

RSPO PRINCIPLE AND CRITERIA**2nd Annual Surveillance Assessment
Public Summary Report**

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

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Section 1: Scope of the Certification Assessment

1. Company Details			
RSPO Membership Number	1-0008-04-000-00	Date	Member since: 6 September 2004
Company Name	Sime Darby Plantation Berhad		
Address	Head Office: Level 3A, Main Block, Plantation Tower, No. 2, Jalan PJU 1A/7 47301 Ara Damansara, Selangor, Malaysia Certification Unit: Strategic Operating Unit (SOU 20) – Chaah Palm Oil Mill, Peti Surat 104 85400 Chaah, Johor, Malaysia		
Subsidiary of (if applicable)	N/A		
Contact Name	Mdm. Shylaja Devi Vasudevan Nair (Head, Sustainability Unit PSQM) Mr Wan Mahadi Wan Yaacob (Mill Manager)		
Website	www.simedarby.com	E-mail	Shylaja.vasudevan@simedarby.com kks.chaah@simedarby.com
Telephone	+603-78484379 (Head Office) +607-9342454 (Mill)	Facsimile	+603-78484356 (Head Office) +607-9341455 (Mill)

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

3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Longitude	Latitude
Chaah Palm Oil Mill (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"

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North Labis Estate	Ladang North Labis, P.O. Box No. 501 85300 Labis, Johor, Malaysia	103° 03' 00"	2° 23' 00"
Simpang Kiri Estate	Ladang Sg. Simpang Kiri, K.B. No. 103 85400 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
Chaah Estate	2,734.45	0	2,734.45	0.47	65.70	2,800.62	97.63
North Labis Estate	2,905.60	409.33	3,314.93	40.80	191.85	3,547.58	93.44
Simpang Kiri Estate	1,871.19	248.93	2,120.12	29.42	238.60	2,388.14	88.77
Total	7,511.24	658.26	8,169.50	70.69	496.15	8,736.34	93.51

**North Labis Estate: total planted area reduced due to re-survey during replanting*

**Total HCV area identified within SOU20 : 70.69 ha – based on the latest HCV Re-Assessment for Strategic Operating Unit SOU20 Chaah dated August 2016*

5. Plantings & Cycle

Estate	Age (Years)					Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Estimated (August 2016 – July 2017)	Actual (August 2016 – July 2017)	Forecast (August 2017 – Sept 2018)
Chaah Estate	-	34.70	2,695.79	3.96	-	61,439.55	60,676.16	68,202.20
North Labis Estate	409.33	1,064.43	1,421.48	419.69	-	57,696.56	13,113.78	57,564.80
Simpang Kiri Estate	248.93	349.77	1,521.42	-	-	38,461.39	32,954.16	41,342.17
Total	658.26	1448.9	5,638.69	423.65	-	157,597.51	106,744.1	167,109.17

6. Certified Tonnage of FFB (Own Certified Scope)

Estate	Tonnage / year		
	Estimated (August 2016 – July 2017)	Actual (August 2016 – July 2017)	Forecast (August 2017 – Sept 2018)
Chaah Estate	61,439.55	60,676.16	68,202.20
North Labis Estate	57,696.56	13,113.78	57,564.80
Simpang Kiri Estate	38,461.39	32,954.16	41,342.17
Total	157,597.51	106,744.1	167,109.17

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7. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable			
Independent FFB Supplier	Tonnage / year		
	Estimated (August 2016 – July 2017)	Actual (August 2016 – July 2017)	Forecast (August 2017 – Sept 2018)
Not applicable.			

8. Certified Tonnage (Own Certified Scope)									
Mill	Estimated (August 2016 – July 2017)			Actual (August 2016 – July 2017)			Forecast (August 2017 – Sept 2018)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Chaah Palm Oil Mill	157,597.5 1	35,144.24	8,667.86	106,744.1 0	21,399.20 2	5,512.885	167,109.1 7	35,092.93	9,191.00
Other adjacent estates	-	-	-	-	-	-	-	-	-
Total	157,597.5 1	35,144.24	8,667.86	106,744.1 0	21,399.20 2	5,512.885	167,109.1 7	35,092.93	9,191.00

**Forecast OER:21%, KER:5.5%*

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
(ASI Accreditation Number: RSPO-ACC-19)
Unit 3, Level 10, Tower A
The Vertical Business Suites, Bangsar South
No. 8, Jalan Kerinchi
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BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (RSPO-ACC-19) 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 2nd Annual Surveillance Assessment was conducted from 9-11 August 2017. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates (Chaah Estate & North Labis 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 (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.

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 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.

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All the previous nonconformities are remains closed. The assessment findings for the 2nd Annual Surveillance Assessment are detailed in Section 3.3.

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

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

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

1. Assessment Program					
Name (Mill / Supply Base)	Year 1 (Recertification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Chaah Palm Oil Mill	√	√	√	√	√
Chaah Estate		√	√		√
North Labis Estate	√		√	√	
Simpang Kiri Estate	√	√		√	√

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

Tentative Date of Next Visit: July 10, 2018 – July 12, 2018

Total No. of Mandays: 9 mandays

BSI Assessment Team:

Mohamed Hidhir Zainal Abidin – Lead Auditor

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

Hoo Boon Han – Team Member

He holds Master of Technology (Environmental Management) from the University Malaya and Bachelor of Science Forestry (Hons) Majored in International Tropical Forestry from University Malaysia Sabah. He has more than 3 years working experience in in environmental monitoring & audit, carbon accounting & reduction, wastewater treatment, waste management and sustainable development. He has successfully completed the RSPO Lead Auditor and RSPO Supply Chain Training in April 2012. He has been involved in RSPO P&C audit in Indonesia and

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Malaysia as well as RSPO SC audit across different region including Asia, Europe and North America for the past 4 years. During this assessment, he assessed on the aspect of environment, Safety and Health, Legal, social and community engagements, stakeholders consultation, and workers welfare. He is able to speak and understand Bahasa Malaysia, English and Mandarin.

Mohd Hafiz Mat Hussain - Team Member

He holds Bachelor Degree in Plantation Technology and Management, graduated from University Technology Mara (UiTM) on 2009. He has 4 years working experience in oil palm plantation industry. He also has the experiences as an 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 2013, Endorsed RSPO P&C Lead Auditor Course in 2014 and MSPO Awareness Training in 2014. He had been involved in RSPO auditing since May 2013 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, estate best practices, safety and health, environmental and workers and stakeholders consultation.

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 P&C MY-NIWG 2014 Checklist
- RSPO Supply Chain Certification Checklist November 2014

3.2 Progress against Time Bound Plan

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

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

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

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

- a) There is no any other isolated lapse in Time Bound Plan.
- b) No systematic failures to proceed with implementation of the Time Bound 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

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claims made against it. Other than the PT MAS issue, at the time of preparation of this Report, BSI is not aware of any new issues involving:

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

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

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

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

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

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

During the 2nd Annual Surveillance Assessment there were 1 (one) major and 1 (one) minor nonconformity 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 has been verified for its effectiveness and closed accordingly.

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1509988-201707-M1	Requirements Indicator 5.3.2 All chemicals and their containers shall be disposed of responsibly.	Major
	Evidence of Nonconformity Chaah Estate i) No proper storage for scheduled waste generated (empty used oil container) at motor repair shop. ii) Empty oil drum and only stored at open area (no shelter and concrete slab) near sundry shop area. iii) Empty chemical container was found at line site. North Labis Estate Last disposal of schedule was done on 19/9/16 for SW305 by Perniagaan Saudara Baru. Based on date of first generation 13/10/16, no waste disposal arrangement was made and exceeded 180 days storage period.	
	Statement of Nonconformity All chemicals and their containers were not disposed as per Operational Control Procedure, SD/SDP/PSQM(ESH)/203-EN1, Scheduled Waste (Hazardous Waste) Management, rev:1 dated 26/2/16	
	Corrections Chaah Estate i) To instruct the tenants to prepare the proper storage. ii) To instruct the tenants to remove the oil drum from the open area and re-locate to the concrete area iii) Removed the respective chemical container and place it at the used chemical	

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	<p>store</p> <p>North Labis Estate</p> <p>i) To request an approval for scheduled waste storage.</p> <p>ii) To request for collection of SW by the licensed collector</p>	
	<p>Corrective Actions</p> <p>To monitor on this compliance through workers housing Inspection which will be conducted on weekly basis. The previous inspections is only covers the external housing condition/area. The internal was not covers mainly due to workers locked their houses and other sensitivity issue mainly for local occupant. All the upcoming housing inspections will be looking into both internal and external housing condition. Inspection will be carried out @ evening after workers return from work (internal).</p> <p>PIC : HA/MA and Assistant Manager</p> <p>Two licensed collectors been identified thru DOE namely Perniagaan Saudara Baru & OLST Petro-Chemical Sdn Bhd.</p> <p>Perniagaan Saudara Baru have been selected to disposed used oil for SOU Chaah and agreed to collect when there is any request from the management despite of any quantity. The 1st consignment have been disposed on 21 August 2017.</p>	
	<p>Assessment Conclusion</p> <p>Major NC close out verification was done concurrently during MSPO stage 2 audit. No recurrence of issues recorded during the said audit. Thus the major NC was closed on 10/10/17. Continuous implementation will be further verified in the next audit.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1509988-201707-N1	<p>Requirements</p> <p>Indicator 5.3.3</p> <p>A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p>	Minor
	<p>Evidence of Nonconformity</p> <p>Chaah Estate</p> <p>Expired drug/medicine found at dispensary and was not disposed accordingly</p> <p>i) Benil tablet (Glibenclamide 5 mg) expired on May 2017</p> <p>iii) Calcium Lactate 300 mg expired on February 2017</p> <p>iiii) Pirimat Injection 100mg/10ml expired on February 2017</p> <p>iv) Suppository 250 mg expired on May 2017</p>	
	<p>Statement of Nonconformity</p> <p>Waste management and disposal plan for expired drugs was not comprehensively documented and implemented.</p>	
	<p>Corrections</p> <p>To immediately dispose the expired drug/medicine.</p>	
	<p>Corrective Actions</p> <p>1. To continuous monitor on the validity of the drug/medicine through WPI.</p>	

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	2. To dispose the expired drug/medicine through licensed contractor.	
	Assessment Conclusion The corrective action plan is accepted. Effectiveness of corrective action taken will be verified in the next audit.	

Observation	
OBS #	Description
1	Nil

Positive Findings	
PF #	Description
1.	External stakeholders for the mill and estates shown positive feedbacks towards the company.

Issues raised by Stakeholders

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

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

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

IS #	Description
1	Issues: Clinic- Health Assistant- He work more than 13 years in the clinic. VMO will visit twice a week on every Wednesday to the clinic in the Chaah estate. For purchasing of the drugs, will based on the inventory record on monthly basics and get the approval from doctor as well as the estate manager. First aid kit will be inspected and refurbished on monthly basics.
	Management Responses: No further comments and management will continue support the service of the clinic to the workers.
	Audit Team Findings: There are some drugs detected expired in the clinic. Refer to the relevant findings.
2	Issues: Crèche- There are total around 10 kids stay in the crèche and operates from around 6.00am till 2.30pm. If the kids get sick, they will always send them to the clinic. She was satisfied with the management on

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	<p>the pay and condition as well as the welfare that provided by the management.</p> <p>Management Responses: The management will continue to take care of their welfare and pay and conditions.</p> <p>Audit Team Findings: Document reviewed confirmed that the pay was achieved minimum wage. No other issues need to verify.</p>
3	<p>Issues: Sundry Shop- The shop operates more than 20 years. All the items all label with price tag. Workers from Chaah estate and palm oil mill will purchase from here.</p> <p>Management Responses: No issue and will continue to monitor the price range.</p> <p>Audit Team Findings: No further comments.</p>
4	<p>Issues: Gender Committee Member: 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>Management Responses: The management will continue to monitor and ensure that no cases of sexual harassment happened.</p> <p>Audit Team Findings: Document reviewed on the meeting minutes and interviewed with the female workers concluded that no issue on sexual harassment happened.</p>
5	<p>Issues: VMO- Will go to the estate on every Wednesday. Other than giving treatment, also check on the drugs inventory and confirm the order from the pharmacy.</p> <p>Management Responses: No further comment.</p> <p>Audit Team Findings: No further comment.</p>
6	<p>Issues: Head of Village Haji Kamisan- Certain supplier with the large truck using the road in the village which post a risk to the villager and the nearby students. Appreciate if the management can highlight it to all their contractor/supplier.</p> <p>Management Responses: Management will liaise with the contractor and supplier to use the designated road.</p> <p>Audit Team Findings: No further comment.</p>
7	<p>Issues: NUPW Representatives:</p> <ul style="list-style-type: none"> • SAJ water supply is not sufficient and the water need to distribute between estate and mill workers. • Certain house in Chaah estate lacking of maintenance due to the broken roof and ceiling. • Planting of vegetable near the line site in now allow. <p>Management Responses:</p> <ul style="list-style-type: none"> • Meeting with SAJ was conducted and discussing pertaining to the highlighted issues. For the time being, a better arrangement for the water distribution will be implemented according to the workers shift. • For housing repair, an approved tender evaluation report which cost RM99,640.00 and the work to be expected start by end of the year. • Green Book Project area has been allocated. However, a further discussion will be organised to establish a management plan for all unit. <p>Audit Team Findings: No further comments.</p>

3.3.1 Status of Nonconformities Previously Identified and Observations

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1381349M1	<p>Requirements Indicator 6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>Evidence of Nonconformity Chaah POM and Chaah Estate: The workers were signed on an old version contract (version April 2013) and sampled contracts as below: a) Passport No.: B 3059596 joined on 1/6/2016 (Chaah POM) b) Passport No.: AS 930859 joined on 8/9/2016 (Chaah POM) c) Passport No.: AS 3903906 joined on 19/8/2015 (Chaah POM) d) Employee No.: 120425 joined on 2/4/2016 (Chaah Estate) e) Employee No.: 120986 joined on 3/5/2016 (Chaah Estate) f) Employee No.: 125092 joined on 6/9/2016 (Sungai Simpang Kiri Estate) g) Employee No.: 125591 joined on 11/9/2016 (Sungai Simpang Kiri Estate) h) Employee No.: 125564 joined on 8/9/2016 (Sungai Simpang Kiri Estate)</p> <p>Chaah Estate: 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: a) Term No. 5.2: Salary (Bangladesh worker version) b) Term No. 13: Location Incentive c) Term No. 15: Work departure cash gift d) Term No. 21.5: FW security deposit home leave</p> <p>Besides, workers who signed on the contract where the public holiday entitlement was 12 days instead of 13 days. Sampled workers as below: a) Employee No.: 77028 (Chaah POM) b) Employee No.: 110481 (Chaah POM) c) Employee No.: 108996 (Chaah Estate) Worker's contract were not implemented consistently among the SOU.</p> <p>Chaah Estate: Worker's contracts of employment sampled found that the employment contract for those worked more than 3 years were expired. Example: a) Employee No. 13571: Employment contract expired on 15/10/2010 b) Employee No. 55721: Employment contract expired on 4/10/2013</p>	Major

	<p>c) Employee No. 94923: Employment contract expired on 12/9/2016 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> <p>a) Employee No.: 13571 b) Employee No.: 55721 c) Employee No.: 94923</p> <p>Statement of Nonconformity 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. Extension contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) were not implemented effectively. The management did not comply with the MAPA/NUPW Circular No. 22/2015.</p> <p>Corrections</p> <ul style="list-style-type: none"> i) Management has send an e mail pertaining the new version of the contract to the HR Department and will update the contract accordingly. 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. 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. 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>Corrective Actions</p> <ul style="list-style-type: none"> 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. 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. 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. iv) Briefing on the MAPA/NUPW Collective Agreement and new requirements have been conducted involving estate management and office staff. 	
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	<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>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> <p>Assessment Conclusion Human Resources had sent the communication email to all the region and offices for the latest template of the contract on 9 March 2017. The contract template consist of different national language- Nepal, Bangladesh, India, Indonesia, Sri Lanka and English Version. Besides, following contracts template sighted during site visit:</p> <ul style="list-style-type: none"> a. EMP18/SLK/2017/01 b. EMP05/INDI/2017/01 c. EMP01/INDO/2017/01 d. EM09/NPL/2017/01 <p>The new template of the contract has standardize in terms and condition such as annual leave , salary, Location Incentive, work departure cash gift and security deposit home leave.</p> <p>Interviewed the check roll clerk and workers, they well aware and confirmed that the latest template have been used for the new workers as well as the extension contract. Besides, subsidization of RM 3.00 per month for each of the members of NUPW as premium towards NUPW/AIA Personal Accident Group Scheme has fully implemented. Following workers contract (new and extension) any payslips were verified in respective estate and POM:</p> <ul style="list-style-type: none"> a. Employee No.: 115860 (Chaah Estate) b. Employee No.: 127458 (Chaah Estate) c. Employee No.: 131974 (Chaah Estate) d. Employee No.: 107051 (Chaah Estate) e. Employee no: 125247 (Chaah POM) f. Employee no: 77031 (Chaah POM) g. Employee no: 87790 (Chaah POM) h. Employee no: 122937 (North Labis Estate) i. Employee no: 134144 (North Labis Estate) j. Employee no: 134141 (North Labis Estate) <p>Thus, the major NC is still remain closed.</p>	
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Non-Conformity		
NCR #	Description	Category (Major / Minor)
1381349M2	<p>Requirements Indicator 4.7.1 A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.</p>	Major

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	<p>Evidence of Nonconformity</p> <p>i) There was no latest Personal Chemical Exposure Monitoring (PCEM) done as to date and only referred to last monitoring in 2013.</p> <p>ii) LEV inspection and monitoring was last done in May 2015 and there was no monitoring done as to date.</p> <p>Statement of Nonconformity Health and safety plan was not effectively implemented and monitored</p> <p>Corrections The mill has called for the potential and approved company to be quote for the Personal Chemical Exposure Monitoring and LEV inspection</p> <p>Corrective Actions 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>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> <p>Assessment Conclusion The Chemical Exposure Monitoring including personal monitoring was carried out on 6/12/2016 by Procoma Environmental (M) Sdn Bhd. (JKKP HIE 127/171-3/1(20) for the personnel at Laboratory, boiler house and engine room. The report (PR16-CHM-0017) was sighted and found that the concentration of Inhalable Dust and n-Hexane does not exceed the PEL as specified under USECHH Regulation 2000. 2. Baseline Examination and Testing of Local Exhaust Ventilation was carried out by Spectrum Laboratories (Johore) Sdn Bhd (JKKP IHE 127/171-3/2(164)) on 30/11/2016 and found that the company had complied with the USECHH 2000 Regulations.</p> <p>Therefore, the major NCR raised during previous assessment was remained close.</p>	
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Non-Conformity		
NCR #	Description	Category (Major / Minor)
1381349M3	<p>Requirements Indicator 2.1.1 Evidence of compliance with relevant legal requirements shall be available for following:</p> <ol style="list-style-type: none"> DOE Licence/ Jadual Pematuhan: 002153 – Boundary noise monitoring requirements Factories and Machinery (Noise Exposure) Regulations 1989, Part III (Exposure Monitoring) - Regulation 12 (additional monitoring) EQ (Scheduled Waste) Regulations 2005 – Notification of scheduled waste generation <p>Evidence of Nonconformity Chaah POM: - No evidence of boundary noise monitoring as per DOE License requirements - There was no additional noise monitoring done after installation of new Shinko 1240 kW turbine</p>	Major

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	<p>Simpang Kiri Estate: - Waste batteries (SW 102) not handled as scheduled waste</p>	
	<p>Statement of Nonconformity Evidence of compliance with relevant legal requirements was not effectively demonstrated</p>	
	<p>Corrections The Mill Management was called the potential and approved company to be quoted for the noise boundary and mapping and produce report accordingly. 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 Actions The mill management has appointed one of the mill staff En Hanif Arif to monitor for all the documented related to compliance report. 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>	
	<p>Assessment Conclusion 1. Noise boundary for KKS Chaah was carried out on 3/4/2017 and 5/7/2017 by PSQM Department using TES Sound Level Meter (calibrate by Setianas Sdn Bhd-next calibration on 8/11/2017), sighted the certificate of calibration for Sound Level Meter (Cert. No: ST16172966). The report for noise boundary was sighted and found that the noise level was within the permissible sound level. 2. Noise boundary (external) was carried out on 28/11/2016 by Spectrum Laboratories (Johore) Sdn Bhd. From the report (E/N/1611/17017) dated 5/12/2016, the noise level was within the permissible sound level. 3. Noise monitoring and mapping was carried out on 6/12/2016 by Procoma Environmental (M) Sdn Bhd. Sighted noise mapping report (PR16-CHM-0017) which was include the Kernel Plant, Engine Room (Turbine), Sterilizer area, Oil Station, Boiler House and Press station. The noise level measured around the Boiler House, Engine room, press area, oil station, oil station, kernel plant and sterilizer has exceeded the action level of 85 dBA. The assessor recommended the operator/workers should be wear hearing protection devices. 4. SW102 was handled as scheduled waste verified in the waste notification under schedule 2. Verified at all visited operating unit, SW102 was handled accordingly. Therefore, the major NCR raised during previous assessment was remained closed.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1381349M4	<p>Requirements Indicator 4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.</p>	Major

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	<p>Evidence of Nonconformity Sprayer, Employee ID 4623488 was not sent for medical surveillance in 2016. Last medical surveillance was done on 7/5/15</p>	
	<p>Statement of Nonconformity Specific annual medical surveillance for pesticide operators was not effectively demonstrated</p>	
	<p>Corrections Medical surveillance already sent on 26/09/2016</p>	
	<p>Corrective Actions Schedule listing for medical surveillance to be created each workers under spraying and monitor by assistant in charge.</p> <p>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>	
	<p>Assessment Conclusion Annual medical surveillance for 20 sprayers and pesticide operators at Chaah Estate and 50 sprayers and pesticide operators at North Labis Estate were demonstrated which conducted by registered OHD, HQ/08/DOC/00/545 (Klinik Segamat) on 5-6/5/2017 (CE) and 15-26/5/17 (NLE). During this assessment, the workers (employee ID #4623488) was not assign as a sprayer and has been transfer to the another job. Therefore, the major NCR raised during previous assessment was remained close.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1381349N1	<p>Requirements Indicator 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.</p> <p>Evidence of Nonconformity Chaah POM: 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.</p> <p>Sungai Simpang Kiri Estate: Stakeholder list was incomplete where some government bodies and internal representative was not included in the list.</p>	Minor

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	<p>Statement of Nonconformity List of stakeholder was incomplete.</p>	
	<p>Corrections 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>Corrective Actions 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>Corrective actions plan accepted and verification on effectiveness and evidence of CAP will be done during nextcoming audit.</p>	
	<p>Assessment Conclusion The mill and estates have generated a Stakeholder list where they have included local communities, government authorities, contractors and suppliers and etc into the list. They have been selected randomly to attend the stakeholder meeting and the social impact assessment. For example, Chaah Estate’s stakeholder list updated on 6 July 2017. The last stakeholder meeting was conducted on 14/9/2016 for Chaah Estate and POM 20/7/2017 for North Labis Estate with the local communities and smallholders. Seen the meeting minutes and attendance list. Issues raised during the stakeholder meeting was incorporated into the action plan and rectify accordingly. The correction plan was implemented effectively and the minor NC is closed on 11/08/2017.</p>	

Observation	
OBS #	Description
	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 : 6.5.2	Major	22/09/2016	Closed on 11/11/2016
1381349M2 : 4.7.1	Major	22/09/2016	Closed on 11/11/2016

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1381349M3 : 2.1.1	Major	22/09/2016	Closed on 11/11/2016
1381349M4 : 4.6.11	Major	22/09/2016	Closed on 11/11/2016
1381349N1 : 6.2.3	Minor	22/09/2016	Closed on 11/08/2017
1509988-201707-M1 : 5.3.2	Major	11/08/2017	Closed on 10/10/2017
1509988-201707-N1 : 5.3.3	Minor	11/08/2017	"Open"

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
Name: BORIAN MOHY FARIZAN	Name: Mr Mohamed Hidir Zainal Abidin
Company name: Sime Darby Plantation Bhd Chaah (SOU 20)	Company name: BSI Services Malaysia Sdn Bhd
Title: MANAGER, MLE /SOU CHAIRMAN	Title: Lead Auditor
Signature: 	Signature: 
Date: 16 th January 2018	Date: 14 th January 2018

Appendix A: Summary of Findings

Criterion / Indicator	Assessment Findings	Compliance	
Principle 1: Commitment to Transparency			
Criterion 1.1:			
Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.			
1.1.1	<p>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.</p> <p>- Minor compliance -</p>	<p>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.</p> <p>Mill and estate assistant at each operating unit responsible on providing & updating the information to relevant stakeholder</p>	Complied
1.1.2	<p>Records of requests for information and responses shall be maintained.</p> <p>-Major compliance</p>	<p>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.</p> <p>Environmental – Field citation, dated 1/8/17. Issues of concern highlighted in the report as per below: i) Compliance towards Clean Air Regulations 2014 ii) Compliance schedule @ "Jadual Pematuhan" iii) Environmental competent person – CePSWaM, CePPOME</p> <p>MPOB – Authority visit @ Spot-check on BST Ullage dated 1/8/17. Refer to report# 0078486. Notice of enforcement via guided self-regulation by DOE, ref# AS(B)J31/152/000/051 Jld 13(13) dated 3/7/17. 7 Environmental Mainstreaming Tools (EMT) – Environmental policy (EP), Environmental budget (EB), Environmental monitoring committee (EMC), Environmental facility (EF), Environmental competency (EC), Environmental reporting and communication (ERC), Environmental transparency (ET). Compliance report must be submitted before 31/7/17. Report submitted on 27/7/17 to DOE Batu Pahat Branch.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance	
Criterion 1.2: Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			
1.2.1	<p>Publicly available documents shall include, but are not necessary limited to:</p> <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; • Human Rights Policy (Criterion 6.13). <p>- Major compliance –</p>	<p>There was no restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. Sime Darby Plantations Sdn Bhd continued to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans was made available at all operating units. Procedure for complaints and grievances were available through Sime Darby Plantations Sdn Bhd website and http://www.simedarbyplantation.com/Sustainability.aspx</p> <p>Among the documents that were made available for viewing are:</p> <ul style="list-style-type: none"> • Good Agricultural Practices • Social Enhancement • Sustainability Management Programmes • Complaint and Grievances procedure. • Environmental Conservation <p>These documents highlight current Sime Darby Plantations Sdn Bhd practices and their continual improvement plans. Besides the above document Sime Darby Plantations Sdn Bhd policy on the followings are also available at the same website:</p> <ol style="list-style-type: none"> 1) Social 2) Quality 3) Food Safety 4) Occupational Safety & Health 5) Environment & Biodiversity 6) Slope Protection and Buffer Zone 7) Lean Six Sigma 8) Gender <p>In addition to the website, the policies were also displayed at various locations including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view</p>	<p>Complied</p>
Criteria 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.			
1.3.1	<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>Management of the SOU19 have communicated the Code of Business Conduct (COBC) to all workers at visited operating units. For example 14/3/2017 for Chaah Estate and 14-17/06/2017 for Chaah Estate; 15/07/17 for North Labis Estate. Attendance list was sighted with the acknowledgement from employees.</p>	<p>Complied</p>
Principle 2: Compliance with applicable laws and regulations			
Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.			

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Criterion / Indicator	Assessment Findings	Compliance
<p>2.1.1 Evidence of compliance with relevant legal requirements shall be available. - 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. Sample of licenses or permit viewed were :</p> <p><u>Chaah Palm Oil Mill</u> DOSH annual UPV and SB inspection on 6/3/17 General installation – JHK 2774 & JP2774/1-7 Boiler - JH PMD 762 Sterilizer – JH PMT 21639, JH PMT 20597 & JH PMT 21640 Sand Filter- PMT 113838 Water softener – PMT 138255 Hoist Crane – PMA 13364 BPR – PMT 9187</p> <p>i)DOE Licence/Jadual Pematuhan: 004721 (validity period 1/7/2017 - 30/6/2018) for 36 MT/hr and method of POME discharge is land application (BOD below 5000mg/l) ii) MPOB: 518940004000, processing capacity 168,000 Mt, valid until 28/2/2018 iii) Mill weighbridge Form D (permit) no.: B 795058, s/n:01533476KP capacity 60mt iv) Diesel permit : J027147, for storage capacity of 10,800liter valid until 21/2/2018 v) Energy commission license no.: 2017/01491; serial no.:22432 (validity period 3/9/2017 – 2/9/2018) for installation capacity limit <1662kW) vi) Badan Kawal Selia Air Johor (BAKAJ) river water abstractor divert license no.: 08/A/BP/035; Valid until 31/12/2017; Max abstract capacity: 500m3/day vii) Overtime permit issued by Labour Department, maximum 130 hours. Refer to approval dated 2/12/13, ref# (30)dIm Bhg PU/9/134 Jilid 2. iix) Written Notification, under EQA, Clean Air Regulations 2014 (Regulation 5) for Electrostatic Precipitator (ESP) installation, AS(B)J31/152/000/051(14),dated 21/12/16. ix) Extension approval to store more than 180 day from DOE, AS (B) J 31/152/000/051 Jld. 13 (8), dated 30/5/17 for SW305, SW322, SW409 and SW410.</p> <p>Compliance audit 12/1/17 – WMWY/eca/DOE/01(17) 1 CAR raised related to signage erection at furrow location. Correction action accepted and closed In March 2017.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance	
	<p>North Labis Estate: i) MPOB license : 520479102000 valid until 30/4/18, for plantation operation ii) Diesel permit : J029132, ref# JH(SGT)0149/09 PSK for storage capacity of 10,000 liter valid until 19/5/2018</p> <p><u>Chaah Estate</u> i) MPOB license : 518848002000 valid until 28/2/2018, for plantation operation ii) Diesel permit: J023688, ref# JH(SGT)00123/05 PSK for storage capacity of 16,500liter valid until 6/7/2017 – under renewal process. Refer to BLESS submission ref# BL217043200 dated 10/7/17. iii) Tolling enactment license # 00914 (24/2017), ref# SUKJ(HED)74/3/4 JLD.2 (104) valid until 31/12/2017 iv) Salary deduction permit serial # PP3/29/224/2011 (electricity), PP3/29/223/2011 (mosque), PP3/29/219/2011(HIW club), PP3/29/222/2011 (temple) effective date 26/8/2011 v) JTK's housing CF, ref# BP.1/2011 dated 13/8/11 for 10 new workers housing.</p>		
2.1.2	<p>A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -</p>	<p>All operating units have Legal & Other Requirements Register (LORR) covering all the necessary regulatory requirements. List of applicable legal and other requirements was made available during the assessment and compiled in the QSHE/04/5.2.4 folder. Documented procedure has been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008. Sample checked at Chaah Estate on the legal register dated 3/7/17 was sighted. New Minimum Wages Order 2016 and Toll Collection Enactment 1974 were updated in the register.</p>	Complied
2.1.3	<p>A mechanism for ensuring compliance shall be implemented. - Minor compliance -</p>	<p>Evaluation of legal requirements and compliance status with legal requirement is monitored by operating units, PSQM team, OHS Department and head office Group Compliance Department (GCAD).</p>	Complied
2.1.4	<p>A system for tracking any changes in the law shall be implemented. - Minor compliance -</p>	<p>Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations.</p>	Complied
<p>Criterion 2.2: The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p>			

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Criterion / Indicator	Assessment Findings	Compliance																														
<p>2.2.1 Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -</p>	<p>Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land were made available at all visited sites. Sample of land title based on the latest quit rent for 2017 are:</p> <p><u>Chaah Estate</u></p> <table border="1" data-bbox="660 591 1307 1028"> <thead> <tr> <th>Grant#, Lot#</th> <th>District/ Mukim</th> <th>Legal ownership</th> <th>Title Area</th> <th>Land use type</th> </tr> </thead> <tbody> <tr> <td>H.S(D) 7746, PTD 2379</td> <td>Batu Pahat/ Mukim Chaah Bahru</td> <td>Leasehold for 99 years (ended 22/12/77)</td> <td>804.31 14 Ha</td> <td>Agriculture</td> </tr> <tr> <td>H.S(D) 7745, PTD 2378</td> <td>Batu Pahat/ Mukim Chaah Bahru</td> <td>Leasehold for 99 years (ended 22/12/77)</td> <td>1191.0 502 Ha</td> <td>Agriculture</td> </tr> </tbody> </table> <p><u>North Labis Estate</u></p> <table border="1" data-bbox="660 1115 1307 1547"> <thead> <tr> <th>Grant#, Lot#</th> <th>District/ Mukim</th> <th>Legal ownership</th> <th>Title Area</th> <th>Land use type</th> </tr> </thead> <tbody> <tr> <td>H.S(D) 7746, PTD 2379</td> <td>Batu Pahat/ Mukim Chaah Bahru</td> <td>Leasehold for 99 years (ended 22/12/77)</td> <td>804.31 14 Ha</td> <td>Agriculture</td> </tr> <tr> <td>H.S(D) 7745, PTD 2378</td> <td>Batu Pahat/ Mukim Chaah Bahru</td> <td>Leasehold for 99 years (ended 22/12/77)</td> <td>1191.0 502 Ha</td> <td>Agriculture</td> </tr> </tbody> </table>	Grant#, Lot#	District/ Mukim	Legal ownership	Title Area	Land use type	H.S(D) 7746, PTD 2379	Batu Pahat/ Mukim Chaah Bahru	Leasehold for 99 years (ended 22/12/77)	804.31 14 Ha	Agriculture	H.S(D) 7745, PTD 2378	Batu Pahat/ Mukim Chaah Bahru	Leasehold for 99 years (ended 22/12/77)	1191.0 502 Ha	Agriculture	Grant#, Lot#	District/ Mukim	Legal ownership	Title Area	Land use type	H.S(D) 7746, PTD 2379	Batu Pahat/ Mukim Chaah Bahru	Leasehold for 99 years (ended 22/12/77)	804.31 14 Ha	Agriculture	H.S(D) 7745, PTD 2378	Batu Pahat/ Mukim Chaah Bahru	Leasehold for 99 years (ended 22/12/77)	1191.0 502 Ha	Agriculture	<p>Complied</p>
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<p>2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -</p>	<p>At Chaah Estate (P04B), the boundary marker was clearly demarcated and physically maintained. Furthermore, the management has constructed trenches as physical boundary</p>	<p>Complied</p>																														
<p>2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -</p>	<p>The estate lands are legally owned and leased by the company. The existing estates are not encumbered by any customary land rights. Interview with the surrounding communities and stakeholders confirm no land disputes case.</p>	<p>Complied</p>																														

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Criterion / Indicator	Assessment Findings	Compliance
2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. -Major compliance	The estate lands are legally owned by the company and no other users were identified within the land area. Complied
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	The estate lands are legally owned by the company and no other users were identified within the land area. Complied
2.2.6	To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	The estate lands are legally owned by the company and no other users were identified within the land area. Complied
Criterion 2.3: Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.		
2.3.1	Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). - Major compliance -	There is no land dispute in the SOU20 at the time of audit. The land belongs to Sime Darby and land ownership documents verified. Interviewed with the stakeholders confirmed that no land dispute reported. Complied

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Criterion / Indicator	Assessment Findings	Compliance
2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. - Minor compliance -	There is no land dispute in the SOU20 at the time of audit. The land belongs to Sime Darby and land ownership documents verified. Interviewed with the stakeholders confirmed that no land dispute reported.	Complied
2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. -Minor compliance	There is no land dispute in the SOU20 at the time of audit. The land belongs to Sime Darby and land ownership documents verified. Interviewed with the stakeholders confirmed that no land dispute reported.	Complied
2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. -Major compliance	There is no land dispute in the SOU20 at the time of audit. The land belongs to Sime Darby and land ownership documents verified. Interviewed with the stakeholders confirmed that no land dispute reported.	Complied

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

Criterion 3.1:

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

3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	Annual business plan in the form of annual budget and the projection for 5 years prepared as guidance for future planning. The business plan contains FFB yield, CPO, OER, and KER, OPEX, CAPEX etc. Chaah Palm Oil Mill and supply bases have made progress towards achieving their performance production targets for the current financial year. CAPEX allocation for mill and estate was made available for review for FY 17/18: Mill: FFB Cages replacement (process efficiency) Chaah Estate: prime mover, tractor (New Holland TD5), Kubota L3200DT – FFB evacuation.	Complied
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Criterion / Indicator	Assessment Findings	Compliance													
3.1.2	<p>An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -</p>	<p>Annual replanting programme projected for a minimum of five years and yearly review conducted at the head office level and participated by the Regional GM and Estate managers.</p> <p>Chaah Estate: The long range (FY 17/18 until 20/21) replanting plan was sighted.</p> <table border="1" data-bbox="660 651 1139 801"> <thead> <tr> <th>Year</th> <th>Estate</th> <th>Ha</th> </tr> </thead> <tbody> <tr> <td>17/18</td> <td>Cha'ah</td> <td>93.70</td> </tr> <tr> <td>18/19</td> <td rowspan="3">Estate</td> <td>93.50</td> </tr> <tr> <td>19/20</td> <td>185.20</td> </tr> <tr> <td>20/21</td> <td>159.30</td> </tr> </tbody> </table>	Year	Estate	Ha	17/18	Cha'ah	93.70	18/19	Estate	93.50	19/20	185.20	20/21	159.30
Year	Estate	Ha													
17/18	Cha'ah	93.70													
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Principle 4: Use of appropriate best practices by growers and millers

Criterion 4.1:

Operating procedures are appropriately documented, consistently implemented and monitored.

4.1.1	<p>Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -</p>	<p>SOP available for the Palm Oil Mill and the Estates. Palm Mill holds two SOPs:</p> <ol style="list-style-type: none"> 1. Sustainability Plantation Management System (MQMS/SOM/08 v.1 dated 1/11/2008) to includes mill SOPs. Sighted SOP for laboratory, effluent treatment plant etc. 2. 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 <p>Estates have a separate SOP which is SOP EQMS, Pictorial Safety Standard, Estate Quality Management System and Agricultural reference Manual that covered planting material, nursery techniques, replanting, land preparation, planting density, canopy management, water management, harvesting, loose fruit collection, weed control, transport etc.</p>	Complied
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Criterion / Indicator	Assessment Findings	Compliance
<p>4.1.2</p> <p>A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -</p>	<p>There is an audit conducted by planning and monitoring department to confirmed consistent records of implementation of SOPs. During mill visit it was noted that that operating parameters were consistently recorded by the operators. The following are rating given by internal and external for FY2016/2017 at SOU 20:</p> <p>Chaah Palm Oil Mill: Structured Oil Recovery Assessment = 79% on 5-8/6/17 Mill Laboratory Assessment = 91.94% on 26-27/4/2017</p> <p>Chaah Estate: PQR (Mature upkeep) = 4.3/5.0 PQR (Nursery) = 5/5 PQR (Immature OP) = n/a PQR (Manuring) = 4.4/5</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 19 June 2017 (Chaah Estate).</p>	<p>Complied</p>
<p>4.1.3</p> <p>Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -</p>	<p>Internal consultative assessment audit was conducted by PSQM Department. All the corrective actions were identified. Some of the findings raised by the internal auditor were closed and the other pending for closure. A follow up audit will be carried (on site or off-site) to verify effective implementation of corrective action.</p> <p>Sighted the Internal consultative assessment Report for Cha'ah Estate (19/6/2017), Chaah Palm Oil Mill (22/6/2017) and North Labis Estate (17/7/17)</p> <p>Permit to work (Confined space) for cleaning back pressure receiver tank on 27/2/17. Gas test was carried out by Muhamad Nasrudin (NW-HQ-AGT-R-0641-0) and found that the competency for AGT still valid. The declaration of health status by authorised entrants were documented accordingly (#630813015485, #J1878409)</p>	<p>Complied</p>
<p>4.1.4</p> <p>The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -</p>	<p>No 3rd party crop received at Chaah POM. Occasionally there are certified FFB received by the mill from Sime Darby Group estates. This is verified through RSPO certificate validity by the management through the weighbridge receiving system.</p>	<p>Complied</p>
<p>Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p>		
<p>4.2.1</p> <p>There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -</p>	<p>Good agriculture practices which follows the group agriculture manual contains Standard Operating Procedures to ensure soil fertility is managed to a level that ensures optimal and sustained yield.</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance																														
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance -	Chaah Estate: The records of agronomic and fertilizer recommendation report by agronomist shown application date, filed number, dosage applied per palm, type of fertilizer and number of application. Sampled recommendation for field OP02C1 area, AC (2.25kg/palm) was completed on 12/4/17.	Complied																														
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	Chaah Estate: For Chaah Estate, latest agronomist visit was done during agronomist visit on 20-21/3/2017. Soil sampling and analysis was last done 18/11/2014. Sighted Soil Analysis Test Report (S9/2015) dated 13/2/2015. North Labis Estate: Latest agronomist visit was done during agronomist visit on 3/3/2017. Sighted plant analysis report (P166/2017). Soil sampling and analysis was last done 18/2/2014. Sighted Soil Analysis Test Report (S11/2014) dated 23/5/2014.	Complied																														
4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	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. <table border="1" data-bbox="660 976 1158 1099"> <thead> <tr> <th>Tonnage</th> <th>Type</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>21,614.80 mt</td> <td>EFB</td> <td>Chaah Estate</td> </tr> <tr> <td>3,247.50 mt</td> <td>EFB</td> <td>North Labis Estate</td> </tr> </tbody> </table>	Tonnage	Type	Estate	21,614.80 mt	EFB	Chaah Estate	3,247.50 mt	EFB	North Labis Estate	Complied																					
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Criterion 4.3: Practices minimise and control erosion and degradation of soils.																																	
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	Soil series map available for both estates visited. No other soil categorised as problematic or fragile soil. Sighted the type of soil available at Chaah Estate and North Labis Estate. <table border="1" data-bbox="660 1303 1297 1760"> <thead> <tr> <th>No.</th> <th>Type of Soil</th> </tr> </thead> <tbody> <tr><td>1</td><td>Serdang/Alluvium</td></tr> <tr><td>2</td><td>Serdang/Bungor</td></tr> <tr><td>3</td><td>Malacca</td></tr> <tr><td>4</td><td>Muck</td></tr> <tr><td>5</td><td>Munchong</td></tr> <tr><td>6</td><td>Bungor</td></tr> <tr><td>7</td><td>Tavy</td></tr> <tr><td>8</td><td>Yong Peng</td></tr> <tr><td>9</td><td>Jempol</td></tr> <tr><td>10</td><td>Kulai</td></tr> <tr><td>11</td><td>Segamat</td></tr> <tr><td>12</td><td>Durian</td></tr> <tr><td>13</td><td>Rasau</td></tr> <tr><td>14</td><td>Jerangau</td></tr> </tbody> </table>	No.	Type of Soil	1	Serdang/Alluvium	2	Serdang/Bungor	3	Malacca	4	Muck	5	Munchong	6	Bungor	7	Tavy	8	Yong Peng	9	Jempol	10	Kulai	11	Segamat	12	Durian	13	Rasau	14	Jerangau	Complied
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13	Rasau																																
14	Jerangau																																
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	Soil series map available for both estates visited. There are no peat soils or soil categorized as problematic or fragile soil at all estates. At North Labis estate, there is area above 25°, however that area was abandoned.	Complied																														

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Criterion / Indicator		Assessment Findings	Compliance									
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	<p>Estates has implemented annual road maintenance programme. Example of programme checked at 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. Sighted the records of road maintenance at both estates.</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Month</th> <th>Distance/Area</th> </tr> </thead> <tbody> <tr> <td>Chaah Estate</td> <td>July 17</td> <td>193 dm</td> </tr> <tr> <td>North Labis estate</td> <td>Jun 17</td> <td>226.86 Ha</td> </tr> </tbody> </table>	Estate	Month	Distance/Area	Chaah Estate	July 17	193 dm	North Labis estate	Jun 17	226.86 Ha	Complied
Estate	Month	Distance/Area										
Chaah Estate	July 17	193 dm										
North Labis estate	Jun 17	226.86 Ha										
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.	Complied									
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.	Complied									
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.	Complied									
<p>Criterion 4.4: Practices maintain the quality and availability of surface and ground water.</p>												

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Criterion / Indicator	Assessment Findings	Compliance												
<p>4.4.1</p> <p>An implemented water management plan shall be in place. - 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/ivers; especially for monitoring as well as other requirement by respective operating units.</p> <p><u>Chaah Oil Mill</u> Has reviewed the Water Management Plan for financial year 2017/2018 for consumption and monitoring of water and its sources based on its operational and DOE license requirements.</p> <p><u>North Labis Estate</u> Water management plan dated 3/7/17 was made available. Rain water harvesting, pipeline system monitoring (head loss/leakage), water reduction awareness Water analysis(upstream, mid-stream and downstream) Sg Gatom. Latest analysis report, IE774/2017 dated 25/7/17.</p> <p><u>Chaah Estate</u> Water management plan dated 5/7/17 was sighted. The plan has included water contingency plan during water shortage/dry spell and also during severe water pollution. Total rainfall for 2016 is 1306 mm (furrow system, sprinkler)</p> <p>Appropriate management plan and resources required been identified. Latest sample of Sungai Sayong (upstream, midstream and downstream) monitoring result for the month of February 2017, ref# IE207/2017 dated 20/2/17. Parameter tested were pH, BOD, COD, SS, AN, DO and P* and not conform with NWQS Class IIA/IIB. Low pH (US – 5.6 , DS – 3.8), DO (US – 4.28, MS – 4.63) Retest was done on 28/3/17 shown that all parameter tested is conform with Class IIA/IIB. Refer to test report, IJ309/2017 dated 22/4/17.</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. - 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 1615 1299 1792"> <thead> <tr> <th>River Width</th> <th>Buffer Zone</th> </tr> </thead> <tbody> <tr> <td>> 40 meters</td> <td>50 meters</td> </tr> <tr> <td>20 to 40 meters</td> <td>40 meters</td> </tr> <tr> <td>10 to 20 meters</td> <td>20 meters</td> </tr> <tr> <td>5 to 10 meters</td> <td>10 meters</td> </tr> <tr> <td>5 meters</td> <td>5 meters</td> </tr> </tbody> </table>	River Width	Buffer Zone	> 40 meters	50 meters	20 to 40 meters	40 meters	10 to 20 meters	20 meters	5 to 10 meters	10 meters	5 meters	5 meters	<p>Complied</p>
River Width	Buffer Zone													
> 40 meters	50 meters													
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Criterion / Indicator	Assessment Findings	Compliance														
4.4.3 Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -	Treated mill effluent discharge was regularly monitored as prescribed under "Jadual Pematuhan", license# 004721. Limit of Biochemical Oxygen Demand (BOD) discharge is 5000 mg/l for land application. Regular monitoring was done on monthly basis and every quarterly via "Borang Penyata Suku Tahun" to DOE for compliance. For the latest quarter, quarterly return report submitted via OER @ "Online Environmental Reporting". Refer to DOE file# AS(B)J31/152/000/051 for 2017 2 nd quarter report. Analysis report were verified and checked for 1 st week, 5 th week and 9 th week of the quarter. Result was found in compliance with the regulatory limit.	Complied														
4.4.4 Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	Water consumption were monitored and measured for mill processing and domestic usage. Consumption for the month from January to July 2017 ranged at max 1.9 – 1.3m3 /FFB processed	Complied														
Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.																
4.5.1 Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	<p>IPM is documented in Agriculture Reference Manual. The estates continue to implement biological control for the oil palm pest in the plantation such as leaf eating pest and rat. IPM techniques applied at the estates include monitoring of pest numbers and the use of triggers for initiation of control measures. 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. 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.</p> <p>Records of planting of new areas and maintenance of existing areas of beneficial plants, location maps and barn owl census are available.</p> <table border="1" data-bbox="657 1579 1295 1641"> <thead> <tr> <th></th> <th>Distance</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>Beneficial Plant</td> <td>2.19 dm/ha</td> <td>Chaah Estate</td> </tr> </tbody> </table> <p>The occupancy rate for Barn owl box for July 2017.</p> <table border="1" data-bbox="657 1697 1295 1792"> <thead> <tr> <th></th> <th>Occupancy rate</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Barn owl</td> <td>47.40 %</td> <td>Chaah estate</td> </tr> <tr> <td>61.54%</td> <td>NLE</td> </tr> </tbody> </table>		Distance	Estate	Beneficial Plant	2.19 dm/ha	Chaah Estate		Occupancy rate	Estate	Barn owl	47.40 %	Chaah estate	61.54%	NLE	Complied
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Criterion / Indicator	Assessment Findings	Compliance																
4.5.2 Training of those involved in IPM implementation shall be demonstrated. - 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. External training provided by the R&D department on 11/2/2017 at Yong Peng Estate and attended by estate's manager, assistant managers and staff. The internal training related to the rat control and bagworm control was provided to the workers and staff which conducted on 8-9/9/2017.	Complied																
Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment																		
4.6.1 Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. - Major compliance -	The written justification in Standard Operating Procedure (SOP) of all agrochemical are available the Agricultural Reference Manual (ARM), SOP and in the Safety Pictorial Book prepared by Sime Darby Plantation Sdn Bhd. Refer to Sime Darby Agricultural Reference Manual, issue:1 version:3 dated 1/7/2011. Selected products are specific to the target pest, weed and disease.	Complied																
4.6.2 Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -	Records of pesticides use (including active ingredients used and their LD 50, area treated, amount of a.i. applied per ha and number of applications) had been maintained and kept by the estate. Chaah Estate / North Labis Estate (FY2016/2017) <table border="1" data-bbox="662 1205 1299 1386"> <thead> <tr> <th>Chemical Name</th> <th>Active Ingredient (a.i)</th> </tr> </thead> <tbody> <tr> <td>Kenlon</td> <td>Triclopyr methyl 32%</td> </tr> <tr> <td>Kenyon 20G</td> <td>Metsulfuron methyl 20%</td> </tr> <tr> <td>Supersate 41</td> <td>Glyphosate 41%</td> </tr> <tr> <td>Ebor bait</td> <td>Warfarin 0.05%</td> </tr> <tr> <td>Enco sodium chloride</td> <td>Sodium chloride 99%</td> </tr> </tbody> </table> The record of pesticides used was sighted. <table border="1" data-bbox="662 1469 1086 1559"> <tbody> <tr> <td></td> <td>June 17</td> </tr> <tr> <td>Chaah estate</td> <td>1.797 % a.i/ha</td> </tr> </tbody> </table>	Chemical Name	Active Ingredient (a.i)	Kenlon	Triclopyr methyl 32%	Kenyon 20G	Metsulfuron methyl 20%	Supersate 41	Glyphosate 41%	Ebor bait	Warfarin 0.05%	Enco sodium chloride	Sodium chloride 99%		June 17	Chaah estate	1.797 % a.i/ha	Complied
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4.6.3 Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in Sime Darby Plantation Agriculture Reference Manual Section 16.5. The implementation in the field is consistent with the Agriculture Reference Manual Section 16.5	Complied																

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Criterion / Indicator	Assessment Findings	Compliance												
4.6.4	<p>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.</p> <p>- Minor compliance -</p>	Complied												
4.6.5	<p>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).</p> <p>- Major compliance -</p> <p>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.</p> <p>Training for both estates was conducted accordingly.</p> <table border="1" data-bbox="660 983 1297 1218"> <thead> <tr> <th>Date</th> <th>Training Topic</th> <th>Trainer</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>9/9/17 (Chaah Estate)</td> <td>Trunk Injection</td> <td>ESH Department</td> <td>Zaidi, Anwar, Saiful Islam</td> </tr> <tr> <td>11/2/17 (CE & NLE)</td> <td>IPM</td> <td>ESH Department</td> <td>Staff, Exec</td> </tr> </tbody> </table>	Date	Training Topic	Trainer	Remarks	9/9/17 (Chaah Estate)	Trunk Injection	ESH Department	Zaidi, Anwar, Saiful Islam	11/2/17 (CE & NLE)	IPM	ESH Department	Staff, Exec	Complied
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4.6.6	<p>Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3).</p> <p>- Major compliance -</p>	Complied												
4.6.7	<p>Application of pesticides shall be by proven methods that minimise risk and impacts.</p> <p>- Minor compliance -</p>	Complied												
4.6.8	<p>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.</p> <p>- Major compliance -</p>	Complied												
4.6.9	<p>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).</p> <p>- Minor compliance -</p>	Complied												

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Criterion / Indicator		Assessment Findings	Compliance																						
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Disposal method of all identified waste was already included in the pollution prevention plan where the site visit confirmed that the practice of reduce, reuse and recycle of materials has been implemented throughout the company within mill and estates. Interviewed the workers in workshop, line site and store and they aware of the proper waste handling method.	Complied																						
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	Chaah Estate: Annual medical surveillance for 20 sprayers and pesticide operators were demonstrated which conducted by registered OHD, HQ/08/DOC/00/545 (Klinik Segamat) <table border="1"> <thead> <tr> <th>ID No</th> <th>Date of Medical check up</th> <th>Result</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>H8642566</td> <td>5-6/5/17</td> <td>Fit to work</td> <td rowspan="3">Chaah Estate</td> </tr> <tr> <td>AT799459</td> <td>5-6/5/17</td> <td>Fit to work</td> </tr> <tr> <td>B4360336</td> <td>5-6/5/17</td> <td>Fit to work</td> </tr> <tr> <td>M9512757</td> <td rowspan="3">15-26/5/17</td> <td>Fit to work</td> <td rowspan="3">North Labis estate</td> </tr> <tr> <td>AE0778383</td> <td>Fit to work</td> </tr> <tr> <td>AM029890</td> <td>Fit to work</td> </tr> </tbody> </table>	ID No	Date of Medical check up	Result	Estate	H8642566	5-6/5/17	Fit to work	Chaah Estate	AT799459	5-6/5/17	Fit to work	B4360336	5-6/5/17	Fit to work	M9512757	15-26/5/17	Fit to work	North Labis estate	AE0778383	Fit to work	AM029890	Fit to work	Complied
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4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	At Chaah Estate, there are female pesticide operators. 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. Sighted the monthly medical inspection by HA: <table border="1"> <thead> <tr> <th>ID No</th> <th>Date of Medical check up</th> <th>Result</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>621201016060</td> <td>25/3/17</td> <td>-ve</td> <td rowspan="3">Chaah Estate</td> </tr> <tr> <td>690916015992</td> <td>25/3/17</td> <td>-ve</td> </tr> <tr> <td>861002235132</td> <td>25/3/17</td> <td>-ve</td> </tr> </tbody> </table> At North Labis Estate, there is no female sprayer.	ID No	Date of Medical check up	Result	Estate	621201016060	25/3/17	-ve	Chaah Estate	690916015992	25/3/17	-ve	861002235132	25/3/17	-ve	Complied								
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Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:																									

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.1</p> <p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -</p>	<p>SOU20 estates and mill has maintained an approved Health and Safety Policy dated January 2015 by Sime Darby Plantations Sdn Bhd, Managing Director 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.</p> <p><u>Chaah estate</u> CHRA was last conducted on 3/8-13/10/2015 by NM Laboratory Sdn Bhd. (JKKP HIE 127/171-2(363)). Sighted CHRA report, CHRA(J)/15-08/09.</p> <p><u>Chaah POM</u> CHRA was last conducted on 23/11/2013 by PAC Testing & Consulting Sdn Bhd (JKKP/IH 127/171-2(233)). Sighted the CHRA report (PAC1113-002) dated November 2013.</p> <p>North Labis Estate: 11/8-13/10/15 by NM Laboratory Sdn Bhd. (JKKP HIE 127/171-2(363)). Sighted CHRA report, CHRA(J)/15-08/10.</p> <p>Audiometric Testing: The audimetric was plan to be conduct on September 2017. The 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, JKKP 7 was submitted to DOSH on 21/9/16</p> <p>Noise boundary for KKS Chaah was carried out on 3/4/2017 and 5/7/2017 by PSQM Department using TES Sound Level Meter (calibrate by Setianas Sdn Bhd-next calibration on 8/11/2017), sighted the certificate of calibration for Sound Level Meter (Cert. No: ST16172966). The report for noise boundary was sighted and found that the noise level was within the permissible sound level.</p> <p>Noise boundary (external) was carried out on 28/11/2016 by Spectrum Laboratories (Johore) Sdn Bhd. From the report (E/N/1611/17017) dated 5/12/2016, the noise level was within the permissible sound level.</p>	<p>Complied</p>

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	<p>Noise monitoring and mapping was carried out on 6/12/2016 by Procoma Environmental (M) Sdn Bhd. Sighted noise mapping report (PR16-CHM-0017) which was include the Kernel Plant, Engine Room (Turbine), Sterilizer area, Oil Station, Boiler House and Press station. The noise level measured around the Boiler House, Engine room, press area, oil station, oil station, kernel plant and sterilizer has exceeded the action level of 85 dBA. The assessor recommended the operator/workers should be wear hearing protection devices.</p> <p>Baseline Examination and Testing of Local Exhaust Ventilation was carried out by Spectrum Laboratories (Johore) Sdn Bhd (JKKP IHE 127/171-3/2(164)) on 30/11/2016 and found that the company had complied with the USECHH 2000 Regulations.</p> <p>The Chemical Exposure Monitoring including personal monitoring was carried out on 6/12/2016 by Procoma Environmental (M) Sdn Bhd. (JKKP HIE 127/171-3/1(20) for the personnel at Laboratories, boiler house and engine room. The report (PR16-CHM-0017) was sighted and found that the concentration of Inhalable Dust and n-Hexane does not exceed the PEL as specified under USECHH Regulation 2000.</p>		
4.7.2	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. - Major compliance -</p>	<p>HIRADC for all activities was assessed based on risk assessment criteria. Hazard Identification, Risk Assessment and Risk Control, dated 15/6/17 (Chaah Estate), 13/6/17 (CPOM). Eg: Manuring, Chemical mixing, spraying, trunk injection, harvesting, road maintenance, pruning, FFB transport, nursery, FFB evacuation, replanting,workshop, weighbridge, fruit handling, sterilization station, threshing station, pressing station, clarification station, boiler station, power generation station, laboratory, ETP and etc.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance																																	
<p>4.7.3</p> <p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>- Minor compliance -</p>	<p>Awareness and training program 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 and CHRA assessor's recommendation. Sample of trainings for both estates as per the following:</p> <table border="1" data-bbox="660 692 1299 1310"> <thead> <tr> <th>Date</th> <th>Training Topic</th> <th>Trainer</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>9/9/16 (Chaah Estate)</td> <td>Trunk Injection</td> <td rowspan="3">ESH Unit</td> <td>Zaidi, Anwar, Saiful Islam</td> </tr> <tr> <td>8/9/16 (Chaah Estate)</td> <td>Spraying</td> <td>Kamaludin, Shaker Sign, Jamilah, Zaini</td> </tr> <tr> <td>8/9/16 (Chaah Estate)</td> <td>Manuring</td> <td>Amzad, Birendra, Azman</td> </tr> <tr> <td>3/8/17 (CPOM)</td> <td>Chemical Handling</td> <td rowspan="2">ESH Unit</td> <td>Hizam, Azrin, Zulkifli</td> </tr> <tr> <td>7/8/17 (CPOM)</td> <td>Hearing Conservation</td> <td>Elamchitiran, Nagappan, Rizal</td> </tr> <tr> <td>18/6/17 (CPOM)</td> <td>LOTO</td> <td>AE</td> <td>Elamchitiran, Herianto, Irawan</td> </tr> <tr> <td>3/7/17 (NLE)</td> <td>Chemical/Spraying</td> <td>AM</td> <td>Idris, Ripawan, Sardi, Supar</td> </tr> <tr> <td>3/7/17 (NLE)</td> <td>P&D</td> <td>R&D</td> <td>Idris, Ripawan, Sardi, Supar</td> </tr> </tbody> </table>	Date	Training Topic	Trainer	Remarks	9/9/16 (Chaah Estate)	Trunk Injection	ESH Unit	Zaidi, Anwar, Saiful Islam	8/9/16 (Chaah Estate)	Spraying	Kamaludin, Shaker Sign, Jamilah, Zaini	8/9/16 (Chaah Estate)	Manuring	Amzad, Birendra, Azman	3/8/17 (CPOM)	Chemical Handling	ESH Unit	Hizam, Azrin, Zulkifli	7/8/17 (CPOM)	Hearing Conservation	Elamchitiran, Nagappan, Rizal	18/6/17 (CPOM)	LOTO	AE	Elamchitiran, Herianto, Irawan	3/7/17 (NLE)	Chemical/Spraying	AM	Idris, Ripawan, Sardi, Supar	3/7/17 (NLE)	P&D	R&D	Idris, Ripawan, Sardi, Supar	<p>Complied</p>
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<p>4.7.4</p> <p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. - Major compliance -</p>	<p>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 from workplace inspection report etc. During the meeting, the issue 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>Chaah Estate: SHC org chart (FY17/18) available. No new appointment of SHC committee. Meeting minutes sampled; #2: 28/4/17, #1: 21/1/17, #4: 26/10/17</p> <p>Chaah Mill: SHC org chart (FY17/18) available. No new appointment of SHC committee. Meeting minutes sampled; #2: 12/6/17, #1: 11/1/17</p> <p>North Labis Estate: SHC org chart (FY17/18) available. No new appointment of SHC committee. Meeting minutes sampled; #2: 6/6/17, #1:6/3/17, #4: 22/12/16</p>	<p>Complied</p>
<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. - 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 17/18. The following were Emergency Response Plan was addressed: Fire Outbreak, Accident and incident occurrence, Oil Spillage and etc.</p> <p>Latest fire evacuation drill was done on 4/8/16 at Chaah Estate, 25/5/17 at CPOM and 23/5/17 (North Labis Estate)</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 & 8 forms.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance																						
4.7.6 All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -	<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> <table border="1" data-bbox="660 504 1299 1093"> <thead> <tr> <th>Insurance</th> <th>Period</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>SOCSO</td> <td>Apr 17, May 17</td> <td rowspan="2">Chaah Estate</td> </tr> <tr> <td>RHB Insurance Berhad (BG141536)</td> <td>20/6/16-9/12/17</td> </tr> <tr> <td>RHB Insurance Berhad (BG140773)</td> <td>6/6/16- 5/12/17</td> <td rowspan="4">Chaah POM</td> </tr> <tr> <td>SOCSO</td> <td>Apr 17, May 17</td> </tr> <tr> <td>RHB Insurance Berhad (FW200470)</td> <td>11/1/17-10/1/18</td> </tr> <tr> <td>RHB Insurance Berhad (FW193800)</td> <td>13/9/16-12/9/17</td> </tr> <tr> <td>RHB Insurance Berhad (FW195671)</td> <td>24/10/16-23/10/17</td> <td rowspan="2">North Labis Estate</td> </tr> <tr> <td>SOCSO</td> <td>Apr 17, May 17</td> </tr> </tbody> </table>	Insurance	Period	Remark	SOCSO	Apr 17, May 17	Chaah Estate	RHB Insurance Berhad (BG141536)	20/6/16-9/12/17	RHB Insurance Berhad (BG140773)	6/6/16- 5/12/17	Chaah POM	SOCSO	Apr 17, May 17	RHB Insurance Berhad (FW200470)	11/1/17-10/1/18	RHB Insurance Berhad (FW193800)	13/9/16-12/9/17	RHB Insurance Berhad (FW195671)	24/10/16-23/10/17	North Labis Estate	SOCSO	Apr 17, May 17	Complied
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4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	<p>Records on Lost Time Accident (LTA) metrics was maintained and based on JKKP 6, 7 & 8. Sample of accident statistic as shown below :</p> <table border="1" data-bbox="660 1211 1123 1335"> <thead> <tr> <th>Year</th> <th>Chaah Estate</th> <th>CPOM</th> <th>NLE</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>8</td> <td>9</td> <td>31</td> </tr> <tr> <td>2016</td> <td>11</td> <td>8</td> <td>143</td> </tr> <tr> <td>2015</td> <td>70</td> <td>68</td> <td>68</td> </tr> </tbody> </table> <p>*LTA is equivalent to lost man days</p>	Year	Chaah Estate	CPOM	NLE	2017	8	9	31	2016	11	8	143	2015	70	68	68	Complied						
Year	Chaah Estate	CPOM	NLE																					
2017	8	9	31																					
2016	11	8	143																					
2015	70	68	68																					
Criterion 4.8: All staff, workers, smallholders and contract workers are appropriately trained.																								
4.8.1 A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. - Major compliance -	<p>SOU20 has established an annual training program that covers all aspects of the RSPO Principles and Criteria.</p> <p>Chaah Palm Oil Mill Training Plan FY2017/2018. Implementation is still on-going. 17 training needs/requirements – Training Plan FY2017/2018 identified for various categories of operating units. Similar training plan sighted in the Chaah estate and also North Labis Estate. The additional training such as chemical handling and integrated pest management.</p>	Complied																						

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Criterion / Indicator	Assessment Findings	Compliance																				
4.8.2 Records of training for each employee shall be maintained. - Minor compliance -	Training records for employees available and maintained at the office. Records are verified on a sampling basis which covers all aspect of training and RSPO P&C requirement. Samples of training record as follows: <u>Chaah POM</u> <table border="1" data-bbox="660 566 1273 887"> <thead> <tr> <th>Date</th> <th>Training</th> </tr> </thead> <tbody> <tr> <td>03/08/2017</td> <td>SOP for chemical handling training and spillage training</td> </tr> <tr> <td>01/03/2017</td> <td>Hearing conservation training program</td> </tr> <tr> <td>18/06/2017</td> <td>LOTO Training</td> </tr> <tr> <td>22-24/08/2017</td> <td>Authorized Gas Tester and Stand by Person for Confined Space</td> </tr> </tbody> </table> <u>North Labis Estate</u> <table border="1" data-bbox="660 931 1216 1216"> <thead> <tr> <th>Date</th> <th>Training</th> </tr> </thead> <tbody> <tr> <td>23/05/2017</td> <td>Fire prevention</td> </tr> <tr> <td>13/07/2017</td> <td>Training on Human Rights, reproductive rights & gender committee</td> </tr> <tr> <td>19/04/2017</td> <td>"Hoot Hoot the rats program"</td> </tr> <tr> <td>03/07/2017</td> <td>Chemical & Spraying Training</td> </tr> </tbody> </table>	Date	Training	03/08/2017	SOP for chemical handling training and spillage training	01/03/2017	Hearing conservation training program	18/06/2017	LOTO Training	22-24/08/2017	Authorized Gas Tester and Stand by Person for Confined Space	Date	Training	23/05/2017	Fire prevention	13/07/2017	Training on Human Rights, reproductive rights & gender committee	19/04/2017	"Hoot Hoot the rats program"	03/07/2017	Chemical & Spraying Training	Complied
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Principle 5: Environmental responsibility and conservation of natural resources and biodiversity

Criterion 5.1:

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

5.1.1 An environmental impact assessment (EIA) shall be documented. - Major compliance -	Plans and impact assessments relating to environmental impacts based on Sime Darby Mill/Estate Quality Management System Standard Operation Manual (SOM) as following: <ul style="list-style-type: none"> • Appendix 5.4.1b - Environmental Aspect and Impact Evaluation Procedure, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009. • Appendix 5.4.1c - Environmental Aspect and Impact Identification form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009. • Appendix 5.4.1d – Environmental Impacts Evaluation form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009. Coverage [replanting, road, dispensary, FFB transport, weeding and spraying, harvesting and collection, pest and disease, petrol/diesel storage, schedule waste store, store and workshop]. Significant environmental impact is based on the rating of impacts and related legal reference. Environmental management plan will be developed based on the identified significant aspect.	Complied
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5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	Environmental management plan dated 3/1/17 was sighted. The comprehensive plan has include all significant environmental aspects on the chemical mixing, workshop activities, air emission from vehicle, scheduled waste management, linesite sanitation, landfill contamination, land preparation and GHG emission. Managers and assistant managers of mill and estates were identified as person-in-charge of the programs which were established upon review of the aspect and impact register. It was observed that the reviewing and updating on the registers were done annually if there's no any new activity within respective sites.	Complied
5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. - Minor compliance -	Monitoring plan was established based on DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling.	Complied
Criterion 5.2: The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and and operations managed to best ensure that they are maintained and/or enhanced.			
5.2.1	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). - Major compliance -	A combined HCV Re-Assessment for Strategic Operating Unit (SOU 19 and 20) Pagoh and Chaah was carried out on August 2016 by Plantation Sustainability Quality Management (PSQM) Department, Sime Darby Plantation Sdn. Bhd. Final report Report (Version II). Total HCV area identified for Chaah SOU20 is 70.69 ha which consist of water catchment, river reserve and bunds. The above area is categorized under HCV4.	Complied
5.2.2	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. - Major compliance -	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. 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. Signage that prohibit hunting, fishing and water polluting activities were verified on-site at the estates visited (i.e. Chaah Estate) found to have been satisfactorily maintained.	Complied

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5.2.3	<p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.</p> <p>- Minor compliance -</p>	<p>The program to regularly educate the workforce and community about the status of these RTE species are also established with on-going consultation with the relevant authorities such as Wildlife Department, Segamat. The last HCV training for SOU20 was carried on 27/9/16. There is evidence of commitment to discourage any illegal or inappropriate hunting, fishing or collecting activities via the signage erected around the affected areas which prohibit such activities. Observed during site visit at 2002D Chaah Estate, no trespassing and prohibition of illegal hunting/fishing signage the HCV 4 (water catchment) sighted and erected on site.</p>	<p>Complied</p>
5.2.4	<p>Where a management plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. <p>- Minor compliance -</p>	<p>Management plans were established and monitoring outcomes were reviewed by the Estate managers. Refer to HCV management plan for FY17/18. There are reported RTE at the SOU20 as reported in the PSQM HQ Report. Verification were also made during on-site assessment and found to be satisfactory. The overall management plan on the status of HCV/RTE of the Chaah operating unit is collated reviewed and monitored by the HQ sustainability team. Onsite monitoring records such AP patrolling and field observation records were checked and carried on monthly basis. Animal sighting, buffer zone and pond are were monitored and outcomes will be fed back into the management plan for improvement. Verified latest monitoring record dated 10/7/17.</p>	<p>Complied</p>
5.2.5	<p>Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.</p> <p>- Minor compliance -</p>	<p>There was no HCV set-aside that needs any negotiation process with the local communities</p>	<p>Complied</p>
<p>Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>			
5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>As per Sustainable Plantation Management System Appendix 9 Procedure for Handling of Domestic Waste version 1, year 2008, issue no. 1, dated 1 October 2008.</p> <p>In POM, 3 types of waste were identified –</p> <ol style="list-style-type: none"> a. Scheduled waste, b. Domestic waste and c. Industrial waste. These categories include: effluent, fibre/shell, EFB, decanter solid, boiler ash and etc <p>In estate, similar waste identification were sighted. Waste identification cover all types of waste generated from the different station from the estate.</p>	<p>Complied</p>

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<p>5.3.2 All chemicals and their containers shall be disposed of responsibly. - Major compliance -</p>	<p>Department of Agriculture (DOA) approved contractor, SS Setia Teknologi Enterprise collected all used chemical container for the estates. Refer to JP KRP/124/471 JLD VI, dated 7/12/15 and follow national programme on recycling of used HDPE pesticide containers. Latest waste collection by SS Setia Teknologi Enterprise on 19/6/17. Refer to delivery note# 0786 for 20L container, Kenlon, Ally bottle and knapsack pump 18L.</p> <p>Scheduled waste disposal records :</p> <p>i)SW 410 – consignment note# 14601 dated 12/6/17, contractor Perniagaan Saudara Baru.</p> <p>ii)SW 305 – consignment note# 14602 dated 12/6/17</p> <p>Waste collection – twice per week for domestic waste.</p> <p><u>Chaah POM</u></p> <p>Scheduled waste disposal by licensed DOE contractor, Kualiti Alam Sdn Bhd. Records of inventory and consignment notes reported using E-SWiS. Refrer consignment notes @ 6th schedule for disposal dated 6/7/17.</p> <p>SW322 – Consignment# 20170711122COR39 date submitted 11/7/17. Disposed quantity: 0.4720 mt</p> <p>SW410 – Consignment# 20170711125PCWKI date submitted 11/7/17. Disposed quantity: 0.1675 mt</p> <p>SW409 – Consignment# 2017071112D0A8CH date submitted 11/7/17. Disposed quantity: 0.1850 mt</p> <p>SW305 – Consignment# 2017071112UHZRC6 date submitted 11/7/17. Disposed quantity: 0.7880 mt</p> <p>Latest inventory, Aug 2017; ref# AS(JB) 31/152/000/051 Jld 5, inventory# 0108J1149029182017. Quantity and latest date of generation recorded in the 5th schedule dated 9/8/17.</p> <p>However, some of the disposal arrangement was not according to the established procedure and Scheduled Waste Regulations 2005 as per the following evidences:</p> <p><u>Chaah Estate</u></p> <p>i)No proper storage for scheduled waste generated (empty used oil container)at motor repair shop.</p> <p>ii)Empty oil drum and only stored at open area (no shelter and concrete slab) near sundry shop area.</p> <p>iii)Empty chemical container was found at line site.</p> <p><u>North Labis Estate</u></p> <p>Last disposal of schedule was done on 19/9/16 for SW305 by Perniagaan Saudara Baru. Based on date of first generation 13/10/16, no waste disposal arrangement was made and exceeded 180 days storage period.</p> <p>Thus, a major NC was issued.</p>	<p>Major nonconformance</p>

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5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -	<p>Waste management plan for FY2016/2017 was made available at all visited operating unit. Based on the established plan, scheduled waste is managed well with designated storage area at the mill and each of the estates in accordance with the requirements of the Environmental Quality Act 1974 (Scheduled Wastes), Regulations, 2005. Disposal was through licensed collector. The company has continued managing scheduled waste stores at the mill and each of the estates. Agrochemical containers are triple rinsed and punctured to avoid any misuse.</p> <p>For domestic waste, estate will send to their dumpsite establish within their estate which at least 3km away from water course and residential area.</p> <p>However, it was found that expired drug/medicine found at dispensary and was not disposed accordingly at Chaah Estate as per the following:</p> <ul style="list-style-type: none"> i) Benil tablet (Glibenclamide 5 mg) expired on May 2017 iii) Calcium Lactate 300 mg expired on February 2017 iiii) Pirimat Injection 100mg/10ml expired on February 2017 iv) Suppository 250 mg expired on May 2017 <p>Thus, a minor NC was issued.</p>	Minor nonconformance
Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimised.		
5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. For FY2016/2017, total RE usage: 5.571 kWh per CPO, and kWh turbine (2,037,070) recorded for total of renewable energy consumed for electricity generation.</p>	Complied
Criterion 5.5: Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.		
5.5.1 There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	<p>Zero open burning policy as per SOP Section B2 - Felling/Land Clearing & Land Preparation dated November 2008. Management complying with the Malaysian environmental law -EQA and Regulations 1974. No open burning noted based on the records on the land clearing and felling for the replanting at visited estates. Method of land clearing and preparation was used such as (felling & chipping, cambering/land forming and path construction).</p>	Complied
5.5.2 Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	<p>No use of fire for land preparation during replanting</p>	Complied
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.		

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<p>5.6.1</p> <p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p> <p>- Major compliance -</p>	<p>Assessment of all polluting activities was conducted under Environmental Aspect Impact for identifying activities that contributes significant impact to environment. Pollution prevention plan FY2017/2018 has been established with the mitigation measures for those activities. Source of pollution from mill processes and related activities in the premise were described as follows :</p> <table border="1" data-bbox="665 607 1291 848"> <tr> <td data-bbox="665 607 911 696">Mill Processes /Activity</td> <td data-bbox="919 607 1291 696">Source of pollution</td> </tr> <tr> <td data-bbox="665 701 911 768">Boiler and genset operation</td> <td data-bbox="919 701 1291 768">Clinkers@ soot, smoke and particulate emission</td> </tr> <tr> <td data-bbox="665 772 911 840">POME (palm oil mill effluent)</td> <td data-bbox="919 772 1291 840">POME liquor and solid</td> </tr> </table> <p>As prescribed under "<i>Jadual Pematuhan</i> , license# 004721, air emission from boiler stack have to be monitored twice per year. Stack sampling result for 2016 and 2017 :</p> <table border="1" data-bbox="673 1023 1278 1279"> <thead> <tr> <th data-bbox="673 1023 975 1079">Date of monitoring</th> <th data-bbox="983 1023 1278 1079">Stack no.3</th> </tr> </thead> <tbody> <tr> <td data-bbox="673 1084 975 1200">28/11/16 (2nd half 2016) Ref# E/SE/1611/17027A</td> <td data-bbox="983 1084 1278 1200">Solid particle – 0.2267 g/Nm³ at 12%CO₂</td> </tr> <tr> <td data-bbox="673 1205 975 1272">31/5/17 (1st half 2017) Ref# E/SE/1705/18295</td> <td data-bbox="983 1205 1278 1272">Solid particle – 0.1204 g/Nm³ at 12%CO₂</td> </tr> </tbody> </table> <p>* Stack emission limit referring to standard C @ 0.4 g/Nm³</p>	Mill Processes /Activity	Source of pollution	Boiler and genset operation	Clinkers@ soot, smoke and particulate emission	POME (palm oil mill effluent)	POME liquor and solid	Date of monitoring	Stack no.3	28/11/16 (2 nd half 2016) Ref# E/SE/1611/17027A	Solid particle – 0.2267 g/Nm ³ at 12%CO ₂	31/5/17 (1 st half 2017) Ref# E/SE/1705/18295	Solid particle – 0.1204 g/Nm ³ at 12%CO ₂	<p>Complied</p>
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	<p>Ambient air monitoring was done every quarter as per compliance schedule, 004721. Ambient air monitoring for 2016 as summarized below:</p> <table border="1" data-bbox="662 495 1265 1435"> <thead> <tr> <th data-bbox="662 495 963 577">Date of monitoring</th> <th data-bbox="963 495 1265 577">Ambient air (Ug/m3) TSP, NO2, SO2</th> </tr> </thead> <tbody> <tr> <td data-bbox="662 577 963 1014">27/3/17 (1st quarter)</td> <td data-bbox="963 577 1265 1014"> <p>TSP Point A1: 38 Point A2: 65 vs limit 260</p> <p>NO2 A1: <0.001 A2: <0.001 vs limit 0.17 ppm</p> <p>SO2 A1: <0.001 A2: <0.001 vs limit 0.04 ppm</p> </td> </tr> <tr> <td data-bbox="662 1014 963 1435">31/5 1/6/17 (2nd quarter)</td> <td data-bbox="963 1014 1265 1435"> <p>TSP Point A1: 35 Point A2: 63 Vs limit 260</p> <p>NO2 A1: 0.100 A2: 0.100 vs limit 0.17 ppm</p> <p>SO2 A1: <0.001 A2: <0.001 vs limit 0.04 ppm</p> </td> </tr> </tbody> </table> <p>Results of monitoring in compliance with Malaysian Recommended Air Quality Guidelines, 1989</p> <p>Smoke emission was monitored using online system (CEMS-DIS) to DOE based on the transmitted data from boiler smoke density indicator and recorder. Emission result was found in compliance with the regulatory limit. Verified smoke density report for September 2017. Noted there were a few occasion of black smoke (>40% opacity) but only during boiler start-up. Smoke density recorder was last calibrated on 30/5/17 and valid until 29/11/17 for the next calibration. Refer to certificate of calibration, ref# 112188 dated 30/5/17.</p> <p>For effluent discharge, regular monitoring was conducted as per requirement. Monthly and quarterly report was submitted to DOE. Refer to Indicator 4.4.3 for details</p>	Date of monitoring	Ambient air (Ug/m3) TSP, NO2, SO2	27/3/17 (1 st quarter)	<p>TSP Point A1: 38 Point A2: 65 vs limit 260</p> <p>NO2 A1: <0.001 A2: <0.001 vs limit 0.17 ppm</p> <p>SO2 A1: <0.001 A2: <0.001 vs limit 0.04 ppm</p>	31/5 1/6/17 (2 nd quarter)	<p>TSP Point A1: 35 Point A2: 63 Vs limit 260</p> <p>NO2 A1: 0.100 A2: 0.100 vs limit 0.17 ppm</p> <p>SO2 A1: <0.001 A2: <0.001 vs limit 0.04 ppm</p>	
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5.6.2	<p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.</p> <p>- Major compliance</p>	Complied
5.6.3	<p>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.</p> <p>- Minor compliance -</p> <p>Monitoring and reporting of the significant pollutants to water, gaseous emissions to air and contamination on land are in place. Tools and systems used include the DOE online CEMS monitoring for air emissions, water quality at discharge points as per DID regulations and SW disposal were adhering to DOE requirements. Water samples were regularly taken every month and tested by mill environment officer in charge and analysed to ensure compliance to DOE requirements at final discharge points. The water samples were sent to Sime Darby R&D Laboratory for analysis. Records are maintained and verified on-site to have met the permissible regulatory limits. Quarterly reporting to DOE was also done and record documented.</p> <p>Monitoring of the GHG quantity was done through RSPO PalmGHG Calculator Version 3.0.1 is used and the management opted for full version was applied.</p> <p>These GHG calculations were done as per certification unit basics including 3 estates and mill. Summary emissions:</p> <ul style="list-style-type: none"> a. Emission/ mt CPO= 1.38 tCO₂ e/mt CPO b. Emission/ mt PK= 1.38 tCO₂ e/mt PK <p>Details of GHG calculation can be found under Appendix K: GHG Reporting Executive Summary.</p>	Complied
<p>Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.</p>		
<p>Criterion 6.1: Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>		
6.1.1	<p>A social impact assessment (SIA) including records of meetings shall be documented.</p> <p>- Major compliance -</p>	Complied

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6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	The assessment was conducted with the participation of affected stakeholders such as local communities, local authorities, contractors and etc. Attendance list of the stakeholders interviewed was sighted. Matters raised by the stakeholders documented in the SIA report.	Complied
6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	Social Plan FY2017/2018 for SIA in Chaah Estate was developed to monitor and rectify the issues raised during SIA as well as the stakeholder meeting. Time frame with person in charge was clearly stated in the plan. Similar management plan sighted in Chaah POM and North Labis estate. Recorded issue such as a. Chaah POM: the kids of the workers did not attend to school as well as the motorcyclist speeding in the compound area. b. North Labis estate: Workers required briefing on their perks and entitlement.	Complied
6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. - Minor compliance -	The plan was reviewed on yearly basis where the last reviewed was done on July 2017 for Chaah Estate, 10/7/2017 for Chaah POM and 3/7/2017 for North Labis Estate. The review was carried out with the participation of affected stakeholders.	Complied
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	Not applicable as there is no smallholder scheme involved.	Not applicable
Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	SDPSB has developed Procedure for External Communication (Sime Darby Plantation Mill Quality Management System – Standard Operation Manual, Sub-section 5.5, Appendix 5.5.3.2, version 2, issue date 25/5/2015). The procedure has detailing the process of handling complaints from stakeholders and the time frame for external communication to be dealt with.	Complied
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Assistant Manager has been appointed as officer responsible for social related issues by the manager and the appointed letter dated 01/7/2016 for mill, 1/2/2017 for Chaah Estate and 3/7/2017 for North Labis Estate was sighted.	Complied

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6.2.3	<p>A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.</p> <p>- Minor compliance -</p>	<p>The mill and estates have generated a Stakeholder list where they have included local communities, government authorities, contractors and suppliers and etc into the list. They have been selected randomly to attend the stakeholder meeting and the social impact assessment. For example, Chaah Estate’s stakeholder list updated on 6 July 2017.</p> <p>The last stakeholder meeting was conducted on 14/9/2016 for Chaah Estate and POM 20/7/2017 for North Labis Estate with the local communities and smallholders.</p> <p>Seen the meeting minutes and attendance list. Issues raised during the stakeholder meeting was incorporated into the action plan and rectify accordingly.</p>	Complied
<p>Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.</p>			
6.3.1	<p>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.</p> <p>- Major compliance -</p>	<p>SDPSB has established Flowchart and Procedure on Handling Social Issues, Issue No. 1 dated 1/11/2008. The procedure has detailing the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner.</p> <p>Interviewed the internal and external stakeholders, they all aware about the dispute & complaint mechanism. The complaint and grievances is open to effected parties including internal and external stakeholders.</p>	Complied
6.3.2	<p>Documentation of both the process by which a dispute was resolved and the outcome shall be available.</p> <p>- Major compliance –</p>	<p>All complainant will be recorded and action been taken to resolve the issue and being recorded in the complaint and request book. For example, the mill and estates have implemented Housing Damage Report where the workers will fill in the form whenever there is a complaint related to housing. The complainants have acknowledged after the works were completed. Similar complaint log book sighted in North Labis estate.</p> <p>Interviewed with the workers’ representative confirmed that the management has taken action to rectify the complaints lodged by them.</p>	Complied
<p>Criterion 6.4: Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>			
6.4.1	<p>A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place.</p> <p>- Major compliance -</p>	<p>SDPSB has been established Flowchart and Procedures on Handling Land Disputes dated 1/11/2008. Compensation procedure has been clearly stated in the procedure as well. There have been no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance	
6.4.2	<p>A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land.</p> <p>- Minor compliance -</p>	<p>SOP as per indicator 6.4.1 above established as the procedure for handling land disputes to identify legal, customary rights and people entitled to compensation dated 01 Nov 2008 was sighted.</p> <p>Based on the consultation with stakeholders during the on-site visit, it was confirmed that there are no indigenous communities within or surrounding SOU 20 that holds legal or customary rights over the land.</p>	Complied
6.4.3	<p>The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available.</p> <p>- Major compliance -</p>	<p>No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit through interviewed with the local communities. Boundary stone and trenches were available to demarcate the boundary of land between the neighboring plantations.</p>	Complied
<p>Criterion 6.5: Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p>			
6.5.1	<p>Documentation of pay and conditions shall be available.</p> <p>- Major compliance -</p>	<p>Mill and estate have employed local and foreign workers. All the mill and estates workers are under direct employment. The payslip has included basic pay, allowances, working days, medical leave, holiday pay, deduction of salary such as NUPW, electricity, EPF and etc. Payslip for Jan 2017, April 2017 and June 2017 based on the crop summary was sampled as below:</p> <ul style="list-style-type: none"> a. Worker no: 13571 (Chaah Estate) b. Worker no: 108998 (Chaah Estate) c. Worker no: 120982 (Chaah Estate) d. Worker no: 96058 (Chaah Estate) e. Worker no: 110190 (Chaah Estate) f. Worker no: 125247 (Chaah POM) g. Worker no: 77031 (Chaah POM) h. Worker no: 87790 (Chaah POM) i. Worker no: 132564 (Chaah POM) j. Worker no: 112306 (Chaah POM) k. Worker no: 101901 (North Labis POM) l. Worker no: 122937 (North Labis POM) m. Worker no: 125845 (North Labis POM) 	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>6.5.2</p> <p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>- Major compliance -</p>	<p>Employment contract are available in language that understood by workers. The contract has detailing the payments and employment conditions such as period of working, working hour, medical assistance, transportation provided, holiday and annual leave, termination of services and etc. The contract was signed by the workers and sampled contracts as below:</p> <ul style="list-style-type: none"> a. Employee No.: 115860 (Chaah Estate) b. Employee No.: 127458 (Chaah Estate) c. Employee No.: 131974 (Chaah Estate) d. Employee No.: 107051 (Chaah Estate) e. Employee no: 125247 (Chaah POM) f. Employee no: 77031 (Chaah POM) g. Employee no: 87790 (Chaah POM) h. Employee no: 122937 (North Labis Estate) i. Employee no: 134144 (North Labis Estate) j. Employee no: 134141 (North Labis Estate) <p>The new template of the contract version 2017 has standardize in terms and condition such as annual leave , salary, Location Incentive, work departure cash gift and security deposit home leave.</p> <p>Interviewed the check roll clerk and workers, they well aware and confirmed that the latest template have been used for the new workers as well as the extension contract. Besides, subsidization of RM 3.00 per month for each of the members of NUPW as premium towards NUPW/AIA Personal Accident Group Scheme has fully implemented.</p>	<p>Complied</p>
<p>6.5.3</p> <p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p>- Minor compliance –</p>	<p>The company has provided free concrete housing and medical facilities to all the workers. Houses were equipped with electricity, piped water, indoor washrooms, sewerage, waste collection service, etc. Crèche was built inside the estate’s compound. Public facilities such as mosque, Indian temple, football field and etc was available in the estate.</p> <p>In Chaah estate, Hospital Assistant has carried out linesite inspection on weekly basis where the last inspection was carried out on 8/8/2017, 1/8/2017 and 25/7/2017.</p> <p>In Chaah POM, the inspection conducted on 3 Aug 2017, 26 July 2017 and 19 July 2017.</p> <p>In North Labis estate, the inspection conducted on 28 Jul 2017, 20 Jul 2017 and 5 Jul 2017.</p>	<p>Complied</p>
<p>6.5.4</p> <p>Growers and millers shall make demonstrable efforts to monitor and improve workers’ access to adequate, sufficient and affordable food.</p> <p>- Minor compliance –</p>	<p>Site visit to the sundry shop inside the compound and verified that all the price for foods and goods were displayed on the item itself. Interviewed with the workers found that they have no issue on the pricing of goods.</p> <p>Besides, the mill and estates were located near to Yong Peng/ Labis town where the workers can easily access to the town to purchase sundry goods.</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 6.6: The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.			
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	SDPSB has implemented Social Policy dated January 2015 where the management is committed and respect the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Briefing of the policies was conducted during morning muster and the policies was displayed at the notice board outside the office. Besides, the Mill Manager has issued a memo to the employees where the management will not restrict the employees to join or form any association.	Complied
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	Workers' Committee was formed by representatives from different nationalities and head of N.U.P.W. through election by the workers. The meeting was conducted on yearly basics. Meeting was carried out on 9/9/2016 for Chaah Estate. Seen the meeting minutes and issues raised during the meeting was incorporated into an action plan to monitor the progress of action taken. Similar meeting minutes dated 13 June 2017 sighted in POM. Various issue being discussed such as water supply and wiring issue at the line site. For North Labis estate, the meeting conducted on 16 June 2017.	Complied
Criterion 6.7: Children are not employed or exploited.			
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	The company has developed Child Protection Policy and Social Policy dated January 2015 where they are committed to comply with the minimum age of employees. Briefing of the policies was conducted during morning muster and the policies was displayed at the notice board outside the office. Through document review on the Employee Master List confirmed that all the workers are above 18 years old.	Complied
Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	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, sexual orientation, union membership, political view, religion and/or age. This policy was displayed publicly in strategic locations within all operating units and communicated directly to employees as well through general assembly and relevant meetings.	Complied

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Criterion / Indicator	Assessment Findings	Compliance	
6.8.2	<p>Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against.</p> <p>- Major compliance -</p>	<p>Through document reviewed on the list of employees found that the workers consisted of local and foreign workers, male and female workers. The management treated all the workers fairly and equally without any discrimination.</p> <p>No discrimination was sighted based on interview with the workers. Through interviewed with the head of local village confirmed that the management has recruited local workers as employees.</p>	Complied
6.8.3	<p>It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available.</p> <p>- Minor compliance -</p>	<p>Recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. It was noted during the audit that there is no discrimination based on nationality, race, gender, age, etc. For foreign workers, the recruitment and selection are based on passing the medical fitness by FOMEMA.</p>	Complied
<p>Criterion 6.9: There is no harassment or abuse in the work place, and reproductive rights are protected.</p>			
6.9.1	<p>Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce.</p> <p>- Major compliance -</p>	<p>SDPSB has implemented Social Policy, Gender 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.</p> <p>Briefing of the policies was conducted during morning muster and the policies was displayed at the notice board outside the office. In Chaah and North Labis estate, the latest briefing conducted on 15 Sep 2016 and 13 Jul 2017 respectively.</p>	Complied
6.9.2	<p>A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce.</p> <p>- Major compliance -</p>	<p>GPB has established a Social Policy dated 22/6/2015 and People Policy dated 3/8/2009 signed by President and Chief Operating Officer. The policy consists a statement to protect the reproductive rights of all. The policy was displayed at the office area and notice board in the linesite.</p> <p>Besides, the briefing conducted on 9 Aug 2017 in Chaah estate and 15 Sep 2016 in North Labis estate.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
6.9.3	<p>A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce.</p> <p>- Minor compliance -</p> <p>SDPSB has implemented Gender Committee Handbook, First Edition 2014 which developed by Plantation Sustainability & Quality Management (PSQM) Department. It explained the types of gender-based violence & grievance procedures. Meeting was conducted quarterly according to the handbook.</p> <p>A Gender Committee was established by the mill and estates' management. For example, the secretary was appointed as the committee chairman on 1 June 2017 in Chaah estate.</p> <p>The last meeting was conducted on 05/7/2017, 16/2/2017 and 15/12/2016 in mill, 22/06/2017, 16/3/2017 and 15/12/2016 in Chaah Estate and 7/04/2017 in North Labis Estate.</p> <p>No sexual harassment case been report and confirmed through interviewed with the chairman and female workers. The committee has organized activities such as baking cake and medical check-up and etc. Evident of photos were sighted.</p>	Complied
<p>Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.</p>		
6.10.1	<p>Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.</p> <p>- Minor compliance -</p> <p>Chaah Palm Oil Mill processes FFB from own company estates only. No FFB purchased from out-growers or smallholders.</p>	Complied
6.10.2	<p>Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation).</p> <p>- Major compliance -</p> <p>Chaah Palm Oil Mill processes FFB from own company estates only. No FFB purchased from out-growers or smallholders.</p>	Complied
6.10.3	<p>Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>- Minor compliance -</p> <p>Payment for the services/ FFB suppliers were clearly written in the First Schedule in contract agreement. Total 2 segments of payment will be made where the first payment was in the range of 70– 90% of the value during the 10 days of the month whereas the final payment will be made before the 10th day of the following month.</p> <p>The payment records were kept by Head Office where the payment is directly bank transfer or Telegraphic Transfer.</p> <p>Interviewed with the contractors found that the payment was made promptly without any delay.</p>	Complied
6.10.4	<p>Agreed payments shall be made in a timely manner.</p> <p>- Minor compliance -</p> <p>According to the agreement made, the payment to contractors shall be made 30 days after the invoice date that submitted to the company by 1st week of the month. Interview with the contractors confirmed that the payment was made promptly according to the agreement. Following vendor's payment record sighted:</p> <p>a. Vendor: 9001017279 b. Vendor: 9001019345</p>	Complied
<p>Criterion 6.11: Growers and millers contribute to local sustainable development where appropriate.</p>		

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Criterion / Indicator	Assessment Findings	Compliance
<p>6.11.1 Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –</p>	<p>The mill and estates management have made contribution to the local communities and stakeholders such as donation to school for Sport Day, gotong- royong at office and weighbridge area, donation to Hindu temple, equipped the first aid kits in the school, assistance to upgrade the field in the school, provide transport to send students to school for free, fogging activities at linesite, health talk and etc.</p> <p>In Chaah estate, following activities conducted:</p> <ul style="list-style-type: none"> a. Bakery workshop conducted on 12 Feb 2017 b. Pap smear health checking conducted on 18 Aug 2016 c. Sport day conducted on 24 April 2017 <p>In POM estate:</p> <ul style="list-style-type: none"> a. Praying ceremony dated 29 July 2017 <p>North Labis estate:</p> <ul style="list-style-type: none"> a. Football and volleyball competition dated 03 July 2017. 	<p>Complied</p>
<p>6.11.2 Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –</p>	<p>Not applicable as no scheme smallholder in SOU20.</p>	<p>Not applicable</p>
<p>Criterion 6.12: No forms of forced or trafficked labour are used.</p>		

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Criterion / Indicator	Assessment Findings	Compliance
<p>6.12.1</p> <p>There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -</p>	<p>The company has recruited all the employees with legal identification for local and valid passport and work permit for foreign workers. Contract of employment was signed by the workers prior to work. Sampled of foreign workers with valid work permit as below:</p> <ul style="list-style-type: none"> a. Permit No.: PD 6502591 valid until 05/10/2017 (Chaah Estate) b. Permit No.: PD 7926972 valid until 21/03/2018 (Chaah Estate) c. Permit No.: PD 8236542 valid until 29/07/2018 (Chaah Estate) d. Permit No.: PD 6556884 valid until 12/12/2017 (POM) e. Permit No.: PD 8196215 valid until 28/03/2018 (POM) f. Permit No.: PD 6185287 valid until 28/08/2018 (POM) <p>Besides, all the foreign workers have signed on the passport retention letter and interviewed with the workers confirmed that they voluntarily surrendered the passport to the employers. Sampled of retention letter as below:</p> <ul style="list-style-type: none"> a. Employee Passport no: AT941832; signed on 18/03/2017 (Chaah Estate) b. Employee Passport no: AT942492; signed on 02/03/2017 (Chaah Estate) c. Employee Passport no: AT942586; signed on 02/03/2017 (Chaah Estate) d. Employee Passport no: AT941832; signed on 12/07/2017 (North Labis Estate) e. Employee Passport no: AT658620; signed on 12/07/2017 (North Labis Estate) f. Employee Passport no: AS653913; signed on 12/07/2017 (North Labis Estate) 	<p>Complied</p>
<p>6.12.2</p> <p>Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance -</p>	<p>No evidence of contract substitution occurred based on the ground verification and interview with the workers.</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	SDPSB has implemented a Sime Darby's Human Rights Charter on 13/1/2017, version 3.0 where they committed as below: <ul style="list-style-type: none"> a. Providing equal opportunity b. Respecting freedom of association c. Eradicating any form of exploitation d. Ensuring favourable working conditions e. Enhancing Safety and Health f. And etc. <p>They also provided awareness and training to all the foreign workers in order for them to understand their responsibility in respect of human rights. For eg: All the workers have provided with induction training in Sua Betong Estate during their arrival to Malaysia. Seen the training certificates for the workers who has attended the induction training as below:</p> <ul style="list-style-type: none"> a. Employee Passport No.: AU001056 on 25/7/2017 (Chaah Estate) b. Employee Passport No.: AT975680 on 25/7/2017 (Chaah Estate) c. Employee Passport No.: AU002594 on 20/7/2017 (Chaah Estate) d. Employee Passport No.: AT747122 on 02/11/2016 (Chaah Estate) e. Employee Passport No.: H1034139 on 4/6/2017 (North Labis Estate) f. Employee Passport No.: P0156605 on 4/6/2017 (North Labis Estate) 	Complied
Criterion 6.13: Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	SDPSB has established 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 the policies was conducted during morning muster and the policies was displayed at the notice board outside the office. For example, the briefing conducted on 9 Aug 2017 in Chaah estate and 15 Sep 2016 in North Labis 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 as SOU20- Chaah POM & supply base located in Peninsular Malaysia.	Not applicable
Principle 7: Responsible development of new plantings Chaah Palm Oil Mill 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. It was verified through the land statement, land title and planting history.			
Principle 8: Commitment to continual improvement in key areas of activity			

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<p>Criterion 8.1: Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.</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"> • Reduction in use of pesticides(Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); <ul style="list-style-type: none"> • Optimising the yield of the supply base. <p>- Major compliance -</p>	<p>Action plan for continual improvement has been implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill. Sighted some continual improvement project at SOU20</p> <ul style="list-style-type: none"> i) Process improvement – cages repair and replacement (process efficiency) ii)Estate/operation - prime mover, tractor (New Holland TD5), Kubota L3200DT – FFB evacuation iii) Recycling of empty chemical container – based on National Recycling Programme iv)Continuous repair/upgrading of workers housing

Appendix B: Approved Time Bound Plan

SDP- RSPO Certification Status for Malaysia Operations

SOU NO	Name of SOU	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	Sg. Dingin	Karangan, Kedah	12 Aug '10	11-Aug-20	RSPO 550179	N.A
2	Chersonese	Kuala Kurau, Perak	5 Oct '11	4-Oct-21	CU-RSPO-815148, RSPO 590800	N.A
3	Elphil	Sg Siput, Perak	18 Jun '11	17-Jun-21	RSPO 550180	N.A
4	Flemington	Teluk Intan, Perak	5 Oct '11	4-Oct-21	CU-RSPO-819144, RSPO 590802	N.A
5	Seri Intan	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-811218, RSPO 0015	N.A
5	Selaba	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-819142, RSPO 0016	N.A
5a	Sg Samak		3 Mar '11	NA	NA	N.A
6	Tennamaram	Bestari Jaya, Selangor	3 Mar '11	2-Mar-21	CU-RSPO-819143, RSPO 0014	N.A
7	Bkt Kerayong	Kapar, Selangor	15 Apr '11	14-Apr-21	RSPO 550181	N.A
8	East	Carey Island, Selangor	19 May '10	18-May-20	RSPO 543543	N.A
9	West	Carey Island, Selangor	19 May '10	18-May-20	RSPO 543594	N.A

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9a	Sepang	Sepang, Selangor	19 May '10	NA	NA	N.A
10	Bukit Puteri	Raub, Pahang	7 Jul '16	6-Jul-21	CU-RSPO-815147, 18502206 001, 824 502 14020	N.A
11	Kerdau	Temerloh, Pahang	7 Jul '16	6-Jul-21	CU-RSPO-819155, 18502207 001, 824 502 14019	N.A
12	Jabor	Kuantan, Pahang	7 Jul '16	6-Jul-21	CU-RSPO-819156, RSPO 928288, 824 502 16049	N.A
13	Labu	Nilai, Negeri Sembilan	30 Dec '16	29-Dec-21	CU-RSPO-855480	
14	Tanah Merah	Port Dickson, Negeri Sembilan	19 May '10	18-May-20	RSPO 541905	
15	Sua Betong	Port Dickson, Negeri Sembilan	18/2/2014	17-Feb-19	SGS-RSPOPM-MY14/01364, 824 502 16032	Sua Betong Oil Mill has been commissioned to replace Rantau Oil Mill with Certificate No: CU- RSPO-819165, certification date: 30 Dec 2011.
16	Kok Foh	Bahau, Negeri Sembilan	7 Jul '16	6-Jul-21	CU-RSPO-819157, RSPO 928188, 824 502 16051	N.A
17	Kempas	Jasin, Melaka	19 May '10	18-May-20	RSPO 005	N.A
18	Diamond Jubilee	Jasin, Melaka	5 Oct '11	4-Oct-21	CU-RSPO-819146, RSPO 591224	N.A
19	Pagoh	Muar, Johor	28/1/2014	27-Jan-19	RSPO 600305	Pagoh Oil Mill has been commissioned to replace Nordanal Oil Mill with Certificate No: SPO 549297, certification date: 7 Jan 2011.
19a	Yong Peng	Yong Peng, Johor	20 Oct '10	19-Oct-15	RSPO 550182	N.A
20	Chaah	Chaah, Johor	18 Nov '10	17-Nov-20	RSPO 548299	N.A
21	Gunung Mas	Kluang, Johor	19 May '10	18-May-20	RSPO 901888	N.A
22	Bukit Benut	Kluang, Johor	5 Oct '11	4-Oct-21	CU-RSPO-819147, RSPO 591229	N.A

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23	Ulu Remis	Layang-layang, Johor	11 Apr '16	10-Apr-21	BV-RSPO-20170705-01	N.A
24	Hadapan	Layang-layang, Johor	29 Mar '11	28-Mar-21	BV-RSPO-20170623-01	N.A
25	Segaliud	Sandakan, Sabah	20 May '10	19-May-15	RSPO 547123	Mill close down
26	Sandakan Bay	Sandakan, Sabah	1 Oct '08	30-Sep-18	RSPO 537872	N.A
27	Melalap	Tenom, Sabah	21 Jan '11	20-Jan-21	RSPO 547124	N.A
28	Binuang	Kunak, Sabah	16 Jan '09	12-Jul-20	RSPO 001	N.A
29	Giram	Kunak Sabah	16 Jan '09	12-Jul-20	RSPO 002	
30	Merotai	Tawau, Sabah	16 Jan '09	12-Jul-20	RSPO 004	
30a	Jeleta Bumi	Kunak, Sabah	24/5/2010	NA	NA	N.A
30b	Mostyn	Kunak Sabah	16 Jan '09	NA	NA	N.A
31	Lavang	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819166, MUTU-RSPO/053	N.A
32	Rajawali	Bintulu, Sarawak	30 Dec '16	29-Dec-21	CU-RSPO-819167, RSPO 0020	N.A
33	Derawan	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819169, RSPO 0019	N.A
34	Pekaka	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-815150, MUTU-RSPO/054	N.A

Legends

Certification Withdrawal

NA - NOT APPLICABLE

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

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SDP- RSPO Certification Status for Indonesia Operations

NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	PT LAHAN TANI SAKTI	ALUR DUMAI	Bagan Sinembah/Tanh Putih, Pujud, Rokan Hilir, Riau	16-Jan-17	15-Jan-22	SGS-RSPO/PC17-00005	
2	PT SAJANG HEULANG	ANGSANA MINI	Sebamban, Indonesia	6-Jul-11	6-Jul-16	MUTU-RSPO/006b	Mill closed down
3	PT SAJANG HEULANG	MUSTIKA	Sebamban, Indonesia	4-Aug-17	3-Aug-22	MUTU-RSPO/027	
4	PT LADANGRUMPUN SUBURUBADI	ANGSANA	Sebamban, Indonesia	9-Nov-16	8-Nov-21	MUTU-RSPO/006a	
5	PT LANGGENG MUARAMAKMUR	BEBUNGA	Pamukan Utara, Tanah Grogot, Kotabaru/Pasir, Kalimantan Selatan/Kalimantan Timur	16-Mar-12	16-Mar-17	MUTU-RSPO/014	
6	PT KRIDATAMA LANCAR	SUKAMANDANG	Seruyan Tengah, Sampit, Seruyan, Kalimantan Tengah	2-Sep-16	1-Sep-21	MUTU-RSPO/003	
7	PT BAHARI GEMBIRA RIA	LADANG PANJANG	Kumpeh Ulu, Jambi, Muaro Jambi, Jambi	29-Nov-17	28-Nov-22	MUTU-RSPO/019	
8	PT TUNGGAL MITRA PLANTATIONS	MANGGALA	Riau, Indonesia	25-Nov-10	24-Nov-20	MUTU-RSPO/002	
9	PT PARIPURNA SWAKARSA	PONDOK LABU	Pamukan Selatan, Tanah Grogot, Kotabaru, Kalimantan Selatan	20-Jul-17	19-Jul-22	MUTU-RSPO/016	
10	PT BERSAMA SEJAHTERA SAKTI	GUNUNG ARU	Sebamban, Indonesia	21-Oct-16	20-Oct-21	MUTU-RSPO/005	
11	PT GUTHRIE PECCONINA	RANTAU PANJANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	20-Nov-17	19-Nov-22	MUTU-RSPO/017	

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12	PT LAGUNA MANDIRI	RANTAU	Sungai Durian, Kotabaru, Kalimantan Selatan	7-April-17	6-April-22	MUTU-RSPO/035	
13		BETUNG					
14	PT INDOTRUBA TENGAH	SEKUNYIR	Kalimantan Tengah, Indonesia	23-Nov-10	22-Nov-20	MUTU-RSPO/001	
15	PT SWADAYA ANDIKA	SELABAK	Sungai Durian, Kotabaru, Kalimantan Selatan	16-Mar-12	16-Mar-17	MUTU-RSPO/015	
16	PT BINA SAINS CEMERLANG	SG PINANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	11-Sep-12	11-Sep-17	MUTU-RSPO/020	
17	PT TEGUH SEMPURNA	PEMANTANG	Kuala Kuayan, Sampit, Kotawaringin Timur, Kalimantan Tengah	9-Sep-16	8-Sep-21	MUTU-RSPO/004	
18	PT BHUMIREKSA NUSA SEJATI	TELUK BAKAU	Pelangiran, Sg. Guntung, Indragiri Ilir, Riau	01-Dec-16	30-Nov-21	MUTU-RSPO/008	
19		MANDAH		1 April 2014	1 April 2019	MUTU-RSPO/036	
20	PT ANEKA INTIPERSADA	TELUK SIAK	Tualang, Perawang, Siak, Riau	8-Dec-16	7-Dec-21	MUTU-RSPO/007	
21	PT TAMACO GRAHA KRIDA	UNGKAYA	Witaponda, Kolonodale, Morowali, Sulawesi Tengah	10-Jul-12	10-Jul-17	MUTU-RSPO/018	
22	PT SIME INDO AGRO	BK AJONG	Kalimantan Barat, Indonesia	18-Jul-16	17-Jul-21	MUTU-RSPO/088	
23	PT PADANG PALMA PERMAI/PT PERKASA SUBUR SAKTI	BLANG SIMPO	Karang Baru, Kuala Simpang, Aceh Tamiang, Nangroe Aceh Darussalam	3-May-13	3-May-18	MUTU-RSPO/026	
24	PT SANDIKA NATAPALMA/PT BUDIDAYA AGRO	LEMBIRU	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	3-Jul-14	2-Jul-19	MUTU-RSPO/044	

	LESTARI							
25	PT MITRAL AUSTRAL SEJAHTERA	MAS Mill	Desa Rahayu Kec. Parindu Kab.Sanggau, Kalimantan Barat	NA	NA	NA		

Legends

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

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)

Chaah Palm Oil Mill and Supply Base					
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		35,092.93			
PK Tonnage Total		9,191			
CPO Claimed for Certification*		35,092.93			
PK Claimed for Certification *		9,191			
Own estates FFB Tonnage		167,109.17			
Scheme Smallholder FFB Tonnage		-			
Estates	Production Area		Other use (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (mt)
	Mature (ha)	Immature (ha)			
Chaah Estate	2,734.45	0	66.17	2,800.62	68,202.20
North Labis Estate	2,905.60	409.33	232.65	3,547.58	57,564.80
Simpang Kiri Estate	1,871.19	248.93	268.02	2,388.14	41,342.17
TOTAL	7,511.24	658.26	566.84	8,736.34	167,109.17

*Other use: total of HCV area including infrastructure and other area (unplantable etc)

Appendix D: Assessment Plan

Date	Time	Subjects	Mohd Hidhir	Hafiz	Boon Han
Tuesday 08/08/2017	PM	Audit team traveling to Yong Peng, Johor	√	√	√
Wednesday 09/08/2017 Chaah Palm Oil Mill	0830-0900	Opening Meeting: • Opening Presentation by Audit team leader. • Confirmation of assessment scope and finalize Audit plan (including stakeholder’s consultation). • Verification on previous audit findings	√	√	√
	0900-1200	Chaah Palm Oil Mill Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, etc	√	√	√
	1200-1300	Lunch	√	√	√
	1300-1630	Chaah Palm Oil Mill Visit to laboratory, weighbridge and palm products 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 nonconformitirs.	√	√	√
	1630-1700	Interim Closing briefing	√	√	√
	Thursday 10/08/2017 Chaah Estate	0830-1200	Chaah Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, ,etc.	√	√
	0900-1200	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	-	-	√
	1200-1300	Lunch	√	√	√
	1300-1630	Chaah Estate Document review P1-P8: (General documentation e.g Legal, Manual and Procudre, 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	Interim Closing briefing	√	√	√

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Date	Time	Subjects	Mohd Hidhir	Hafiz	Boon Han
Friday 11/08/2017 North Labis Estate	0830-1300	North Labis Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area,IPM implementation,OSH & ERP, workshop,storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, schedule waste management, worker housing, clinic, landfill,etc	√	√	√
	1300-1430	Lunch and Friday Prayer	√	√	√
	1430-1630	North Labis Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, TBP, CIP and implementation etc).	√	√	√
	1630-1730	Preparation for closing meeting Closing meeting	√	√	√
Saturday 12/08/2017	AM	Audit team traveling back to KL	√	√	√

Appendix E: Stakeholders Contacted

<p>Internal Stakeholders</p> <p>Managers and Assistants Mill & Estate Male Mill Staff/Workers Female Mill Staff/Workers Foreign Worker Male and Female Estate workers Joint Consultative Committee Gender Committee representatives Workers Union Representatives Onsite NUPW representative AMESU Representative Hospital Assistant Creche Attendant Store Clerk</p>	<p>Local Communities</p> <p>Head of Village Haji Kamisan</p>
<p>Government Departments</p>	<p>Contractors and Suppliers</p> <p>Sundry shop owner VMO, visiting medical officer</p>

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

Compliance	
D.1. Definition	
D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.	Chaah Palm Oil Mill only receives certified FFB. Therefore qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.
D.2 Explanation	
D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.
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).	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). Verified list of transactions records under license ID CB47278 validity period 18/1/17 – 17/11/17. Plam trace ID, RSPO_PO1000000190
D.3 Documented procedures	
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: a) Complete and up to date procedures covering the implementation of all the elements in these requirements; 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.	Latest written documented procedures 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, version:2, issue: 2 dated October 2016. 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. 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.
D.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	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 non-certified FFBs.
D.4 Purchasing and goods in	

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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 via SAP report [daily production summary report, report ID# Z2501RMM_Daily_Summ], monthly crop report and 3 monthly balance sheet for FFB and palm product.</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 procedure, RSPO Supply Chain Certification Standard and Traceability for handling certified and non-certified FFB under Appendix 15, version:2, issue: 2 dated October 2016.</p>
<p>D.5 Record keeping</p>	
<p>D.5.1 The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p>	<p>All the inventory records are maintained and updated on daily basis and monthly and reported on monthly and 3 monthly inventory. Computerized system in place. No PKO and palm kernel expeller produced at Chaah Palm Oil mill. PK is sold to Sime Darby's Kernel Crushing Plant and also other 3rd party KCP. CPO sold to Sime Darby's owned refineries (SDP Nuri, SDP Joma) and the other 3rd party buyer. Daily records are prepared at the entry point at the weighbridge.</p> <p>Sample of CPO and PK contracts: i)CPO Contract: S/C-PSD/1608/CPO1042 ii)PK Contract: S/C-PSD/1612/PK1417</p> <p>Daily summary and monthly summary documented for all the FFB received. Records of certified FFB received verified during annual surveillance. Records verified by internal and external audit.</p>
<p>D.6 Processing</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 non-certified 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. No diversion of FFB recorded from the period of August 2016 to July 2017</p>
<p>D.6.2 The objective is for 100 % segregated material to be reached.</p>	<p>Processing and storage records can trace back to only certified segregated FFB and finish product (CPO and PK) through traceability records such as weighbridge records. This ensures that 100% segregated materials are reached.</p>

Actual Tonnage Certified Palm Production 01 August 2016 – 30 July 2017 (ASA1 2)

Mill	Capacity & Supply Chain Model	CPO	PK
Chaah Palm Oil Mill	30 mt/hr Identity Preserved (IP)	21,399.20 mt	5,512.89 mt

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Actual Sales of Certified Palm Products – 01 August 2016 – 30 July 2017 (ASA1 2)

Mill	Certified CPO Sales	Certified PK Sales	Remarks
Chaah Palm Oil Mill	7,592.33 mt (Physical sales)	3,350 mt (Physical sales)	Confirmed sales through PalmTrace (license ID CB47278)

Actual Tonnes Sales of Certified Palm Products (Under Other Schemes) - 01 August 2016 – 30 July 2017 (ASA1 2)

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

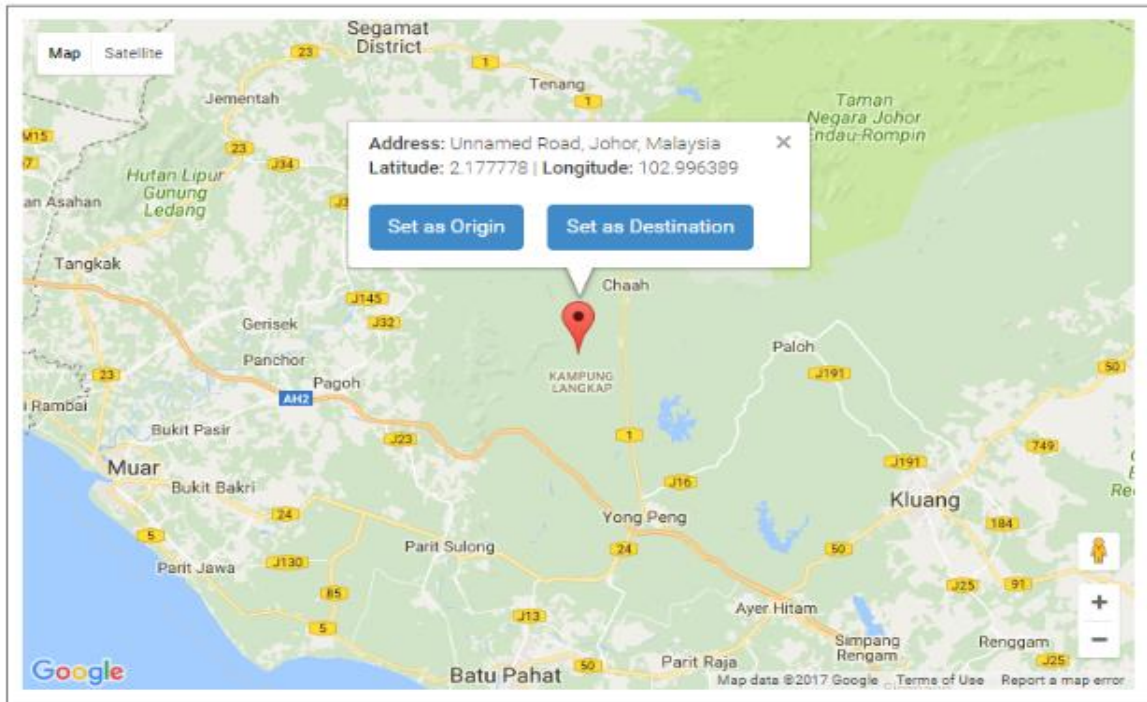
Actual Tonnes Sales of Conventional Palm Products - 01 August 2016 – 30 July 2017 (ASA1 2)

Mill	Conventional CPO Sales	Conventional PK Sales	Remarks
Chaah Palm Oil Mill	13,806.87 mt	2,162.89 mt	n/a

Actual Tonnage Certified FFB Received Monthly by the mill - 01 Aug 2016 – 30 July 2017 (ASA12)

Month	Certified Supply Base (from own certificate scope) (mt)							Total FFB/Month (mt)
	Chaah Estate	North Labis Estate	Simpang Kiri Estate	Other Estate	Other Estate	Other Estate	Other Estate	
Aug 2016	5,111.64	4,056.97	3,038.82	0	0	0	0	12,207.43
Sept 2016	6,212.80	2,531.29	3,693.85	0	0	0	0	12,437.94
Oct 2016	6,459.57	44.20	3,923.24	0	0	0	0	10,427.01
Nov 2016	7,899.74	0	3,718.11	0	0	0	0	11,617.85
Dec 2016	6,996.70	0	3,668.18	0	0	0	0	10,664.88
Jan 2017	5,900.51	13.30	3,055.55	0	0	0	0	8,969.36
Feb 2017	3,819.53	1,274.25	2,120.00	0	0	0	0	7,213.78
Mar 2017	3,892.64	604.70	1,875.97	0	0	0	0	6,373.31
Apr 2017	4,256.41	793.93	1,952.09	0	0	0	0	7,002.43
May 2017	3,790.51	0	1,992.30	0	0	0	0	5,782.81
June 2017	3,157.52	556.84	1,923.06	0	0	0	0	5,637.42
July 2017	3,178.59	3,238.30	1,992.99	0	0	0	0	8,409.88
Total	60,676.16	13,113.78	32,954.16	0	0	0	0	106,744.1

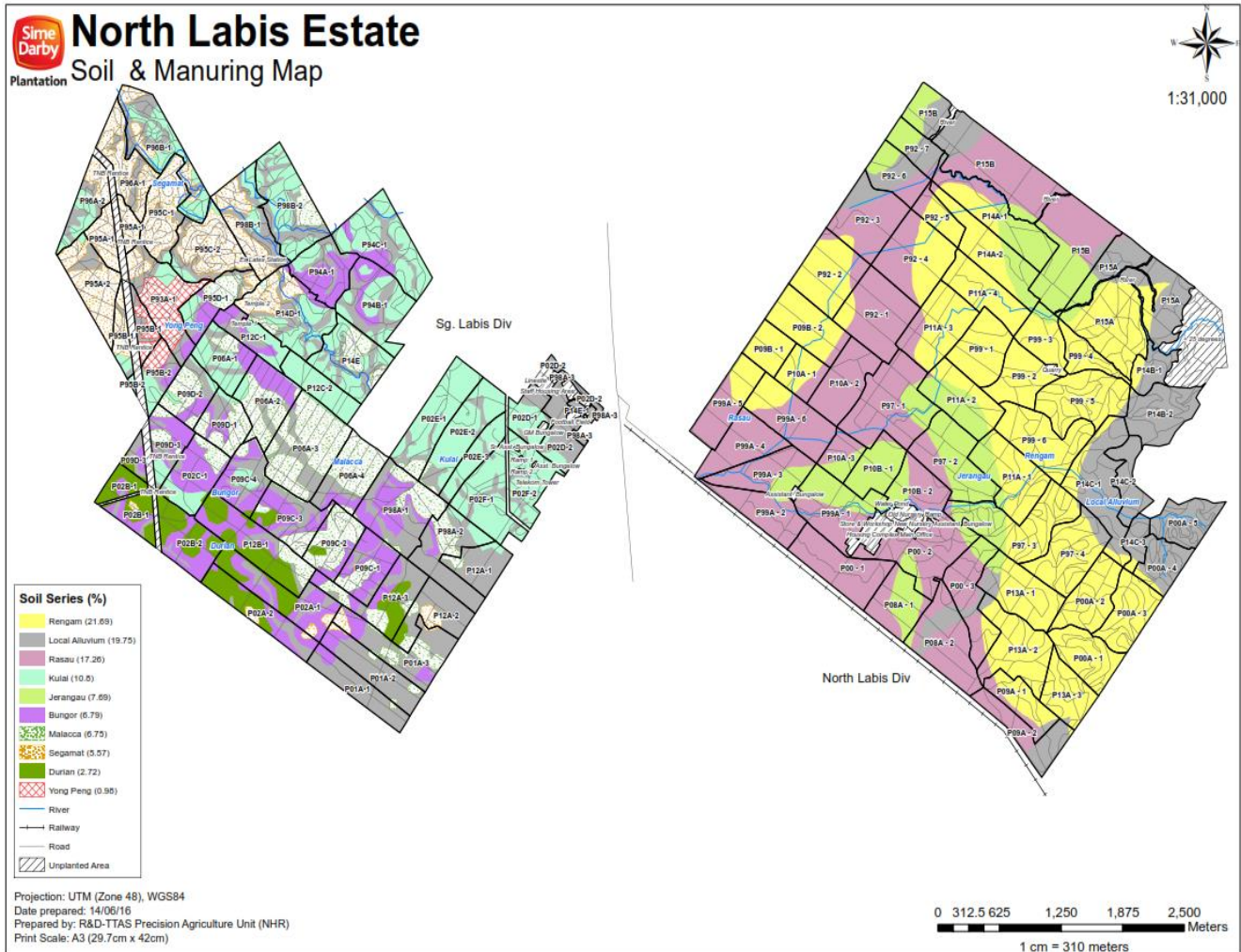
Appendix G : Location Map of Chaah POM and Supply Bases



Appendix H: Chaah Estate Field Map



Appendix I: North Labis Estate Field Map



Appendix J: GHG Reporting Executive Summary

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

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

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

Emission per product	tCO ₂ e/tProduct	Extraction	%
CPO	1.38	OER	20.91
PKO	1.38	KER	5.11

Production	t/yr	Land Use	Ha
FFB Process	114,585.31	OP Planted Area	8,169.50
CPO Produced	23,963.31	OP Planted on peat	0
PKO Produced	5,855.2	Conservation (forested)	0
		Conservation (non-forested)	0
		Total	8,169.50

Summary of Field Emission and Sink

	Own Crop*		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB
Emission								
Land Conversion	65,747.48	0.71	10,909.4	0.55	0	0	76,656.88	1.26
CO ₂ Emission from fertilizer	6,324.84	0.07	1,179.92	0.06	0	0	7,504.76	0.13
NO ₂ Emmision	4,086.49	0.04	818.98	0.04	0	0	4,905.47	0.08
Fuel Consumption	517.22	0.01	101.98	0.01	0	0	619.2	0.02
Peat Oxidation	0	0	1,040.12	0.03	0	0	1,040.12	0.03
Sink								
Crop Sequestration	-69,319.89	-0.67	-10,329.87	-0.52	0	0	-79,649.76	-1.19
Conservation	0	0	0	0	0	0	0	0

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Sequestration								
Total	14,356.14	0.15	3,720.53	0.17	0	0	18,076.67	0.32

*Note: Includes both estates

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	22,460.66	0.2
Fuel Consumption	27.02	0
Grid Electricity Utilisation	596.5	0.01
Credit		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	23,084.18	0.2

Summary of Kernel Crusher Emission and Credit (if applicable)

Emissions	tCO ₂ e
PK from own mill	8,082.4
PK from other source	0
Fuel Consumptions	0
Total Crusher emissions	0

*This mill has no kernel crusher operation.

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

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

Appendix K: List of Abbreviations Used

AMESU	All Malaysia Estate Staff Union
AN	Ammoniacal Nitrogen
ASA	Annual Surveillance Assessment
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CIP	Continual Improvement Plan
COD	Chemical Oxygen Demand
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
O&G	Oil and Grease
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
PPE	Personal Protective Equipment
RED	Renewable Energy Directive
RSPO	P&C Roundtable on Sustainable Palm Oil Principle & Criteria
SCCS	Supply Chain Certification Standard
SDPB	Sime Darby Plantation Berhad
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
SOU	Strategic Operating Unit
SS	Suspended Solids
TS	Total Solids
VFA	Volatile Fatty Acids