Good commitment from the management team toward sustainability certification.                                   |
| 2                        | Positive feedbacks from the government authorities such as DOE and JTK on the compliance of legal requirements. |

| <b>Issues raised by Stakeholders</b>   |  |
|--|--|
| <p>Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Chaah Palm Oil Mill Certification Unit's environmental and social performance, legal and any known dispute issues.</p> <p>Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. These have been incorporated into the assessment findings.</p> <p>Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix E.</p> |  |
| <b>IS #</b>  | <b>Description</b>   |
| 1  | <p><b>Issues:</b><br/>Workers Representatives from India, Indonesia and Nepal – They were understood on the pay and conditions. Their salary were achieved Minimum Wage Order 2016. They were allowed to join trade union freely.</p> <p><b>Management Responses:</b><br/>Management will continue to comply with the Minimum Wage Order 2016 and treat all the workers equally.</p> |

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|   | <p><b>Audit Team Findings:</b><br/>No complaints raised during interview with the workers.</p>  |
| 2 | <p><b>Issues:</b><br/>Village Head, Kg. Hj. Kamisan – He informed that they have good relationship with the management. No land dispute cases were reported and the management has demarcated the boundary clearly.</p>             |
|   | <p><b>Management Responses:</b><br/>Management will assist wherever possible.</p>   |
|   | <p><b>Audit Team Findings:</b><br/>No further clarification is needed.</p>  |
| 3 | <p><b>Issues:</b><br/>GPK 1, SK DTJ – He was satisfied with the management and informed that the management was very supportive on activities organized by the school. The requests made by him were granted by the management.</p> |
|   | <p><b>Management Responses:</b><br/>Management will assist wherever possible.</p>   |
|   | <p><b>Audit Team Findings:</b><br/>No further clarification is needed.</p>  |
| 4 | <p><b>Issues:</b><br/>Contractor – He has good relationship with the management and informed that the payment was promptly made.</p>  |
|   | <p><b>Management Responses:</b><br/>The payment is paid as per agreed terms</p>   |
|   | <p><b>Audit Team Findings:</b><br/>No further issue.</p>  |
| 5 | <p><b>Issues:</b><br/>NUPW and AMESU representative – No issue on the pay and conditions. He reported that whenever they are having difficulties, they will informed to the management.</p>   |
|   | <p><b>Management Responses:</b><br/>The management will keep maintaining good relationship with the members.</p>  |
|   | <p><b>Audit Team Findings:</b><br/>No further issue.</p>  |
| 6 | <p><b>Issues:</b><br/>Smallholder – No land dispute issues reported. They have good relationship with the management.</p>   |
|   | <p><b>Management Responses:</b><br/>The management will maintain the good relationship.</p>   |
|   | <p><b>Audit Team Findings:</b><br/>Document reviewed confirmed that no land dispute cases reported.</p>   |
| 7 | <p><b>Issues:</b><br/>Gender Committee Secretary: She informed that there was no case of sexual harassment or violence reported so far. She also has good understanding on how to lodge complaint if there is any case.</p>         |
|   | <p><b>Management Responses:</b><br/>The management will continue to monitor and ensure that no cases of sexual harassment happened.</p>   |
|   | <p><b>Audit Team Findings:</b><br/>Document reviewed on the meeting minutes and interviewed with the female workers concluded that no issue on sexual harassment happened in the mill.</p>  |
| 8 | <p><b>Issues:</b><br/>Officer of Labour Department – No issue reported by workers related to pay and conditions. (Through phone call)</p>   |
|   | <p><b>Management Responses:</b></p>   |

|  |  |
|--|--|
|  | The management will continue to comply with the law and regulations.   |
|  | <b>Audit Team Findings:</b><br>Interviewed with workers noted that no issue related to pay and housing condition reported. |

### 3.3.1 Status of Nonconformities Previously Identified and Observations

| Non-Conformity |   |                          |
|----------------|---|--------------------------|
| NCR #          | Description   | Category (Major / Minor) |
| 1228987M1      | <p><b>Requirements:</b><br/><b>Indicator 4.7.1</b><br/>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.</p> <p><b>Evidence of Nonconformity:</b><br/>Chaah Mill:<br/>a.) Permit to work (PTW) system:<br/>i) Referred PTW for confined space entry dated 16/3/15 (Contractor Dynaneca) for boiler overhaul work.<br/>- No gas testing carried out by a competent AGT.<br/>- Unauthorized personnel (contractor) for AESP had signed the PTW<br/>- No cancellation of PTW after completion of work<br/>- No health declaration for those involved in confined space entry for the said date.<br/>b.) Audiometric testing:<br/>i) The last audiometric testing was done on 25/2/14 and has exceeded 12 month period. Retest for STS cases were not done within 3 month from the date of testing.</p> <p><b>Statement of Nonconformity:</b><br/>Health and safety plan was not effectively implemented and monitored</p> <p><b>Corrective Action:</b><br/>i) Training for Industrial Code of Practice for Confined Space 2010 was conducted on 14/9/15 for all staff and workers that involved in confined space entry programme. As for temporary measures, competent AGT-ES from neighbouring mill (KKS Ulu Remis) will assist to carry out any confined space entry programme. Internal staff training – to upgrade competency (level 1 and level 2 training) has been planned on January 2016.<br/>ii) Sample of confined space entry PTW for fibre cyclone trunking cleaning was verified; sample of PTW dated 15/9/15 together with health declaration endorsed by competent person.<br/>iii) Audiometric testing was conducted on 8-9/9/15. Refer to draft audiometric report dated 18/9/15, ref: AUDIO/MHA/NML/SMKKSCHAAH/SB1565(D). It was noted that total of 20 employees detected having the STS while 27 employees were suspected with hearing impairment. Retest for STS affected workers has been confirmed on 16 October 2015 by audiometric consultant, NM Laboratory Sdn. Bhd.<br/>iv) Total of 27 workers with hearing impairment was reported to DOSH using JKPP</p> | Major                    |

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|  | 7 form. JKPP 7 form dated 22/9/15 was verified.                                   |  |
|  | <b>Assessment Conclusion:</b><br>The Major nonconformity was closed on 28/9/2015. |  |

| <b>Non-Conformity</b> |  |                                 |
|-----------------------|--|---------------------------------|
| <b>NCR #</b>          | <b>Description</b>   | <b>Category (Major / Minor)</b> |
| 1228987N1             | <p><b>Requirements:</b><br/> <b>Indicator 6.6.2</b><br/>           Minutes of meetings with main trade unions or workers representatives shall be documented.</p> <p><b>Evidence of Nonconformity:</b><br/>           Mill: Last Union meeting was done on 18/3/2014 and minutes available. However, updating of the action taken and person in-charge was missing in the minutes of meeting. This was raised as an observation during ASA4 assessment but no action was recorded. Interview with Union representatives confirmed that there were no meeting since the previous meeting. North Labis Estate: No union meeting minutes was sighted during the audit. Simpang Kiri Estate: No union meeting minutes was sighted during the audit.</p> <p><b>Statement of Nonconformity:</b><br/>           Minutes of meetings with union was not adequately documented.</p> <p><b>Corrective Action:</b><br/>           Chaah POM:<br/>           The mill management has conducted Union meeting on 22/2/2016 and meeting minutes were sighted. Action taken has been recorded in the meeting minutes and interviewed with Union representative found that the management has taken action to rectify the issues.</p> <p>Simpang Kiri Estate:<br/>           The estate management has conducted Union meeting on 18/3/2016 with 10 participants. Meeting minutes is sighted and no issues have been raised during the meeting.</p> <p>North Labis Estate:<br/>           Union meeting was conducted on 24/12/2015 with 6 participants. Meeting minutes is sighted and no issue has been raised during the meeting.</p> <p><b>Assessment Conclusion:</b><br/>           Verification done during on-site audit confirmed the management has implemented the corrective action effectively. Thus, the minor NC has been closed on 20/09/2016</p> | Minor                           |

| <b>Non-Conformity</b> |                    |                                 |
|-----------------------|--------------------|---------------------------------|
| <b>NCR #</b>          | <b>Description</b> | <b>Category (Major / Minor)</b> |

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| 1228987N2 | <b>Requirements:</b><br><b>Indicator 4.4.1</b><br>An implemented water management plan shall be in place.<br>2) Sustainable Plantation Management System Ver. 1 01/11/2008 Appendix 7; SOP for taking water samples from streams/rivers; 4.3: Frequency of water sampling  | Minor |
|           | <b>Evidence of Nonconformity:</b><br>North Labis estate: Water sample analysis record:-<br>1) Water Analysis Test letter to Water & Wastewater Lab Sime Darby Resource Sdn. Bhd. dated 4 April 2013<br>2) Water analysis test report ref. # IE401/2012 dated 7/5/2012<br>3) Pesticide analysis test report ref. # PL0105/2012 dated 8/5/2012 |       |
|           | <b>Statement of Nonconformity:</b><br>Estate has not been implementing its river water sample monitoring since 4 April 2013 until 25 August 2015   |       |
|           | <b>Corrective Action:</b><br>Specific person-in-charge in each operating units has been appointed to ensure revised wate sample monitoring to be conducted as per plan.  |       |
|           | <b>Assessment Conclusion:</b><br>Verification done during on-site audit confirmed the management has implemented the corrective action effectively. Thus, the minor NC has been closed on 20/09/2016   |       |

| Non-Conformity |   |                          |
|----------------|---|--------------------------|
| NCR #          | Description   | Category (Major / Minor) |
| 1228987N3      | <b>Requirements:</b><br><b>Indicator 4.7.5</b><br>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. | Minor                    |
|                | <b>Evidence of Nonconformity:</b><br>Simpang Kiri estate:<br>i) Harvesting operation (field 2000B) - First aid equipment was not made available at worksite.<br>ii) First aid kit (water management & manuring mandore) – Inadequate content in the first aid box and not following the 4th schedule of Safety, Health & Welfare (SHW) Regulation 1970. No hazard sign and expiry date for re-bottling of iodine and saline solution.                                       |                          |
|                | <b>Statement of Nonconformity:</b><br>First aid equipment was not effectively monitored.  |                          |
|                | <b>Corrective Action:</b><br>First Aid Kit Checklist for daily checks during Muster briefing has been established. Monitoring record for monthly FAK checks by HA/MA has been established.<br>Evidence:<br>- First Aid Kit Checklist (for all FAK) and records of checking.   |                          |

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|  | <ul style="list-style-type: none"> <li>- Photo of re-bottled medication, complete with label, hazard sign (e.g 'Poison') and expiry date.</li> <li>- Monitoring records of FAK checks by HA/MA.</li> </ul> |  |
|  | <p><b>Assessment Conclusion:</b><br/>The minor nonconformity was closed on 22/9/2016</p>   |  |

| Observation |             |
|-------------|-------------|
| OBS #       | Description |
| Nil         | Nil         |

**3.3.2 Summary of the Nonconformities and Status**

| CAR Ref.         | CLASS                   | ISSUED                  | STATUS               |
|------------------|-------------------------|-------------------------|----------------------|
| CR01: 2.1.1      | Major                   | 29/6/2009               | Closed 06/07/2010    |
| CR02 : 4.4.1     | Major                   | 29/6/2009               | Closed 06/07/2010    |
| CR03 : 5.2.2     | Major                   | 29/6/2009               | Closed 06/07/2010    |
| CR04 : 4.3.2     | Minor                   | 29/6/2009               | Closed 19/12/2011    |
| CR05 : 5.2.2     | Major                   | 12/07/2012              | Closed 10/09/2012    |
| CR06 : 5.2.3     | Minor                   | 12/07/2012              | Closed 03/05/2013    |
| CR07 : 6.1.3     | Minor upgraded to Major | 12/07/2012 & 03/05/2013 | Closed 02/07/2013    |
| CR08 : 5.3.2     | Minor                   | 03/05/2013              | Closed 25/04/2014    |
| 1047140M0: 2.1.1 | Major                   | 25/04/2014              | Closed 26/05/2014    |
| 1047140M4: 4.6.5 | Major                   | 25/04/2014              | Closed 26/05/2014    |
| 1047140M5: 4.7.3 | Major                   | 25/04/2014              | Closed 26/05/2014    |
| 1228987M1: 4.7.1 | Major                   | 29/08/2015              | Closed 28/09/2015    |
| 1228987N1: 6.6.2 | Minor                   | 29/08/2015              | Closed on 22/9/2016  |
| 1228987N2: 4.4.1 | Minor                   | 29/08/2015              | Closed on 22/9/2016  |
| 1228987N3: 4.7.5 | Minor                   | 29/08/2015              | Closed on 22/9/2016  |
| 1381349M1        | Major                   | 22/09/2016              | Closed on 11/11/2016 |
| 1381349M2        | Major                   | 22/09/2016              | Closed on 11/11/2016 |
| 1381349M3        | Major                   | 22/09/2016              | Closed on 11/11/2016 |
| 1381349M4        | Major                   | 22/09/2016              | Closed on 11/11/2016 |
| 1381349N1        | Minor                   | 22/09/2016              | Open                 |

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**Assessment Conclusion and Recommendation:**

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

| Acknowledgement of Assessment Findings  | Report Prepared by  |
|---|---|
| <b>Name:</b><br><b>Mr Wan Mahadi Wan Yaacob</b>   | <b>Name:</b><br><b>Mr Hafriazhar Mohd Mokhtar</b>   |
| <b>Company name:</b><br><b>Sime Darby Plantation Sdn Bhd</b><br><b>Chaah Palm Oil Mill</b>  | <b>Company name:</b><br><b>BSI Services Malaysia Sdn Bhd</b>  |
| <b>Title:</b><br><b>Mill Manager</b>  | <b>Title:</b><br><b>Lead Auditor</b>  |
| <b>Signature:</b><br> <p>SIME DARBY PLANTATION SDN. BHD.<br/>Kilang Kelapa Sawit Chaah<br/>Co.No. 647766-1<br/>WAN MAHADI BIN WAN YACOB<br/>Mill Manager</p> <b>Date: 22/11/2016</b> | <b>Signature:</b><br><br><b>Date: 21/11/2016</b> |

**Appendix A: Summary of Findings**

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

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|---|---|---|-----------------|
| <p>1.2.1</p> <p>Publicly available documents shall include, but are not necessary limited to:</p> <ul style="list-style-type: none"> <li>• Land titles/user rights (Criterion 2.2);</li> <li>• Occupational health and safety plans (Criterion 4.7);</li> <li>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</li> <li>• HCV documentation (Criteria 5.2 and 7.3);</li> <li>• Pollution prevention and reduction plans (Criterion 5.6);</li> <li>• Details of complaints and grievances (Criterion 6.3);</li> <li>• Negotiation procedures (Criterion 6.4);</li> <li>• Continual improvement plans (Criterion 8.1);</li> <li>• Public summary of certification assessment report;</li> <li>• Human Rights Policy (Criterion 6.13).</li> </ul> <p>- Major compliance –</p> | <p>There was no restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. Sime Darby Plantations Sdn Bhd continued to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans was made available at all operating units. Procedure for complaints and grievances were available through Sime Darby Plantations Sdn Bhd website:<br/><a href="http://www.simedarbyplantation.com/Sustainability.aspx">http://www.simedarbyplantation.com/Sustainability.aspx</a></p> <p>Among the documents that were made available for viewing are:</p> <ul style="list-style-type: none"> <li>• Good Agricultural Practices</li> <li>• Social Enhancement</li> <li>• Sustainability Management Programmes</li> <li>• Complaint and Grievances procedure.</li> <li>• Environmental Conservation</li> </ul> <p>These documents highlight current Sime Darby Plantations Sdn Bhd practices and their continual improvement plans. Besides the above document Sime Darby Plantations Sdn Bhd policy on the followings are also available at the same website:</p> <ol style="list-style-type: none"> <li>1) Social</li> <li>2) Quality</li> <li>3) Food Safety</li> <li>4) Occupational Safety &amp; Health</li> <li>5) Environment &amp; Biodiversity</li> <li>6) Slope Protection and Buffer Zone</li> <li>7) Lean Six Sigma</li> <li>8) Gender</li> </ol> <p>In addition to the website, the policies were also displayed at various locations including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view.</p> | <p>Complied</p>   |                 |
| <p><b>Criteria 1.3:</b><br/>Growers and millers commit to ethical conduct in all business operations and transactions.</p>  |   |   |                 |
| <p>1.3.1</p>  | <p>There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.</p> <p>-Minor compliance</p>   | <p>The mil and estate management have briefed Code of Business Conduct to all the employees on 20/8/2016, 25/8/2016 and 5/9/2016. Attendance list and photos were sighted. All the employees have signed on an acknowledgement letter stated that they will comply with the COBC.</p> | <p>Complied</p> |
| <p><b>Principle 2: Compliance with applicable laws and regulations</b></p>  |   |   |                 |
| <p><b>Criterion 2.1:</b><br/>There is compliance with all applicable local, national and ratified international laws and regulations.</p>   |   |   |                 |

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|---|---|-----------------------------|
| <p>2.1.1<br/>Evidence of compliance with relevant legal requirements shall be available.<br/>- Major compliance -</p> | <p>SOU 20 had continued to comply with legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and PSQM sustainability team. SOU 20 had obtained and renewed license and permits as required by the law.<br/>Sample of licenses or permit viewed were :</p> <p><u>Chaah Palm Oil Mill</u><br/>AESP:<br/>NW-HQ-AE-4612-M expired on 18/11/16<br/>NW-NW-AE-R-4335-M expired on 3/11/16<br/>NW-HQ-AE-4610-M expired on 18/11/16</p> <p>DOSH annual UPV and SB inspection on 28/3/16<br/>General installation – JHK 2774&amp; JP2774/1-7<br/>Boiler - JH PMD 762<br/>Water softener – PMT 113840<br/>Decanter – PMT 16799<br/>Back Pressure Receiver – PMT 9187<br/>Sterilizer – JH PMT 20336, JH PMT 20597 &amp; JH PMT 21640.</p> <ul style="list-style-type: none"> <li>• DOE Licence/ Jadual Pematuhan: 002153 (validity period 1/7/2016 - 30/6/2015) for 36 MT/hr and method of POME discharge is land application (BOD below 5000mg/l)</li> <li>• MPOB: 518940004000, processing capacity 168,000 Mt, valid until 28/2/2017</li> <li>• Mill weighbridge Form D (permit) no.: B 795058, s/n: 01533476KP capacity 60mt</li> <li>• Diesel permit : J017330, for storage capacity of 10,800liter valid until 22/2/2017</li> <li>• Energy commission license no.: 2016/01388; serial no.: 16902 (validity period 3/9/2016 – 2/9/2017) for installation capacity limit &lt;1662kW)</li> <li>• Badan Kawalselia Air Johor (BAKAJ) river water abstract or divert license no.: 08/A/BP/035; Valid until 31/12/2016; Max abstract capacity: 500m3/day</li> <li>• Certified Environmental Professional in Scheduled Waste Management (CePSWaM) certificate # CePSWaM/16266 valid until 1/6/2017</li> <li>• No evidence of boundary noise monitoring as per DOE license requirements###</li> </ul> <p>There was no additional noise monitoring done after installation of new Shinko 1240 kW turbine Simpang Kiri Estate<br/>Thus, Major NC was issued.</p> <p><u>Simpang Kiri Estate</u><br/>Permit to buy Acephate, ref# JHR/2016/ACP/79(GL) date of approval 28/8/16 for total of 200 kg.</p> | <p>Major nonconformance</p> |

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|---|--|------------|
|   | <p><u>Simpang Kiri Estate:</u></p> <ul style="list-style-type: none"> <li>• MPOB license : 532593002000 valid until 30/9/2017, for plantation operation</li> <li>• MPOB license : 543698011000 valid until 31/10/2017, for nursery operation</li> <li>• Diesel permit : J023655, for storage capacity of 13,600liter valid until 3/3/2017</li> <li>• CF for air compressor – JH PMT 27205, last inspection was done on 25/1/2016, valid until 24/4/2017</li> <li>• Waste batteries (SW 102) not handled as scheduled waste####</li> </ul> <p><u>Chaah Estate:</u></p> <ul style="list-style-type: none"> <li>• MPOB license : 518848002000 valid until 28/2/2017, for plantation operation</li> <li>• Diesel permit : J023688, for storage capacity of 16,500liter valid until 6/7/2017</li> <li>• Tolling enactment license # 00884 (19/2016) valid until 31/12/2016</li> <li>• Salary deduction permit serial # PP3/29/224/2011 effective date 26/8/2011</li> <li>• CF for air compressor – JH PMT 1885, last inspection was done on 28/9/2015, valid until 27/12/2016</li> <li>• #### Due to above found issues, a major nonconformity was raised.</li> </ul> |            |
| 2.1.2   | <p>A documented system, which includes written information on legal requirements, shall be maintained.<br/>- Minor compliance -</p>  | Complied   |
| 2.1.3   | <p>A mechanism for ensuring compliance shall be implemented.<br/>- Minor compliance -</p>  | Complied   |
| 2.1.4   | <p>A system for tracking any changes in the law shall be implemented.<br/>- Minor compliance -</p>   | Complied   |
| <p><b>Criterion 2.2:</b><br/>The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p> |  |            |

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|---|---|------------|
| 2.2.1<br>Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available.<br>- Major compliance -  | <p><u>Simpang Kiri Estate:</u><br/>Land titles to cover the plantation area (Title No. HSD 7747, HSD 14358, HSD 14359, HSD 14360 and HSD 14361) sighted.<br/>Sample of quit rent:<br/>Quit rent payment slip # R397384; Title type &amp; # HSD 7747; lot # 04 PTD 0002379A; dated 4/2/2016</p> <p><u>Chaah Estate:</u><br/>Land titles to cover the plantation area (Title No. HSD 7745 and HSD 7746) sighted.<br/>Sample of quit rent:<br/>Quit rent payment slip # S778769; Title type &amp; # HSD 7745 and HSD 7746; lot # 04 PTD 0002379; dated 26/4/2016</p> | Complied   |
| 2.2.2<br>Legal boundaries shall be clearly demarcated and visibly maintained.<br>- Minor compliance -   | Field visit to Simpang Kiri Estate noted that legal boundaries that are clearly demarcated and visibly maintained throughout the estate. Mill is located inside Chaah Estate and sharing the estate boundary. All the boundaries are visibly maintained as per company SOP.   | Complied   |
| 2.2.3<br>Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC).<br>- Minor compliance - | There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Sime Darby and land ownership documents verified.  | Complied   |
| 2.2.4<br>There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved.<br>-Major compliance   | There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Sime Darby and land ownership documents verified.  | Complied   |
| 2.2.5<br>For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable).<br>-Minor compliance   | There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Sime Darby and land ownership documents verified.  | Complied   |
| 2.2.6<br>To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations.<br>-Major compliance   | There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to Sime Darby and land ownership documents verified.  | Complied   |
| <p><b>Criterion 2.3:</b><br/>Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.</p>  |   |            |

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|-----------------------|--|------------|
| 2.3.1                 | Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities)..<br>- Major compliance -  | Complied   |
| 2.3.2                 | Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:<br>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;<br>b) Evidence that the company has respected communities’ decisions to give or withhold their consent to the operation at the time that this decision was taken;<br>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company’s title, concession or lease on the land.<br>- Minor compliance - | Complied   |
| 2.3.3                 | All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.<br>-Minor compliance   | Complied   |
| 2.3.4                 | Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.<br>-Major compliance  | Complied   |

**Principle 3: Commitment to long-term economic and financial viability**

**Criterion 3.1:**

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

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| Criterion / Indicator  | Assessment Findings   | Compliance |
|--|---|------------|
| 3.1.1  | A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.<br>- Major compliance -  | Complied   |
| 3.1.2  | An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.<br>- Minor compliance -<br><br><u>Simpang Kiri Estate:</u><br>The long range (FY 15/16 until 36/37) replanting plan shows there will be replanting in FY 16/17 for a total of 104.96ha. The program was formerly planned to be conducted in FY 20/21 but brought forward earlier due to flooding issue.<br><br><u>Chaah Estate:</u><br>The long range (FY 15/16 until 36/37) replanting plan shows there will be replanting in FY 17/18 for a total of 93.70ha.  | Complied   |
| <b>Principle 4: Use of appropriate best practices by growers and millers</b>               |   |            |
| <b>Criterion 4.1:</b>  |   |            |
| Operating procedures are appropriately documented, consistently implemented and monitored. |   |            |
| 4.1.1  | Standard Operating Procedures (SOPs) for estates and mills are documented<br>- Major compliance -<br><br>SOP available for the Palm Oil Mill and the Estates. Palm Mill holds two SOPs: Sustainability Plantation Management System (MQMS/SOM/08 v.1 dated 1/11/2008) includes mill SOP and Mill Quality Management Manual v.1 2008/MQMS/QMM/08 as a guidance document to operate the mill. SOP for the Composting Plant dated 15/8/2011: Composting Management System version 1:2011 Estates have a separate SOP (Sime Darby SOP issued 2/1/2008 and Agricultural reference Manual) covers land preparation, planting material, upkeep, harvesting, transport etc.<br><br>It was sighted that there was a Revised Sustainable Plantation Management System – Appendix 7: Standard Operating Procedure (SOP) for Water Quality Monitoring being published on 1/6/2016 that supersede the previous version of SPMS Appendix 7 (Issued date 1/11/2008) and SOP for Water Monitoring (Issued date 26/2/2015). This procedure is applicable for both estate and mill. | Complied   |

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|--|---|-----------------|
| <p>4.1.2</p> <p>A mechanism to check consistent implementation of procedures shall be in place.<br/>- Minor compliance -</p> | <p>External Mill Advisor and a Planting Advisor inspect and report on the operations on annual basis. The on-site managers develop Action Plans from the Advisory Reports for improvement of the operations. Review of Advisory Reports, Action Plans and site inspections confirmed consistent records of implementation of SOPs. During mill visit it was noted that that operating parameters were consistently recorded by the operators.<br/>The following are rating given by internal and external for FY2015/2016 at SOU 20:</p> <p><u>Chaah Palm Oil Mill:</u><br/>MA visit report – SOU20/CAM/01/15-16 on 12-14/10/2015 by MA<br/>PQR = 83% (previous report 84%)<br/>Safety= 78% (previous 80%)</p> <p>Noted reduction for PQR and safety rating compared to previous MA visit. Mill had achieve higher OER and improved on mill utilization for the last financial year.</p> <p><u>Simpang Kiri Estate:</u><br/>PA visit report – SOU20/SSKE/01/16-17 on 27-29/7/2016<br/>PQR (Mature OP &amp; Others) = 75.49% (previous 79.38%)<br/>PQR (Immature OP) = 82.50% (previous 81.33%)<br/>PQR (Manuring) = 85. 94% (previous 92.20%)<br/>Crop recovery rating = 3/5 (previous 3/5)</p> <p><u>Chaah Estate:</u><br/>PA visit report – PAR/CE/01/2015-16 on 29-30/12/2015<br/>PQR (Mature OP &amp; Others) = 76.30% (previous 72.68%)<br/>PQR (Immature OP) = n/a<br/>PQR (Manuring) = 97.14% (previous 85.71%)<br/>Crop recovery rating = 3/5 (previous 4/5)</p> <p>There were also internal consultative audits done by PSQM and GCAD to ensure compliance against company policy and procedure with regards to operation, finance as well as safety, health and welfare requirements. The last audit was conducted from 16-19/8/2016.</p> | <p>Complied</p> |

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|--|--|------------|
| 4.1.3<br>Records of monitoring and any actions taken shall be maintained and available, as appropriate.<br>- Minor compliance -  | Based on Sustainable Plantation Management System Appendix 10 Procedure for Mill Environmental Performance version 1, year 2008, issue no. 1, dated 1 October 2008. Uses the Mill Environmental Performance Review (Form A) Mill environmental monitoring records available/sighted: <ul style="list-style-type: none"> <li>• Effluent monitoring records: Monthly Effluent Analysis Test Report; Test Report no. EP491/2016 dated 12/8/2016 for sample taken on 2/8/2016 by Sime Darby Research Sdn. Bhd.; parameter monitored-: pH, Total Alkalinity, VFA, BOD, COD, TS, SS, VSS, TN, AN, O&amp;G. All parameters were within allowable limit</li> <li>• River water (Sungai Gerchang) water sampling analysis against Class IIA/IIB INWQS (Water analysis test report by Sime Darby Research Sdn. Bhd. test report ref. # IE424/2016 dated 4/5/2016)</li> <li>• Air emission monitoring for Fume Hood: Report by PAC Testing &amp; Consulting Sdn. Bhd. Ref.: PAC-AE-160111; Sample monitoring date: 30/12/2015; Reported on December 2015</li> <li>• Boiler stack sampling records: Report on Air Emission Monitoring for Boiler 3 by PAC Testing &amp; Consulting Sdn. Bhd. Ref.: PAC-AE-160213; Sample monitoring date: 25/02/2016; reported on February 2016. Previous sampling was done on August 2015</li> <li>• Online scheduled waste inventory updated as of 22/8/2016; latest disposal done by Ranama Resource Sdn. Bhd. Consignment Ref. # RR1244 for SW305, SW322, SW409 &amp; SW410 where the quantity and storage period were within allowable limit</li> <li>• SW 404 consignment # 0009279 dated 1/7/2016 for disposal done in SKE</li> </ul> | Complied   |
| 4.1.4<br>The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB).<br>- Major compliance -   | No third party FFB received. All the FFB are from own certificate scope.   | Complied   |
| <b>Criterion 4.2:</b><br>Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.  |  |            |
| 4.2.1<br>There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible.<br>- Minor compliance - | Good agriculture practices which follows the group agriculture manual contains Standard Operating Procedures to ensure soil fertility is managed to a level that ensures optimal and sustained yield.  | Complied   |

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|--|--|------------|
| 4.2.2<br>Records of fertiliser inputs shall be maintained.<br>- Minor compliance -   | <p><u>Simpang Kiri Estate:</u><br/>           The records of agronomic and fertilizer recommendation report by agronomist dated 18/3/2016 shown application date, filed number, dosage applied per palm, type of fertilizer and number of application. Sampled recommendation for field 200A1 area MOP (1.75kg/palm) &amp; AC (2.25kg/palm) application was completed in July-August 2016 and GML (1.5kg/palm) planned to be conducted in October 2016.</p> <p><u>Chaah Estate:</u><br/>           The records of agronomic and fertilizer recommendation report by agronomist dated 14/4/2016 shown application date, filed number, dosage applied per palm, type of fertilizer and number of application. Sampled recommendation for field OP98A area MOP (1.25kg/palm) was ongoing until end of September 2016. GML (2.00kg/palm) application was planned to be conducted in October 2016.</p>        | Complied   |
| 4.2.3<br>There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.<br>- Minor compliance -   | <p><u>Simpang Kiri Estate:</u><br/>           The Sime Darby R&amp;D Centre located at Carey Island, Selangor has maintained an active interest in the support for management of soil fertility and optimisation of FFB yields and it also monitors the changes in nutrient status through periodic soil and leaf sampling. Based on the records, latest agronomist visit at Simpang Kiri for yield analysis was done on 23-24/2/2016. The visit was part periodic tissue and soil monitoring program as per SPMS Appendix 11-SOP for taking Soil Samples; V1; Issue 1 date 1/8/2009; Para 4.3-Frequency of soil sampling (at least every 5 years)</p> <p><u>Chaah Estate:</u><br/>           For Chaah Estate, latest agronomist visit was done during agronomist visit on 21-22/3/2016. Soil sampling and analysis was last done 18/11/2014 (Soil Analysis Test Report # S9/2015 dated 13/2/2015).</p> | Complied   |
| 4.2.4<br>A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting.<br>- Minor compliance - | All palm by-products including fronds, EFB, and expeller are recycled. EFB is applied at the rate of 40mt/ha on selected area close to the mill.   | Complied   |
| <b>Criterion 4.3:</b><br>Practices minimise and control erosion and degradation of soils.  |  |            |
| 4.3.1<br>Maps of any fragile soils shall be available.<br>- Major compliance -   | Soil series map available for both estates visited. There are no peat soils or soil categorized as problematic or fragile soil at all estates.   | Complied   |
| 4.3.2<br>A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific).<br>- Minor compliance -                                   | Soil series map available for both estates visited. There are no peat soils or soil categorized as problematic or fragile soil at all estates.   | Complied   |

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|---|---|---|------------|
| 4.3.3   | A road maintenance programme shall be in place.<br>- Minor compliance -   | Estates has implemented annual road maintenance programme. Example of programme checked at Simpang Kiri and Chaah estates shows the map indicating road repairs and maintenance for the whole estate roads includes grading, compacting and stone application to strengthen the road surface. | Complied   |
| 4.3.4   | Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place.<br>- Minor compliance -                      | There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.  | Complied   |
| 4.3.5   | Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.<br>- Minor compliance - | There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.  | Complied   |
| 4.3.6   | A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils).<br>- Minor compliance -                          | There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.  | Complied   |
| <b>Criterion 4.4:</b><br>Practices maintain the quality and availability of surface and ground water. |   |   |            |

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|--|--|-----------------|-------------|-------------|-----------|-----------------|-----------|-----------------|-----------|----------------|-----------|------------|----------|-----------------|
| <p>4.4.1</p> <p>An implemented water management plan shall be in place.<br/>- Minor compliance -</p>   | <p>The water management plan for both mill and estate were established based on Sime Darby Plantation’s Sustainable Plantation Management System Ver. 2 1/6/2016 Appendix 7; SOP for taking water samples from streams/rivers; especially for monitoring as well as other requirement by respective operating units.</p> <p><u>Chaah Oil Mill:</u><br/>Has reviewed the Water Management Plan for financial year 2016/2017 on 8/7/2016 for consumption and monitoring of water and its sources based on its operational and DOE license requirements.</p> <p><u>Simpang Kiri Estate:</u><br/>Water management plan – Contingency plan- Purchase water from SAJ for drinking water while monitoring of discharge water into river. Latest sample of Sungai Simpang Kiri water analysis result for the month of August 2016 shown that the estate has complied with the requirement of Class IIA/IIB INWQS (Water analysis test report by Sime Darby Research Sdn. Bhd. test report ref. # IE870/2016 dated 30/8/2016).<br/>Result:<br/>BOD river (Sungai Simpang Kiri) upstream = 2mg/l<br/>BOD river (Sungai Simpang Kiri) midstream = 3mg/l<br/>BOD river (Sungai Sayong) downstream = 3mg/l<br/>SKE Rainfall for period from Jul 15 – Jun 16 = 1786.80mm</p> <p><u>Chaah Estate:</u><br/>Latest sample of Sungai Sayong pesticide analysis result for the month of April 2016 shown that no any pesticide content detected in water sample (Pesticide analysis test report by Sime Darby Research Sdn. Bhd. test report ref. # PL194/2016 dated 8/4/2016).<br/>CE Rainfall for period from Jul 15 – Jun 15 = 1474.00mm</p> | <p>Complied</p> |             |             |           |                 |           |                 |           |                |           |            |          |                 |
| <p>4.4.2</p> <p>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.<br/>- Major compliance -</p>                  | <p>Documented as a Guidelines on River Reserve Management (Management of River Reserve in Sime Darby Plantation; dated April 2014). Buffer zones established as following:</p> <table border="1" data-bbox="660 1536 1299 1720"> <thead> <tr> <th>River width</th> <th>Buffer zone</th> </tr> </thead> <tbody> <tr> <td>&gt; 40 meters</td> <td>50 meters</td> </tr> <tr> <td>20 to 40 meters</td> <td>40 meters</td> </tr> <tr> <td>10 to 20 meters</td> <td>20 meters</td> </tr> <tr> <td>5 to 10 meters</td> <td>10 meters</td> </tr> <tr> <td>&lt; 5 meters</td> <td>5 meters</td> </tr> </tbody> </table>   | River width     | Buffer zone | > 40 meters | 50 meters | 20 to 40 meters | 40 meters | 10 to 20 meters | 20 meters | 5 to 10 meters | 10 meters | < 5 meters | 5 meters | <p>Complied</p> |
| River width  | Buffer zone  |                 |             |             |           |                 |           |                 |           |                |           |            |          |                 |
| > 40 meters  | 50 meters  |                 |             |             |           |                 |           |                 |           |                |           |            |          |                 |
| 20 to 40 meters  | 40 meters  |                 |             |             |           |                 |           |                 |           |                |           |            |          |                 |
| 10 to 20 meters  | 20 meters  |                 |             |             |           |                 |           |                 |           |                |           |            |          |                 |
| 5 to 10 meters   | 10 meters  |                 |             |             |           |                 |           |                 |           |                |           |            |          |                 |
| < 5 meters   | 5 meters   |                 |             |             |           |                 |           |                 |           |                |           |            |          |                 |
| <p>4.4.3</p> <p>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6).<br/>- Minor compliance -</p> | <p>Based on effluent monitoring records: Monthly Effluent Analysis Test Report; Test Report no. EP491/2016 dated 12/8/2016 for sample taken on 2/8/2016 by Sime Darby Research Sdn. Bhd.; parameter monitored:- pH, Total Alkalinity, VFA, BOD, COD, TS, SS, VSS, TN, AN, O&amp;G. All parameters were within allowable limit as per DOE license requirements.</p>   | <p>Complied</p> |             |             |           |                 |           |                 |           |                |           |            |          |                 |

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| 4.4.4  | Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored.<br>- Minor compliance - | Water consumption were monitored and measured for mill processing and domestic usage.<br><br>Consumption for the month from January to July 2016 ranged at 1.31 – 1.47m <sup>3</sup> /FFB processed.   | Complied   |
| <b>Criterion 4.5:</b><br>Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques. |   |  |            |
| 4.5.1  | Implementation of Integrated Pest Management (IPM) plans shall be monitored.<br>- Major compliance -                  | IPM is documented in Agriculture Reference Manual. The estates continue to implement biological control for the oil palm pest in the plantation such as leaf eating pest and rat. IPM techniques applied at the estates include monitoring of pest numbers and the use of triggers for initiation of control measures. Barn owls Tyto Alba has been introduced for biological control of rats. Barn owl boxes are constructed at the rate of 1 box to 10ha. Census records show that there is no outbreak of leaf eating pest. Although there have been no outbreaks of leaf eating pests, beneficial plants are being established along roadsides to attract natural predators. The estates have planted beneficial plants such as Cassia cobanensis and Turnera subulata and Antigonon leptopus (4.5.1 & 4.5.2). It was noted that the census interval for barn owl occupancy was as per Sime Darby SOP in Agricultural Reference Manual v.1 Section 15. | Complied   |
| 4.5.2  | Training of those involved in IPM implementation shall be demonstrated.<br>- Minor compliance -                       | IPM training is given by the Agronomist and plantation executives with qualification in agriculture. Interview with the barn owl occupancy census team confirm their understanding of the Sime Darby SOP in Agricultural Reference Manual v.1 Section 15 on census. IPM training covers barn owl census, planting of beneficial plants etc. Training provided by the R&D department on 11/2/2016 at Yong Peng Estate and attended by estate's assistant manager.   | Complied   |
| <b>Criterion 4.6:</b><br>Pesticides are used in ways that do not endanger health or the environment  |   |  |            |

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|---|--|-----------------|-----------------------|-----------------|---------------------|--------|----------------------|--------------|----------------|------------|------------------------|-----------|----------|-----------------|
| <p>4.6.1</p> <p>Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available.</p> <p>- Major compliance -</p>                          | <p>The written justification in Standard Operating Procedure (SOP) of all agrochemical are available the Agricultural Reference Manual (ARM), SOP and in the Safety Pictorial Book prepared by Sime Darby Plantation Sdn Bhd. Refer to Sime Darby Agricultural Reference Manual, issue:1 version:3 dated 1/7/2011. Selected products are specific to the target pest, weed and disease. Some of recommended pesticides are:</p> <p>Immature planting (sample)</p> <ul style="list-style-type: none"> <li>- General weeds : Glyphosate</li> <li>- Legume &amp; broad leave : Metsulfuron Methyl</li> <li>- Stenochlaena palustris : Sodium chlorate</li> </ul> <p>Mature planting</p> <ul style="list-style-type: none"> <li>- VOPs : glyphosate &amp; sodium chlorate</li> </ul> <p>Bagworms – Acephate<br/>Rhinoceros Beetle – Cypermethrin</p> <p>The selection is also evaluated by the agronomist during his visit to the estate</p> | <p>Complied</p> |                       |                 |                     |        |                      |              |                |            |                        |           |          |                 |
| <p>4.6.2</p> <p>Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided.</p> <p>- Major compliance -</p>   | <p>Records of pesticides use (including active ingredients used and their LD 50, area treated, amount of a.i. applied per ha and number of applications) had been maintained and kept by the estate.</p> <p><u>Chaah Estate (FY2015/2016)</u></p> <table border="1" data-bbox="659 1238 1297 1476"> <thead> <tr> <th>Chemical name</th> <th>Active Ingredient(Ai)</th> </tr> </thead> <tbody> <tr> <td>Sodium Chlorate</td> <td>Sodium Chlorate 99%</td> </tr> <tr> <td>Kenlon</td> <td>Triclopyr methyl 32%</td> </tr> <tr> <td>Supresate 41</td> <td>Glyphosate 41%</td> </tr> <tr> <td>Kenyon 20G</td> <td>Metsulforon methyl 20%</td> </tr> <tr> <td>EBOR Bait</td> <td>Warfarin</td> </tr> </tbody> </table> <p>From July15 to June 16, average Ai/Ha is 0.139.</p>   | Chemical name   | Active Ingredient(Ai) | Sodium Chlorate | Sodium Chlorate 99% | Kenlon | Triclopyr methyl 32% | Supresate 41 | Glyphosate 41% | Kenyon 20G | Metsulforon methyl 20% | EBOR Bait | Warfarin | <p>Complied</p> |
| Chemical name   | Active Ingredient(Ai)  |                 |                       |                 |                     |        |                      |              |                |            |                        |           |          |                 |
| Sodium Chlorate   | Sodium Chlorate 99%  |                 |                       |                 |                     |        |                      |              |                |            |                        |           |          |                 |
| Kenlon  | Triclopyr methyl 32%   |                 |                       |                 |                     |        |                      |              |                |            |                        |           |          |                 |
| Supresate 41  | Glyphosate 41%   |                 |                       |                 |                     |        |                      |              |                |            |                        |           |          |                 |
| Kenyon 20G  | Metsulforon methyl 20%   |                 |                       |                 |                     |        |                      |              |                |            |                        |           |          |                 |
| EBOR Bait   | Warfarin   |                 |                       |                 |                     |        |                      |              |                |            |                        |           |          |                 |
| <p>4.6.3</p> <p>Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines.</p> <p>- Major compliance -</p> | <p>The quantity of agrochemicals required for various field conditions are documented and justified in Sime Darby Plantation Agriculture Reference Manual Section 16.5. The implementation in the field is consistent with the Agriculture Reference Manual Section 16.5</p>   | <p>Complied</p> |                       |                 |                     |        |                      |              |                |            |                        |           |          |                 |

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| 4.6.4                 | Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances.<br>- Minor compliance - | Paraquat was eliminated. At the time of assessment there was no class 1a or 1b pesticide. Alternatives such as Glyphosate were used with the elimination of Paraquat. For trunk injector, Acephate class III chemical was used as alternative for methamidophos.   | Complied |
| 4.6.5                 | Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).<br>- Major compliance -             | Pesticide operators given training on the safe handling and application of the pesticides. Suitable personal protective equipment's and application equipment provided to the operators. All precautions attached to the products explained to operators and understood by them. This was noted during the interview with workers. | Complied |
| 4.6.6                 | Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3).<br>- Major compliance -   | The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During visit it was noted that all the remaining pesticides are kept in the store and securely locked and comply with regulation.   | Complied |
| 4.6.7                 | Application of pesticides shall be by proven methods that minimise risk and impacts.<br>- Minor compliance -   | The quantity of agrochemicals required for various field conditions are documented and justified in Sime Darby Plantation Agriculture Reference Manual Section 16.5. The implementation in the field is consistent with the Agriculture Reference Manual Section 16.5.   | Complied |
| 4.6.8                 | Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application.<br>- Major compliance -   | No aerial spraying at SOU20.   | Complied |
| 4.6.9                 | Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8).<br>- Minor compliance -   | No associated smallholders. Employees handling pesticide given knowledge and skill required by the R&D Department and OSH Department to cover safe handling practices and standard operating procedures.   | Complied |
| 4.6.10                | Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3).<br>- Minor compliance -  | Disposal method of all identified waste was already included in the pollution prevention plan where the site visit confirmed that the practice of reduce, reuse and recycle of materials has been implemented throughout the company within mill and estates.  | Complied |

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| <p>4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.<br/>- Major compliance -</p>  | <p><u>Simpang Kiri Estate:</u><br/>Medical surveillance was last conducted on 6/4/, 31/5, 29/6 and 16/9/16 by registered OHD, HQ/08/DOC/00/545. Total of 50 workers under different work units (spraying, manuring, trunk injector, fogging and workshop) were sent for medical surveillance. All were found to fit to work and no detrimental of health.</p> <p><u>Chaah Estate:</u><br/>Medical surveillance was last conducted on 6/4, 27/5, 15/9/16 by registered OHD, HQ/08/DOC/00/545. Total of 31 workers were sent for medical surveillance. All were found to fit to work and no detrimental of health. Noted there is 1 sprayer, employee# 4623488 was not sent for medical surveillance in 2016. Last medical surveillance was done on 7/5/15.</p> <p>Thus, Major NC was issued.</p> | <p>Major nonconformance</p> |
| <p>4.6.12 No work with pesticides shall be undertaken by pregnant or breast-feeding women.<br/>- Major compliance -</p>  | <p>There are female pesticide operators but only for normal weeding work. However, based on interview with female workers confirmed knowledge of the policy of transfer to alternative duties if they wished to continue working when pregnancy was confirmed or breast-feeding.</p>  | <p>Complied</p>             |
| <p><b>Criterion 4.7:</b><br/>An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:</p> |   |                             |

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| <p>4.7.1</p> <p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.<br/>- Major compliance -</p> | <p>SOU20 estates and mill has maintained an approved Health and Safety Policy dated April 2011 by Sime Darby Plantations Sdn Bhd, EVP that is displayed prominently on notice boards in English and local language Bahasa Malaysia. The Policy is implemented through the OSH activities by the on-site safety officers and monitored by OSH Manager from Head Office. Environment safety and health (ESH) management plan for each operating unit had been established. The latest ESH plan was made available during this assessment. Sample of Chaah Oil Mill ESH programme for FY2016/2017 were :</p> <p><u>Audiometric Testing:</u><br/>Last audiometric was done on 8/8/16 for total of 101 employees by OHD (HQ/08/DOC/00/641) Procoma Environmental (M) Sdn Bhd. From the report, there were 19 hearing impairment and 19 Standard Threshold Shift (STS) case recorded. Retest for STS scheduled on 23/9/16 by Procoma Environmental (M) Sdn Bhd. For hearing impairment cases, JKPP 7 was submitted to DOSH on 21/9/16</p> <p><u>Medical Surveillance Programme:</u><br/>As per CHRA recommendation dated November 2013 JKPP IH 127/171-(2)223), medical surveillance programme has been planned for those exposed to lab chemicals, water treatment chemicals, workshop and store. The latest medical surveillance was carried out on 8-9/10/15 by registered OHD, (HQ/08/DOC/00(545) under Klinik Segamat for 20 workers from boiler, laboratory, WTP and workshop personnel. From the results, all workers sent for medical surveillance are fit to work with no detrimental of health.</p> <p><u>LEV inspection and testing:</u><br/>LEV inspection and testing was last conducted on 26/5/15 by JKPP HIE 127/171-3/2(27) and there was no inspection conducted as to date.</p> <p><u>Personel Chemical Exposure Monitoring (PCEM):</u><br/>Last PCEM conducted in 2013 (baseline) for n-Hexane, Potassium Chromate &amp; welding fume by Global Safe-T Sdn Bhd. There was no evidence of latest monitoring done in 2016 as to date.</p> <p>Thus, Major NC was raised with regards to the above issues.</p> | <p>Major nonconformance</p> |

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| <p>4.7.2</p> <p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.</p> <p>- Major compliance -</p> | <p>SOU 20 had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. Refer to CHRA report for Chaah Palm Oil Mill ref: PAC1113-002, (JKKP IH 127/171-(2)223) dated November 2013. CHRA recommendation for 4 work unit were :-</p> <p><u>Laboratory:</u></p> <ul style="list-style-type: none"> <li>- LEV testing (internal and external)</li> <li>- PCEM (N-hexane)</li> <li>- Medical surveillance &amp; training</li> </ul> <p>For mill operations, all key activities identified and risk assessed with respect to FFB grading and sorting, FFB sterilization, kernel and oil extraction, oil clarification, maintenance activities at the workshop, working in confined space, working at height and hot work activities. HIRARC was reviewed on the 13/7/15 after occurrence of accident at fruit handling area. No latest HIRARC review as to date since the last incident.</p> <p><u>Workshop/Store/Operator:</u></p> <p>Re-visited CHRA was conducted for Simpang Kiri Estate on 3 /8 to 13/10/15 by DOSH registered assessor, JKKP HIE 127/171-2(363) under NM Laboratory Sdn Bhd</p> <ul style="list-style-type: none"> <li>- Training, PPE &amp; medical surveillance.</li> </ul> <p>At the estates, among the HIRARC carried out covered activities like chemical mixing and spraying, chemical storage, harvesting and FFB collection and vehicle maintenance. Last review of HIRARC was done on 14/9/16 related to harvesting operation due to the occurrence of accident.</p> <p><u>Chaah Estate:</u></p> <p>Re-visited CHRA was conducted for Chaah Estate on 3 /8 to 13/10/15 by DOSH registered assessor, JKKP HIE 127/171-2(363) under NM Laboratory Sdn Bhd</p> <p>Last reviewed of HIRARC was on 1/8/15 for FFB loading bin after accident.</p> | <p>Complied</p> |

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| <p>4.7.3</p> <p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>- Minor compliance -</p> | <p>Awareness and training programme had been carried out. All workers involved had been adequately trained in safe working practices. The objective was to ensure all workers involved have been adequately trained in understanding MSDS, safe working practices and the correct use of PPE. Suitable PPE has been provided to the workers based on the information in the MSDS/CSDS and CHRA assessor's recommendation.</p> <p>List of Personal Protective Equipment (PPE) Provided – identifies the type of PPE for the respective activities.</p> <p>i) Sterilizer and boiler/power operator – Safety Helmet, Semi leather Hand Glove, Cotton Gloves, Safety Shoes, Safety Vest and Ear Muff.</p> <p>ii) Lab operator – Respirator (double cartridge) 3M 6006, Nitrile Glove (chemical resistant), safety boots, Ear plug (NRR = 24 dB)</p> <p>iii) Field workers (sprayer, manurer &amp; harvester) – N95 respirator/3M 9002, anti-mist goggles, Wellington boots, apron and sickle cover.</p>      | <p>Complied</p> |
| <p>4.7.4</p> <p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.</p> <p>- Major compliance -</p>  | <p>Assistant manager at each of the operating units are appointed as OSH Coordinators and Estate Hospital Assistant as Safety and Health Committee Secretary. OSH Committees meeting conducted quarterly and meeting minutes includes issues raised and action taken form workplace inspection report etc. The last meeting was conducted on the 25/7/16 at Chaah Palm Oil Mill. 21 members has attended the meeting with discussion on the accident review, safety improvement plan, issues from workers has been discussed and action to be taken. There was no major issue.</p> <p><u>Chaah Palm Oil Mill:</u><br/>SHC organization chart FY16/17 available.<br/>New chairman and secretary appointment, effective 2/2/16<br/>Meeting minutes sampled; #2: 21/4/16, #1: 21/1/16</p> <p><u>Simpang Kiri Estate:</u><br/>SHC org chart (FY16/17) available.<br/>No new appointment of SHC committee. Noted renewal for RY2016/2017.<br/>Meeting minutes sampled; #3: 8/9/16, #2: 3/6/16, #1: 8/3/16</p> | <p>Complied</p> |

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| <p>4.7.5</p> <p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>- Minor compliance -</p> | <p>Emergency Response Plan (ERP) has been established and defined in procedure, Level 2, Standard Operation Manual, Sub Section 5.5, Management Responsibility, Appendix 5.5.3.3 Emergency Preparedness and Response Procedure, version:1, issue :1 dated 1/11/2008. Emergency response activities were also included in the ESH plan FY 16/17. The following were Emergency Response Plan was addressed: Fire Outbreak, Accident and incident occurrence, Oil Spillage and etc. Latest fire evacuation drill was done on 4/8/16 at Chaah Palm Mill.</p> <p>Accident and emergency procedures have been communicated to employees, contractors and visitors. Workers trained in First Aid were present in the mill and field operations. Records on all incidents kept and summary sent to Head Office. Quarterly review on accident cases carried out during OSH quarterly meeting. All operating units keeping all the JKKP 6,7 &amp; 8 forms.</p> | <p>Complied</p>     |                 |                     |              |      |               |                 |                 |             |   |                 |                |                 |
| <p>4.7.6</p> <p>All workers shall be provided with medical care, and covered by accident insurance.</p> <p>- Minor compliance -</p>   | <p>Medical care is provided to all the employees. Local workers are covered under SOCSO scheme while foreign workers are covered under foreign workers compensation scheme.</p> <p><u>Chaah Palm Oil Mill</u><br/>Insurance policy sampled:<br/>i)Passport# A3903906, policy# FW190009 valid until 5/8/17 under RHB Insurance Berhad<br/>ii)Passport# A3903906, policy# FW190009 valid until 5/8/17 under RHB Insurance Berhad<br/>iii)Passport# B4121326, policy# FW190229 valid until 3/7/17 under RHB Insurance Berhad<br/>iv)Passport# AS930859, policy# FW190229 valid until 3/7/17 under RHB Insurance Berhad</p> <p><u>Simpang Kiri Estate:</u><br/>Insurance policy sampled:<br/>i)Passport# B3623586, policy# FW187801 valid until 12/7/17 under RHB Insurance Berhad<br/>ii)Passport# B1568031, policy# FW187801 valid until 12/7/17 under RHB Insurance Berhad</p>  | <p>Complied</p>     |                 |                     |              |      |               |                 |                 |             |   |                 |                |                 |
| <p>4.7.7</p> <p>Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics</p> <p>- Minor compliance -</p>  | <p>Records on Lost Time Accident (LTA) metrics displayed at the operating units through Safety Statistic Billboard and reported to PSQM-ESH department using new online system called SMS-IT. Sample of accident statistic as shown below :</p> <table border="1" data-bbox="660 1756 1299 1980"> <thead> <tr> <th>Year</th> <th>Chaah POM</th> <th>Simpang Kiri Estate</th> <th>Chaah Estate</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>1 case/68 LTA</td> <td>12 cases/11 LTA</td> <td>8 cases/ 70 LTA</td> </tr> <tr> <td>2016 todate</td> <td>0</td> <td>17 cases/12 LTA</td> <td>4 cases/ 8 LTA</td> </tr> </tbody> </table> <p>*LTA is equivalent to lost man days (MC)</p>  | Year                | Chaah POM       | Simpang Kiri Estate | Chaah Estate | 2015 | 1 case/68 LTA | 12 cases/11 LTA | 8 cases/ 70 LTA | 2016 todate | 0 | 17 cases/12 LTA | 4 cases/ 8 LTA | <p>Complied</p> |
| Year  | Chaah POM  | Simpang Kiri Estate | Chaah Estate    |                     |              |      |               |                 |                 |             |   |                 |                |                 |
| 2015  | 1 case/68 LTA  | 12 cases/11 LTA     | 8 cases/ 70 LTA |                     |              |      |               |                 |                 |             |   |                 |                |                 |
| 2016 todate   | 0  | 17 cases/12 LTA     | 4 cases/ 8 LTA  |                     |              |      |               |                 |                 |             |   |                 |                |                 |

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| <b>Criterion 4.8:</b><br>All staff, workers, smallholders and contract workers are appropriately trained.   |  |  |            |
| 4.8.1   | A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.<br>- Major compliance -   | A formal training programme on all aspects of RSPO principle and Criteria has been established and implemented. The training need analysis and program was made available for verification at all visited sites.   | Complied   |
| 4.8.2   | Records of training for each employee shall be maintained.<br>- Minor compliance -   | Records of training for employees available and maintained. Records verified on a sampling basis at the Mill and r estates visited covers all aspect of training and RSPO P&C. Samples of training conducted for FY15/16 and FY16/17 as follows: <ul style="list-style-type: none"> <li>• Mill operation on-job training for new workers</li> <li>• Scheduled Waste training – August 2016</li> <li>• First Aid Training July 2016</li> <li>• Fire Drill Training May 2016</li> <li>• IPM Training May 2016</li> <li>• Chemical sprayer training February 2016</li> </ul>  | Complied   |
| <b>Principle 5: Environmental responsibility and conservation of natural resources and biodiversity</b>   |  |  |            |
| <b>Criterion 5.1:</b><br>Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement. |  |  |            |
| 5.1.1   | An environmental impact assessment (EIA) shall be documented.<br>- Major compliance -  | Plans and impact assessments relating to environmental impacts based on Sime Darby Mill Quality Management System Standard Operation Manual SOM) as following: <ul style="list-style-type: none"> <li>• Appendix 5.4.1b - Environmental Aspect and Impact Evaluation Procedure, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009.</li> <li>• Appendix 5.4.1c - Environmental Aspect and Impact Identification form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009.</li> <li>• Appendix 5.4.1d – Environmental Impacts Evaluation form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009.</li> </ul> | Complied   |
| 5.1.2   | Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons.<br>- Minor compliance - | <u>Chaah Mill:</u><br>Environmental Aspect Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated on 9/6/2016.<br><br><u>Simpang Kiri Estate:</u><br>Environment Aspect and Impact Identification (EAI) reviewed on 11/7/2016 together with the Environmental Impact Evaluation. No changes identified.<br><br><u>Chaah Estate:</u><br>Environment Aspect and Impact Identification review meeting on 8/5/2016. No changes identified. It was observed that the reviewing and updating on the registers were done annually if there’s no any new activity within respective sites.           | Complied   |

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| 5.1.3  | <p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>- Minor compliance -</p> | <p>An environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts.</p> <p>Complied</p>   |
| <p><b>Criterion 5.2:</b><br/>The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p> |  |   |
| 5.2.1  | <p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).</p> <p>- Major compliance -</p>  | <p>Ecologist from the PSQM team conducted initial HCV assessment of the possible presence of HCVs within and adjacent to the estates in 2009. BSI audit team already assessed the HCV assessment in 2009 during the initial certification of the supply base. HCV Toolkit for Malaysia by WWF – Malaysia was used for the HCV assessment.</p> <p>Reassessment of Biodiversity was done on 24-27/11/2015</p> <p>Final report version 2 dated August 2016 stated Social &amp; Environment Projects Units (PSQM). There has been an appropriate consultation process for identification, management and monitoring of HCVs. Conservation area is maintained mainly water-log and steep area.</p> <p>Complied</p> |
| 5.2.2  | <p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.</p> <p>- Major compliance -</p>   | <p>Regular patrols within the operating unit estates were carried out and findings recorded by the respective Estate executives to monitor the Conservation, buffer zone areas and HCV areas. No operation being carried out at the designated areas. Mechanism for reporting the sightings of various types of wildlife, were found to have been in place. Monitoring and control of any illegal hunting, fishing or collecting activities was also implemented. Signages that prohibit hunting, fishing and water polluting activities were verified on-site at the both visited estates found to have been satisfactorily maintained.</p> <p>Complied</p>  |
| 5.2.3  | <p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.</p> <p>- Minor compliance -</p>  | <p>Evidence to continuously prevent and discourage illegal or hunting, fishing or collecting activities were maintained and implemented. Signages as well as routine patrolling activities were utilised as part of creating awareness among employees and maintain at biodiversity areas.</p> <p>Complied</p>  |

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| 5.2.4<br>Where a management plan has been created there shall be ongoing monitoring:<br><ul style="list-style-type: none"> <li>• The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;</li> <li>• Outcomes of monitoring shall be fed back into the management plan.</li> </ul> - Minor compliance - | Management plans were established and monitoring outcomes were reviewed by the Estate managers. There are no reported RTE at the Chaah operating units, as reported in the PSQM HQ Report. Biodiversity action plan as following:<br><ul style="list-style-type: none"> <li>- Riparian reserved/buffer zone – replace/repaint signage – complete June 2016</li> <li>- Elephant intrusion – electrical fence installation, supply palm for immature area – complete April 2016</li> </ul> Sample of monitoring form used for HCV and conservation areas indicated that water catchment, bund, streams, forest border and waterlogged areas were being monitored for any encroachment, wildlife sightings, pollution and erosion issues.  | Complied   |
| 5.2.5<br>Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.<br>- Minor compliance -   | It is verified that there has been no instance of HCV set aside that conflicts with the rights of local communities at the estates visited. Thus negotiated agreement of such nature is not applicable.   | Complied   |
| <b>Criterion 5.3:</b><br>Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.   |   |            |
| 5.3.1<br>All waste products and sources of pollution shall be identified and documented.<br>- Major compliance -  | Visits made to Mill together with Simpang Kirir Estate and Chaah Estate showed that all waste products and sources of pollution were identified and documented. The documentation and identification of all the waste products such as scheduled waste, domestic waste and recyclable waste such as metal, plastic, mill waste and polluting materials e.g. EFB, POME, Stack emissions and Boiler ashes were maintained and monitored at the Mill. Scheduled Waste identified included spent hydraulic oil (SW 305), spent lubricant oil (SW 306), used chemical containers/drums (SW 409), used filters SW 410) and used batteries (SW 102). Records on the usage and disposal were well recorded and documented. Appropriate secondary containment for the diesel skid tanks, chemical and scheduled waste storage areas was verified to be maintained. | Complied   |
| 5.3.2<br>All chemicals and their containers shall be disposed of responsibly.<br>- Major compliance -   | Based on policy to reduce, reuse and recycle, the management of used chemicals and containers were done in accordance Scheduled Waste regulations. For estates, the empty pesticides container were collected in scheduled waste store after being triple rinsing and punctured at the bottom of the container. Stores for scheduled waste were inspected at audited sites in mill and estates and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment. The mill and estates also have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor.  | Complied   |

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| <p>5.3.3</p> <p>A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.<br/>- Minor compliance -</p>  | <p>An environmental management plan has been established by the mill and estate as part of the control of significant aspect identified and impact evaluated.</p> <p>Chaah Mill identified environmental issue and its management plan as following:</p> <ul style="list-style-type: none"> <li>• Leakage of POME during land application to estate to nearby water stream</li> <li>• Overflow of POME</li> <li>• Black smoke emission</li> <li>• Open burning at linesite</li> </ul> <p>Chaah Mill identified waste and action as following:</p> <ul style="list-style-type: none"> <li>• Scheduled Waste - SW305, SW410, SW102, SW404</li> <li>• Recycled waste – empty chemical container</li> <li>• Other waste – used tires</li> <li>• Domestic waste – rubbish, garden sewage</li> <li>• Industrial waste – scrap iron</li> </ul> <p>Simpang Kiri Estate waste management plans as following:</p> <ul style="list-style-type: none"> <li>• Scheduled waste generated SW102 not handled accordingly</li> <li>• Industrial waste – scrap iron – to recycle</li> </ul> | <p>Complied</p> |
| <p><b>Criterion 5.4:</b><br/>Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>   |   |                 |
| <p>5.4.1</p> <p>A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.<br/>- Minor compliance -</p>                      | <p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement.</p> <p>Apart from use of grid electricity, palm fibre and shells were also used to generate electricity through steam turbine and boiler. The use of energy in palm oil mill and line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where Palm fibre and PK shells were used as renewable energy/fuel on a 70:30 ratio basis. Monthly records of energy consumption of non-renewable and renewable fuel per metric tonne of palm product at the Mill were available.</p> <p>At the estates, diesel consumption per metric ton FFB was also monitored on a monthly basis. It was verified that energy usage are being monitored at the operating units for better control and comparison of trends.</p>                  | <p>Complied</p> |
| <p><b>Criterion 5.5:</b><br/>Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.</p> |   |                 |

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| 5.5.1   | <p>There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions.</p> <p>- Major compliance -</p>   | <p>Zero open burning policy as per SOP Section B2 - Felling/Land Clearing &amp; Land Preparation dated November 2008. Management complying with the Malaysian environmental law –EQA and Regulations 1974. No open burning noted during the field visit and facility visit. Based on the action plan to prevent open burning which includes planting cover crops, installing zero burning notice boards, briefing and etc.</p> <p>Furthermore, the Group policy of "Zero open burning" is enforced since July 2008. The operating units adhered the policy of "Zero open burning" for any replanting, if any, in the estates. Field inspections made in Simpang Kiri and Chaah estates field showed no evidence of open burning.</p>  | <p>Complied</p> |
| 5.5.2   | <p>Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions.</p> <p>- Minor compliance -</p> | <p>The operating units have adhered to the zero burning policy for replanting at the estates. During the audit, there were no replanting activities carried out in the Simpang Kiri and Chaah estates. There was no evidence of any burning of domestic waste at the housing line sites and at the domestic landfills of the estates during on site field assessment.</p>   | <p>Complied</p> |
| <p><b>Criterion 5.6:</b><br/>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p> |   |   |                 |
| 5.6.1   | <p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p> <p>- Major compliance -</p>  | <p>Based on the assessment of all polluting activities as of the Environment Aspect and Impact assessment, identified source was boiler chimney. Current monitoring was through online boiler smoke density and alarm and six-monthly boiler stack monitoring of dust particulate. Sampled analysis sighted as following:</p> <ul style="list-style-type: none"> <li>Air emission monitoring for Fume Hood: Report by PAC Testing &amp; Consulting Sdn. Bhd. Ref.: PAC-AE-160111; Sample monitoring date: 30/12/2015; Reported on December 2015</li> </ul> <p>Boiler stack sampling records: Report on Air Emission Monitoring for Boiler 3 by PAC Testing &amp; Consulting Sdn. Bhd. Ref.: PAC-AE-160213; Sample monitoring date: 25/02/2016; reported on February 2016. Previous sampling was done on August 2015</p> | <p>Complied</p> |
| 5.6.2   | <p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.</p> <p>- Major compliance</p>   | <p>Main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH<sub>4</sub>) emission through POME treatment. The company are in process of obtaining proposals to construct methane capture facilities in POME treatment pond. Project arrangement handled by HQ and the project expected to complete the construction of the biogas plant by 2016.</p> <p>Other less significant GHG emissions identified including CO<sub>x</sub>, SO<sub>x</sub> and NO<sub>x</sub> from various sources including fossil fuel, chemical and fertilizer consumptions.</p>  | <p>Complied</p> |

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| 5.6.3<br>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.<br>- Minor compliance -  | Monitoring of the GHG quantity was done through its licensed GHG calculator, "SD-Global Plantation Carbon Inventory Calculation Methodology calculator" where annual quantification of all GHG sources was input into the calculator. Default values of emissions factor Calculation of the GHG emissions were derived from publicly available sources including IPCC. These calculations were reported to RSPO-ERWG for confirmation of acceptance of calculation method. The GHG calculations were done separately between the mill and estates. | Complied       |
| <b>Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.</b>   |  |                |
| <b>Criterion 6.1:</b><br>Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.    |  |                |
| 6.1.1<br>A social impact assessment (SIA) including records of meetings shall be documented.<br>- Major compliance -   | SIA was conducted on 6-9 April 2015 by the Social & Environment Projects Unit, PSQM Department covering Chaah POM, Chaah Estate, North Labis Estate and Sg. Simpang Kiri Estate. The methodology of the assessment is through interview with stakeholders such as local communities, workers and etc. Other method such as site visit and documentation reviewed is carried out as well. Attendance list of the stakeholders involved in the assessment was sighted.   | Complied       |
| 6.1.2<br>There shall be evidence that the assessment has been done with the participation of affected parties.<br>- Major compliance -   | The assessment was covered education, safety and health, living condition and infrastructure & amenities with participation of affected stakeholders such as local communities, workers, government bodies and etc.  | Complied       |
| 6.1.3<br>Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation.<br>- Major compliance -         | Management Plan on Social Impact Assessment has been developed based on the recommendation from SIA report which reviewed on 23/8/2016 for mill and Sungai Simpang Estate and 15/9/2016 for Chaah Estate. The plan has incorporated timetable with responsibilities for mitigation and monitoring of the social impacts were developed and reviewed as necessary.  | Complied       |
| 6.1.4<br>The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties.<br>- Minor compliance - | SIA management plan reviewed on yearly basis where the last reviewed was conducted on 23/8/2016. The assessment was through meeting with the effected parties and stakeholders.  | Complied       |
| 6.1.5<br>Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).<br>- Minor compliance -   | No smallholder schemes at Chaah Certification Unit.  | Not applicable |

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| <b>Criterion 6.2:</b><br>There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties. |  |  |                      |
| 6.2.1  | Consultation and communication procedures shall be documented.<br>- Major compliance -   | Documented procedure in Sustainable Plantation Management System on handling social issues, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008 was established and available.   | Complied             |
| 6.2.2  | A management official responsible for these issues shall be nominated.<br>- Minor compliance -   | Assistant manager has been appointed as person responsible for handling social issue for POM and estates. Appointment letters dated 1/7/2016 have been sighted.  | Complied             |
| 6.2.3  | A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.<br>- Minor compliance - | <p><u>Chaah POM:</u></p> <p>The management has maintained a list of stakeholders which included government bodies, local communities and contractors. However, they did not include suppliers/vendors, other contractors, internal representatives, school and few government bodies which related to the management in the list. Stakeholder meeting was conducted on 14/9/2016 which involved school, suppliers, contractors and internal workers and staffs.</p> <p><u>Sungai Simpang Kiri Estate:</u></p> <p>Stakeholder list was incomplete where some government bodies and Union representative was not included in the list.</p> <p>External communication logbook is established and implemented. All the communication from external stakeholders were recorded in the logbook. Action taken has been recorded and date of completion is noted.</p> <p>Stakeholder meeting was conducted on 20/7/2016 which involved villagers. No issue raised during the meeting. Meeting minutes is sighted.</p> <p><u>Chaah Estate:</u></p> <p>The management has maintained an updated list of stakeholder. Stakeholder meeting was conducted on 14/9/2016 combined with POM. Issues were rectified by the management and through interviewed with the stakeholder confirmed that the management has taken action to solve the issues. Attendance list is sighted.</p> <p>Thus, minor non-conformity has been raised.</p> | Minor nonconformance |
| <b>Criterion 6.3:</b><br>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.               |  |  |                      |
| 6.3.1  | The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested.<br>- Major compliance -   | A documented dispute resolution procedure is available in Mill and Estate Quality Management System Manual which is effective, timely, appropriate and open to any affected parties. The complaint and grievances is open to effected parties including internal and external stakeholders.  | Complied             |

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| 6.3.2<br>Documentation of both the process by which a dispute was resolved and the outcome shall be available.<br>- Major compliance -   | The management has organized stakeholder’s meeting, Gender committee’s meeting as well as OSH committee’s meeting to give opportunity to the affected internal and external stakeholders to raise their concerns and issues. External complain logbook has been established. External stakeholders had lodged complaint into the logbook and action has been taken to rectify the issue. Acknowledgement from the complainant after issue been rectified has been sighted.<br><br>Complaint book for repairing work for worker quarters is implemented. Actions have been taken and acknowledgement from complainants is sighted. | Complied   |
| <b>Criterion 6.4:</b><br>Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.   |   |            |
| 6.4.1<br>A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place.<br>- Major compliance -  | SOP to identify legal and customary rights as well as people entitled to compensation has been established with titled “Handling Land Disputes” dated 1/11/2008. There have been no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders.   | Complied   |
| 6.4.2<br>A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups’ proof of legal versus communal ownership of land.<br>- Minor compliance - | SOP as per Clause 6.4.1.  | Complied   |
| 6.4.3<br>The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available.<br>- Major compliance -  | No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit.  | Complied   |
| <b>Criterion 6.5:</b><br>Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.   |   |            |

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| <p>6.5.1<br/>Documentation of pay and conditions shall be available.<br/>- Major compliance -</p> | <p>The mill and estates consist of local workers, foreign workers and contractor's workers. The management has included basic pay, net pay, gross pay, deduction of salary, phone allowance, holiday pay and etc on the pay slip. Payslip of month June to August 2016 for workers have been sampled as below:<br/><u>Chaah POM:</u><br/>a) Employee No.: 112305 (Indonesian)<br/>b) Employee No.: 120099 (Malaysian)<br/>c) Employee No.: 77028 (Indian)<br/><br/><u>Sungai Simpang Kiri Estate:</u><br/>d) Employee No.: 105968 (Nepalese)<br/>e) Employee No.: 97292 (Myanmar)<br/>f) Employee No.: 74671 (Sri Lanka)<br/>g) Employee No.: 19491 (Bangladeshi)<br/><br/><u>Chaah Estate:</u><br/>h) Employee No.: 90874 (Indonesian)<br/>i) Employee No.: 120425 (Malaysian)<br/><br/>All their pay were achieved minimum wages of RM 900 accordance to Minimum Wage Order 2012 for month June and RM 1000 for month July and August.<br/>Deduction of salary on EPF, SOCSO, mosque fund, temple fund, NUPW fees and advance. Permits for deduction of club fee and insurance (PP3/29/025/2010), temple and mosque fund (PP3/29/027/2010), school bus fare and electricity bill for staff (PP3/29/026/2010) dated 1/9/2010 were sighted for mill. Permit for deduction of electricity bill and mosque fund of RM 3 monthly (PP3/29/025/2010) dated 15/8/2010 for Sungai Simpang Kiri Estate is sighted and permit for deduction of temple fund of RM 5 (PP3/29/222/2011 dated 25/8/2011 and mosque fund of RM 3 monthly (PP3/29/223/2011) dated 25/8/2011 for Chaah Estate is sighted.</p> | <p>Complied</p> |

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| <p>6.5.2</p> <p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>- Major compliance -</p> | <p>Employment contract are available in language that understood by workers. Pay and conditions explained to workers during post-arrival orientation. The contract has detailing the payments and employment conditions such as period of working, working hour, medical assistance, housing, incentives and allowances, holiday and annual leave, period of notice and etc.</p> <p>The workers were signed on an old version contract (version April 2013) and sampled contracts as below:</p> <ul style="list-style-type: none"> <li>a) Passport No.: B 3059596 joined on 1/6/2016 (Chaah POM)</li> <li>b) Passport No.: AS 930859 joined on 8/9/2016 (Chaah POM)</li> <li>c) Passport No.: AS 3903906 joined on 19/8/2015 (Chaah POM)</li> <li>d) Employee No.: 120425 joined on 2/4/2016 (Chaah Estate)</li> <li>e) Employee No.: 120986 joined on 3/5/2016 (Chaah Estate)</li> <li>f) Employee No.: 125092 joined on 6/9/2016 (Sungai Simpang Kiri Estate)</li> <li>g) Employee No.: 125591 joined on 11/9/2016 (Sungai Simpang Kiri Estate)</li> <li>h) Employee No.: 125564 joined on 8/9/2016 (Sungai Simpang Kiri Estate)</li> </ul> <p><u>Chaah Estate:</u></p> <p>Contract signed by one of the Bangladesh worker (Employee No.: 108996) was different with other Bangladesh and nationality workers where in the contract under section 5.2, it mentioned that the particular Bangladesh worker who have full attendance to work for the month will received an allowance of RM 85.</p> <p>The terms in the contract are contradicted with the actual practices. For example:</p> <ul style="list-style-type: none"> <li>a) Term No. 5.2: Salary (Bangladesh worker version)</li> <li>b) Term No. 13: Location Incentive</li> <li>c) Term No. 15: Work departure cash gift</li> <li>d) Term No. 21.5: FW security deposit home leave</li> </ul> <p>Besides, workers who signed on the contract where the public holiday entitlement was 12 days instead of 13 days. Sampled workers as below:</p> <ul style="list-style-type: none"> <li>a) Employee No.: 77028 (Chaah POM)</li> <li>b) Employee No.: 110481 (Chaah POM)</li> <li>c) Employee No.: 108996 (Chaah Estate)</li> </ul> | <p>Major nonconformance</p> |

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|  | <p>Worker’s contracts of employment sampled found that the employment contract for those worked more than 3 years were expired. Example:</p> <ul style="list-style-type: none"> <li>a) Employee No. 13571: Employment contract expired on 15/10/2010</li> <li>b) Employee No. 55721: Employment contract expired on 4/10/2013</li> <li>c) Employee No. 94923: Employment contract expired on 12/9/2016</li> </ul> <p>There are no records or document to confirm that the workers were given the extended contract of employment and acknowledged signed the extension of employment.</p> <p>In addition, according to MAPA/NUPW Circular No. 22/2015, the employer required to fully subsidize RM 3.00 per month for each of the members of NUPW as premium towards NUPW/AIA Personal Accident Group Scheme. However, the management has yet to subsidize and deducted RM 11.00 from sampled workers below:</p> <ul style="list-style-type: none"> <li>a) Employee No.: 13571</li> <li>b) Employee No.: 55721</li> <li>c) Employee No.: 94923</li> </ul> <p>Thus, a major non-conformity has been raised.</p> |                 |
| 6.5.3  | <p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.<br/>- Minor compliance –</p>  | <p>Complied</p> |
| 6.5.4  | <p>Growers and millers shall make demonstrable efforts to monitor and improve workers’ access to adequate, sufficient and affordable food.<br/>- Minor compliance –</p>  | <p>Complied</p> |
| <p><b>Criterion 6.6:</b><br/>The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p> |  |                 |
| 6.6.1  | <p>A published statement in local languages recognising freedom of association shall be available.<br/>- Major compliance -</p>  | <p>Complied</p> |
| 6.6.2  | <p>Minutes of meetings with main trade unions or workers representatives shall be documented.<br/>- Minor compliance -</p>   | <p>Complied</p> |
| <p><b>Criterion 6.7:</b><br/>Children are not employed or exploited.</p>   |  |                 |

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| Criterion / Indicator  | Assessment Findings   | Compliance   |          |
|--|---|--|----------|
| 6.7.1  | There shall be documentary evidence that minimum age requirements are met.<br>- Major compliance -  | The company has developed Child Labour policy dated January 2015. Operating units are complied with the minimum age requirement. No employees below the age of 18 were sighted through the master list of active employee list.  | Complied |
| <b>Criterion 6.8:</b><br>Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited. |   |  |          |
| 6.8.1  | A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented.<br>- Major compliance -                            | SDPSB has implemented Social Policy, Social & Humanity Management Policy dated January 2015 where the management is committed to treat all employees fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and/or age.   | Complied |
| 6.8.2  | Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against.<br>- Major compliance -                             | Mill has recruited local communities, women, and foreign workers to work in the mill. All of them are given equal opportunity and treat fairly on the housing provided, job that has been offered, salary and etc. Salary of local workers and foreign workers were based on MAPA/NUPW and Minimum Wage Order 2016 and no discrimination happened. Sampled contracts for local and different nationality as below:<br><br>a) Employment No.: 120099 (Malaysian)<br>b) Employment No.: 112305 (Indonesian)<br>c) Employment No.: 77028 (Indian)<br>d) Employment No.: 118294 (Bangladeshi)<br>e) Employment No.: 97291 (Myanmar)<br>f) Employment No.: 74670(Sri Lanka) | Complied |
| 6.8.3  | It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available.<br>- Minor compliance - | There is no any discrimination based on religion, gender, nationality and etc during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary and etc.   | Complied |
| <b>Criterion 6.9:</b><br>There is no harassment or abuse in the work place, and reproductive rights are protected.   |   |  |          |
| 6.9.1  | Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce.<br>- Major compliance -                                 | SDPSB has implemented Social Policy and Social & Humanity Management Policy dated January 2015 where the management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights. The management has conducted briefing on the policies to the workers on 2/9/2016, 13/9/2016, 17/9/2016 and 19/9/2016 for mill, 20-21/1/2016 for Sungai Simpang Kiri estate and 15/9/2016 for Chaah Estate.   | Complied |
| 6.9.2  | A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce.<br>- Major compliance -                                | SDPSB has implemented Social Policy and Social & Humanity Management Policy dated January 2015 where the management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights. The policy was displayed on the notice board which was accessible by the workers.  | Complied |

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| Criterion / Indicator   | Assessment Findings  | Compliance   |          |
|---|--|--|----------|
| 6.9.3   | A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce.<br>- Minor compliance -                              | The management has established a Gender Committee to resolve the issues related to women. The managements had implemented procedure for sexual harassment grievance and complaint form to any incidences of sexual harassment is implemented. Meeting was conducted on 8/4/2016, 17/9/2016 and 8/9/2016 respectively for mill, Sungai Simpang Kiri estate and Chaah Estate. Meeting minutes were sighted and no sexual harassment or violence cases reported thus far. There are few activities been organized by the committee such as gotong-royong, health screening on breast cancer, pap-smear, family planning and healthy lifestyle seminar.                                    | Complied |
| <b>Criterion 6.10:</b><br>Growers and mills deal fairly and transparently with smallholders and other local businesses. |  |  |          |
| 6.10.1  | Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.<br>- Minor compliance -  | There is no smallholder dealing with the palm oil mill. Pricing mechanism for FFB is not applicable because the FFB sourced is from own company estates.   | Complied |
| 6.10.2  | Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation).<br>- Major compliance - | There is no smallholder dealing with the palm oil mill. Pricing mechanism for FFB is not applicable because the FFB sourced is from own company estates.   | Complied |
| 6.10.3  | Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.<br>- Minor compliance -  | Contract agreements signed between the management and the contractors for monthly basis were sighted. All the terms and conditions were stated in the contract. The contractors were understood the contract agreement. Sampled contract agreement as below:<br>a) Doc. No.: 4300340546 – Grass cutting for month August 2016<br>b) Doc. No.: 4300340851 – Grass cutting for month August 2016<br>c) Doc. No.: 4300342242 – FFB transporter and pruning activity for month August 2016<br>d) Contract No.: LSSK/PKS02/1617 dated 1/7/2016 for FFB transporter and EFB application on field<br>e) Contract No.: LSSK/SA04/1617 dated 1/7/2016 for school bus driver for school children | Complied |
| 6.10.4  | Agreed payments shall be made in a timely manner.<br>- Minor compliance -  | <u>Chaah POM:</u><br>The payment will be made once a month after work done in preceding month. Invoices were sighted and the contractors had acknowledged on the terms and conditions on Purchase Order. The payment were paid before 31 <sup>st</sup> of the month.<br><br><u>Sungai Simpang Kiri and Chaah Estate:</u><br>Payment will be made within 14 days of the date of submission of the statement showing the value of works carried out. Payment records were sighted and noticed that the payment were made less than 14 days once the statement is submitted.  | Complied |

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| Criterion / Indicator  |   | Assessment Findings   | Compliance     |
|--|---|---|----------------|
| <b>Criterion 6.11:</b><br>Growers and millers contribute to local sustainable development where appropriate. |   |   |                |
| 6.11.1   | Contributions to local development that are based on the results of consultation with local communities shall be demonstrated.<br>- Minor compliance –  | Mill has subsidized an amount of RM 26/ student bus fare for students to school. The mill management has organized events related to festival such as Hari Raya Qurban, Majlis Doa Selamat Sempena Hari Pekerja, cleaning activity in graveyard and etc. Through interviewed with the school teacher confirmed that the management has given commitment and support to any school activities and any requests from the school such as transport to send the UPSR students to school at night for extra classes.<br><br>The estates have subsidized of school bus for sending children to school and organized activities such as Gotong-royong around Surau, donate school uniform to the students. | Complied       |
| 6.11.2   | Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity.<br>- Minor compliance –   | No scheme smallholders.   | Not applicable |
| <b>Criterion 6.12:</b><br>No forms of forced or trafficked labour are used.                                  |   |   |                |
| 6.12.1   | There shall be evidence that no forms of forced or trafficked labour are used.<br>- Major compliance -  | All employees are legal with local identification card for local employees and foreign employees are with valid passports and working permits. No evident of trafficked workers were found during the audit.  | Complied       |
| 6.12.2   | Where applicable, it shall be demonstrated that no contract substitution has occurred.<br>- Minor compliance –  | No contract substitution was noted.   | Complied       |
| 6.12.3   | Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented.<br>- Major compliance -   | Equal opportunity and non-discriminatory policy is implemented. No temporary workers. Migrant workers are treated equally as per the locals.  | Complied       |
| <b>Criterion 6.13:</b><br>Growers and millers respect human rights.  |   |   |                |
| 6.13.1   | A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1).<br>- Major compliance -   | The Social and Humanity management policy covers the necessary aspects of human rights. Employees are aware of their rights and workers and staff union monitor to ensure no violations. Briefing of policies were given to the workers on 2/9/2016, 13/9/2016, 17/9/2016 and 19/9/2016 for Chaah POM, 20-21/1/2016 for Sungai Simpang Kiri Estate and 15/9/2016 for Chaah Estate.  | Complied       |
| 6.13.2   | As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. | Not applicable.   | Not applicable |

| Criterion / Indicator   | Assessment Findings   | Compliance  |
|---|---|---|
| <p><b>Principle 7: Responsible development of new plantings</b><br/> <b>Chaah Palm Oil Mill</b> and supply base did not carry out any new plantings after November 2005. Therefore, the requirement of Principle 7 is not applicable during the annual surveillance</p> |   |   |
| <p><b>Principle 8: Commitment to continual improvement in key areas of activity</b></p>   |   |   |
| <p><b>Criterion 8.1:</b><br/>           Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.</p>  |   |   |
| <p>8.1.1</p>  | <p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction in use of pesticides(Criterion 4.6);</li> <li>• Environmental impacts (Criteria 4.3, 5.1 and 5.2);</li> <li>• Waste reduction (Criterion 5.3);</li> <li>• Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);</li> <li>• Social impacts (Criterion 6.1);               <ul style="list-style-type: none"> <li>• Optimising the yield of the supply base.</li> </ul> </li> </ul> <p>- Major compliance -</p> | <p>The company is continues committed to reduce pesticide use and hazardous agrochemical use. All operating units are not using paraquat and class 1a or 1b agrochemicals. Alternative for class 1b chemical, Acephate was introduced for Bagworm treatment which less hazardous under class III category</p> <p>These efforts are continue to reflect the commitment to reduce the use of hazardous agrochemicals. Systemic herbicides such as glyphosate are used with increased efforts in IPM. Barn owl is being introduced as well. These are the continuous efforts from operating units to reduce pesticide use. All operating units have carried out annual review of the environmental and social aspects of its operations to identify improvements.</p> <p>The Social Action Plan has continued to work towards improving stakeholder relationship through engagement and dialogue besides further improving the workers housing. Initiative on KAIZEN project at operating units showed commitment towards continual improvement to improve safety and environment quality through 5s implementation. On the social improvement efforts, the operating units continue to have good relationship with stakeholders.</p> <p><u>Simpang Kiri Estate</u><br/>           The management has developed a continual improvement plan for year 2016/2017. The plan is as below:</p> <ol style="list-style-type: none"> <li>a) Reduction of pesticide usage by planting beneficial plant.</li> <li>b) Reduction of pesticide usage by establish barn owl boxes.</li> <li>c) Safety control on handling loading spike.</li> <li>d) Reduce water usage by recycling rain water in workshop.</li> </ol> |

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**Appendix B: Approved Time Bound Plan**

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

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| <b>TIME BOUND PLAN – Certification Units in Indonesia</b> |   |                                       |   |
|---|---|---------------------------------------|---|
| <b>No.</b>  | <b>MANAGEMENT UNIT</b>                          |                                       | <b>LOCATION</b>   |
|   | <b>P O M</b>                                    | <b>Time Bound</b>                     |   |
| 1   | Sekunyir (PT. Indotruba Tengah)                 | Certified 2010<br>(Recert. Completed) | Seruyan and West Kotawaringin District – Central Kalimantan |
| 2   | Manggala (PT. Tunggal Mitra Plantation)         | Certified 2010<br>(Recert. Completed) | Rokan Hilir District – Riau                                 |
| 3   | Bk. Ajong (PT. Sime Indo Agro)                  | Certified 2010<br>(Recert. Completed) | Sanggau District –West Kalimantan                           |
| 4   | Teluk Siak (PT Aneka Inti Persada)              | Certified 2011                        | Pekanbaru, Siak District – Riau                             |
| 5   | Sungai Pinang (PT. Bina Sains Cemerlang)        | Certified 2012                        | Musi Rawas District – South Sumatera                        |
| 6   | Sukamandang (PT. Kridatama Lancar)              | Certified 2011                        | Seruyan and East Kotawaringin District – Central            |
| 7   | Pemantang (PT. Teguh Sempurna)                  | Certified 2011                        | Seruyan and East Kotawaringin District – Central            |
| 8   | Alur Dumai (PT Lahan Tani Sakti)                | Certified 2012                        | Rokan Hilir District – Riau                                 |
| 9   | Teluk Bakau (PT. Bhumireksa Nusa Sejati)        | Certified 2011                        | Indra Giri Hilir District – Riau                            |
| 10  | Mandah (PT. Bhumireksa Nusa Sejati)             | Certified 2014                        | Indra Giri Hilir District – Riau                            |
| 11  | Angsana Mini (PT Sajang Heulang)                | Certified 2011                        | Tanah Bumbu District – South Kalimantan                     |
| 12  | AngsanaPT Ladangrumpun Suburabadi               | Certified 2011                        | Tanah Bumbu District – South Kalimantan                     |
| 13  | Mustika (PT Sajang Heulang)                     | Certified 2013                        | Tanah Bumbu District – South Kalimantan                     |
| 14  | Gunung Aru (PT Bersama Sejahtea Sakti)          | Certified 2011                        | Kotabaru District – South Kalimantan                        |
| 15  | Bebunga (PT. Langgeng)                          | Certified 2012                        | Kotabaru District – South Kalimantan                        |
| 16  | Blang Simpo (PT Padang Palma Permai)            | Certified 2013                        | Aceh Tamiang, Nangroe Aceh Darussalam                       |
| 17  | Pondok Labu (PT Paripurna Swakarsa)             | Certified 2012                        | Kotabaru District – South Kalimantan                        |
| 18  | Selabak (PT Swadaya Andhika)                    | Certified 2012                        | Kotabaru District – South Kalimantan                        |
| 19  | Rantau (PT Laguna Mandiri)                      | Certified 2012                        | Kotabaru District – South Kalimantan                        |
| 20  | Betung (PT Laguna Mandiri)                      | Certified 2014                        | Kotabaru District – South Kalimantan                        |
| 21  | Ungkaya (PT Tamaco Graha Krida)                 | Certified 2012                        | Morowali District – Sulawesi Tengah                         |
| 22  | Ladang Panjang (PT Bahari Gembira Ria)          | Certified 2012                        | Muaro Jambi District - Jambi                                |
| 23  | Rantau Panjang (PT Guthrie Pecconina Indonesia) | Certified 2012                        | Musi Banyuasin District – South Sumatera                    |

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

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

Sime Darby Plantation Sdn Bhd  
 Strategic Operating Unit (SOU 20)  
 Chaah Palm Oil Mill  
 Peti Surat 104  
 85400 Chaah  
 Johor, Malaysia  
 RSPO membership number: 1-0008-04-000-00

BSI RSPO Certificate No. : RSPO 548299  
 Date of Initial Certificate Issued: 18/11/2010  
 Date of Expiry: 17/11/2020  
 Applicable Standards: RSPO P&C MYNI-2014; RSPO Supply Chain Certification Standard November 2014 Module D  
 – CPO Mills: Identity Preserved)

| <b>Chaah Palm Oil Mill and Supply Base</b> |  |                 |                |  |                            |
|--|--|-----------------|----------------|--|----------------------------|
| Location Address                           | Strategic Operating Unit (SOU 20) – Chaah Palm Oil Mill, Peti Surat 104 85400 Chaah, Johor, Malaysia |                 |                |  |                            |
| GPS Location                               | 102° 59' 47" E ; 2° 10' 40" N  |                 |                |  |                            |
| CPO Tonnage Total                          | 35,144.24 mt   |                 |                |  |                            |
| PK Tonnage Total                           | 8,667.86 mt  |                 |                |  |                            |
| CPO Claimed for Certification*             | 35,144.24 mt   |                 |                |  |                            |
| PK Claimed for Certification *             | 8,667.86 mt  |                 |                |  |                            |
| Own estates FFB Tonnage                    | 157,597.51 mt  |                 |                |  |                            |
| Scheme Smallholder FFB Tonnage             | -  |                 |                |  |                            |
| Estates                                    | Production Area  |                 | Other use (ha) | Certified Area / Total land lease (ha) | Annual FFB Production (mt) |
|  | Mature (ha)  | Immature (ha)   |                |  |                            |
| Simpang Kiri Estate                        | 1,769.84   | 350.28          | 268.02         | 2,388.14                               | 38,461.39                  |
| North Labis Estate                         | 2,640.73   | 715.00          | 191.85         | 3,547.58                               | 57,696.56                  |
| Chaah Estate                               | 2,743.45   | -               | 57.17          | 2,800.62                               | 61,439.55                  |
| <b>TOTAL</b>                               | <b>7,154.02</b>  | <b>1,065.28</b> | <b>517.04</b>  | <b>8,736.34</b>                        | <b>157,597.51</b>          |

**Appendix D: Assessment Plan**

| Date  | Time      | Subjects  | Hafri | Hidhir | Hu Ning Shing |
|---|-----------|---|-------|--------|---------------|
| Monday<br>19/09/2016                                      | PM        | Audit Team travelling to the site.  | ✓     | ✓      | ✓             |
| Tuesday<br>20/09/2016<br><br><b>Chaah Palm Oil Mill</b>   | 0830-0900 | <b>Opening Meeting:</b><br>• Opening Presentation by Audit team leader.<br>• Confirmation of assessment scope and finalize Audit plan (including stakeholder’s consultation).   | ✓     | ✓      | ✓             |
|   | 0900-1200 | <b>Chaah Palm Oil Mill</b><br>Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic etc  | ✓     | ✓      | ✓             |
|   | 1000-1200 | <b>Meeting with stakeholders</b> (Government, village rep, smallholders, Workers Leader, contractor etc)  | -     | -      | ✓             |
|   | 1200-1300 | <b>Lunch</b>  | ✓     | ✓      | ✓             |
|   | 1300-1630 | <b>Chaah Palm Oil Mill</b><br>Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities. | ✓     | ✓      | ✓             |
|   | 1630-1700 | <b>Interim Closing briefing</b>   | ✓     | ✓      | ✓             |
| Wednesday<br>21/09/2016<br><br><b>Simpang Kiri Estate</b> | 0830-1200 | <b>Simpang Kiri Estate</b><br>Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.  | ✓     | ✓      | ✓             |
|   | 0900-1200 | Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)  | ✓     | ✓      | ✓             |
|   | 1200-1300 | <b>Lunch</b>  | ✓     | ✓      | ✓             |
|   | 1300-1630 | <b>Simpang Kiri Estate</b><br>Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).                          | ✓     | ✓      | ✓             |
|   | 1630-1700 | <b>Interim Closing briefing</b>   | ✓     | ✓      | ✓             |

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| Date  | Time      | Subjects  | Hafri | Hidhir | Hu Ning Shing |
|---|-----------|---|-------|--------|---------------|
| Thursday<br>22/09/2016<br><br><b>Chaah Estate</b> | 0830-1200 | <b>Chaah Estate</b><br>Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc                | ✓     | ✓      | ✓             |
|   | 1200-1300 | <b>Lunch</b>  | ✓     | ✓      | ✓             |
|   | 1300-1630 | <b>Chaah Estate</b><br>Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc). | ✓     | ✓      | ✓             |
|   | 1630-1700 | Closing Meeting:<br>• Presentation of report and findings   | ✓     | ✓      | ✓             |
| Friday<br>23/09/2016                              | AM        | Audit Team travelling back to KL  | ✓     | ✓      | ✓             |

**Appendix E: Stakeholders Contacted**

|   |   |
|---|---|
| <p><b>Internal Stakeholders</b></p> <p>Chaah Certification Unit Management team and Staff<br/>         Representatives from Sustainability Department<br/>         On site compliance executives<br/>         Mill Manager and Assistants<br/>         Estate Managers and Assistants<br/>         Facility Administrators<br/>         Gender Committee Representatives<br/>         Hospital Assistant<br/>         Male and Female workers<br/>         Kindergarten Teacher<br/>         Workers Union Representatives<br/>         Onsite NUPW secretary<br/>         AMESU Representative<br/>         Planting Advisor</p> | <p><b>Local Communities</b></p> <p>Kampung Haji Kamisan Representative<br/>         Labour Office (JTK) Batu Pahat Representative<br/>         Dewi Dairy Farm Trading<br/>         Sekolah Kebangsaan Desa Temu<br/>         Jodoh Administrator</p> |
| <p><b>Government Departments</b></p> <p>Police Department<br/>         Government School Headmistress<br/>         Department of Safety and Health<br/>         Department of Environment<br/>         Department of Drainage and Irrigation<br/>         Forestry Department</p>   | <p><b>Contractors</b></p> <p>Construction contractor<br/>         General Supplier<br/>         FFB Transport contractor<br/>         Engineering work contractor</p>   |

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

| Requirements  | Compliance   |
|---|--|
| <b>D.1. Definition</b>  |  |
| <p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&amp;C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then</p> | <p>The Chaah Palm Oil Mill only receives certified FFB. Therefore qualifies for the Identity Preserved supply chain system and module. During the P&amp;C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products</p>  |
| <b>D.2 Explanation</b>  |  |
| <p>D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&amp;C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>   | <p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.</p>  |
| <p>D.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>   | <p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>   |
| <b>D.3 Documented procedures</b>  |  |
| <p>D.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site’s procedures for the implementation of this standard.</p>  | <p>Latest written documented procedures (RSPO SCCS v.2 Year 2014) for the chain of custody is with Identity Preserved (IP) model covering all the RSPO Supply Chain Certification Standard and Traceability for handling certified and non-certified FFB under Appendix 15. This developed based on the RSPO SCCS 21 November 2014. The previous SOP was for SG. The mill manager has the responsibility to ensure implementation assisted by the on-site compliance executive. The IP model is used because only certified FFB from own supply base is received and processed at Chaah Palm Oil Mill. Noted draft procedure, SD/SSDP/PSQM/001, rev.: 0 dated 1/3/15 has yet to be approved for the SCCS procedure to incorporate latest changes internally and externally under RSPO SCCS November 2014.</p> <p>The mill manager and assistant manager have awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.</p> |
| <p>D.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>   | <p>Chaah Palm Oil mill has documented procedures (as per above in D 3.1) for the incoming FFB, processing and outgoing palm products (CPO and PK). The procedure covers receiving and processing certified and</p>   |
| <b>D.4 Purchasing and goods in</b>  |  |

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|   |   |
|---|---|
| <p>D.4.1 The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p>  | <p>Similar to last assessment daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. Records verified by internal and external audit. Chaah mill have system to verify at the weighbridge.</p>   |
| <p>D.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p>  | <p>The facilities aware of this procedure and stated in the.</p>  |
| <p><b>D.5 Record keeping</b></p>  |   |
| <p>D.5.1 The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p>   | <p>All the inventory records are maintained and updated on daily basis and monthly report shows monthly inventory. Computerized system in place. No PKO and Palm kernel meal at Chaah Palm Oil mill. PK is sold to Sime Darby's Kernel Crushing Plant and also other 3<sup>rd</sup> party KCP. Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the FFB received. Records of certified FFB received verified during annual surveillance. Records verified by internal and external audit.</p> |
| <p><b>D.6 Processing</b></p>  |   |
| <p>D.6.1 The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.</p> | <p>During this assessment it was confirmed that only certified source of FFB from own plantation is processed. This ensures that there is no possibility of mixing during processing.</p>   |
| <p>D.6.2 The objective is for 100 % segregated material to be reached.</p>  | <p>Processing and storage records can trace back to only certified segregated FFB and finish product (CPO and PK) through traceability records such as weighbridge records. This ensures that 100% segregated materials are reached.</p>  |

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**Actual Tonnage Certified Palm Production – Jul 2015 – Jun 2016 (RC)**

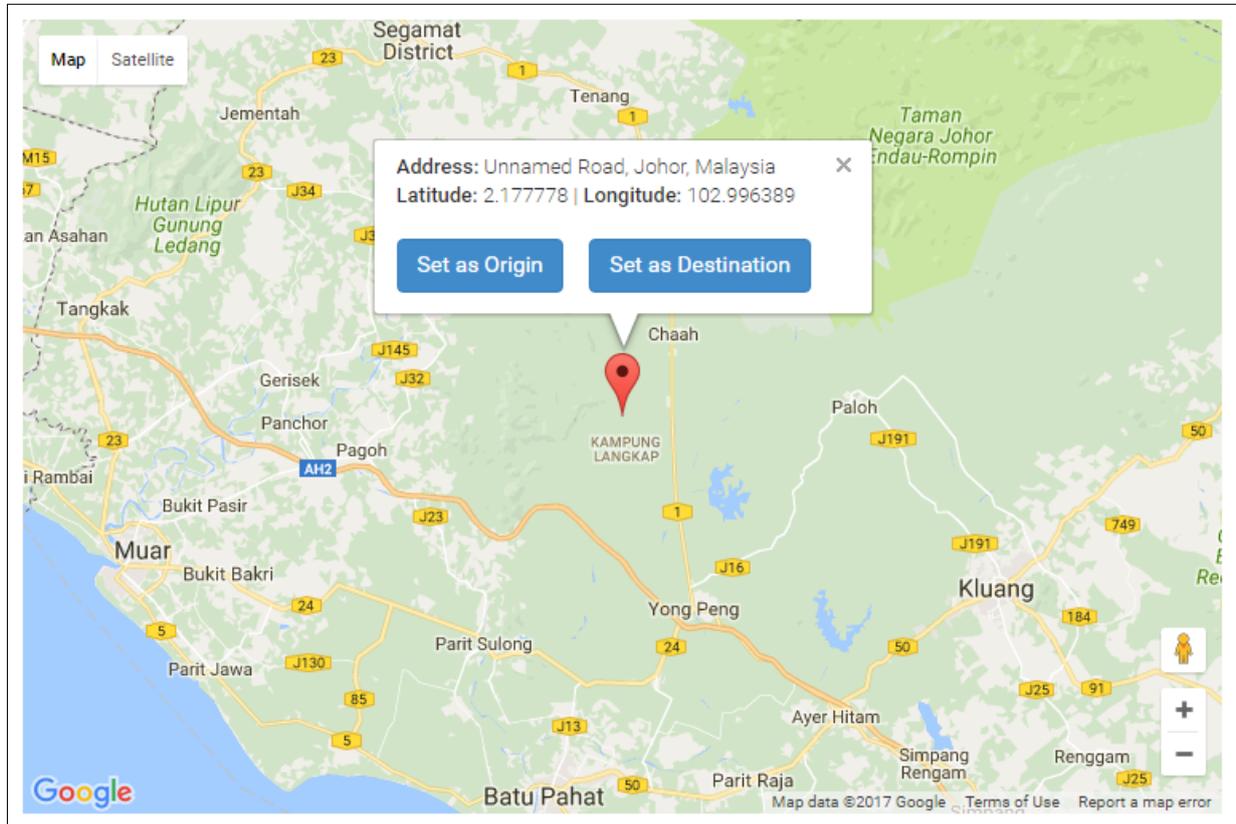
| Mill                | Capacity                            | CPO          | PK          |
|---------------------|-------------------------------------|--------------|-------------|
| Chaah Palm Oil Mill | 30 mt/hr<br>Identity Preserved (IP) | 29,911.91 mt | 7,958.19 mt |

**Actual Tonnage Sales of Certified Palm Products – Jul 2015 – Jun 2016 (RC)**

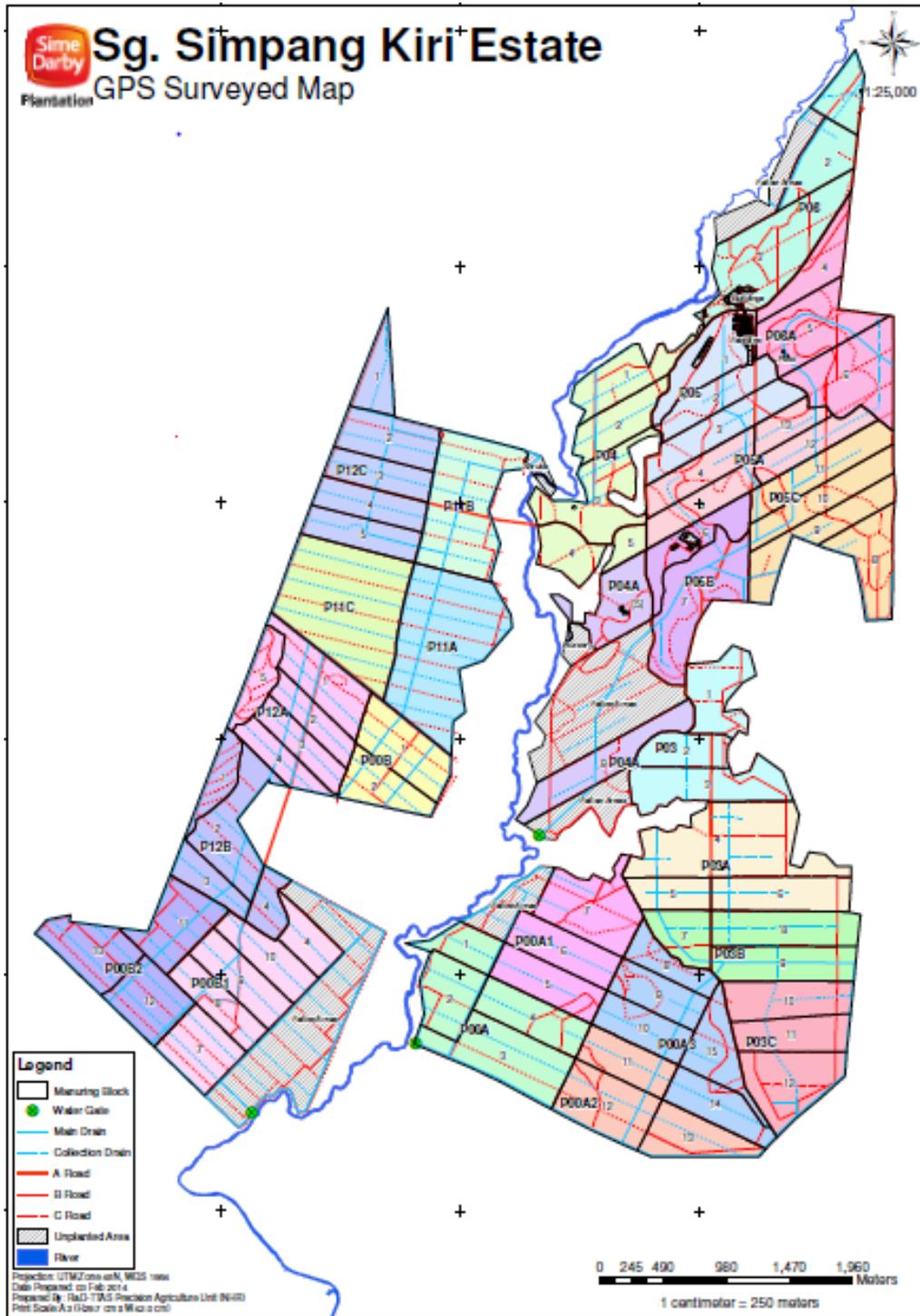
| Mill                | Certified CPO Sales | Certified PK Sales | Remarks                                     |
|---------------------|---------------------|--------------------|---|
| Chaah Palm Oil Mill | 24,188.44 mt        | 7450.00 mt         | Confirmed through eTrace and sales records. |

| Month          | Own Supply Base (Estates) |                    |                     |                      |
|----------------|---------------------------|--------------------|---------------------|----------------------|
|                | Chaah Estate              | North Labis Estate | Simpang Kiri Estate | Total FFB/Month (mt) |
| July 2015      | 7,111.55                  | 34,48.233          | 30,53.183           | 13,612.97            |
| August 2015    | 5,804.76                  | 28,53.723          | 27,61.113           | 11,419.60            |
| September 2015 | 6,964.85                  | 39,74.433          | 30,12.713           | 13,952.00            |
| October 2015   | 6,586.87                  | 55,30.903          | 31,31.743           | 15,249.52            |
| November 2015  | 5,043.78                  | 39,50.553          | 25,16.783           | 11,511.12            |
| December 2015  | 4,255.41                  | 37,39.193          | 22,14.003           | 10,208.61            |
| January 2016   | 3,497.57                  | 31,48.233          | 18,77.513           | 8,523.32             |
| February 2016  | 4,062.40                  | 36,47.773          | 21,94.563           | 9,904.74             |
| March 2016     | 3,174.02                  | 27,12.623          | 16,63.423           | 7,550.07             |
| April 2016     | 4,705.16                  | 45,71.343          | 23,61.873           | 11,638.38            |
| May 2016       | 4,431.40                  | 42,52.563          | 21,71.053           | 10,855.02            |
| June 2016      | 4,338.82                  | 43,77.793          | 25,32.713           | 11,249.33            |
| <b>Total</b>   | 59,976.63                 | 46,207.37          | 29,490.68           | 135,674.68           |

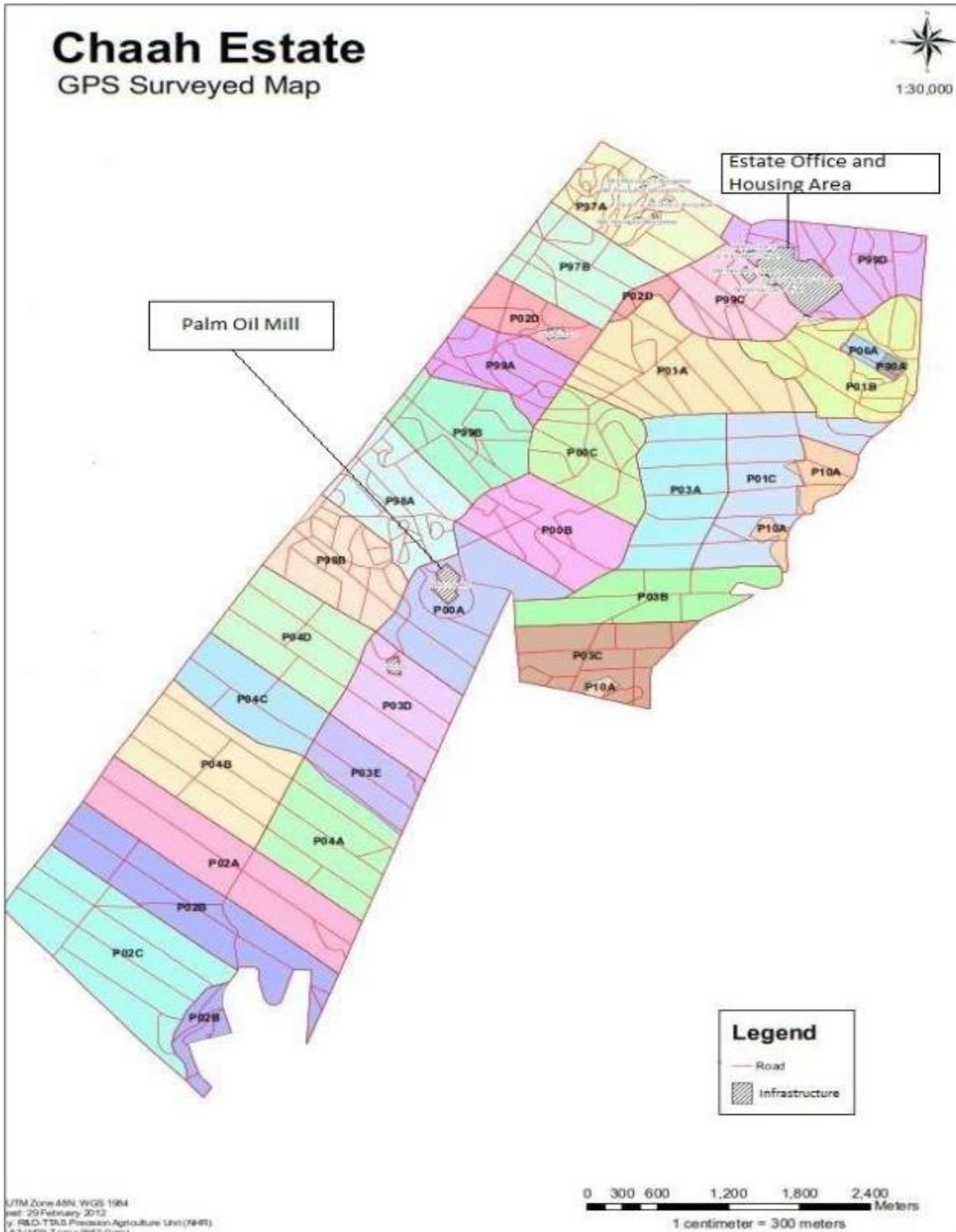
**Appendix G: Location Map of Chaah Palm Oil Mill Certification Unit and Supply bases**



**Appendix H: Simpang Kiri Estate Field Map**



**Appendix I: Chaah Estate Field Map**



**Appendix J: List of Smallholder Sampled**

- Not applicable -

**Appendix K: List of Abbreviations Used**

|       |   |
|-------|---|
| ASA   | Annual Surveillance Assessment                              |
| BOD   | Biological Oxygen Demand                                    |
| CHRA  | Chemical Health Risk Assessment                             |
| CIP   | Continual Improvement Plan                                  |
| CPO   | Crude Palm Oil  |
| DOE   | Department of Environment                                   |
| DOSH  | Department of Occupational Safety & Health                  |
| EFB   | Empty Fruit Bunch   |
| EIA   | Environmental Impact Assessment                             |
| EMS   | Environmental Management System                             |
| ERP   | Emergency Response Plan                                     |
| FFB   | Fresh Fruit Bunch   |
| HCV   | High Conservation Value                                     |
| IPM   | Integrated Pest Management                                  |
| ISCC  | International Sustainable Carbon Certification              |
| MAPA  | Malayan Agricultural Producers Association                  |
| MPOA  | Malaysian Palm Oil Association                              |
| MSDS  | Material Safety Data Sheet                                  |
| MSPO  | Malaysian Sustainable Palm Oil                              |
| MY-NI | Malaysian National Interpretation                           |
| NGO   | Non Governmental Organisation                               |
| NUPW  | National Union of Plantation Workers                        |
| OSH   | Occupational Safety & Health                                |
| PK    | Palm Kernel   |
| PKO   | Palm Kernel Oil   |
| POM   | Palm Oil Mill   |
| PPE   | Personal Protective Equipment                               |
| PSQM  | Plantation Sustainability & Quality Management              |
| RED   | Renewable Energy Directive                                  |
| RSPO  | P&C Roundtable on Sustainable Palm Oil Principle & Criteria |
| SAJ   | Syarikat Air Johor  |
| SCCS  | Supply Chain Certification Standard                         |
| SDPSB | Sime Darby Plantation Sdn Bhd                               |
| SEIA  | Social & Environmental Impact Assessment                    |
| SIA   | Social Impact Assessment                                    |
| SOP   | Standard Operating Procedure                                |