

**RSPO PRINCIPLE AND CRITERIA –
 1st ANNUAL SURVEILLANCE ASSESSMENT (ASA1_1)
 Public Summary Report**

Sime Darby Plantation Berhad
Client company Address: Level 3A, Main Block, Plantation Tower No, 2, Jalan PJU 1A/7 47301 Ara Damansara Selangor, Malaysia
Certification Unit: Strategic Operating Unit (SOU 19) Pagoh Palm Oil Mill and supply base Location of Certification Unit: Lot 2159, Ladang Pagoh Mukim Jalan Bakri 84309 Muar, Johor, Malaysia

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Section 1: Scope of the Certification Assessment

1. Company Details			
RSPO Membership Number	1-0008-04-000-00	Membership Approval Date	06/09/2004
Parent Company Name	Sime Darby Plantation Berhad		
Address	Level 3A, Main Block, Plantation Tower No 2, Jalan PJU 1A/7, 47301 Ara Damansara, Selangor, Malaysia		
Subsidiary (Certification Unit Name)	Strategic Operating Unit (SOU 19) – Pagoh Palm Oil Mill		
Address	Lot 2159, Ladang Pagoh, Mukim Jalan Bakri 84309 Muar, Johor, Malaysia		
Contact Name	Mdm Shylaja Devi Vasudevan Nair (Head, Sustainability Unit PSQM) Mr. Mohd Fadzil Hasbullah (Pagoh Palm Oil Mill Manager)		
Website	www.simedarbyplantation.com	E-mail	kks.pagoh@simedarby.com
Telephone	+603-78484379 (Head Office) +6019 6957380 (Mill)	Facsimile	+603 7848 4363 (Head Office) +607 9474053(Mill)

2. Certification Information			
Certificate Number	RSPO 600305	Date of First Certification	28/01/2014
		Certificate Start Date	28/01/2019
		Certificate Expiry Date	27/01/2024
Scope of Certification	Palm oil and Palm Kernel Production		
Applicable Standards	RSPO P&C MY-NI 2014; RSPO Supply Chain Certification Standard 2017 (CPO Mill – Module E – Mass Balance)		

3. Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
MSPO 682037	MS 2530-4 Malaysian Sustainable Palm Oil (MSPO) Part 4	BSI Services Malaysia Sdn Bhd	11/12/2022
MSPO 685822	MS 2530-3 Malaysian Sustainable Palm Oil (MSPO) Part 3		
MSPO 714136	MSPO Supply Chain Certification 2018		04/09/2024

4. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS Coordinates	
		Latitude	Longitude
Pagoh Palm Oil Mill	Lot 2159, Ladang Pagoh, Mukim Jalan Bakri 84309 Muar, Johor	2° 4' 40.62" N	102° 43' 7.3" E
Pagoh Estate	Panchor 84500 Muar, Johor	2° 4' 40.62" N	102° 43' 7.3" E
Lanadron Estate	Panchor 84500 Muar, Johor, Malaysia	2° 10' 48.70" N	102° 44' 04"E
Pengkalan Bukit Estate	Mukim Jalan Bakri 84309 Muar, Johor	2° 07' 29" N	102° 44' 32" E
Welch Estate	Jalan Segamat - Jementah 85200 Segamat, Johor	2° 27' 22" N	102° 39' 12" E

5. Description of Supply Base					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Pengkalan Bukit Estate	2,977.41	2.87	147.94	3,128.22	95.00
Lanadron Estate	1,694.02	19.41	251.01	1,964.44	80.96
Welch Estate	576.20	0.95	870.67	1,447.82	39.80
Pagoh Estate	1,988.02	9.10	328.81	2,325.93	85.00
Total	7,235.65	32.33	1,598.43	8,866.41	81.61
Remarks:					
Pengkalan Bukit Estate:					
7.1 ha from Paya Redan Division sold to third party.					
21.56 ha was acquired for road expansion.					

6. Plantings & Cycle							
Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Pengkalan Bukit Estate	538.24	1,033.76	1,312.82	92.59	-	2,439.17	538.24
Lanadron Estate	339.77	421.36	815.89	40.00	77.00	1,354.25	339.77
Welch Estate	0	0	576.20	0	0	576.20	0
Pagoh Estate	616.56	695.13	445.65	230.68	0.00	1,371.46	616.56
Total (ha)	1,494.57	2,150.25	3,150.56	363.27	77.00	5,741.08	1,494.57

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7. Certified Tonnage of FFB (Own Certified Scope)			
Estate	Tonnage / year		
	Estimated (Jan 2019-Dec 2019)	Actual (Oct 2018-Sept 2019)	Forecast (Jan 2020-Dec 2020)
Pagoh Estate	37,700.00	34,380.11	39,428.70
Lanadron Estate	40,000.00	39,696.88	43,021.71
Pengkalan Bukit Estate	57,900.00	49,142.00	57,540.94
Welch Estate	11,650.00	12,550.25	14535.19
Total	147,250.00	135,769.24	154,526.54
Remarks: October 2018 – December 2018 = 35,094.52 MT January 2019 – September 2019 = 100,674.72 MT			

8. Certified Tonnage of FFB (from other certified unit(s)) if applicable *			
Estate	Tonnage / year		
	Estimated (Jan 2019-Dec 2019)	Actual (Oct 2018-Sept 2019)	Forecast (Jan 2020-Dec 2020)
Tangkak	N/A	4,051.28	N/A
Muar River		639.77	
Sg.Senarut		155.48	
Sg.Gemas		240.06	
Total		5,086.59	
Remarks: October 2018 – December 2018 = 505.29 MT January 2019 – September 2019 = 4,581.30 MT			

9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable			
Independent FFB Supplier	Tonnage / year		
	Estimated (Jan 2019-Dec 2019)	Actual (Oct 2018-Sept 2019)	Forecast (Jan 2020-Dec 2020)
Eng Huat Latex	N/A	24,202.82	N/A
Impressive Transforms		82.86	
KOP MT Grisek		109.02	

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Pertanian Melaka		2,451.25	
Sin Chin Joo		645.64	
Total	N/A	27,491.59	N/A

Remarks:

October 2018 – December 2018 = 0 MT

January 2019 – September 2019 = 27,491.59 MT

10. Certified Tonnage

Mill Capacity: 45 MT/hr	Estimated (Jan 2019-Dec 2019)	Actual (Oct 2018-Sept 2019)	Forecast (Jan 2020-Dec 2020)
	FFB	FFB	FFB
	147,250.00 mt	140,855.83 mt	154,526.54 mt
SCC Model: MB	CPO (OER: 21.50 %)	CPO (OER: 20.79%)	CPO (OER: 20.50 %)
	31,658.75 mt	29,296.92 mt	31,677.94 mt
	PK (KER: 5.25 %)	PK (KER: 5.25 %)	PK (KER: 5.25 %)
	7,730.63 mt	7,406.37 mt	8,112.64 mt

Remarks:

October 2018 – December 2018:

FFB = 35,599.81 MT

CPO = 7,409.24 MT

PK = 1,898.94 MT

January 2019 – September 2019:

FFB = 105,256.02 MT

CPO = 21,887.68 MT

PK = 5,507.42 MT

11. Actual Sold Volume (CPO)

	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
CPO (MT)	10,774.40	0	0	14,271.64	25,046.04

Remarks:

October 2018 – December 2018:

RSPO Certified= 5,369.38 MT; Conventional= 2,039.86 MT

January 2019 – September 2019:

RSPO Certified= 5,408.02 MT; Conventional= 12,231.78 MT

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Conventional product = product that is produced using certified FFB but sold without RSPO claim.

12. Actual Sold Volume (PK)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
PK (MT)	2,300.00	0	0	5,005.47	7,305.47
Remarks:					
October 2018 – December 2018: <u>RSPO Certified= 1,800 MT; Conventional= 98.94 MT</u>					
January 2019 – September 2019: <u>RSPO Certified= 500 MT; Conventional= 4,906.53 MT</u>					

Conventional product = product that is produced using certified FFB but sold without RSPO claim.

13. Actual Group certification Claims		
	Credit	Physical Volume (MT)
IS-CSPO	-	-
IS-CSPKO	-	-
IS-CSPKE	-	-

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
(ASI Accreditation Number: ASI-ACC-067)
Suite 29.01, Level 29, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
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BSI is a leading global provider of management systems assessment and certification, with more than 80,000 certified locations and clients in over 180 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (ASI-ACC-067) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia and an office at Jakarta and Australia which involve in RSPO Certification Program.

2.1 Assessment Methodology, Programme, Site Visits

The on-site assessment was conducted from 21-25/10/2019. 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. 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 major NC onsite verification was done on 20/01/2020.

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 & Criterias 2013 (MYNI-2014) and RSPO Supply Chain Certification Standard 2017 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 minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula $N = (0.8\sqrt{y}) \times (z)$ where y is the number of estates and where z is the multiplier defined by risk assessment
- As for the smallholders, the sample were determined following the RSPO Management System Requirements and Guidance for Group Certification of FFB Production (2016). The sampling of smallholders were based on the formula $(0.8\sqrt{y}) \times (z)$; where y is total number of independent group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix I.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between

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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 Section 3.5.

All the previous nonconformities are remains closed. The assessment findings for the initial assessment/annual surveillance assessment are detailed in Section 3.4.

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.

For Initial and Re-certification assessment, the report was externally reviewed by RSPO approved Certification Reviewer prior to certification decision by BSI.

For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

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

Assessment Program					
Name (Mill / Supply Base)	Year 1 (Recertification)	Year 2 (ASA 1_1)	Year 3 (ASA 1_2)	Year 4 (ASA 1_3)	Year 5 (ASA 1_4)
Pagoh Palm Oil Mill	√	√	√	√	√
Lanadron Estate	√	√	√	√	√
Pengkalan Bukit Estate	√	√	√	√	√
Welch Estate	√	√	√	√	√
Pagoh Estate	√	√	√	√	√

Tentative Date of Next Visit: October 7, 2020 – October 11, 2020

Total No. of Mandays: 16.0 mandays including one day SC audit for mill

2.2 BSI Assessment Team:

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Hu Ning Shing	Team Leader	She holds Bachelor Degree in Science majoring in Applied Chemistry, graduated from University of Malaya on 2011. She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSPO

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		and RSPO in her previous certification body. She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia. During this assessment, she assessed on the aspects of social. She is fluent in Bahasa Malaysia and English languages.
Mohamad Masran	Fadzli Team Member	He graduated in Bachelor of Forestry Science at University Putra Malaysia. He started his career as Assistant Manager at Kulim Plantations Sdn. Bhd. managing the day to day plantation operations. In his career at Kulim Plantation, Fadzli had accumulated more than 10 years of sustainability implementation experience including workers' welfare, workers' occupational, health & safety, environment conservation and protection at buffer areas and continuous improvement management plans. He had accumulated auditing experience when he was the internal auditor for ISO9001 and ISO14001 at Kulim Plantations. He has completed ISO IMS 9001, 14001, 45001(OHS 18001) Lead Auditor Course in April 2018 and endorsed RSPO Lead Auditor Course in July 2018. During this assessment, he assessed on the aspects of environmental and estate best practise. He is fluent in Bahasa Malaysia and English languages.
Ragu Erulappan	Samy A Team Member	Ragu Erulappan is a fulltime employee with BSI Services Malaysia. He graduated from University Technology Malaysia. He attended internal RSPO training in 22 December 2014. He has completed ISO 9001:2008 Quality Management System Lead Auditor training, ISO 14001, ISO 18001 Lead Auditor Training. Currently he is an ISO 9001:2008, ISO 14001, ISO 18001, C-TPAT (Supply Chain Security) and GDPMD (Good Distribution Practice for Medical Devices) Lead Auditor. He has more than 5 years of auditing experience since August 2010 covering Environment, Safety and Health, Legal aspects in various industries. He is involved as Environment, Safety and Health Auditor during the RSPO Assessment. For this assessment he assesses Mill and Estate OSH, best practices and legal aspects. He is able to speak and understand Bahasa Malaysia, English and Tamil.
Mohamed Hidir Zainal Abidin	Team Member	He holds Bachelor Degree in Chemical Engineering, graduated from National University of Malaysia on 2006. He has 7 years working experience in palm oil industry specifically on palm oil milling for 5 years. He also has the experiences as auditor for several standards including ISO 9001, ISO 140001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of supply chain for the mill.

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Accompanying Persons:

No.	Name	Role
	Nil	

2.3 Assessment Plan

The assessment plan was sent to client prior to the assessment.

PRELIMINARY AGENDA							
Date	Time	Subjects	HNS	MF	RE	MH	VK
Sunday 20/10/2019	PM	Audit team travelling to site	√	√	√	-	√
Monday 21/10/2019 Pagoh Palm Oil Mill	0830 - 0900	Opening Meeting: <ul style="list-style-type: none"> Opening Presentation by Audit team leader. Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation). Verification on previous audit findings 	√	√	√	-	√
	0900 - 1200	Pagoh Palm Oil Mill Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders etc. Visit to laboratory, weighbridge and palm product storage area.	√	√	√	-	√
	1200 – 1300	Lunch	√	√	√	-	√
	1300 - 1630	Pagoh Palm Oil Mill Document Review P1 – P8: SOPs. Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc.	√	√	√	-	√
	1630 - 1700	Interim Closing Briefing	√	√	√	-	√
Tuesday 22/10/2019 Welch Estate	0830 - 1200	Welch 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.	√	√	√	-	√
	1000 – 1100	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	-	-	-	-

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	1200 -1300	Lunch	√	√	√	-	√
	1300 - 1630	Welch Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√	-	√
	1630 - 1700	Interim Closing Briefing	√	√	√	-	√
Wednesday 23/10/2019	0830 - 1200	Lanadron 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.	√	√	√	-	√
Lanadron Estate	1000 – 1100	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	-	-	-	-
	1200 -1300	Lunch	√	√	√	-	√
	1300 - 1630	Lanadron Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√	-	√
	1630 - 1700	Interim Closing Briefing	√	√	√	-	√
Thursday 24/10/2019	0830 - 1200	Pengkalan Bukit 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.	√	√	√	-	√
Pengkalan Bukit Estate	1200 -1300	Lunch	√	√	√	-	√
	1300 - 1630	Pengkalan Bukit Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√	-	√
	1630 - 1700	Interim Closing Briefing	√	√	√	-	√

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Thursday 24/10/2019 Pagoh Palm Oil Mill	0900 – 1630	Supply chain audit for Pagoh POM <ul style="list-style-type: none"> • General COC for supply chain • RSPO rules communication and claim • Module E: Mass Balance 	-	-	-	√	
	1630 - 1700	Interim Closing Briefing	-	-	-	√	
Friday 25/10/2019 Pagoh Estate	0830 - 1200	Pagoh 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.	√	√	√	-	√
	1200 -1300	Lunch	√	√	√	-	√
	1300 - 1600	Pagoh Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc).	√	√	√	-	√
	1600 - 1630	Verify any outstanding issues & Preparation for closing Meeting	√	√	√	-	√
	1630 - 1730	Closing Meeting	√	√	√	-	√

Section 3: Assessment Findings

3.1 Normative requirement applied for this assessment:

- Sime Darby Plantation Berhad Multiple Management Units / Time Bound Plan
- RSPO P&C 2013 Generic
- RSPO Group Certification Standard 2016
- RSPO Supply Chain Certification Standard 2017
- RSPO P&C GA-NIWG 2017
- RSPO P&C INA-NIWG 2016
- RSPO P&C MY-NIWG 2014
- RSPO P&C PNG-NIWG 2017

3.2 Time Bound Plan progress for multiple management units

Time Bound Plan		
Requirement	Remarks	Compliance
Does the plan include all current 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. Initial audit was carried out in March 2018 but unable to be completed due strike and unstable site condition. Audit was premature terminated and postponed to a later date in 2019. Based on the latest information, the unit will be surrender to government. The negotiation process is still on going.	Yes
Have all the estates and mills certified within five years after obtaining RSPO membership?	For Liberia operations, a new mill is being set up and commissioned in Feb 2016. Initial audit was carried out in March 2018 but unable to be completed due strike and unstable site condition. Audit was premature terminated and postponed to a later date in 2019. Based on the latest information, the unit will be surrender to government. The negotiation process is still on going.	Yes
Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three-year from the date of acquisition. Certification plan for the new acquisition shall be available.	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. *RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in completed.	Yes

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	<p>Initial audit was carried out in March 2018 but unable to be completed due strike and unstable site condition. Audit was premature terminated and postponed to a later date in 2019. Based on the latest information, the unit will be surrender to government. The negotiation process is still on going.</p> <p>SDPL (Liberia Operation) has undergone RSPO Main Certification audit scheduled on 19 to 23 March 2018, but the assessment was only completed conducted and put on-hold due to security & safety issue. After due consideration on the current engagement with the House of Representative in Liberia, SDP management decided to postpone the time bound plan of RSPO Certification to 2019 until satisfactory resolution and demonstration of progress towards the 15 recommendations by the Special Legislative Committee of the House of Representative, Liberia in managing the potential risks resulting from the RSPO Certification process. Based on the latest information, the unit will be surrender to government. The negotiation process is still on going.</p>	
<p>Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting?</p>	<p>Sime Darby Plantation's time bound plan for certification is initially 3 years, starting 2008-2011. SDP has had all its SOUs (Malaysian & Indonesian) and all Malaysian SOUs have been RSPO certified including 2 new mills have been in Jan and Feb 2014.</p> <p>For Indonesian operations, currently, 1 SOU in Indonesia (PT MAS) is pending for RSPO Certification due to social legacy issues.</p> <p>SDP's is actively working on its certification targets given the span across a large geographical location and over 200 estates and mills in operation.</p> <p>97% of Sime Darby Plantation's upstream operations is RSPO certified, one SOU - PT MAS pending certification in Indonesia due to some social disputes and a new oil mill in Liberia has been commissioned in Feb 2016.</p> <p>SDP's time bound plan has been revised to take into consideration the social challenges encountered in Indonesia for the remaining SOU (PT MAS) yet to be certified.</p> <p>Sime Darby Plantation will proceed with the next steps of certification upon satisfactory resolution of the matter.</p> <p>For Indonesia operation, the reported Case No: DSF 007 between the parties PT Mistra Austral Sejahtera (a subsidiary of Sime Darby Plantation Sdn Bhd) and Kerunang/Entapang community. New status has been updated for dispute tracker for following case, http://www.rspo.org/members/dispute-settlement-facility/status-of-disputes#007</p>	<p>Yes</p>

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<p>Have there been any isolated lapses in implementation of the plan? If yes a Minor non-compliance shall be raised</p>	<p>No lapses.</p>	<p>Yes</p>
<p>Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to proceed with implementation of the plan? If yes a Major non-compliance shall be raised</p>	<p>No.</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>Un-Certified Units or Holdings</p>		
<p>No replacement after dates defined in NIs Criterion 7.3:</p> <ul style="list-style-type: none"> • Primary forest. • Any area required to maintain or enhance HCVs in accordance with RSPO P&C 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 shall 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. Initial audit was carried out in March 2018 but unable to be completed due strike and unstable site condition. Audt was premature terminated and postponed to a later date in 2019. Sime Darby has decided to re-audit on 1st quarter of 2019. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p> <p>*Note: RSPO NPP Announcements for SDP can be found at http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14?</p>	<p>Yes</p>
<p>Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6.</p> <p>The RSPO RaCP tracker shall be checked to confirm for any land conflicts/Liabilities https://www.rspo.org/certification/remediation-and-compensation/racp-tracker. The progress on the Liabilities shall be verified and reported.</p>	<p>Latest update based on RSPO Case Tracker (19 potential liabilities; 5 LUCA submitted, 1 LUCA is passed, 1 CN submitted, 1 CN approved) on LUCA</p>	<p>Yes</p>

3.3 Progress of scheme smallholders and/or outgrowers (if applicable to this assessment)

Progress of scheme smallholders or outgrowers towards compliance with relevant standards		
Requirement	Remarks	Compliance
Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification? OFI shall be raised if after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.	Not applicable.	

3.4 Details of findings

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

During the 1st annual surveillance assessment there were three (3) Major nonconformity & two (2) Minor nonconformities raised. The Pagoh Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

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

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1833344-201906-M1	Clause & Category (Major / Minor)	Indicator 4.7.1 Major
Date Issued	25/10/2019	Due Date	22/01/2020
Closed (Yes / No)	Yes	Date of nonconformity Closure	20/01/2020
Statement of Nonconformity:	Health and safety plan was not implemented effectively.		
Requirement Reference:	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.		
Objective Evidence:	<p>Pagoh POM:</p> <ul style="list-style-type: none"> a) A tractor was in operation with leaking diesel during start up engine and with few malfunction indicator bulbs for head lights and reverse light. b) A canteen male worker was working in the kitchen canteen without having typhoid injection record. <p>Welch Estate:</p> <ul style="list-style-type: none"> a) A tractor was in operation with malfunction steering horn and missing reverse light and signal indicator light. 		

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	<p>Lanadron Estate- Nordanal Division:</p> <ul style="list-style-type: none"> a) Safety Data Sheet for Hydraulic Oil, Engine Oil and Welding Rod were not available at the point of use in the workshop. b) Pesticide chemical mixing area gate was broken and left open. c) Used vehicle spare parts in the workshop store was found scattered on the workshop store floor without proper housekeeping. <p>Pengkalan Bukit Estate:</p> <ul style="list-style-type: none"> a) A tractor was in operation with malfunction horn, missing front head light, reverse light and signal indicator light. b) Wagon attached to the tractor for carrying the sprayers and spraying equipment was not in proper safe condition as noticed the sitting plank was missing with exposed metal bars.
<p>Corrections:</p>	<p>Pagoh Mill:</p> <ul style="list-style-type: none"> a) Briefing on daily vehicle inspection to vehicle drivers, supervisor and technical supervisor was conducted on 22/10/2019. The leaking diesel and malfunction headlight was repaired. b) The temporary canteen worker have obtained typhoid injection on 22/10/2019. <p>Welch Estate:</p> <p>The steering horn, reverse and signal indicator light was repaired by the foreman.</p> <p>Lanadron Estate:</p> <ul style="list-style-type: none"> a) A copy of SDS for Hydraulic Oil, Engine Oil and Welding Rod were displayed in Nordanal Division workshop b) The loosen hinge was replaced by the carpenter. c) Re-organized and stored the used vehicle spare part in the designated area <p>Pengkalan Bukit Estate:</p> <ul style="list-style-type: none"> a) The horn, headlight and siren was repaired. b) The usage of the wagon was stopped until repairing work completed.
<p>Root Cause Analysis:</p>	<p>Pagoh Mill:</p> <ul style="list-style-type: none"> a) Daily checking for the tractor not conducted by the driver b) The canteen worker was not a permanent staff and only assisting his employer if there was shortage of worker <p>Welch Estate:</p> <p>Daily checking for the tractor not conducted by the driver .</p> <p>Lanadron Estate:</p> <ul style="list-style-type: none"> a) The SDS available but were kept at main workshop at Panchor Division workshop only. b) The upper hinge was loose due to the door frame broken. c) The used spare parts were placed in the workshop due to completed dismantling of old tractor. <p>Pengkalan Bukit Estate:</p> <p>Daily checking for the tractor and trailer not conducted by the driver .</p>
<p>Corrective Actions:</p>	<p>Pagoh Mill:</p> <ol style="list-style-type: none"> 1. Daily preventive maintenance checklist provided to drivers, checked by supervisor and verified by Assistant Engineer. 2. All canteen worker (permanent or temporary) will be registered with Mill management and copy of typhoid injection book will be kept by Mill management. For future tender exercise, typhoid injection will be included in the pre – requisite condition. <p>Evidence needed:</p> <p>Tractor repaired record.</p>

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	<p>Briefing records on 22/10/2019 for drivers, supervisor. Medical card (Butir – butir pengendali makanan) PMV record book for tractor Welch Estate: Daily inspection for the tractor will be done by the driver and verified by foreman and assistant manager. Evidence needed: Photo evidence of tractor repaired PMV logbook for tractor. Re-Briefing record for drivers</p> <p>Lanadron Estate: a) To include checking of SDS in the workplace inspection checklist b) To include divisional store, mixing area and workshop in the workplace inspection by safety and health committee. c) To conduct 5S awareness training to the Foremen and Staff in-charge by Assistant Manager.</p> <p>Evidence needed: Photo evidence of SDS in divisional store and premix area Revised workplace inspection checklist. 5S briefing record to foreman, staff in charge and workshop personnel</p> <p>Pengkalan Bukit Estate: a) Estate will identify all tractors that need to be repaired. Daily inspection for the tractor will be done by the driver and verified by foreman and assistant manager. b) Arrangement of maintenance work will be carried out internally after delivery of the spare parts. Evidence needed: PMV record book Briefing record for foreman and tractor driver Quotation from supplier (for tractors and wagon)</p>
<p>Assessment Conclusion:</p>	<p><u>Major NC onsite verification:</u> Evidence verified: 1) The tractors at Pagoh POM, Welch Estate and Pengkalan Bukit Estates defectives such as diesel leakage, indicator lights, head lights, horn and reverse light had been repaired to and observed to be well functioning. 2) Briefing records for tractor drivers and daily preventive maintenance checklist. 3) Copy of typhoid injection record issued by "Muar Town Council" for the affected worker from Pagoh POM canteen. 4) Term to require typhoid injection has been included as one of the pre-requisites for canteen operator tenderers 5) SDS for engine oil and welding rods at Lanadron Estate were available 6) Checking of SDS had been included in the workplace inspection checklist at Lanadron Estate. 7) The broken doors at Lanadron Estate's scheduled wastes store had been repaired. 8) Housekeeping of spare parts at Lanadron Estate's workshop store had been well implemented. The placement of spare parts seemed to be well organised. 9) Passengers seats in the wagon attached to tractor at Pengkalan Bukit Estate had been repaired and no more dangerous exposed metal bars. The evidence of corrective actions implementation was found to be adequate to close the NCR.</p>

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Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1833344-201906-M2	Clause & Category (Major / Minor)	Indicator 5.3.2 Major
Date Issued	25/10/2019	Due Date	22/01/2020
Closed (Yes / No)	Yes	Date of nonconformity Closure	20/01/2020
Statement of Nonconformity:	Empty chemical containers disposal was not implemented effectively.		
Requirement Reference:	All chemicals and their containers shall be disposed of responsibly.		
Objective Evidence:	<p>Pengkalan Bukit Estate:</p> <p>a) Landfill –Waste disposal in the landfill was not well implemented. Mixed up of empty pesticide drum, empty steel drum, empty gear oil bottle, empty grease container and plastic bottles were sighted.</p> <p>Welch Estate:</p> <p>a) Iron scrap yard – Mixed with broken empty pesticide drum.</p> <p>Lanadron Estate - Nordanal Division:</p> <p>a) Iron scrap yard – Mixed with broken empty pesticide drum.</p>		
Corrections:	<p>Pengkalan Bukit Estate: The empty pesticide, lubricant and other chemicals containers are collected and stored in the scheduled waste store. Plastic bottles were collected and placed in recycle bin .</p> <p>Welch & Lanadron Estate: Immediately collect and send the empty containers to empty pesticide store.</p>		
Root Cause Analysis:	<p>Pengkalan Bukit, Welch and Lanadron Estate: No briefing conducted to the tractor driver on waste disposal.</p>		
Corrective Actions:	<p>Pengkalan Bukit, Welch & Lanadron Estate: Briefing on waste disposal management (domestic, industrial and scheduled waste) to mandore, upkeep staff, tractor driver and storekeeper by Assistant Manager.</p> <p>Evidence needed: Briefing record on waste disposal management (include tractor driver)</p>		
Assessment Conclusion:	<p><u>Major NC onsite verification:</u> Evidence verified:</p> <p>1) At Pengkalan Bukit Estate’s landfill, there was no more pesticide drum, empty steel drum, empty gear oil bottle, empty grease container and plastic bottles sighted.</p> <p>2) The scrap iron yards at Welch and Lanadron estates had been cleared.</p> <p>3) The empty chemical containers at Pengkalan Bukit and Welch estates had been sold to a recycler. A receipt dated 24/10/2019 was verified.</p> <p>4) Briefing records on waste disposal management (domestic, industrial and scheduled waste) to mandore, upkeep staff, tractor driver and storekeeper by Assistant Manager at Pengkalan Bukit, Welch and Lanadron estates were available for verification.</p>		

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	The evidence of corrective actions implementation was found to be adequate to close the NCR.
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Summary of Total Number of Nonconformity

Nonconformity

NCR Ref #	1833344-201906-M3	Clause & Category (Major / Minor)	Indicator 6.5.1 Major
Date Issued	25/10/2019	Due Date	22/01/2020
Closed (Yes / No)	Yes	Date of nonconformity Closure	20/01/2020

Statement of Nonconformity: Pay and conditions were not properly documented.

Requirement Reference: Documentation of pay and conditions shall be available.

Objective Evidence:

Pagoh POM:
Sampled of the payslips and punch card for May 2019 for worker (Employee No.: 147827) in Pagoh POM found that she has worked on rest day (Thursday) on the date of 9/5/2019, 23/5/2019 and 30/5/2019 but has yet to pay double of wages as per the regulation. Besides, sampled the payslips for July – September 2019 and punch card of contractor’s worker (Shovel Driver – IC No.: 691025-01-6XXX) found that he has worked more than 26 days per month and more than 8 hours per day. However, the payslip could not show that the driver has paid the overtime and work on rest day rate as per the regulation.

Lanadron Estate:
Interviewed with the 3 sprayers of Gang 26 found that they were requested to work on Sunday to cover back the hectarage if there was raining day during weekdays. However, the wages that work on Sunday to cover back the raining day were paid as normal rate but the mandore was paid double rate by confirmed through interviewed with the mandore. The mandore told that it was their normal practice due to the sprayers are piece-rated workers. However, this is not accordance to the regulation where any employee employed on piece rates who works on a rest day, he shall be paid twice his ordinary rate per piece.

Corrections:

Pagoh mill:
1. Memo on salary reimbursement also has been issued to the store keeper on 21/10/2019 up on highlighted / auditor. The adjustment reflected in the October payslip.
2. Mill management has contacted the contractor (AVN Brothers) to breakdown the salary slip for their workers.

Lanadron Estate:
The reimbursement to the effected workers were paid by cash

Root Cause Analysis:

Pagoh Mill:
1. Supervisor wrongly keyed in daily input for the affected worker
2. The contract worker’s payslip only specify total amount of salary received.

Lanadron Estate:
The sprayers requested to complete the unfinished task on Sunday and agreed to be paid by piece-rate.

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Corrective Actions:	<p>Pagoh Mill:</p> <ol style="list-style-type: none"> Monitoring and recording of daily input by the effected worker’s reporting line (Supervisor) Submission a copy of payslip for each contractor workers quarterly and to be kept in the personal file for every contractor. <p>Evidence needed: Memo to worker & October payslip. Contract worker’s payslip</p> <p>Lanadron Estate:</p> <p>Internal Memo issued by the Manager on the Sunday (Rest Day) Operation Pay dated 23/10/2019. Briefing of the memo to all workers conducted on 24/10/2019</p> <p>Evidence needed: Memo to worker & October payslip</p>
Assessment Conclusion:	<p>Major NC onsite verification:</p> <p>Evidence verified: Pagoh POM</p> <ol style="list-style-type: none"> 1) Reimbursement for the affected worker (Employee No.: 147827) had been made and evident in the payslip dated October 2019. The affected worker’s name has been transferred to other group’s name list (Gang 33) since the previous list (Gang 34) rest day is on Sundays as evident in “Daily Input Form”. This is to avoid mistake when keying in the data into the system. 2) Corrected payslip is only available for Sep 2019 onwards. For July and Aug, it’s not available due to the fact that there was an actual underpay for the worker. Reimbursement had been made and evident in the contractor’s payment voucher dated 7/11/2019 and signed by the shovel operator. Copy of the later payslips (Oct 19 – Jan 20) have also been obtained by the mill from the contractor. The payslips show the amount of overtime had been paid accordingly. <p>Lanadron Estate:</p> <ol style="list-style-type: none"> 1) Reimbursement had been made to the affected workers as evident in their Nov 2019 Payslips 2) Internal memo dated 23/10/2019 from the Estate Manager to the Assistant Managers and office staff, that shows Sundays work must be paid double rate. The evidence of corrective actions implementation was found to be adequate to close the NCR.

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1833344-201906-N1	Clause & Category (Major / Minor)	Indicator 6.5.3 Minor
Date Issued	25/10/2019	Due Date	Next annual surveillance assessment
Closed (Yes / No)	No	Date of nonconformity Closure	“Open”
Statement of Nonconformity:	Linesite inspection was not carried out effectively.		

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Requirement Reference:	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.																						
Objective Evidence:	<p>Welch Estate: Linesite visit found that the whole stretch of the drainage behind the House No.: 02/81 and 02/82 was clogged with bad odour. Lanadron Estate: Linesite inspection was carried out by using the Housing Complex/ Crèche/ Community Hall Inspections checklist. However, the inspection was not consistently carry out as per the regulation where it has to be carried out on weekly basis. The date of inspection as below:</p> <table border="1" data-bbox="501 651 1145 1016"> <thead> <tr> <th>Date of inspection</th> <th>Date of Next inspection</th> </tr> </thead> <tbody> <tr><td>22/08/2019</td><td>10/9/2019</td></tr> <tr><td>17/7/2019</td><td>8/8/2019</td></tr> <tr><td>20/6/2019</td><td>17/7/2019</td></tr> <tr><td>6/6/2019</td><td>20/6/2019</td></tr> <tr><td>15/5/2019</td><td>6/6/2019</td></tr> <tr><td>3/5/2019</td><td>15/5/2019</td></tr> <tr><td>11/4/2019</td><td>35/4/2019</td></tr> <tr><td>22/3/2019</td><td>11/4/2019</td></tr> <tr><td>8/3/2019</td><td>22/3/2019</td></tr> <tr><td>22/2/2019</td><td>8/3/2019</td></tr> </tbody> </table> <p>Besides, linesite visit found that House No. 144 has the following issues:</p> <ul style="list-style-type: none"> i) drainage clogged ii) sign of spillage of oil on the ground outside the house 	Date of inspection	Date of Next inspection	22/08/2019	10/9/2019	17/7/2019	8/8/2019	20/6/2019	17/7/2019	6/6/2019	20/6/2019	15/5/2019	6/6/2019	3/5/2019	15/5/2019	11/4/2019	35/4/2019	22/3/2019	11/4/2019	8/3/2019	22/3/2019	22/2/2019	8/3/2019
Date of inspection	Date of Next inspection																						
22/08/2019	10/9/2019																						
17/7/2019	8/8/2019																						
20/6/2019	17/7/2019																						
6/6/2019	20/6/2019																						
15/5/2019	6/6/2019																						
3/5/2019	15/5/2019																						
11/4/2019	35/4/2019																						
22/3/2019	11/4/2019																						
8/3/2019	22/3/2019																						
22/2/2019	8/3/2019																						
Corrections:	<p>Welch Estate: Clearing of the drainage was done on 25/10/2019 Lanadron Estate: The inspection is being carried out weekly as per requirement . Estate management have appointed staff in charge to assist MA to conduct linesite inspection</p>																						
Root Cause Analysis:	<p>Welch Estate: No report received on bad drain condition during linesite inspection and complaint logbook. Lanadron Estate: The MA conducted linesite inspection once a week per division to cover Main and Nordanal Division.</p>																						
Corrective Actions:	<p>Welch Estate: To replace the collapse drain with culvert. Lanadron Estate : Conduct refresher training for MA and appointed person-in-charge on Workers Minimum Standard of Housing & Amenities Act 1990. Evidence needed: Photo evidence from Welch Estate Linesite inspection for Nov 2019 (Main and Nordanal Div) Refresher training record</p>																						
Assessment Conclusion:	Corrective actions plan has been reviewed and deemed to be satisfactory to address the Minor Nonconformity. Evidence CAP will be verified during next assessment.																						

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Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1833344-201906-N2	Clause & Category (Major / Minor)	Indicator 5.6.3 Minor
Date Issued	25/10/2019	Due Date	Next annual surveillance assessment
Closed (Yes / No)	No	Date of nonconformity Closure	"Open"
Statement of Nonconformity:	The data in RSPO PalmGHG Calculator were inconsistent with data provided by the Operating Units.		
Requirement Reference:	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.		
Objective Evidence:	Based on the verification of monthly records vs data input in PalmGHG Calculator, the following inconsistency were observed: Welch Estate i. Fertiliser MOP consumption: 225.80 MT actual vs 263.35 MT in PalmGHG Calculator. Lanadron Estate i. Diesel Consumption: 57904 L actual vs 58528 L in PalmGHG Calculator Fertiliser MOP consumption: 352.45 MT actual vs 443.15 MT in PalmGHG Calculator.		
Corrections:	Welch Estate : Estate will separate the fertilizer consumption for rubber and OP operation Lanadron Estate: Estate will extract the data using the correct data extraction method provided by the HQ as per email HQ will amend the PalmGHG report and submit to auditor		
Root Cause Analysis:	Welch Estate: The total of MOP consumption provided were for oil palm and rubber operation. Lanadron Estate: Wrongly data extraction from SAP system between estate and HQ		
Corrective Actions:	Welch & Lanadron Estate: HQ will ensure the person in charge of data extraction from SAP, eg; the store clerk, and related personnel , etc is well informed on data extraction method in SAP system. Validation of the data provided by the OUs through internal audit.		
Assessment Conclusion:	Corrective actions plan has been reviewed and deemed to be satisfactory to address the Minor Nonconformity. Evidence CAP will be verified during next assessment.		

Opportunity for Improvements	
Description	
N/A	

Positive Findings	
PF #	Description

PF 1	N/A
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3.4.1 Status of Nonconformities Previously Identified and Observations

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1691857-201809-M1	Clause & Category (Major/Minor)	Indicator 4.7.2 Major
Closed (Yes/No)	Yes	Date of nonconformity closure	04/01/2019
Statement of Nonconformity	The HIRARC was not fully documented and implemented.		
Requirement Reference	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. Occupational Safety & Health Manual, Chapter 6, HIRARC (version:1, issue no: 1, issue date: 20/8/08)		
Objective Evidence	<p>Lanadron Estate:</p> <ol style="list-style-type: none"> Tractor under repair at workshop was not properly barricade. <p>Pengkalan Bukit Estate:</p> <ol style="list-style-type: none"> The HIRARC for activity at workshop, related to the accident happened to the worker (ID No: 11865) on 6/2/18 was not reviewed accordingly. Activity for nursery and hazard for heat stress for replanting activity were not register in the HIRARC register. One of the harvester was bring the harvesting pole with sickle during riding the bike without sickle cover. <p>Pagoh Estate:</p> <ol style="list-style-type: none"> The HIRARC for weeding (manual) and harvesting activity was not review after the accidents happened on 1/10/18 (ID No: 103498) and 28/8/18 (ID No: 11589). The workers were sit in the trailer with full of loose fruit. 		
Corrective Action	<p>Lanadron Estate:</p> <ol style="list-style-type: none"> Permit to Work will be issued to contractor prior work commencement. To brief on SOP for maintenance when issuing PTW <p>Pengkalan Bukit Estate:</p> <ol style="list-style-type: none"> HIRARC Review Team will review the HIRARC after investigation of accident completed. It will be updated in the HIRARC summary list Harvesting tools and safety cover checking during Muster briefing <p>Pagoh Estate:</p> <ol style="list-style-type: none"> HIRARC Review Team will review the HIRARC after investigation of accident completed. It will be updated in the HIRARC summary list To enforce warning letter issuance to workers 		
Assessment Conclusion	ASA1_1 verification: Verified that there was no repetitive of the nonconformity issues. Verified that the tractors have proper barricade during repairs and HIRARC has been reviewed		

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	<p>accordingly i.e. on incidents, replanting & nursery. Sickles was adequately protected with sickle cover and carried by the harvesters.</p> <p>Therefore, NCR No 1691857-201809-M1 raised in the previous audit was effectively closed.</p>
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Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1691857-201809-M2	Clause & Category (Major/Minor)	Indicator 2.1.1 Major
Closed (Yes/No)	Yes	Date of nonconformity closure	04/01/2019
Statement of Nonconformity	<p>a. Failure to comply with the requirements of Section 34(1) Employment Act 1955. b. Failure to comply with the requirements of Section 19 (3) Workers' Minimum Standards of Housing And Amenities Act 1990.</p>		
Requirement Reference	Evidence of compliance with relevant legal requirements shall be available.		
Objective Evidence	<p>a. Female employee at the Pagoh Palm Oil Mill worked as follows: - 9 Aug 2018 until 11PM -11 Aug 2018 until 11PM - 15 Aug 2018 until 11PM - 20 Aug 2018 until 10.31PM - 25 Aug 2018 until 11PM - 11 July 2018 until 11:01PM</p> <p>There is no written exemption obtained under Section 34 (1) Employment Act 1955 for female employees to work between 10:00PM to 5:00AM.</p> <p>b. No registered medical practitioner has visited the clinic at Lanadron Estate from March 2018 until the date of this audit, in contravention of Section 19 (3) Workers' Minimum Standards of Housing And Amenities Act 1990.</p>		
Corrective Action	<p>Pagoh Mill: Mill management will monitor and limiting the working hours until 9.30 pm.</p> <p>Lanadron Estate: Estate have appointed Dr Harwant Singh Randhawa (Klinik Pagoh) as new VMO.</p>		
Assessment Conclusion	<p>ASA1_1 verification: Pagoh POM: The application to JTK for the women to work from 10 pm to 5 am was disapproved and replied by JTK on 11/2/2019. Seen the letter from JTK with Ref. No.: BHG PU/9/135 Jld 17 (33) and received by the mill on 19/2/2019. There was only 2 female workers (weighbridge operator). Seen the punch card from October 2018 to September 2019 found that no work was carried out after 10pm. Interviewed with one of the weighbridge operator confirmed that she was not working after 10pm.</p> <p>Lanadron Estate: VMO has visited to the estate from November 2018 to October 2019 at the frequency of fortnightly. The last visit was carried out on 11/10/2019. Seen the VMO visit logbook.</p>		

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	Thus, the implementation of corrective action is found effective and the major non-conformance remain closed.
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Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1691857-201809-M3	Clause & Category (Major/Minor)	Indicator 6.5.2 Major
Closed (Yes/No)	Yes	Date of nonconformity closure	04/01/2019
Statement of Nonconformity	1. Breach of agreed terms of employment contracts signed with foreign workers. 2. Salary deductions for payment of electricity were made without workers' respective approval.		
Requirement Reference	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.		
Objective Evidence	<p>1. Foreign workers are not receiving 5 kgs of rice and 5 kgs of cooking oil every 2 months as agreed under their employment contracts. Employment contracts sighted were dated:</p> <ul style="list-style-type: none"> a. 14 May 2018 (Pagoh Palm Oil Mill); b. 8 June 2018 (Lanadron Estate); c. 8 June 2017 (Welch Estate). d. 16 October 2016 (Pengkalan Bukit Estate) e. 17 September 2015 (Pagoh Estate). <p>2. Salary deductions for payment of electricity were made without workers' authority. The affected workers are those recruited after 22 November 2016 at Pengkalan Bukit Estate.</p> <p>3. Salary deductions for payment of electricity from workers at Pagoh Estate have been made without written approval from the workers.</p>		
Corrective Action	<p>1) Revision in employment contract to be communicated to workers or workers representative through Management Meeting.</p> <p>2) The in-charge person will get written consent hereafter for any new recruitment.</p>		
Assessment Conclusion	<p>ASA1_1 verification: All Estates and POM: Seen the revised employment contract for Appendix 2 where the items provided by the company is 10kgs of rice for every 2 months. The workers have signed on the consent letter dated 11/10/2018 for the change of 5kg of rice and 5kg of cooking oil to 10kg of rice in Pagoh POM. Besides, briefing of the change of amount of rice was conducted during morning muster on 11/1/2019 to all the workers in Welch Estate, 12/10/2018 in Pengkalan Bukit Estate and 1/1/2019 in Pagoh Estate. Interviewed with the workers confirmed that they agreed to receive 10kg rice and they have briefed by the management regarding to this matter. Seen the issuance of rice record that acknowledged by the workers after the received of rice from October 2018 to October 2019 in Pagoh POM, September 2018 to August 2019 in Welch Estate, October 2018 to August 2019 in Lanadron Estate, November 2018 to September 2019 in Pengkalan Bukit Estate and November 2018 to July 2019 in Pagoh Estate.</p>		

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Revision 8 (Mar /2019)**Pengkalan Bukit Estate:**

Verified the Employee Master Listing and sampled newly recruited workers that arrived on 11/7/2019 and 11/10/2019 have signed on a consent letter on 11/7/2019 and 11/10/2019 for the company to make deduction on the wages for electricity bill. The workers are as below:

- i. Employee No.: 152340 (11/7/2019)
- ii. Employee No.: 152341 (11/7/2019)
- iii. Employee No.: 152342 (11/7/2019)
- iv. Employee No.: 152343 (11/7/2019)
- v. Employee No.: 152344 (11/7/2019)
- vi. Employee No.: 152670 (11/7/2019)
- vii. Employee No.: 155449 (11/10/2019)
- viii. Employee No.: 155451 (11/10/2019)
- ix. Employee No.: 155453 (11/10/2019)
- x. Employee No.: 155455 (11/10/2019)
- xi. Employee No.: 155458 (11/10/2019)

Pagoh Estate:

Briefing on the deduction of wages was carried out on 1/1/2019 during morning muster at Pagoh Estate. Verified the Employee Master Listing and sampled newly recruited workers that arrived on 22/7/2019 and 25/8/2019 have signed on a consent letter on 1/10/2019 for the company to make deduction on the wages for electricity bill. Sampled the workers are as below:

- i. Employee No.: 152750 (22/7/2019)
- ii. Employee No.: 152751 (22/7/2019)
- iii. Employee No.: 152752 (22/7/2019)
- iv. Employee No.: 152753 (22/7/2019)
- v. Employee No.: 153314 (25/8/2019)
- vi. Employee No.: 153315 (25/8/2019)
- vii. Employee No.: 153316 (25/8/2019)
- viii. Employee No.: 153317 (25/8/2019)

Thus, the implementation of corrective action is found effective and the major non-conformance remain closed.

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Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1691857-201809-M4	Clause & Category (Major/Minor)	Indicator 4.6.5 Major
Closed (Yes/No)	Yes	Date of nonconformity closure	04/01/2019
Statement of Nonconformity	The appropriate safety and application equipment was not adequately worn.		
Requirement Reference	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. Operational Control Procedure: Personal Protective Equipment – SD/SDP/PSQM (ESH)/201-OS16 issued on 26/2/2015 (safety google - Personal Protective Equipment for sprayers).		
Objective Evidence	<p>During site visit and interview with sprayers in Lanadron Estate and Pagoh Estate found that the sprayers were not wear safety goggle.</p> <p>Lanadron Estate:-</p> <ol style="list-style-type: none"> 1. ID No: 113371 2. ID No: 114893 3. ID No: 114888 4. ID No: 110284 <p>Pagoh Estate:-</p> <ol style="list-style-type: none"> 1. ID No: 112714 2. ID No: 135662 3. ID No: 135667 4. ID No: 135658 		
Corrective Action	<p>Pagoh & Lanadron Estate:</p> <p>The goggle will be replaced with safety glasses that do not easily fog.</p>		
Assessment Conclusion	<p>ASA1_1 verification: Training records:</p> <p>Lanadron Estate</p> <ol style="list-style-type: none"> i. Spraying technique training dated 24/9/2019 ii. PPE awareness for sprayers 10/5/2019 iii. Spraying technique and PPE awareness training dated 14/6/2019 <p>Pagoh Estate</p> <ol style="list-style-type: none"> i. Circle spraying and safety training dated 24/9/2019 ii. Spraying technique, PPE requirement and Safety training dated 20/6/2019 iii. Interpump maintenance, spraying and safety training dated 14/6/2019 <p>PPE Issue for workers with employee ID no.:</p> <p>Lanadron Estate</p> <ol style="list-style-type: none"> i. 114893 ii. 110284 iii. 125967 <p>Pagoh Estate</p> <ol style="list-style-type: none"> i. 19330 ii. 19333 iii. 19338 		

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	Thus, the implementation of corrective action is found effective and the major non-conformance remain closed.
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Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1691857-201809-N1	Clause & Category (Major/Minor)	Indicator 4.8.2 Minor
Closed (Yes/No)	Yes	Date of nonconformity closure	25/10/2019
Statement of Nonconformity	The training records was not properly maintained.		
Requirement Reference	Records of training for each employee shall be maintained.		
Objective Evidence	Pengkalan Bukit: The training record for harvesting activity, scheduled waste handling, workshop activity were not available during onsite audit.		
Corrective Action	Assistant Manager , the PIC for sustainable certification to updates on training conducted in estate		
Assessment Conclusion	ASA1_1 verification: Pengkalan Bukit: Onsite training records for workers verified as follows: a) Harvesting work dated 7/10/19 b) Workshop activity dated 24/9/19 c) Schedule waste handling dated 30/5/19 Verified that the above training records been attached with attendance list and pictorial evidence by the Assistant Manager as per the proposed correction & corrective action plan. Verified also that there was no repetitive of similar issue during this assessment visit. Therefore, the Minor NC raised during the previous assessment has been verified and closed effectively on 25/10/2019.		

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1691857-201809-N2	Clause & Category (Major/Minor)	Indicator 2.2.2 Minor
Closed (Yes/No)	Yes	Date of nonconformity closure	25/10/2019
Statement of Nonconformity	The legal boundaries at Pagoh Estate was not properly maintained.		
Requirement Reference	Legal boundaries shall be clearly demarcated and visibly maintained.		
Objective Evidence	Pagoh Estate The boundary P94B block 7 with PLKN Nasuha was not clearly demarcated		
Corrective Action	Representative from LMD will be engaging with Pagoh Estate for boundary marking on 23 /10/2018.		
Assessment Conclusion	ASA1_1 verification: Sighted during site visit at P94B adjacent with Kem Nasuha, the boundary was clearly demarcated with red and white pole and red colour ring at palm trunk. Signboard of 'Sempadan Ladang Pagoh' was erected at the area.		

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	Therefore, the Minor NC raised during the previous assessment has been verified and closed effectively on 25/10/2019.
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Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1691857-201809-N3	Clause & Category (Major/Minor)	Indicator 4.1.2 Minor
Closed (Yes/No)	Yes	Date of nonconformity closure	25/10/2019
Statement of Nonconformity	a. No mechanism to check consistent implementation of a contractual obligation with a contractor was demonstrated. b. No mechanism to check consistent implementation of SOP on Water Quality Monitoring has been demonstrated. c. Workers’ verbal complaints on electrical meter reading have not been recorded in accordance with “Handling Social Issues” SOP dated 01 Nov 2008.		
Requirement Reference	A mechanism to check consistent implementation of procedures shall be in place.		
Objective Evidence	a. Clause 9 of the contract dated 1 March 2018 entered into between Lanadron Estate and SM Angkut for backhoe rental states that “None of the parties hereto may assign its rights and obligations in whole or in part without the prior written consent of the other parties hereto”. SM Angkut assigned a third party to supply the backhoe and driver. No written consent from Lanadron Estate was obtained for this assignment. b. The Sustainable Plantation Management System Appendix 7 Standard Operating Procedure for Water Quality Monitoring issued on 1 June 2016 requires monitoring to be done on a monthly basis. There is no evidence of water quality sampling analysis being done at Pengkalan Bukit Estate in 2018. c. No mechanism to check consistent implementation of SOP on Handling Social Issues have been demonstrated at Pagoh Estate.		
Corrective Action	Lanadron Estate: Appointment of third party to be briefed during kick off meeting Pengkalan Bukit Estate: Dedicated person (Medical Assistant) will ensure sampling according to the Appendix 7 of SPMS. Pagoh Estate: All complaint recorded in complaint form		
Assessment Conclusion	ASA1_1 verification: Lanadron Estate: SM Angkut Enterprise has appointed Kumari Bersatu Enterprise to as the subcontractor for backhoe work in the estate. SM Angkut Enterprise has issued an appointment letter dated 8/10/2018 to Lanadron Estate’s management to get approval from the company. The appointment letter has clearly stated that the SM Angkut Enterprise will ensure the subcontractor comply with all the terms and conditions as well as the regulations set by the company. Pengkalan Bukit Estate: b) The Medical Assistant were appointed as the Person Responsible to ensure the water sampling were done on monthly basis. Interview with the Medical Assistant confirm the awareness of the responsibility. Training for water sampling has been		

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	<p>conducted as follows: i. Water and wastewater sampling training dated 15/2/2019 The estate has conducted water sampling on monthly basis. Sighted the sampled water sampling results as follows:</p> <table border="1" style="width: 100%;"> <thead> <tr> <th>Month</th> <th>Report date</th> <th>Report No.</th> </tr> </thead> <tbody> <tr> <td rowspan="2">July 2019</td> <td>1/8/2019</td> <td>IE 773/2019</td> </tr> <tr> <td>29/7/2019</td> <td>ML 358/2019</td> </tr> <tr> <td rowspan="2">August 2019</td> <td>4/9/2019</td> <td>IE 923/2019</td> </tr> <tr> <td>11/9/2019</td> <td>ML 420/2019</td> </tr> <tr> <td rowspan="2">September 2019</td> <td>1/10/2019</td> <td>IE 1032/2019</td> </tr> <tr> <td>4/10/2019</td> <td>ML 456/2019</td> </tr> </tbody> </table> <p>Pagoh Estate: c) Seen the complaint logbook found that the damage of electrical meter reading issue at House No. 34 was recorded in the logbook and action has been taken to repair on 27/10/2018 with photo evident sighted. Site visit to the house to verify that the meter is in good condition. Besides, the other complaints have been recorded accordingly in the logbook until September 2019. All the actions have been taken accordingly.</p> <p>Therefore, the Minor NC raised during the previous assessment has been verified and closed effectively on 25/10/2019.</p>	Month	Report date	Report No.	July 2019	1/8/2019	IE 773/2019	29/7/2019	ML 358/2019	August 2019	4/9/2019	IE 923/2019	11/9/2019	ML 420/2019	September 2019	1/10/2019	IE 1032/2019	4/10/2019	ML 456/2019
Month	Report date	Report No.																	
July 2019	1/8/2019	IE 773/2019																	
	29/7/2019	ML 358/2019																	
August 2019	4/9/2019	IE 923/2019																	
	11/9/2019	ML 420/2019																	
September 2019	1/10/2019	IE 1032/2019																	
	4/10/2019	ML 456/2019																	

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1691857-201809-N4	Clause & Category (Major/Minor)	Indicator 4.1.3 Minor
Closed (Yes/No)	Yes	Date of nonconformity closure	25/10/2019
Statement of Nonconformity	No action has been taken based on records of monitoring.		
Requirement Reference	Records of monitoring and any actions taken shall be maintained and available, as appropriate.		
Objective Evidence	Recurring issues of stray dogs and poultry rearing have been raised in weekly linesite inspection reports of Pengakalan Bukit Estate (Pagoh Division and Main Division) from 11 January 2018 until 4 October 2018 (for Main Division) and 6 October 2018 (for Pagoh Division). However, there is no evidence of any appropriate actions being taken.		
Corrective Action	The implementation of action plan to be discussed in management meeting. Warning letter to be issued to workers if any disobey of instruction regarding rearing poultry at residential area		
Assessment Conclusion	<p>ASA1_1 verification: The management has sent an email to Veterinary Department on 3/12/2018 attached with a complaint letter dated 1/11/2018 regarding the stray dogs issue in the linesite. An officer from the department has visited the estate on 11/12/2018 to discuss on the issue. The estate has taken the action by chasing the stray dogs out from the linesite. Verified the linesite inspection records from June 2019 to October 2019 found that no issue on stray dogs been raised. In additional, a memo on no poultry rearing such as chicken, duck, bird and others in the linesite issued</p>		

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	<p>by the Manager was sighted and the memo was displayed at the linesite area verified through linesite visit. Briefing of the memo to all the workers was carried out on 13/12/2018 during the morning muster call. During linesite visit at the time of audit found no sign of stray dogs and poultry rearing in the lineiste. Therefore, the Minor NC raised during the previous assessment has been verified and closed effectively on 25/10/2019.</p>
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Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1691857-201809-N5	Clause & Category (Major/Minor)	Indicator 6.5.4 Minor
Closed (Yes/No)	Yes	Date of nonconformity closure	25/10/2019
Statement of Nonconformity	Company's monitoring of workers' access to affordable food has not been demonstrated.		
Requirement Reference	Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food.		
Objective Evidence	No price list exhibited at the food canteen near Pagoh Estate linesite.		
Corrective Action	To ensure that the price list is being updated and displayed at all times.		
Assessment Conclusion	<p>ASA1_1 verification: Site verification to the canteen found that the pricing of all food and beverage were displayed accordingly at the wall of canteen. Interviewed with the workers found that they paid according to the price list. Therefore, the Minor NC raised during the previous assessment has been verified and closed effectively on 25/10/2019.</p>		

Opportunity for Improvements	
OFI #	Description
OFI 1	N/A

3.4.2 Summary of the Nonconformities and Status

CAR Ref.	Category (Major / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1691857-201809-M1	Major	4.7.2	12/10/2018	Closed out on 04/01/2019
1691857-201809-M2	Major	2.1.1	12/10/2018	Closed out on 04/01/2019
1691857-201809-M3	Major	6.5.2	12/10/2018	Closed out on 04/01/2019
1691857-201809-M4	Major	4.6.5	12/10/2018	Closed out on 04/01/2019
1691857-201809-N1	Minor	4.8.2	12/10/2018	Closed out on 25/10/2019
1691857-201809-N2	Minor	2.2.2	12/10/2018	Closed out on 25/10/2019
1691857-201809-N3	Minor	4.1.2	12/10/2018	Closed out on 25/10/2019
1691857-201809-N4	Minor	4.1.3	12/10/2018	Closed out on 25/10/2019

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1691857-201809-N5	Minor	6.5.4	12/10/2018	Closed out on 25/10/2019
1833344-201906-M1	Major	4.7.1	25/10/2019	Closed out on 20/01/2020
1833344-201906-M2	Major	5.3.2	25/10/2019	Closed out on 20/01/2020
1833344-201906-M3	Major	6.5.1	25/10/2019	Closed out on 20/01/2020
1833344-201906-N1	Minor	6.5.3	25/10/2019	"Open"
1833344-201906-N2	Minor	5.6.3	25/10/2019	"Open"

3.5. Stakeholders Consultation

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss SOU Pagoh Palm Oil Mill Certification Unit's (SOU 19) 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. Any comment which is not complying to the RSPO P&C requirements have been incorporated as an assessment finding.

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 below.

List of Stakeholders Contacted	
<p>Internal Stakeholders</p> <p>Field workers Mill workers NUPW representative Gender committee General workers</p>	<p>Union/Contractors/Local Communities</p> <p>Local village (Kg Hujung Tambak) Local village (Kg Melayu Panchor and Kg Bukit Pasir) Contractors Smallholders</p>
<p>Government Departments</p> <p>School (SK Paya Panjang) JTK Segamat (Phone Interview)</p>	<p>NGO</p> <p>Nil</p>



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IS #	Description
1	<p>Feedbacks: Workers Representatives (Different Nationalities) – Interviewed with the workers told that they were treated equally without discrimination. They were given freedom to join any association. They were offered with the terms and conditions of work by the agent in origin countries. However, the foreign workers in Pengkalan Bukit informed that they need to pay an amount of money in order for them to travel back to home country for holiday.</p> <p>Management Responses: Verified with the management confirmed that the security bond has terminated since 31/5/2016. The amount of money they paid are for the balance of levy to be covered if they absconded.</p> <p>Audit Team Findings: Document reviewed on the records of payment by the workers who went for holiday found that the amount they paid were for levy recovery during on leave. They have been given a receipt of payment. The amount that they paid before holiday was reimbursed after they come back to work. Seen the Receipt No.: 5830 dated 4/3/2019; Cash payment voucher No.: CV 7/5 dated 7/5/2019 for Employee No.: 131168. No security bond has been incurred in the estate.</p>
2	<p>Feedbacks: Contractors – They have signed on the agreement prior carry out at the estates. They understood the payment terms. They have been provided with trainings before carry out work at the estates. They informed that the payment was made promptly. They also aware of the complaint procedure.</p> <p>Management Responses: The management will ensure that the contractors are comply with the terms and conditions as agreed and maintain good relationship with the contractors.</p> <p>Audit Team Findings: No further issue.</p>
3	<p>Feedbacks: i)Neighbouring Schools’ Representatives – One of the school headmistress nearby Welch Estate informed that they have excellent relationship with the management. The management will provide any assistance whenever requested. She hopes that the company could has collaboration with the school to assist a kid who is slow in reading and those weak in English.</p> <p>ii)SK Paya Panjang – He informed that so far no issue with the management. He requested the company could has some program to help those children from poor family.</p> <p>Management Responses: i)The management would consider the collaboration if the school could provide the clear picture of how the collaboration is.</p> <p>ii)The management informed that any donation required the approval from Regional Zone Office.</p> <p>Audit Team Findings: This will verify during next assessment.</p>
4	<p>Feedbacks: NUPW Representatives – They informed that the wages of all the workers have achieved Minimum Wage Order 218. They aware of their rights and those issues complaints to NUPW Johor have solved accordingly. However, the NUPW representative from Welch Estate hope that the company could provide a better place for the Green Book Project as the current one was not suitable for planting due to hard soil.</p> <p>Management Responses: The management will ensure the wages of workers are achieved Minimum Wage Order 2018. The management in Welch Estate will look into it.</p> <p>Audit Team Findings: This will be verify during next assessment.</p>
	<p>Feedbacks:</p>

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5	Smallholders – They informed that no encroachment of land by the company. Trenches and gates were constructed to demarcate the land. They are appreciated that the company allows them to access the estate’s road to send their crops out.
	Management Responses: The management will continue to maintain good relationship with the smallholders.
	Audit Team Findings: No further issue.
6	Feedbacks: Local community, Kg Hujung Tambak - He hopes that the company could settle the set up of Committee in the Surau. He also requested the management to have road maintenance for the road access to the village.
	Management Responses: The management will act accordingly if necessary.
	Audit Team Findings: Verify this during next assessment.
7	Feedbacks: JTK Segamat Officer – Phone interviewed with the officer to verify the issue reported by the workers regarding Hospital Assistant in Welch Estate. The officer informed that the HA has fulfilled his task as per requirement and this issue is not related to labour regulation. She informed this might be their internal communication issue. Thus, the issue was closed in JTK.
	Management Responses: The management noted on the issue and had meeting with the workers accordingly.
	Audit Team Findings: Refer to Indicator 6.6.2.
8	Feedbacks: Gender Committee Representatives – They informed that they were treated without discrimination of gender. They are aware of the complaint procedure for sexual harassment and violence. As to date, there was no case of sexual harassment and violence reported.
	Management Responses: The management will continue to monitor to ensure no case of sexual harassment and violence happen.
	Audit Team Findings: No other issue.
9	Feedbacks: Local communities (Kg Melayu Panchor and Kg Bukit Pasir) – They informed that the cattle issue in the area was uncontrolled and hope the management would take action to rectify the issue as the cattle has damaged their crops.
	Management Responses: The management has discussed with top management and this issue still under discussion.
	Audit Team Findings: This will verify during next assessment.

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Formal Signing-off of Assessment Conclusion and Recommendation	
<p>The audit objectives have been achieved and the certificate scope remains appropriate. Based on the results of this audit, it is concluded that Pagoh Palm Oil Mill has complied with the RSPO P&C MY-NI 2014 & RSPO Supply Chain Certification Standard (June 2017) and audit criteria identified within the audit report. It is deemed that the management system continues to achieve its intended outcomes. Therefore, it is recommended that the certification of Pagoh Palm Oil Mill is approved and continued.</p>	
Report prepared by	Acceptance of Assessment Conclusion
Name: Hu Ning Shing	Name: Senin Bin Sumirin
Company Name: BSI Services Malaysia Sdn Bhd	Company Name: Sime Darby Plantation Berhad – Ladang Pengkalan Bukit
Title: Lead Auditor	Title: Manager
Signature: 	Signature: <p><i>(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)</i></p> <p>SIME DARBY PLANTATION BERHAD (Company No. 647765-V) LADANG PENGKALAN BUKIT</p>  Senin Bin Sumirin Manager
Date: 26/02/2020	Date: 25/02/2020

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.	

Criterion / Indicator	Assessment Findings	Compliance
<p>1.1.1</p> <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>It was verified during the audit that information provided to stakeholders on environmental, social and legal covering issues relevant to RSPO Criteria issues are adequate. These include:</p> <p>Pagoh Palm Oil Mill: Stake Holder Meetings latest conducted on 11/7/19, Meeting with NUPW (Local) dated 18/7/19.</p> <p>Welch Estate: Stake Holder Meetings latest conducted on 29/7/19, Meeting with NUPW dated 4/7/19.</p> <p>Lanadron Estate: Stake Holder Meetings latest conducted on 26/9/19, Meeting with NUPW dated 24/6/19.</p> <p>Pengkalan Bukit Estate: Stake Holder Meetings latest conducted on 26/9/19, Union Meeting dated 4/9/19.</p> <p>Pagoh Estate: Stake Holder Meetings latest conducted on 26/9/19, Meeting with NUPW dated 15/9/19</p> <p>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. The updated information is provided by the Mill and Estate management of each operating unit responsible in providing & updating the information to relevant stakeholders.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>1.1.2</p> <p>Records of requests for information and responses shall be maintained. -Major compliance</p>	<p>The requests and responses are all filed and maintained. Stakeholders wrote in formal letters whenever there are any requests for information or assistant needed from the Estates and Mill. Among those sighted were:</p> <p>Pagoh Palm Oil Mill: Staff complaint on housing facility defect e.g. dated 30/5/19 on master bed room door brake, window mirror broke. Verified the defect rectification request been responded accordingly on 30/5/19.</p> <p>Welch Estate: Grass cutting manpower request by Welch Estate National School Ref. Letter No. JBA7018.26/100-5/2/4 dated 17/10/19. Verified the request been fulfilled accordingly by the estate manager via letter signed dated 17/10/19.</p> <p>Lanadron Estate: Worker request on repair on wall and zinc roof housing dated 16/4/19. Verified the request been fulfilled accordingly by the estate manager via letter signed dated 16/04/19.</p> <p>Pengkalan Bukit Estate: Welfare, Recreational and Sport Pagoh Club request on using the estate field for football tournament dated 9/3/19. Verified the request been fulfilled accordingly with safety & health consideration by the estate manager via letter signed dated 14/03/19.</p> <p>Pagoh Estate: Sri Muthappan Alayam Temple request on electricity supply dated 12/9/19.</p>	<p>Complied</p>

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>Sime Darby has continued to make available to the public, management documents except where it is prevented due to commercial confidentiality, or where the disclosure would result in negative environmental or social outcomes. These documents can be found on the company's website http://www.simedarbyplantation.com/. They include Sustainability Reports, sustainability policies, Human Rights Charter, practices and key initiatives which include Lean Six Sigma and Continuous Improvement, Safety and Health, Environment, Biodiversity Conservation, Environmental Conservation, etc.</p> <p>Information relating to land titles, safety and health plans, pollution prevention plans was made available at all operating units. Among the documents that were made available for viewing were land titles, occupational health and safety plans, EIA reports, SIA reports, details of complaints and grievances, negotiation procedures, continuous improvement plans, and human rights policy.</p> <p>In addition to the website, the Company's policies are also being 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.			

Criterion / Indicator	Assessment Findings	Compliance
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>Sime Darby Plantation Berhad has implemented Code of Business Conduct where the company implemented the attitude of fair, integrity and ethic during any business process. The company is strictly prohibited to have any bribery related in the business processes. The policy was developed in Bahasa Malaysia and English. The policy has been briefed to all the workers on 14/5/2019 in Pagoh POM, 8/10/2018 in Welch Estate, 23/9/2019 in Lanadron Estate and 24/9/2019 in Pengkalan Bukit Estate. Besides, the newly recruited workers also will be briefed during the induction training.</p>
<p>Principle 2: Compliance with applicable laws and regulations</p>		
<p>Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.</p>		

<p>2.1.1</p>	<p>Evidence of compliance with relevant legal requirements shall be available. - Major compliance -</p>	<p>SOU19 had continued to comply with the legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and PSQM sustainability team. SOU19 had obtained and renewed license and permits as required by the law. Sample of licenses or permit viewed were: Pagoh POM: a) MPOB license: 565809104000 valid until 31/10/20 b) Energy commission license: 007165/2019 dated 22/7/2019 (validity 1 year) c) Vertical Air Receiver Vacuum Tank Certificate of Fitness, Registration No. JH PMT 20184 valid until 19/8/20. d) Steam Receiver Certificate of Fitness, Registration No. JH PMT 20185 valid until 19/8/20. Welch Estate: a) Air Receiver Tank Certificate of Fitness, Registration No. JH PMT 22626 valid until 4/01/20 b) Diesel & Petrol Storage Permit, S/N P: J000125, Diesel Quantity: 5460 Litre, Petrol Quantity: 270 Litre, permit valid until 30/7/20 c) MPOB license No.: 522499002000 valid until 31/07/20 Lanadron Estate: a) Diesel Storage Permit, S/N P: J/MUR 000102, Diesel Quantity: 10,0000 Litre, permit valid until 15/6/20. b) MPOB license No: 522273002000 valid until 31/7/20 c) Air Receiver Certificate of Fitness, Registration No. MK PMT 1881 valid until 19/5/20 Pengkalan Bukit: a) Air Compressor Tank, Registration No. MK PMT 1884 valid until 14/8/20 b) Medical Assistant Renewal Certificate, Registration No. 22302, valid until 31/12/19. c) MPOB license No.: 518941002000 valid until 29/02/20 d) Diesel Storage Permit, S/N P: J/MUR 000125, Diesel Quantity: 9000 Litre, permit valid until 2/7/20.</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	Pagoh Estate: a) MPOB license No.: 597369011000 valid until 30/04/20 b) Lesen Melencong atau Mengabstrak Air Sungai, License No. 06/A/Muar /011, Maximum allowable abstraction limit: 100m3/per day valid until 31/12/19. c) Diesel Storage Permit, S/N P: J/MUR 000103, Diesel Quantity: 18,0000 Litre, permit valid until 15/6/20. d) Air Receiver Certificate of Fitness, Registration No. MK PMT 722 valid until 11/12/19	

<p>2.1.2</p>	<p>A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -</p>	<p>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.</p> <p>Pagoh POM: Latest Legal Register available with review dated 10/01/19. The Legal Register includes Occupational Safety and Health Act 1994, Fire Services Act 1988, Pesticide Act 1974, Environmental Quality Act 1974, Factories and Machinery (Noise Exposure) (Revocation) 2019, Occupational Safety and Health (Noise Exposure) Regulations 2019 and other related legal requirements.</p> <p>Welch Estate: Latest Legal Register available with review dated 2/01/19. The Legal Register includes Occupational Safety and Health Act 1994, Fire Services Act 1988, Pesticide Act 1974, Environmental Quality Act 1974, Factories and Machinery (Noise Exposure) (Revocation) 2019, Occupational Safety and Health (Noise Exposure) Regulations 2019 and other related legal requirements.</p> <p>Lanadron Estate: Latest Legal Register available with review dated 31/07/19. The Legal Register includes Occupational Safety and Health Act 1994, Fire Services Act 1988, Pesticide Act 1974, Environmental Quality Act 1974, Factories and Machinery (Noise Exposure) (Revocation) 2019, Occupational Safety and Health (Noise Exposure) Regulations 2019 and other related legal requirements.</p> <p>Pengkalan Bukit Estate:</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		<p>Latest Legal Register available with review dated 1/07/19. The Legal Register includes Occupational Safety and Health Act 1994, Fire Services Act 1988, Pesticide Act 1974, Environmental Quality Act 1974, Factories and Machinery (Noise Exposure) (Revocation) 2019, Occupational Safety and Health (Noise Exposure) Regulations 2019 and other related legal requirements.</p> <p>Pagoh Estate:</p> <ul style="list-style-type: none"> - Latest Legal Register available with review dated 29/08/19. The Legal Register includes Occupational Safety and Health Act 1994, Fire Services Act 1988, Pesticide Act 1974, Environmental Quality Act 1974, Factories and Machinery (Noise Exposure) (Revocation) 2019, Occupational Safety and Health (Noise Exposure) Regulations 2019 and other related legal requirements. 	
2.1.3	<p>A mechanism for ensuring compliance shall be implemented.</p> <p>- Minor compliance -</p>	<p>A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units. PSQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. 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. Evaluation of the legal requirements and compliance status with legal requirement are monitored by the operating units.</p>	Complied
2.1.4	<p>A system for tracking any changes in the law shall be implemented.</p> <p>- Minor compliance -</p>	<p>Tracking system to identify changes in the relevant regulations is available through the head office, website information and is communicated from the Group Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operation. Tracking system on any changes in the law had been well implemented.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
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>2.2.1</p>	<p>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>Sime Darby acquired (freehold and leased) all the land directly from the state of Johor government. There were no issues of land disputes recorded. All land title were kept in the office and available for review.</p> <p>Mill land ownership is under Pagoh Estate, within the plot title no. 93881, Lot 2159.</p> <p><u>Welch estate</u> The estate holds 6 land titles. The quit rent payment was done accordingly as requirement from the state government. Sighted the payment advice for FY 2019 available for review. Refer payment voucher no. 800002305. Sighted the sampled land titles as follow:</p> <table border="1" data-bbox="981 751 1697 1161"> <thead> <tr> <th>Grant No.</th> <th>Lot no</th> <th>Hectare</th> </tr> </thead> <tbody> <tr> <td>82893</td> <td>439</td> <td>43.1141</td> </tr> <tr> <td>82895</td> <td>440</td> <td>45.1002</td> </tr> <tr> <td>92574</td> <td>971</td> <td>254.4457</td> </tr> <tr> <td>121906</td> <td>2175</td> <td>399.0194</td> </tr> <tr> <td>84599</td> <td>2426</td> <td>403.8762</td> </tr> <tr> <td>43812</td> <td>5068</td> <td>304.1000</td> </tr> </tbody> </table> <p><u>Lanadron Estate</u> The estate holds 13 land titles. The quit rent payment was done accordingly as requirement from the state government. Sighted the payment advice for FY 2019 available for review. Refer payment voucher no. BR10/04-2019. Sighted the sampled land titles as follow:</p>	Grant No.	Lot no	Hectare	82893	439	43.1141	82895	440	45.1002	92574	971	254.4457	121906	2175	399.0194	84599	2426	403.8762	43812	5068	304.1000	<p>Complied</p>
Grant No.	Lot no	Hectare																						
82893	439	43.1141																						
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121906	2175	399.0194																						
84599	2426	403.8762																						
43812	5068	304.1000																						

Grant No.	Lot no	Hectare
H.S.(D) 3285	PTD 7517	42.1148
H.S.(D) 3834	PTD 7518	603.0638
H.S.(D) 3841	PTD 7259	15.8004
H.S.(D) 3818	PTD 11995	565.1149

There was 205.76 Ha (Lanadron Estate) that was leased from Sime Darby Pagoh Development Sdn Bhd. The extension letter for tenancy agreement between Sime Darby Development Sdn Bhd and Sime Darby Plantation Berhad dated 1/11/2017 was sighted. Refer letter dated 18/9/2018.

Pengkalan Bukit Estate:
The estate holds 61 land titles. The quit rent payment was done accordingly as requirement from the state government. Sighted the payment advice for FY 2019 available for review. Sighted the sampled land titles as follow:

Grant No.	Lot no	Hectare
93883	2161	380.2021
82108	3164	201.3311
82106	3166	64.2691
82111	3174	60.1969

Pagoh Estate:
Pagoh Estate hold 30 land titles. Quit rent were paid accordingly. The quit rent payment was done accordingly as requirement from the state

Criterion / Indicator	Assessment Findings	Compliance															
	<p>government. Sighted the payment advice for FY 2019 available for review. Refer payment voucher no. PV/013/04/2019. Sighted the sampled land titles as follow:</p> <table border="1" data-bbox="981 491 1697 788"> <thead> <tr> <th data-bbox="981 491 1220 550">Grant No.</th> <th data-bbox="1220 491 1460 550">Lot no</th> <th data-bbox="1460 491 1697 550">Hectare</th> </tr> </thead> <tbody> <tr> <td data-bbox="981 550 1220 609">93881</td> <td data-bbox="1220 550 1460 609">2159</td> <td data-bbox="1460 550 1697 609">1038.1344</td> </tr> <tr> <td data-bbox="981 609 1220 668">99673</td> <td data-bbox="1220 609 1460 668">1799</td> <td data-bbox="1460 609 1697 668">45.9834</td> </tr> <tr> <td data-bbox="981 668 1220 727">99675</td> <td data-bbox="1220 668 1460 727">1914</td> <td data-bbox="1460 668 1697 727">1.2444</td> </tr> <tr> <td data-bbox="981 727 1220 788">127921</td> <td data-bbox="1220 727 1460 788">1658</td> <td data-bbox="1460 727 1697 788">37.0928</td> </tr> </tbody> </table>	Grant No.	Lot no	Hectare	93881	2159	1038.1344	99673	1799	45.9834	99675	1914	1.2444	127921	1658	37.0928	
Grant No.	Lot no	Hectare															
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99673	1799	45.9834															
99675	1914	1.2444															
127921	1658	37.0928															

Criterion / Indicator	Assessment Findings	Compliance
2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	<p><u>Welch Estate</u> During site visit at P99 adjacent with MCA settler (Durian Farm and Palm Oil Smallholders), sighted the legal boundary was demarcated with red and white concrete pole.</p> <p><u>Lanadron Estate</u> Sighted during site visit at field P 00N adjacent to Kg. Parit Medan, the legal boundary was demarcated with security trenches. Noted the legal boundary stone at 2° 6.8', 102°45.101'.</p> <p><u>Pengkalan Bukit Estate</u> During site visit at P 11B adjacent to Kg. Panjang Seri, it was noted that the legal boundary was clearly demarcated with red and white colour ploe and security trenches. . Noted the legal boundary stone at 2° 13.809, 102°44.787.</p> <p><u>Pagoh Estate</u> Sighted during site visit at P94B adjacent with Kem Nasuha, the boundary was clearly demarcated with red and white pole and red colour ring at palm trunk.</p>	Complied
2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	There is no land dispute in the SOU 19 at the time of audit. The land belongs to Sime Darby Plantation Berhad and some leased it directly from the government verified through land ownership documents. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	Complied

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	There is no land dispute in the SOU 19 at the time of audit. The land belongs to Sime Darby Plantation Berhad and some leased it directly from the government verified through land ownership documents. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	Complied
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	There is no land dispute in the SOU 19 at the time of audit. The land belongs to Sime Darby Plantation Berhad and some leased it directly from the government verified through land ownership documents. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	Complied
2.2.6	To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	There is no land dispute in the SOU 19 at the time of audit. The land belongs to Sime Darby Plantation Berhad and some leased it directly from the government verified through land ownership documents. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	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 SOU 19 at the time of audit. The land belongs to Sime Darby Plantation Berhad and some leased it directly from the government verified through land ownership documents. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	Complied

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 -	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	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	Complied

Criterion / Indicator		Assessment Findings	Compliance																														
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 (2020 – 2024) prepared as guidance for future planning. The business plan contains FFB yield, CPO, FFB mill intake (Group and OCP crop), OER and KER, Processing Cost, Checkroll and contract labour, Maintenance (EXT-Contract Hiring and SI-Internal i.e Spareparts), Consumables - Fuel and lubricants, general store and chemicals, EVIT (Vehicles running, TNB and Power supply), Fix Cost, Admin and Labour Cost, Mill Cost (Processing + Fix Cost) OPEX, CAPEX etc.	Complied																														
3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -	<p>SOU19 estates have long range replanting program. Replanting is planned for tall palm and older than 25 years old as well as Ganoderma infected palms.</p> <p>Sighted the latest review of the LRRP replanting program FY 2019 – 2024. Sighted the LRRP for the next 5 years as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>WE</th> <th>LE</th> <th>PBE</th> <th>PE</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>0.00</td> <td>0.00</td> <td>172.33</td> <td>91.23</td> </tr> <tr> <td>2021</td> <td>0.00</td> <td>113.00</td> <td>0.00</td> <td>139.45</td> </tr> <tr> <td>2022</td> <td>0.00</td> <td>102.69</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>2023</td> <td>0.00</td> <td>99.70</td> <td>164.53</td> <td>0.00</td> </tr> <tr> <td>2024</td> <td>0.00</td> <td>87.88</td> <td>166.05</td> <td>0.00</td> </tr> </tbody> </table>		WE	LE	PBE	PE	2020	0.00	0.00	172.33	91.23	2021	0.00	113.00	0.00	139.45	2022	0.00	102.69	0.00	0.00	2023	0.00	99.70	164.53	0.00	2024	0.00	87.88	166.05	0.00	Complied
	WE	LE	PBE	PE																													
2020	0.00	0.00	172.33	91.23																													
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2024	0.00	87.88	166.05	0.00																													
Principle 4: Use of appropriate best practices by growers and millers																																	
Criterion 4.1: Operating procedures are appropriately documented, consistently implemented and monitored.																																	

Criterion / Indicator		Assessment Findings	Compliance
4.1.1	Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -	<p>SOP available for the Palm Oil Mill and the Estates. Palm Mill holds two SOPs: sustainability Plantation Management System (MQMS/SOM/08 v.1 dated 1/11/2008) includes mill SOP and Mill Quality Management Manual v.1 2008/MQMS/QMM/08 as a guidance document to operate the mill.</p> <p>Estates have a separate SOP (Sime Darby SOP issued 2/1/2008 and Agricultural reference Manual) covers land preparation, planting material, upkeep, harvesting, transport etc. Noted updated procedure under SOP for water analysis and RSPO SCCS procedure:</p> <ul style="list-style-type: none"> i. SPMS, Appendix 7: SOP for water quality monitoring, issue: 2 dated 1/6/16. SOP for sampling guideline ii. Water and Wastewater Sampling Guideline, issue: 1 dated 1/6/16. iii. RSPO Supply Chain Certification Standard and Traceability for handling certified and non-certified FFB under Appendix 15, version:2, issue: 2 dated October 2016. 	Complied
4.1.2	A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -	<p>Sime Darby has established a system to monitor the mill and estate operation. The Structured Oil Recovery Assessment (SORA) (for Mill) / Structured Crop Recovery Assessment (SCRA) (for estates) and Planning and Monitoring Unit visited the operating units quarterly. Their reports covers on all aspect of operation. In addition, visit by agronomist was made yearly. The report focusing on rainfall, yield [performing and under-performing], palm nutrition status, field observation agronomic matters and fertilizer recommendation has been included in the report. Plantation Advisory Department, Performance Monitoring Unit, Quality Management Unit (PSQM) inspect and report to ensure compliance against company policy and procedure with regards to operation, finance as well as safety, health and welfare requirements. All the reports of monitoring were available at estate and mill office for references.</p>	Complied

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<p>4.1.3</p>	<p>Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -</p>	<p>The operating units maintains the records of monitoring and action taken. Sighted the sampled reports as follows:</p> <p><u>Pagoh Palm Oil Mill</u> Structured Oil Recovery Assessment (SORA) latest visit to Pagoh POM was conducted on 15-18/7/2019. The report covering on process control/safety, process losses, product quality, housekeeping/upkeep/environment and security. No major issue issued from the visit. All issue raised during the visit has been addressed by the mill management as per email to Total Quality Management Unit dated 26/7/2019</p> <p>Sighted the Mill Advisor visit report dated 7-8/3/2019. Refer report no SOU19/PM/01/2019. The report covers on Plant and Machineries, Upkeep and Cleanliness, OER and KER, crop processed, operational cost, CPO quality, compliancy and food factory standard. All issue raised during the visit has been addressed by the management. The management are required to update the progress report on monthly basis and submitted to the mill advisor.</p> <p><u>Welch Estate</u> Structured Crop Recovery Assessment (SCRA) latest visit on the estate was on 18/7/2019. The report was available at the estate for review. The report covers on crop recovery and crop quality. No issue raised during the visit with overall rating 3.</p> <p><u>Lanadron Estate</u> Visit from Planning and Monitoring Units (PMU) reports were made available during the visit. The visit was conducted in quarterly basis. Visit from for FY 2019 Performance Monitoring Units was conducted in March, June and September 2019. The report covered on Oil Palm mature and immature upkeep, fertiliser application and estate cost of operation. Latest visit was done on 21/10/2019.</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p><u>Pengkalan Bukit Estate</u> Visit from Planning and Monitoring Units (PMU) reports were made available during the visit. The visit was conducted in quarterly basis. Visit from for FY 2019 Performance Monitoring Units was conducted in March, June and September 2019. The report covered on Oil Palm mature and immature upkeep, fertiliser application and estate cost of operation. Latest visit was done on 24/10/2019. Structured Crop Recovery Assessment (SCRA) latest visit on the estate was on 19/7/2019. The report was available at the estate for review. The report covers on crop recovery and crop quality. No issue raised during the visit with overall rating 4.</p> <p><u>Pagoh Estate</u> Visit from Planning and Monitoring Units (PMU) reports were made available during the visit. The visit was conducted in quarterly basis. The report covered on Oil Palm mature and immature upkeep, fertiliser application and estate cost of operation. Latest visit was done on 22/10/2019. Structured Crop Recovery Assessment (SCRA) latest visit on the estate was on 17/7/2019. The report was available at the estate for review. The report covers on crop recovery and crop quality.</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>The mill received FFB from sister estate with RSPO certified and purchased from the outside FFB supplier. The records of FFB received was recorded in FFB delivery/consignment note, FFB weighbridge ticket and summarize in FFB Received Summary Report by Supplier and FFB Received Records logbook.</p> <p>The FFB delivery/consignment was provided by the estate contains information such as:</p> <ul style="list-style-type: none"> i. Estate/Company Name ii. Date harvested ii. Estimate tonnage iii. Vehicle and trailer/bin no. <p>Sighted the sampled as follows:</p> <ul style="list-style-type: none"> a. DN/FFB ticket no: 37137/P026801 <ul style="list-style-type: none"> i. Estate/Company Name: Pembangunan Pertanian Melaka Sdn.Bhd. ii. Date harvested: 24/9/2019 ii. Estimate tonnage: 1000 kg (loose fruit) iii. Vehicle and trailer/bin no.: JRT 2558 b. DN/FFB ticket no: 76811/060434 <ul style="list-style-type: none"> i. Estate/Company Name: Impresive Transforms Sdn.Bhd. ii. Date harvested: 28/9/2019 ii. Estimate tonnage: 5320 kg iii. Vehicle and trailer/bin no.: JNY 2358 <p>The FFB weighbridge ticket contain information as follows:</p> <ul style="list-style-type: none"> i. The name, address and field/year planted ii. The weight of FFB delivered; iii. The delivery date and time; iv. Lorry No.; 	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		<p>Sighted the sampled as follows:</p> <p>a. FFB ticket no: 139802</p> <p>i. Estate/Company Name: Pembangunan Pertanian Melaka Sdn.Bhd.</p> <p>ii. The weight of FFB delivered: 20370 kg</p> <p>iii. The delivery date and time: 28/9/2019; 9:15 am</p> <p>iv. Lorry No.: JRT 7558</p> <p>a. FFB ticket no: 139676</p> <p>i. Estate/Company Name: Pembangunan Pertanian Melaka Sdn.Bhd.</p> <p>ii. The weight of FFB delivered: 10830 kg</p> <p>iii. The delivery date and time: 25/9/2019; 3.00 pm</p> <p>iv. Lorry No.: MCY 7906</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>			
4.2.1	<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.</p> <p>- Minor compliance -</p>	<p>Good agriculture practices which follows the group Agricultural Reference Manual contains Standard Operating Procedures to ensure soil fertility is managed to a level that ensures optimal and sustained yield as documented in SDP/OP/ARM/10624 Issue no 1, Ver. 3 dated 1/7/2011 under section 8 Manuring. The SOP includes:</p> <p>i. Manuring Immature Palms</p> <p>ii. Manuring Immature Oil Palms – Mulched with EFB</p> <p>iii. Manuring Mature Oil Palms</p> <p>iv. Fertiliser Placement</p> <p>v. Focal Feeding Fertiliser Application for Marginal Inland Soil.</p>	Complied

<p>4.2.2</p>	<p>Records of fertiliser inputs shall be maintained. - Minor compliance -</p>	<p>Fertilizer application program is based on the recommendation by Agronomist and documented in Agronomic and Fertilizer Recommendation Report. Records off application are maintained and available for review. Observed the recommendation and implementation record for FY 2019:</p> <p><u>Welch Estate</u> Observed application records as per agronomist recommendation: Month program:Feb/Mar 2019 Field: P05 Ha program: 94.45 ha Type: AC Rate/palm: 1.50 kg/palm Month applied: 6 – 9/2/2019</p> <p>Month program:Apr/May 2019 Field: P02C1 Ha program: 67.51 ha Type: Kieserite Rate/palm: 1.00 kg/palm Month applied: 25 – 26/5/2019</p> <p><u>Lanadron Estate</u> Observed application records as per agronomist recommendation: Month program:Feb/Mar 2019 Field: P2014A Ha program: 86.97 ha Type: AC Rate/palm: 2.00 kg/palm Month applied: 1 – 9/3/2019</p> <p>Month program:April 2019 Field: P2011A</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>Ha program: 67.93 ha Type: GML Rate/palm: 2.75 kg/palm Month applied: 4 – 9/4/2019</p> <p><u>Pengkalan Bukit Estate</u> Month program: April 2019 Field: P2012A Ha program: 36.66 ha Type: AC Rate/palm: 2.00 kg/palm Month applied: 19/4 – 8/5/2019</p> <p><u>Pagoh Estate</u> Month program: Aug-Sept 2019 Field: P2003 Ha program: 78.70 ha Type: MOP Rate/palm: 1.75 kg/palm Month applied: 26/8 – 5/9/2019</p>	

<p>4.2.3</p>	<p>There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -</p>	<p>Plant Nutrition and Protection Unit (PNU) prepare the annual fertilizer recommendation base leaf analysis result. Leaf analysis show the nutrient level was used as the guidance for the recommendation.</p> <p>As per company SOP, the soil sampling analysis carried at 5 years interval.</p> <p>The leaf analysis and soil analysis report was made available for review. Noted the analysis report for estate visited as follows:</p> <p><u>Welch Estate</u> Latest soil sampling and leaf sampling was conducted by Sime Darby Research Sdn. Bhd. on 13/9/2018. Refer report no S17/2019 dated 19/2/2019.</p> <p>Leaf sampling was conducted September 2018. The Foliar nutrient status enclosed in Appendix IV 2019 Agronomic and Fertilizer Recommendation report dated 21/12/2018.</p> <p><u>Lanadron Estate</u> Last soil sampling analysis was conducted on 20/2/2018. Refer report no S22/2018 dated 09/4/2018.</p> <p>Latest leaf sampling was done in February 2019. The Foliar nutrient status enclosed in Appendix IV 2020 Agronomic and Fertilizer Recommendation report dated 9/7/2019.</p> <p><u>Pengkalan Bukit Estate</u> Last soil sampling analysis was conducted on 11/6/2018. Refer report no S40/2018 dated 11/7/2018.</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>Latest leaf sampling was done in February 2018. The Foliar nutrient status enclosed in Appendix IV 2019 Agronomic and Fertilizer Recommendation report dated 27/8/2018.</p> <p><u>Pagoh Estate</u> Last soil sampling analysis was conducted on 30/8/2018. Refer report no S67/2018 dated 25/9/2018.</p> <p>Latest leaf sampling was done in July 2018. The Foliar nutrient status enclosed in Appendix IV 2019 Agronomic and Fertilizer Recommendation report dated 12/12/2018.</p>	

<p>4.2.4</p>	<p>A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -</p>	<p>Nutrient recycling strategy is in place and includes use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. The strategy as follows:</p> <ul style="list-style-type: none"> i. EFB applied at selected fields at the estates. ii. Fibre and POM were use as compost material. iii. Palm residues after planting were left in the biomass row to decompose. <p>EFB were disposed at sister estate, Pagoh Estate, Pengkalan Bukit Estate and Lanadron Estate as nutrient cycling strategy. Sighted the records of Monitoring and Tracking EFB Generated Per Ton FFB Produced FY 2019 as follows:</p> <table border="1" data-bbox="981 751 1868 914"> <thead> <tr> <th>Month</th> <th>Jan</th> <th>Feb</th> <th>Mar</th> <th>Apr</th> <th>May</th> <th>Jun</th> <th>Jul</th> <th>Aug</th> <th>Sep</th> </tr> </thead> <tbody> <tr> <td>Ton/FFB</td> <td>18.92</td> <td>17.63</td> <td>19.02</td> <td>13.56</td> <td>23.25</td> <td>16.81</td> <td>27.11</td> <td>22.29</td> <td>19.15</td> </tr> </tbody> </table> <p>Sighted the records for EFB disposal as follows:</p> <table border="1" data-bbox="981 1011 1709 1348"> <thead> <tr> <th>Month</th> <th>WE</th> <th>LE</th> <th>PBE</th> <th>PE</th> </tr> </thead> <tbody> <tr> <td>Jan 19</td> <td>0.00</td> <td>0.00</td> <td>788.53</td> <td>690.00</td> </tr> <tr> <td>Feb 19</td> <td>0.00</td> <td>0.00</td> <td>989.75</td> <td>300.00</td> </tr> <tr> <td>Mar 19</td> <td>0.00</td> <td>0.00</td> <td>1387.73</td> <td>92.00</td> </tr> <tr> <td>Apr 19</td> <td>0.00</td> <td>55.48</td> <td>1236.63</td> <td>90.00</td> </tr> <tr> <td>May 19</td> <td>0.00</td> <td>580.48</td> <td>1030.29</td> <td>85.00</td> </tr> <tr> <td>Jun 19</td> <td>0.00</td> <td>0.00</td> <td>959.80</td> <td>592.00</td> </tr> </tbody> </table>	Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Ton/FFB	18.92	17.63	19.02	13.56	23.25	16.81	27.11	22.29	19.15	Month	WE	LE	PBE	PE	Jan 19	0.00	0.00	788.53	690.00	Feb 19	0.00	0.00	989.75	300.00	Mar 19	0.00	0.00	1387.73	92.00	Apr 19	0.00	55.48	1236.63	90.00	May 19	0.00	580.48	1030.29	85.00	Jun 19	0.00	0.00	959.80	592.00	<p>Complied</p>
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Criterion / Indicator		Assessment Findings					Compliance
		Jul 19	0.00	274.65	767.20	1797.91	
		Aug 19	0.00	96.84	312.41	653.49	
		Sep 19	0.00	86.87	833.29		
Criterion 4.3: Practices minimise and control erosion and degradation of soils.							

Criterion / Indicator	Assessment Findings	Compliance	
4.3.1	<p>Maps of any fragile soils shall be available. - Major compliance -</p>	<p>Maps of any soil categories available at all visited operating units. Soil map prepared by R&D-RSGA Precision Agriculture Unit (SHMNA).</p> <p><u>Lanadron Estate</u> The soil map prepared by R&D-RSGA Precision Agriculture Unit (SHMNA) dated 15 June 2015. Majority soil series identified in the estate were Briah 36.1%, Acid Sulphate 20.48% and Sogomana 12.82%. No fragile soils identified estate.</p> <p><u>Welch Estate</u> The soil map prepared by R&D-RSGA Precision Agriculture Unit (SHMNA) in January 2012. Majority soil series identified in the estate were Serdang/Bungor 24.4%, Munchong 36.9%, and Alluvium 21.2%. No fragile soils identified estate.</p> <p><u>Pengkalan Bukit Estate</u> The soil map prepared by R&D-RSGA Precision Agriculture Unit (SHMNA) on 11/11/2015 for Main, Pagoh and Paya Redan Division. Main soil series identified in the estate were Rengam 21.88%, Prang, 12.85%, Munchong 30.29% and Alluvium 11.22%.</p> <p><u>Pagoh Estate</u> The soil map prepared by R&D-RSGA Precision Agriculture Unit (SHMNA) in 1/11/ 2012. Majority soil series identified in the estate are Lanchang 35.91%, Alluvium 13.24% and Rengam 34.41%.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance												
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	<p>The company has established SOP for planting on slopes, documented in Agricultural Reference Manual ver. 1 Section 4 issued on 1/7/2018.</p> <table border="1"> <thead> <tr> <th>Slopes (degree)</th> <th>Terrace Width (meters)</th> </tr> </thead> <tbody> <tr> <td><2</td> <td>Straight Planting</td> </tr> <tr> <td>2 – 6</td> <td>Straight Planting. Water conservation terrace at 32m interval</td> </tr> <tr> <td>6 -12</td> <td>5</td> </tr> <tr> <td>12 – 18</td> <td>4.3</td> </tr> <tr> <td>18 - 25</td> <td>3.6</td> </tr> </tbody> </table> <p>Areas with greater than 25 degree slopes should not be planted but be left out for biodiversity purpose.</p>	Slopes (degree)	Terrace Width (meters)	<2	Straight Planting	2 – 6	Straight Planting. Water conservation terrace at 32m interval	6 -12	5	12 – 18	4.3	18 - 25	3.6	Complied
Slopes (degree)	Terrace Width (meters)														
<2	Straight Planting														
2 – 6	Straight Planting. Water conservation terrace at 32m interval														
6 -12	5														
12 – 18	4.3														
18 - 25	3.6														

Criterion / Indicator		Assessment Findings	Compliance
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	<p>Estate visited has established road maintenance programme to ensure smooth operation in the estate. The maintenance programme include road grading, resurfacing, road side pruning and etc.</p> <p><u>Welch Estate</u> The estate has established Preventive Maintenance of Roads which includes road grading, cambering, side channel drain, resurfacing, roadside pit and etc. was programmed throughout the year. Sighted the completed work records for road grading @ 28034.71 meter.</p> <p><u>Lanadron Estate</u> The estate has established Road Maintenance Program FY 2019. The program focus on road grading, resurfacing and road site pruning. Sighted during site visit at Nordanal Division, the road was in good condition.</p> <p><u>Pengkalan Bukit Estate</u> The estate has established Road Maintenance Program FY 2019. The program focus on road grading, resurfacing and road site pruning. Sighted during site visit at Main Division, the road was in good condition.</p>	Complied
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	No fragile soil identified in the estate visited as per Soil map prepared by R&D-RSGA Precision Agriculture Unit (SHMNA).	Complied
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	No fragile soil identified in the estate visited as per Soil map prepared by R&D-RSGA Precision Agriculture Unit (SHMNA).	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 -	No fragile soil identified in the estate visited as per Soil map prepared by R&D-RSGA Precision Agriculture Unit (SHMNA).	Complied
Criterion 4.4: Practices maintain the quality and availability of surface and ground water.			

<p>4.4.1</p>	<p>An implemented water management plan shall be in place. - Minor compliance -</p>	<p>SOU 19 has established water management plan and documented in the Environmental Management Plan SOU Pagoh 2019. The monitoring was conducted on quarterly basis. The plan covers on monitoring quality of main water, contingency plan during water shortage, and monitoring usage of treated water, reuse/recycle of waste water and protection of watercourse/wetland. The plan also include the mitigation plan and person responsible.</p> <p><u>Pagoh POM:</u> Water management plan has been established and documented in Pagoh Oil Mill Water Management Plan for Year 2019 dated 10/1/19 & Emergency Water Management Plan for Year 2019. The management plan has identified issue of concern, mitigation plan, person responsible and time frame. The management has conducted monitoring program for the management plan. Sampled following for Emergency Water Management Plan for Year 2019: a) Inadequate water supply to and from oil mill. Contribution Factor: Raw water priming tank leak. Corrective action: To repair the leak/to replace. Duration: Until situation return to normal.</p> <p><u>Welch Estate:</u> Water management plan has been established and documented in Welch Estate Water Management Plan for Year 2019 dated 01/07/19. The management plan has identified issue of concern, mitigation plan, person responsible and time frame. The management has conducted monitoring program for the management plan. Sampled following for Water Management Plan for Year 2019: a) To reuse/recycle wastewater at Pre-mixing area. Action: To collect wastewater in sum for re0use for pre-mixing by Mandore.</p> <p><u>Lanadron Estate:</u></p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>Contingency Plan during Water Shortage been established for year 2019. Sampled for water shortage/dry spell: Action – To train staff/worker to take necessary estate.</p> <p><u>Pengkalan Bukit Estate:</u> Water Management has been established and documented in Environmental Management Plan for Year 2019. The management plan has identified issue of Objectives, category, types, action, frequency & person in charge. Sampled following objective: a) To monitor the usage of treated water on monthly basis. Category: Harvesting Rainwater. Types: Rain water. Action: To use for general cleaning, operation, gardening. Frequency & person in charge: As & when necessary by all.</p> <p><u>Pagoh Estate:</u> Water Management has been established and documented in Environmental Management Plan for Year 2019. The management plan has identified issue of Objectives, category, types, action, frequency & person in charge. Sampled following objective: a) To reuse/recycle wastewater. Category: Wastewater. Types: Pre-Mixing Area. Action: To collect wastewater in sump for re-use for pre-mixing. Frequency: As & when necessary.</p>	

Criterion / Indicator		Assessment Findings	Compliance												
4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. - Major compliance -	<p>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"> <thead> <tr> <th>River width</th> <th>Buffer zone</th> </tr> </thead> <tbody> <tr> <td>> 40 meters</td> <td>50 meters</td> </tr> <tr> <td>20 to 40 meters</td> <td>40 meters</td> </tr> <tr> <td>10 to 20 meters</td> <td>20 meters</td> </tr> <tr> <td>5 to 10 meters</td> <td>10 meters</td> </tr> <tr> <td>< 5 meters</td> <td>5 meters</td> </tr> </tbody> </table> <p><u>Lanardon Estate</u> There are no spraying activity along the river buffer zone with Sungai Muar. The vegetation along the river buffer zone are well preserved.</p>	River width	Buffer zone	> 40 meters	50 meters	20 to 40 meters	40 meters	10 to 20 meters	20 meters	5 to 10 meters	10 meters	< 5 meters	5 meters	Complied
River width	Buffer zone														
> 40 meters	50 meters														
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5 to 10 meters	10 meters														
< 5 meters	5 meters														
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 -	<p>In POM, effluent Analysis conducted by Sime Darby Research and submitted to DOE every 3 months through OER (Online Environmental Report). Sampled the following Effluent Analysis Test Report: a) Test Report No. EP408/2019, Date Tested 13/9/19. Final Discharge BOD: 6mg/L, pH: 8.7, TS: 390. Verified that the TS has exceed the allowable limit and the mill has taken appropriate corrective action on 21/9/19 to rectify the issue accordingly.</p>	Complied												
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	<p>The mill water source for processing is from the owned water reservoir. In POM, the water usage monitoring for FFB/tonne. Following samples were taken:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Water consumption/FFB</th> </tr> </thead> <tbody> <tr> <td>July 2019</td> <td>1.20</td> </tr> <tr> <td>August 2019</td> <td>1.22</td> </tr> <tr> <td>September 2019</td> <td>1.16</td> </tr> </tbody> </table>	Month	Water consumption/FFB	July 2019	1.20	August 2019	1.22	September 2019	1.16	Complied				
Month	Water consumption/FFB														
July 2019	1.20														
August 2019	1.22														
September 2019	1.16														

Criterion / Indicator	Assessment Findings	Compliance
Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.		

<p>4.5.1</p>	<p>Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -</p>	<p>IPM is documented in Agriculture Reference Manual. The estates continue to implement biological control for the oil palm pest in the plantation such as leaf eating pest and rat. IPM techniques applied at the estates include monitoring of pest numbers and the use of triggers for initiation of control measures. Although there have been no outbreaks of leaf eating pests, beneficial plants are being established along roadsides to attract natural predators. The estates are continue to plant beneficial plants such as Cassia cobanensis, Turnera subulata and Antigonon leptopus.</p> <p><u>Welch Estate:</u> IP management was implemented accordingly. Sighted the implementation as follows:</p> <ul style="list-style-type: none"> i. The estate has completed the 2nd campaign of rat baiting for FY 2019 with most of the field recorded reduce of chemical baiting (Warfarin). Most of the field recorded 2 to 4 rounds of baiting. <p><u>Lanadron Estate:</u></p> <ul style="list-style-type: none"> i. The estate has completed the 2nd campaign of rat baiting for FY 2019 with most of the field recorded reduce of chemical baiting (Warfarin). Most of the field recorded 3 to 4 rounds of baiting with acceptance level at 19% - 9%. ii. Barn owl census conducted at 6 months interval. Current Barn Owl Box ratio at 1:13.68 ha. Latest census was conducted in August 2019 recorded 11% occupancy rate. <p><u>Pengkalan Bukit Estate</u></p> <ul style="list-style-type: none"> i. The estate has completed the 1st campaign of rat baiting for FY 2019 with most of the field recorded reduce of chemical baiting (Warfarin). Most of the field recorded 3 to 6 rounds of baiting with acceptance level at 19% - 6.9%. 	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>ii. Barn owl census conducted at 6 months interval. Current Barn Owl Box ratio at 1:10 ha. Latest census was conducted in August 2019 recorded 64% occupancy rate.</p> <p>i. The estate has established beneficial plant nursery as sighted during site visit at the oil palm nursery.</p> <p>ii.</p> <p><u>Pagoh Estate:</u></p> <p>i. Barn owl census conducted at 6 months interval. Current Barn Owl Box ratio at 1:16.93 ha. Latest census was conducted in August 2019 recorded 75.93 % occupancy rate.</p> <p>ii. The estate continue to plant beneficial plant. Sighted the beneficial plant at P15A.</p>	
4.5.2	<p>Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -</p> <p>IPM training has been provided by the plantation executives, asst. manager and chemical supplier with knowledge of the pest management to the field supervisor, mandore and workers. Interview with the management team confirm their understanding of the benefit of planting beneficial plant to control pest and Sime Darby SOP in Agricultural Reference Manual v.1 Section 15 on barn owl census. Sighted the training records as follows:</p> <p><u>Welch Estate</u></p> <p>i. Cyphermethrin Spray (Clania Sp) Training dated 7/9/2019 ii. Rat Baiting training dated 8/7/2019</p> <p><u>Lanadron Estate</u></p> <p>i. Rat baiting application training dated 8/7/2019 Pengkalan ii. IPM – Planting of Beneficial Plant training date 22/8/2019</p> <p><u>Pagoh Estate</u></p> <p>i. Rat baiting and safety training dated 2/9/2019</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
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. Some of recommended pesticides are: Immature planting (sample) - General weeds : Glyphosate - Pennisetum polystachion : Metsulfuron Methyl - Stenochlaena palustris : Sodium chlorate Mature planting - Grass weed and Asystasia : glyphosate & 2,4-D amine The selection is also evaluated by the agronomist during his visit to the estate	Complied

Criterion / Indicator		Assessment Findings	Compliance																																																							
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 -	<p>Records of pesticides use (including active ingredients used and their LD 50, area treated, amount of a.i. applied per ha and number of applications) had been maintained and kept by the estate.</p> <p>Summary sampled of Ai/Ha from estate visited as per below:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>WE</th> <th>LE</th> <th>PBE</th> <th>PE</th> </tr> </thead> <tbody> <tr> <td>Average 18</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Jan 19</td> <td>0.975</td> <td>0.102</td> <td>0.484</td> <td>0.160</td> </tr> <tr> <td>Feb 19</td> <td>0.507</td> <td>0.259</td> <td>1.363</td> <td>0.367</td> </tr> <tr> <td>Mar 19</td> <td>0.501</td> <td>0.299</td> <td>0.306</td> <td>0.334</td> </tr> <tr> <td>Apr 19</td> <td>0.837</td> <td>0.193</td> <td>1.361</td> <td>0.081</td> </tr> <tr> <td>May 19</td> <td>0.675</td> <td>0.950</td> <td>1.737</td> <td>0.185</td> </tr> <tr> <td>Jun 19</td> <td>0.502</td> <td>0.760</td> <td>0.802</td> <td>0.142</td> </tr> <tr> <td>Jul 19</td> <td>0.387</td> <td>1.258</td> <td>0.975</td> <td>0.162</td> </tr> <tr> <td>Aug 19</td> <td>2.745</td> <td>1.339</td> <td>0.997</td> <td>0.172</td> </tr> <tr> <td>Sep 19</td> <td></td> <td>2.856</td> <td>0.063</td> <td>0.119</td> </tr> </tbody> </table>	Month	WE	LE	PBE	PE	Average 18					Jan 19	0.975	0.102	0.484	0.160	Feb 19	0.507	0.259	1.363	0.367	Mar 19	0.501	0.299	0.306	0.334	Apr 19	0.837	0.193	1.361	0.081	May 19	0.675	0.950	1.737	0.185	Jun 19	0.502	0.760	0.802	0.142	Jul 19	0.387	1.258	0.975	0.162	Aug 19	2.745	1.339	0.997	0.172	Sep 19		2.856	0.063	0.119	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																																																							

Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances.</p> <p>- Minor compliance -</p>	<p>Paraquat was eliminated. Alternatives such as Glyphosate were used with the elimination of Paraquat. Based on the latest chemical register only class II, III & IV chemical used at visited estates. Alternative for class IA chemical, Methamidophos was used named Acephate under class III for bagworm infestation.</p> <p><u>Pengkalan Bukit Estate</u> Methamidophos was used under product named Acephate under class III for bagworm infestation control. Sighted the application and approval for purchasing 200 kg of Acephate from Dept. of Agriculture dated 10/9/2019. Refer letter no. JHR/2019/ACP/96(GL) valid from 10/9/2019 till 30/9/2019.</p> <p><u>Pagoh Estate</u> The estate use Methamidophos under product named Acephate under class III for bagworm infestation control. Sighted the application and approval for purchasing 200 kg of Acephate from Dept. of Agriculture dated 28/7/2019. Refer letter no. JHR/2019/ACP/77(GL) valid from 28/7/2019 till 17/8/2019.</p>	<p>Complied</p>

<p>4.6.5</p>	<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). - Major compliance -</p>	<p>Pesticides operators for all estates visited has been provided with proper Personal Protective Equipment. Observed during site visit, the PPE provided to the operators such as google, half face respirator, nitril hand glove, rubber boot and apron. Additional, the operators has been given training regarding the usage safety and health issue and proper way for chemical application by the plantation executives, manager, and asst. manager and chemical supplier with knowledge on chemical handling and applications. All chemical applicator attend monthly medical check-up done by the Medical Assistant. Observed the implementation during site visit and workers interview in following estate:</p> <p><u>Welch Estate</u> Sighted the latest medical screening dated 4/9/2019 and 2/10 2019. 16 workers attended the screening and found fit to work as sprayers. Latest medical surveillance was done on 23/5/2019. 18 workers attend the surveillance with one workers were found "unfit until further investigation". The management has change the work type for the workers. The estate continuous provided training for the chemical handlers. Sighted the sampled training records as follows: i. Cyphermethrin Spray (Clania Sp) Training dated 7/9/2019 ii. Spraying (Glyphosate) training dated 22/7/2019 iii. Inter pump servicing and maintenance training dated 24/7/2019</p> <p><u>Lanadron Estate</u> All sprayers were undergo medical screening conducted by the HA on monthly basis. Chemical handlers were undergo medical surveillance on annually basis. Latest medical surveillance was done on 23 – 24/4/2019 for 30 workers. All workers were found fit to work as chemical handlers. The estate continuous provided training for the chemical handlers. Sighted the sampled training records as follows: i. Spraying technique training dated 24/9/2019</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>ii. Rat baiting application training dated 8/7/2019 iii. PPE awareness for sprayers 10/5/2019 iv. Spraying technique and PPE awareness training dated 14/6/2019 Sighted the PPE Issuance records for Sprayers dated 26/8/2019 for employee id no. 114893, 110284, 125967</p> <p><u>Pengkalan Bukit Estate</u> All sprayers were undergo medical screening conducted by the HA on monthly basis. Chemical handlers were undergo medical surveillance on annually basis. Latest medical surveillance was done on 4 – 5/9/2019 for 3019 workers. All workers were found fit to work as chemical handlers. The estate continuous provided training for the chemical handlers. Sighted the sampled training records as follows: i. Spraying technique training dated 28/8/2019</p> <p><u>Pagoh Estate</u> The estate continuous provided training for the chemical handlers. Sighted the sampled training records as follows: i. Circle spraying and safety training dated 24/9/2019 ii. Spraying technique, PPE requirement and Safety training dated 20/6/2019 iii. Interpump maintenance, spraying and safety training dated 14/6/2019 Noted during the interview, the sprayers were provided with PPE such as safety google, apron, nitrile gloves and wellington boots. Sighted PPE issuance records recorded in Store Issue Note no. 19330, 19333 and 19338.</p>	
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). - Major compliance -</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in Sime Darby Plantation Agriculture Reference Manual Section 16.5. The implementation in the field is consistent with the Agriculture Reference Manual Section 16.5. For weeding activities, knapsack spray pump and low volume CDA spray are used for selective and circle spraying	Complied
4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -	No aerial spray at SOU19	Complied
4.6.9	Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	No associated smallholders at SOU19. Employees demonstrate knowledge and skills on pesticide handling. MSDS/SDS was displayed in local Bahasa Malaysia language at the agrochemical store for each chemical stored as well as the use of safety pictorial poster for the easy understanding of the agrochemical handlers.	Complied
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Proper disposal of waste material are carried out as per the company procedures. The procedures are fully understood by workers and managers. Workers interview reveal that they are aware of the zero burning policy including domestic waste are not allowed to be burned. Management disposes waste material as per regulation for schedule waste and domestic waste. The domestic waste dispose at proper allocated location with proper fencing and signage. While the schedule waste dispose vis the approved DOE contractor and proper document kept as evidence.	Complied

<p>4.6.11</p>	<p>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -</p>	<p><u>Welch Estate:</u> Medical surveillance was last done on 23/05/19 for 18 workers exposed to chemicals such as Fomalin, Ammonia Gas, Thiram, Glufosinate, Glyphosate by OHD DOSH Reg. No. HQ/OHD/17/00164 under Klinik TTMC Ayer Keroh. Verified that that based on the medical surveillance report all workers send for medical surveillance are fit to work except for 1 worker been diagnosed temporary unfit until further investigation. Verified that the worker has been temporary transferred to other department with subsequent medical check-up been conducted on 15/10/19 & pending result from FOMEMA Sdn Bhd.</p> <p><u>Lanadron Estate:</u> Medical surveillance was last done on 23/04/19 for 14 workers & 16 workers exposed to chemicals such as Glyphosate, Ally (Canyon), Ammonium Chloride, Basta, Soda, Nalco 3726 by OHD DOSH Reg. No. HQ/OHD/17/00164 under Klinik TTMC Ayer Keroh. Verified that that based on the medical surveillance report all workers send for medical surveillance are fit to work.</p> <p><u>Pengkalan Bukit Estate:</u> Medical surveillance was last done on 4/09/19 & 5/09/19 for 19 workers exposed to chemicals such as Metsulfuron Methyl, Glyphosate, Manganese, Chromium, Butoxy Ethyl by OHD DOSH Reg. No. HQ/OHD/17/00164 under Klinik TTMC Ayer Keroh. Verified that that based on the medical surveillance report 1 worker been identified liver enzyme slightly elevated required 4 months to review LFT for monitoring. Verified that the estate has action plan in progress for following up on the matters.</p> <p><u>Pagoh Estate:</u> Medical surveillance was last done on 16/1/19-21/1/19 for 23/04/19 for a) 7 workers exposed to e.g. Organophoshate, Oil Mist, Manganese & Chromium</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>b) 14 workers exposed to e.g. Malation, MOP, AC, RP, Gluposate, Cypermethrin, Basta15, Supersate, Ally, CCM45, Kieserate, Borate, CIRP. c) 13 workers exposed to e.g. CCM 45, Kieserite, Borate, CIRP. d) 9 workers exposed to e.g. Malation MOP, AC, RP, Gluposate, Cypermethrin e) 10 workers exposed to e.g. Malation, MOP, AC, RP, Supersate f) 12 workers exposed to e.g. Cypermethrin and Dimethoate (Rogor)</p> <p>Verified that all 65 workers tested above were concluded fit to work as per the medical surveillance report. The medical surveillance was conducted by OHD DOSH Reg. No. HQ/OHD/17/00164 under Klinik TTMC Ayer Keroh. Verified that that based on the medical surveillance report all workers send for medical surveillance are fit to work.</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	Verified that there were no breast-feeding women working as chemical mixers and sprayers. Based on interview with female workers confirmed knowledge of the policy of transfer to alternative duties if they wished to continue working when pregnancy was confirmed or breast-feeding.	Complied
Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:			

<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>SOU19 has maintained an approved Health and Safety Policy dated January 2015 that is displayed prominently on notice boards in English and local language Bahasa Malaysia. The Policy is implemented through the OSH activities by the onsite safety officers and monitored by OSH Manager from Head Office.</p> <p><u>Chemical Hazard Risk Assessment (CHRA)</u> CHRA at Pagoh POM was last carried out on 10 April 2019 - 30 April 2019 by DOSH registered assessor, Registration No. HQ/03/ASS/00/160. Relevant work units were assessed and related recommendation report under from F of the report. All necessary action has been progressively implemented based on recommendation by assessor.</p> <p><u>Medical Surveillance Programme</u> Annual medical surveillance was last carried out on 22/01/19-24/01/19 under Pantai Hospital Air Keroh, OHD reg. no. HQ/OHD/17/00164 for 8 workers exposed to Serum Manganese. Overall medical surveillance report indicates that all 8 workers were fit to work.</p> <p><u>Annual Audiometric Testing</u> Annual audiometric testing was carried out on 15/4/2019 by OHD, HQ/16/DOC/00/454 under Procoma Environmental (M) Sdn Bhd. Seen the summary audiometric report with total 33 total worker tested and 17 abnormal audiometric results cases identified. Verified that for the 17 workers, follow up hearing assessment been carried out on 23/9/19 & 30/9/19 accordingly by OHD, HQ/OHD/17/00164. The follow up OHD recommendation been actioned accordingly by the mill management.</p> <p><u>Local Exhaust Ventilation Inspection and Testing</u> Pagoh POM - LEV inspection and testing was conducted on 10/07/2019 by registered assessor, JKPP HIE 127/171-3/2(27). From the report, the monitoring was successfully conducted and the effectiveness of the LEV</p>	<p>Major nonconformance</p>
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		<p>systems were satisfactory with some actions needed as per recommended in the report.</p> <p>CHRA at Welch Estate was last carried out on 7/04/15 by DOSH registered assessor, JKPP HIE 127/171-2(223). Relevant work units were assessed and related recommendation report under from F of the report. All necessary action has been implemented based on recommendation by assessor.</p> <p>CHRA at Lanadron Estate was last carried out on 9/03/15 by DOSH registered assessor, JKPP/IH 127/171-2(308). Relevant work units were assessed and related recommendation report under from F of the report. All necessary action has been implemented based on recommendation by assessor.</p> <p>CHRA at Pengkalan Bukit Estate was last carried out on 10/03/15 by DOSH registered assessor, JKPP/IH 127/171-2(223). Relevant work units were assessed and related recommendation report under from F of the report. All necessary action has been implemented based on recommendation by assessor.</p> <p>CHRA at Pagoh Estate was last carried out on 14/04/15 by DOSH registered assessor, JKPP/IH 127/171-2(223). Relevant work units were assessed and related recommendation report under from F of the report. All necessary action has been implemented based on recommendation by assessor.</p> <p>Health and safety plan was not implemented effectively. Pagoh POM: a) A tractor was in operation with leaking diesel during start up engine and with few malfunction indicator bulbs for head lights and reverse light. b) A canteen male worker was working in the kitchen canteen without having typhoid injection record.</p>	
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Criterion / Indicator	Assessment Findings	Compliance
	<p>Welch Estate: a) A tractor was in operation with malfunction steering horn and missing reverse light and signal indicator light.</p> <p>Lanadron Estate- Nordanal Division: a) Safety Data Sheet for Hydraulic Oil, Engine Oil and Welding Rod were not available at the point of use in the workshop. b) Pesticide chemical mixing area gate was broken and left open. c) Used vehicle spare parts in the workshop store was found scattered on the workshop store floor without proper housekeeping.</p> <p>Pengkalan Bukit Estate: a) A tractor was in operation with malfunction horn, missing front head light, reverse light and signal indicator light. b) Wagon attached to the tractor for carrying the sprayers and spraying equipment was not in proper safe condition as noticed the sitting plank was missing with exposed metal bars.</p> <p>Thus, a major non-compliance been raised.</p>	

<p>4.7.2</p>	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. - Major compliance -</p>	<p>SOU19 had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. Appropriate control measure has been determined and revised in the HIRARC register.</p> <p>Pagoh POM - HIRARC was reviewed accordingly on 29/07/2019 and approved by the Manager. Mill activities was identified and risk assessed with respect to FFB grading and sorting, FFB sterilization, kernel and oil extraction, oil clarification, maintenance activities at the workshop, working in confined space, working at height and hot work activities.</p> <p>Welch Estate: The HIRARC for Welch Estate was reviewed overall on 25/06/2019. Existing HIRADC has been also reviewed and maintained accordingly with changes will be done if there is a new process/any accident occurred. Verified that the HIRADC has been revised accordingly for accident case on Harvesting process.</p> <p>Lanadron Estate: The HIRARC for Lanadron Estate was reviewed overall on 23/07/2019. Existing HIRADC has been also reviewed and maintained accordingly with changes will be done if there is a new process/any accident occurred. Verified that the HIRARC has been revised accordingly for accident case on Replanting process.</p> <p>Pengkalan Bukit Estate: The HIRARC for Pengkalan Bukit Estate was reviewed overall on 29/04/2019. Existing HIRARC has been also reviewed and maintained accordingly with changes will be done if there is a new process/any accident occurred. Verified that the HIRADC has been revised accordingly for accident case on harvesting process dated 4/4/19.</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>Pagoh Estate: The HIRARC register available with the latest update for Firearm dated 22/10/19. Existing HIRARC has been also reviewed and maintained accordingly with changes will be done if there is a new process/any accident occurred. Verified that the HIRADC has been revised accordingly for accident case on harvesting process dated 4/4/19.</p>	

<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. - 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.</p> <p>Suitable PPE has been provided to the workers based on the information in the MSDS and CHRA assessor’s recommendation. List of Personal Protective Equipment (PPE) Provided – identifies the type of PPE for the respective activities.</p> <p>i. Boiler/Engine operator – Safety Helmet, Semi leather Hand Glove, Cotton Gloves, Safety Shoes, Safety Vest and Ear Muff. Sampled PPE issuance record dated 21/10/19 for Safety Helmet – Workshop, Leather Glove – Press, Cotton Glove – Workshop.</p> <p>ii. Field workers (sprayer, manure & harvester) – N95 respirator, anti-mist goggles, wellington boots, apron and sickle cover. Sampled PPE issuance record dated 30/8/19 – Safety Boot, 28/8/19 – Safety Vest, 24/8/19 – Nitrile Glove at Welch Estate. At Lanadron Estate sampled PPE issuance record dated 8/10/19 for Cotton Glove, 6/10/19 -Safety Helmet, Rubber Boot – 4/9/19.</p> <p>At Pengkalan Bukit Estate sampled PPE issuance record for Mask, Vest, Helmet in October 2019, Apron in September 2019, Rubber Boots in June-19, Safety Goggles dated 25/9/19 and Rubber Hand Glove dated 19/8/19. Verified that the workers name been recorded accordingly in the PPE Issuance Record.</p> <p>Pagoh Estate: Sampled PPE issuance record dated 2/9/19 for leather glove, rubber boot dated 17/9/19 and 3M mask dated 19/9/19.</p> <p>Verified that the mill & estates chemical store was found to be adequately organized, properly labelled, secured and person in charge understands the OSH procedures. Safety Data Sheet was placed at the chemical stores and</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	is available. The person in charge understands the information written in Safety Data Sheet.	

<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>The OSH policy is well briefed to all workers. Interview with workers reveal that they understand the policy and the importance of safety at work.</p> <p>Pagoh POM: OSH meeting conducted on quarterly basis. The OSH meeting minutes available and seen the meeting minutes conducted on 4/3/19, 3/6/19 & 27/8/19 has been adequately covered.</p> <p>Welch Estate: OSH meeting conducted on quarterly basis. The OSH meeting conducted on 10/10/19, 15/7/19 & 12/4/19 and the meeting has been adequately covered. Verified that the OSH Committee Members chart and the appointment has been issued accordingly.</p> <p>Lanadron Estate: OSH meeting conducted on quarterly basis. The OSH meeting conducted on 25/01/19, 26/04/19 & 19/09/2019 and the meeting has been adequately covered. Verified that the OSH Committee Members chart and the appointment letters has been issued accordingly.</p> <p>Pengkalan Bukit Estate: OSH meeting conducted on quarterly basis. The OSH meeting conducted on 4/10/19, 19/07/19 & 4/04/2019 and the meeting has been adequately covered. Verified that the OSH Committee Members chart and the appointment letters has been issued accordingly.</p> <p>Pagoh Estate: OSH meeting conducted on quarterly basis. The OSH meeting conducted on 17/10/19, 19/07/19 & 17/04/2019 and the meeting has been adequately covered. Verified that the OSH Committee Members chart and the appointment letters has been issued accordingly.</p>	<p>Complied</p>
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<p>4.7.5</p>	<p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>- Minor compliance -</p>	<p>Accident and emergency procedures have been communicated to employees, contractors and visitors.</p> <ol style="list-style-type: none"> 1. Pagoh POM: Fire evacuation drill was last conducted on 23/04/2019 to test the state of readiness during emergency situation. 2. Welch Estate – Fire evacuation drill was last conducted on 14/10/2019 to test the state of readiness during emergency situation. 3. Lanadron Estate – Fire evacuation drill was last conducted on 12/07/2019 to test the state of readiness during emergency situation. 4. Pengkalan Bukit Estate – Fire evacuation drill was last conducted on 24/09/2019 to test the state of readiness during emergency situation. 5. Pagoh Estate – Fire evacuation drill was last conducted on 6/08/2019 to test the state of readiness during emergency situation. <p>Accident and emergency procedures are in Bahasa Malaysia and this is understood by the responsible workers, staff or executives involved in the operation. Good understanding level observed among the workers.</p> <ol style="list-style-type: none"> 1. Training for First Aid is conducted in annually. Sufficient first aiders trained. E.g. First Aid Refresher Training at Welch Estate was conducted on 08/10/19. At Lanadron Estate the first aid training was conducted on 25/07/19. As for the Pagoh POM, the First Aid Training was conducted on 23/07/19. Verified also the first aid training at Pengkalan Bukit Estate been conducted on 8/8/19 and at Pagoh Estate was conducted on 23/7/19 respectively. 2. First aid equipment is available at worksites. During the site visit there is evident that First Aid Box is available at the relevant area with sufficient contents and in good condition. 3. Fire extinguisher (ABC Powder) assessed during the site observation are available and within the expiry date. 	<p>Complied</p>
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		<p>4. Portable emergency eye wash & shower facility available at chemical store, workshop, mixing area and laboratory and are in good working condition.</p> <p>Pagoh POM: 2 cases reported with JKPP 6 submission. Seen the JKPP 6 submission report dated 24/7/19 & 7/1/19. Verified that the Incident Investigation Report been raised according including review of existing HIRADC accordingly. JKPP 8 was sent to DOSH accordingly on 12/01/2019. DOSH visit been recorded in the DOSH log book. Seen the latest DOSH visit recorded dated 1/10/19 and comments highlighted by DOSH was noted and action taken accordingly.</p> <p>Welch Estate: So far no incidents lead to submission of JKPP 6. Verified for first aid cases and MC cases with < 4 days, the necessary investigation been conducted accordingly using the Incident Notification Report. Verified that that proper accident investigation was made and on the issues including review of the existing HIRADC. DOSH visit been recorded in the DOSH log book. Seen the latest DOSH visit recorded dated 5/10/18 and comments highlighted by DOSH was noted and action taken accordingly. JKPP 8 was sent to DOSH on 14/01/2019.</p> <p>Lanadron Estate: So far no incidents lead to submission of JKPP 6. Verified for first aid cases and MC cases with < 4 days, the necessary investigation been conducted accordingly using the Incident Notification Report. Verified that that proper accident investigation was made and on the issues including review of the existing HIRARC. DOSH visit been recorded in the DOSH log book. Seen the latest DOSH visit recorded dated 20/02/19 and comments highlighted by</p>	
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Criterion / Indicator	Assessment Findings	Compliance
	<p>DOSH was noted and action taken accordingly. JKPP 8 was sent to DOSH on 15/01/2019.</p> <p>Pengkalan Bukit Estate: So far no incidents lead to submission of JKPP 6 for year 2019 as to date. Verified for first aid cases and MC cases with < 4 days, the necessary investigation been conducted accordingly using the Incident Notification Report. Verified that that proper accident investigation was made and on the issues including review of the existing HIRARC e.g. for harvesting process HIRARC review dated 29/4/19. DOSH visit been recorded in the DOSH log book. Seen the latest DOSH visit recorded dated 15/05/19 and comments highlighted by DOSH was noted and action taken accordingly. JKPP 8 was sent to DOSH on 15/01/2019.</p> <p>Pagoh Estate: Verified that for accidents occurred since the last assessment audit, appropriate Incident Detailed Report been issued accordingly for taking the investigation, root cause analysis, correction and corrective action. 2 JKPP 6 incidents reported dated 29/3/19 & 19/2/19. Verified that the Incident Detailed Report been raised accordingly. Verified also that appropriate root cause analysis, correction & corrective action been taken accordingly with review of existing HIRARC. JKPP 8 was sent to DOSH on 26/01/2019. DOSH visit been recorded in the DOSH log book. Seen the latest DOSH visit recorded dated 12/09/18 and comments highlighted by DOSH was noted and action taken accordingly.</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.7.6	All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -	Medical care and accident insurance is provided to all the employees. Workers are covered under SOCSO scheme. Seen the Sosco scheme payment schedule at mill/estates as follows: a) Pagoh POM: Sampled Sosco Jadual Caruman for July 2019 and August 2019 & September 2019. b) Welch Estate: Sampled Sosco Jadual Caruman for July 2019, August 2019 and September 2019. c) Lanadron Estate: Sampled Sosco Jadual Caruman for July 2019, August 2019 and September 2019. d) Pengkalan Bukit Estate: Sampled Sosco Jadual Caruman for July 2019, August 2019 and September 2019. e) Pagoh Estate: Sampled Sosco Jadual Caruman for July 2019, August 2019 and September 2019. Above Sosco submission were done using the Borang 8A. Details of the Employer and worker's details been available accordingly.	Complied
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	Records on Lost Time Accident (LTA) metrics at mill/estates had been verified to be in satisfactory trending. JKPP 8 been submitted to DOSH annually as follows: Pagoh POM: JKPP 8 submitted for year ending 2018 to DOSH on 12/1/19. Welch Estate: JKPP 8 for year ending 2018 was sent to DOSH accordingly on 14/01/2019. Report Ref. No. JKPP 8/21814/2018 Lanadron Estate: JKPP 8 for year ending 2018 was sent to DOSH accordingly on 15/01/2019. Report Ref. No. JKPP 8/20308/2018 Pengkalan Bukit Estate: JKPP 8 for year ending 2018 was sent to DOSH accordingly on 15/01/2019. Report Ref. No. JKPP 8/23344/2018 Pagoh Estate: JKPP 8 for year ending 2018 was sent to DOSH accordingly on 26/01/2019. Report Ref. No. JKPP 8/28870/2018	Complied
Criterion 4.8: All staff, workers, smallholders and contract workers are appropriately trained.			

Criterion / Indicator	Assessment Findings	Compliance
4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. - Major compliance -	Formal training program for the year 2019 available and implemented. Regular assessment of training conducted to ensure understanding among the employees. Trainings conducted include a formal training programme on all aspects of RSPO Principles and Criteria and the Supply Chain Certification System. The various trainings conducted and the training records maintained to be acceptable.

<p>4.8.2</p>	<p>Records of training for each employee shall be maintained. - Minor compliance -</p>	<p>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: Pagoh POM: a) PPE Training dated 21/1/19. b) LOTO Training dated 8/2/19 c) OSH Policy 23/2/19 d) Chemical Safety & Handling dated 28/3/19 d) First Aid Training dated 27/07/19 Welch Estate: a) Operator & Preventive Maintenance Training dated 16/01/19 b) Tractor Driver On-site Training dated 17/4/19-18/4/19. c) Manuring Training dated 19/8/19 d) Spraying (Glyphosate 80ml + Canyon 6gm) Training dated 22/7/19 e) Pruning Training dated 26/7/19 f) Course for Certified Environmental Professional in Scheduled Waste Management (CePSwaM) dated 14/10/19-18/10/19 g) First Aider Refresher Training dated 8/10/19 Lanadron Estate: a) First Aid Training dated 25/7/19 b) PPE Training dated 10/8/19 c) Manuring Training dated 18/9/19 d) Spraying Technique Training dated 24/9/19 Pengkalan Bukit Estate: a) Schedule Waste Training dated 20/5/19 b) Handling Workshop Equipment Training dated 24/9/19 c) Harvesting Training dated 7/10/19 d) First Aid Training dated 8/8/19 Pagoh Estate:</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	a) First Aid Training dated 23/7/19 b) Seed Sowing & Safety Training dated 10/10/19 c) Scout Harvesting, Pruning & Safety Training dated 21/9/19 d) Palm Planting and Safety Training dated 5/10/19 e) Harvesting Competency Training dated 28/9/19 f) Circle Spraying & Safety Training dated 24/9/19	
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.		

<p>5.1.1</p>	<p>An environmental impact assessment (EIA) shall be documented. - Major compliance -</p>	<p>Pagoh POM: Environmental Aspect and Impact Identification (EAI) been reviewed and updated annually with latest done on 15/01/2019. Sampled the Environmental Aspect and Impact Identification (EAI) for activities such as Water Treatment Plant, Power Generation, Boiler Operation and Reception.</p> <p>Welch Estate: Environmental Aspect and Impact Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated annually with latest done on 14/04/2019. Sampled the Environmental Aspect and Impact Identification (EAI) for activities such as Chemical Store, Workshop Area, Diesel Tank, Manuring and Dispensary.</p> <p>Lanadron Estate: Environmental Aspect and Impact Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated annually with latest done on 15/07/2019. Sampled the Environmental Aspect and Impact Identification (EAI) for activities such as Chemical Store, Workshop Area, Diesel Tank, Manuring and Dispensary.</p> <p>Pengkalan Bukit Estate: Environmental Aspect and Impact Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated annually with latest done on 18/01/2019. Sampled the Environmental Aspect and Impact Identification (EAI) for activities such as Landfill, Harvesting & Collection, Road, Schedule Waste Store, Replanting and Field –FFB Transportation.</p> <p>Pagoh Estate: Environmental Aspect and Impact Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated annually with latest done on 3/08/2019. Sampled the Environmental Aspect and Impact Identification</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	(EAI) for activities such as Landfill, Harvesting & Collection, Road, Schedule Waste Store, Replanting and Field –FFB Transportation.	
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 -	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 -	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 -	Complied

Criterion / Indicator	Assessment Findings	Compliance
5.2.2	<p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.</p> <p>- Major compliance -</p> <p>No RTE identified as per in HCV Re-Assessment for Strategic Operating Unit (SOU) 19 Pagoh on 24 -27 November 2015 by Plantation Sustainability Quality Management (PSQM) Department, Sime Darby Plantation Sdn. Bhd. Final Report (Version 2.0) dated August 2016.</p> <p>The estate continue to train the workers on HCV and RTE Species. Signage on prohibition of illegal hunting or fishing, no swimming and chemical application at buffer zone area were erected at the HCV area. Noted during site visit, all the signage are well maintained.</p>	Complied
5.2.3	<p>There shall b 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 estate continue to train the workers on HCV and RTE Species. Signage on prohibition of illegal hunting or fishing, no swimming and chemical application at buffer zone area were erected at the HCV area, housing area and notice board to educate the workers.</p>	Complied

<p>5.2.4</p>	<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>The estates visited has established and documented HCV area/Biodiversity Management Plan. The management plan focus on:</p> <ol style="list-style-type: none"> To ensure the signage is maintain at site To update monitoring records To promote awareness on HCV To identify how task relating to HCV To maintain/enhance the biodiversity in the estate <p>Sighted the implementation as follows:</p> <p><u>Welch Estate:</u> Sighted the monitoring records documented in Auxiliary Police Patrol logbook and Monitoring of HCV and Conservation Areas. Sighted monitoring records dated 20/5/2019. 19/6/2019 and 17/7/2019.</p> <p><u>Lanadron Estate:</u> HCV monitoring at Sg. Muar riparian buffer zone was conducted on weekly basis. Sighted the monitoring records for the month of October, September and August 2019 recorded in Monitoring of HCV and Conservation Area. Sighted the monitoring records dated 12/10/2019, 28/9/2019 and 3/8/2019.</p> <p><u>Pengkalan Bukit Estate:</u> The estate has conducted the HCV monitoring on monthly basis. Sighted the monitoring records dated 4/11/2019, 6/9/2019 and 8/8/2019. No issue such as encroachment, wildlife conflicts or pollution/erosion recorded during the monitoring.</p> <p><u>Pagoh Estate:</u> The estate has conducted the HCV monitoring on monthly basis. Sighted the monitoring records dated 1/10/2019, 8/9/2019, 9/7/2019 and 5/6/2019. No issue such as encroachment, wildlife conflicts or pollution/erosion recorded during the monitoring.</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		During site visit at all HCV area, it was noted that the HCV were well maintained. No evidence of trespassing, encroachment or chemical application were observed. Signage of prohibition of chemical application and activities such as swimming and fishing were erected at the area.	
5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. - Minor compliance -	There are no HCV set-asides for local communities identified in all the estates.	Complied
Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			

Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.1 All waste products and sources of pollution shall be identified and documented. - Major compliance -</p>	<p>Visits made to Mill together with Welch Estate, Lanadron Estate, Pengkalan Bukit Estate, and Pagoh Estate showed that all waste products and sources of pollution were identified and documented. The documentation and identification of all the waste products such as scheduled waste, domestic waste and recyclable waste such as metal, plastic, mill waste and polluting materials e.g. EFB, POME, Stack emissions and Boiler ashes were maintained and monitored at the Mill. At the estates Scheduled Waste identified included spent hydraulic oil (SW 305), spent lubricant oil (SW306), used chemical containers/drums (SW 409), used battery (SW102), clinical waste SW404 and used filters SW 410). Records on the usage and disposal e.g. inventory and consignment notes were recorded and documented.</p> <p>Sampled seen 6th schedule consignment note#2019071113J6RP3K SW 306 dated 11/07/19, consignment note#2019071113P6WVAC for SW 305. & consignment note S/N#0307142 dated 16/10/19 for SW 404 at Welch Estate, consignment note no. 2019092612KL0SOY dated 26/9/19 for SW 404 at Lanadron Estate, consignment note no. 2019082915EM2VYN dated 29/8/19 for SW 404 at Pengkalan Bukit.</p> <p>Pagoh Estate: Disposal of Used Lubricant Oil (SW305), Used Oil Filter (SW410) were done using Pentas Flora (Johor Bahru) Sdn Bhd. Latest collection done on 27/8/19. Seen the estate notification letter to DOE Ref. No. TWG/SBT/99-2 on the collection status as Pentas Flora (Johor Bahru) Sdn Bhd was still pending approval from DOE. Follow up on the status to be made during next assessment visit.</p> <p>Appropriate secondary containment with necessary spill kits for the diesel skid tanks, chemical and scheduled waste storage areas was adequately maintained.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.2 All chemicals and their containers shall be disposed of responsibly. - Major compliance -</p>	<p>The disposal of used chemicals and containers were done in accordance with their schedule on waste management as planned. Stores for scheduled waste were inspected at audited sites i.e. Mill and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment. The mill and estates also have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor by Kuality Alam Sdn. Bhd.</p> <p>Empty chemical containers disposal was not implemented effectively.</p> <p>Pengkalan Bukit Estate: a) Landfill –Waste disposal in the landfill was not well implemented. Mixed up of empty pesticide drum, empty steel drum, empty gear oil bottle, empty grease container and plastic bottles were sighted.</p> <p>Welch Estate: a) Iron scrap yard – Mixed with broken empty pesticide drum</p> <p>Lanadron Estate - Nordanal Division: a) Iron scrap yard – Mixed with broken empty pesticide drum</p> <p>Thus, a major non-compliance been raised.</p>	<p>Major nonconformance</p>
<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -</p>	<p>Segregation of wastes i.e. general wastes and scheduled wastes including clinical waste was verified in the mill/estates.</p> <p>Proper storage areas were identified for the storage of the recyclable wastes at the estates and mill with adequate pollution control methods been implemented e.g. disposal of non-scheduled waste (empty chemical container). Environmental Improvement Plan/Pollution Prevention Plan for year 2019 been established accordingly e.g. for Leaking of pesticide during chemical mixing and washing and leaking of lubricant/oil from servicing/parking tractor.</p>	<p>Minor compliance</p>

Criterion / Indicator	Assessment Findings	Compliance
Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimised.		

<p>5.4.1</p>	<p>A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -</p>	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimize use of renewable energy. Data is being compiled for comparison and control for future improvement. Apart from use of grid supply (TNB) for electricity, palm fibre and shells were also used to generate electricity through steam turbine and boiler. The use of energy in palm oil mill and line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where Palm fibre and PK shells were used as renewable energy/fuel. Monthly records of energy consumption of non-renewable and renewable fuel per metric ton of palm product at the Mill were available.</p> <p>Sampled the Renewable Energy Usage for Financial Year 2019 for following month:</p> <p>Pagoh POM:</p> <table border="1" data-bbox="981 879 1798 1046"> <thead> <tr> <th>Renewable Energy Usage (mt)/CPO (mt)</th> <th>Month</th> </tr> </thead> <tbody> <tr> <td>4.82</td> <td>July 2019</td> </tr> <tr> <td>4.80</td> <td>August 2019</td> </tr> <tr> <td>4.93</td> <td>September 2019</td> </tr> </tbody> </table> <p>Welch Estate:</p> <table border="1" data-bbox="981 1114 1798 1281"> <thead> <tr> <th>Diesel usage per tonne of FFB</th> <th>Month</th> </tr> </thead> <tbody> <tr> <td>0.84</td> <td>July 2019</td> </tr> <tr> <td>0.98</td> <td>August 2019</td> </tr> <tr> <td>0.96</td> <td>September 2019</td> </tr> </tbody> </table> <p>Lanadron Estate:</p>	Renewable Energy Usage (mt)/CPO (mt)	Month	4.82	July 2019	4.80	August 2019	4.93	September 2019	Diesel usage per tonne of FFB	Month	0.84	July 2019	0.98	August 2019	0.96	September 2019	<p>Complied</p>
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Criterion / Indicator		Assessment Findings		Compliance								
		<table border="1"> <tr> <td>Diesel usage per tonne of FFB</td> <td>Month</td> </tr> <tr> <td>1.18</td> <td>July 2019</td> </tr> <tr> <td>1.20</td> <td>August 2019</td> </tr> <tr> <td>1.14</td> <td>September 2019</td> </tr> </table>	Diesel usage per tonne of FFB	Month	1.18	July 2019	1.20	August 2019	1.14	September 2019		
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		Pengkalan Bukit Estate: <table border="1"> <tr> <td>Diesel usage per tonne of FFB</td> <td>Month</td> </tr> <tr> <td>1.56</td> <td>July 2019</td> </tr> <tr> <td>1.52</td> <td>August 2019</td> </tr> <tr> <td>1.31</td> <td>September 2019</td> </tr> </table>	Diesel usage per tonne of FFB	Month	1.56	July 2019	1.52	August 2019	1.31	September 2019		
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Diesel usage per tonne of FFB	Month											
2.30	July 2019											
2.41	August 2019											
2.21	September 2019											
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 -	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).		Complied								

Criterion / Indicator	Assessment Findings	Compliance	
5.5.2	<p>Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions.</p> <p>- Minor compliance -</p>	<p>No use of fire for land preparation during replanting.</p> <p>Company have policy on no use of fire for land preparation during replanting. No controlled 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> <p><u>Lanadron Estate:</u> Sighted at Replanting area of field P19B, the palm residue were collected and place in Closed Ended Conservation Trenches (CECT) for disposal.</p>	Complied
<p>Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>			

<p>5.6.1</p>	<p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -</p>	<p>The operating units visited has conducted assessment on the pollution activities during Environmental Aspects Identification and Environmental Impact Evaluations. Based on the assessment conducted, Environmental management Plan has been established. Various monitoring has been conducted including the effluent analysis, stack monitoring and river water monitoring. Sighted the sampling monitoring records as follows: i. For continuous emission reporting system, it always online and send to HQ of Department of Environment in Putrajaya. Measurement of dust particulate concentration were conducted twice a year as required in the compliance scheduled by DOE. The monitoring of Stack 1- Boiler PAC Testing and Consulting Sdn Bhd. Following is the monitoring report sighted: a. 1st half 2018, refer report no. PAC-AE-180410 dated 17/4/2018. The emission of all parameters tested were complied with their respective limits as stipulated in the Environmental Quality (Clean Air) Regulations 1978. Results recorded at 0.17@g/Nm³ vs 0.40@g/Nm³. b. 2nd half 2018, refer report no. PAC-AE-181005 dated 9/10/2018. The emission of all parameters tested were complied with their respective limits as stipulated in the Environmental Quality (Clean Air) Regulations 1978. Results recorded at 0.38@g/Nm³ vs 0.40@g/Nm³. c. 1st half 2019, refer report no. PAC-AE-190417 dated 18/4/2019. The emission of all parameters tested were complied with their respective limits as stipulated in the Environmental Quality (Clean Air) Regulations 1978. Results recorded at 0.147@g/Nm³ vs 0.150@g/Nm³. ii. Effluent Analysis conducted by Sime Darby Research and submitted to DOE every 3 months through OER (Online Environmental Report). Noted the following report in the Pagoh POM:-</p> <table border="1" data-bbox="981 1233 1836 1374"> <thead> <tr> <th></th> <th></th> <th>1st Month</th> <th>2nd Month</th> <th>3rd Month</th> </tr> </thead> <tbody> <tr> <td rowspan="2">2nd Quarter</td> <td>Date</td> <td>N/A</td> <td>N/A</td> <td>6/6/2019</td> </tr> <tr> <td>pH</td> <td>N/A</td> <td>N/A</td> <td>9.60</td> </tr> </tbody> </table>			1 st Month	2 nd Month	3 rd Month	2 nd Quarter	Date	N/A	N/A	6/6/2019	pH	N/A	N/A	9.60	<p>Complied</p>
		1 st Month	2 nd Month	3 rd Month													
2 nd Quarter	Date	N/A	N/A	6/6/2019													
	pH	N/A	N/A	9.60													

Criterion / Indicator		Assessment Findings				Compliance	
			BOD	N/A	N/A	16.00	
			S. Solid	N/A	N/A	20.00	
		3 rd Quarter	Date	2/7/2019	6/8/2019	4/9/2019	
			pH	9.00	9.40	8.70	
			BOD	17.00	19.00	6.00	
			S. Solid	32.00	140.00	390.00	
		No effluent discharge in the month of April and May 2019 due to desludging process. All investigation on non-conformity results were recorded in Effluent Treatment Plant Action Plan logbook.					
5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	<p>For the estate, GHG emissions identified including CO_x, SO_x and NO_x from various sources including fossil fuel, chemical, peat oxidation, sinks, crop sequestration, fertilizer consumptions and sequestration in conservation area.</p> <p>For mill, GHG emission identified from POME, fuel consumption and grid electricity utilization. 5 years plan for GHG reduction (phase I, 20 mills (Malaysia) was sighted.</p> <p>Programme such as feed in tariff (FIT), flaring, CNG, CaP, Co-gen was included in the plan.</p>				Complied	

Criterion / Indicator	Assessment Findings	Compliance
<p>5.6.3</p>	<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. - 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. These GHG calculations were done as per certification unit basics including 4 estate and mill. Summary emissions: Based on the verification of monthly records vs data input in PalmGHG Calculator, the following inconsistency were observed:</p> <ul style="list-style-type: none"> i. Welch Estate Fertiliser MOP consumption: 225.80 MT actual vs 263.35 MT in PalmGHG Calculator. ii. Lanadron Estate Diesel Consumption: 57904 L actual vs 58528 L in PalmGHG Calculator Fertiliser MOP consumption: 352.45 MT actual vs 443.15 MT in PalmGHG Calculator. 	<p>Minor nonconformance</p>

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

Criterion / Indicator	Assessment Findings	Compliance	
<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>			
<p>6.1.1</p>	<p>A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -</p>	<p>Social Impact Assessment has been carried out in Pagoh POM on 29 – 31/5/2013 which using the methodology such as field interview, site observation and documentation review. Social profile such as education, safety and health, living condition, infrastructure and amenities, background of local communities and social background of employees has covered during the assessment. Seen the attendance list found that stakeholders such as workers’ representatives and contractors and suppliers have involved during the assessment.</p> <p>Besides, the Social & Environment Projects Unit, PSQM Department has carried out Social Impact Assessment on 5 – 8 May 2015 for Pagoh Estate, Lanadron Estate, Welch Estate and Pengkalan Bukit Estate. The assessment has involved the participation of stakeholders such as government authorities, workers, local communities, contractors and suppliers. The issues reported by the stakeholders were recorded in the report.</p>	<p>Complied</p>
<p>6.1.2</p>	<p>There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -</p>	<p>Seen the attendance list of the SIA found that affected stakeholders such as workers’ representatives, local communities, government authorities, contractors and suppliers have involved during the assessment. Issues raised during the assessment were recorded in the report.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>6.1.3</p> <p>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.</p> <p>- Major compliance -</p>	<p>SIA management plan for FY2019 was developed on 10/10/2019 in Pagoh POM and 16/9/2019 in Pagoh Estate. The issues and strategies were collected from stakeholder meeting, NUPW meeting and complaints. The issues were incorporated with action plan, PIC and timeframe.</p> <p>SIA Management Plan for Y2019 was developed on 17/10/2019 in Welch Estate and 25/7/2019 in Lanadron Estate prepared by Assistant Manager. The issues reported during the stakeholder meeting, UNION meeting and gender committee meeting were incorporated into the management plan with action taken clearly stated. Sampled of the issue refer to Indicator 6.6.2.</p> <p>Pengkalan Bukit Estate has developed a SIA management plan on 16/10/2019 after the meeting with the management on 30/9/2019 on the issues reported by the stakeholders during stakeholder meeting, NUPW meeting and Gender committee meeting. The management plan has incorporated with the action to be taken and monitoring period for the implementation. Sampled of the issue as below:</p> <ul style="list-style-type: none"> i. Issue: The NUPW committee has complaint on the clogged of septic tanks. Action to be taken: The management will appoint workers who willing to do the desludging work and pay accordingly. Status: Appointed workers have carried out desludging activities on 6/9/2019, 7/9/2019 and 11/9/2019 right after the complaint received during NUPW meeting. Seen the Piece Rate Work jobsheet. 	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
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 last reviewed of SIA management plan was on 10/10/2019 in Pagoh POM, 17/10/2019 in Welch Estate, 25/7/2019 in Lanadron Estate, 16/10/2019 in Pengkalan Bukit Estate and 16/9/2019 in Pagoh Estate.	Complied
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	There was no scheme smallholder involved in the certification units.	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 -	Sime Darby Plantation Berhad developed Procedure for External Communication (Sime Darby Plantation Estate Quality Management System – Standard Operation Manual, Sub-section 5.5, Appendix 5.5.3.2, version 1, issue date 1/11/2008). The procedure has detailing the process of handling complaints from stakeholders and the time frame for external communication to be dealt with. The time frame to provide feedback is within two weeks of the date of receipt for communication and within one week of the completion of the investigation.	Complied

Criterion / Indicator	Assessment Findings	Compliance
6.2.2	<p>A management official responsible for these issues shall be nominated.</p> <p>- Minor compliance -</p>	<p>Assistant Engineer of Pagoh POM has been appointed by the Mill Manager to be the Social Officer to handle any social issue reported in the mill. Appointment letter dated 16/4/2019 was sighted.</p> <p>Assistant Manager of Welch Estate, Lanadron Estate, Pengkalan Bukit Estate and Pagoh Estate has been appointed as Social Officer by the Manager and appointment letter dated 1/7/2019, 1/10/2019, 1/1/2019 and 17/6/2019 was sighted respectively.</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>6.2.3</p> <p>A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.</p> <p>- Minor compliance -</p>	<p>Stakeholder list was established to include stakeholders such as government authorities, local communities, schools’ representatives, contractors and suppliers into the list.</p> <p>Stakeholder meeting was conducted with the participation of stakeholders such as local community, AMESU representative, contractors and suppliers on 11/7/2019 in Pagoh POM. Reviewed the meeting minutes found that no issue has been reported by the stakeholders.</p> <p>Welch Estate has organized stakeholder meeting on 29/7/2019 with the participation of contractors, suppliers, local community and government authority. Reviewed the meeting minutes found that no issue reported. Only a request from the local community representative hope that the management could remove the fronds of oil palm along the road to the village. Seen the photo evident that the road has been cleared.</p> <p>A combined stakeholders for all the estates was conducted on 26/9/2019 attended by contractors, local communities, government authorities and internal workers. Action plan was developed to mitigate the issues reported during the meeting.</p> <p>Besides, a management meeting was carried out in Pengkalan Bukit Estate to discuss the action plan for the inputs received from stakeholder meeting, gender committee meeting and NUPW meeting. Seen the meeting minutes and the action plan has incorporated into the SIA management plan.</p>	<p>Complied</p>
<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>		

Criterion / Indicator	Assessment Findings	Compliance
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>Sime Darby Plantation Berhad has implemented Flowchart and Procedure on Handling Social Issues, version 1 and dated 1/11/2008. Initial negotiation between the management and the dispute parties should be taken within two weeks after outbreak of issue which the involvement of disputed parties, zone heads, third parties and stakeholders. Besides, the company has implemented Whistleblowing Channels where the e-Form, email address and toll free number/ hotline can be found in www.simedarbyplantation.com.</p>

<p>6.3.2</p>	<p>Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance –</p>	<p>Pagoh POM and the estates have implemented Electrical Form, Complaint Form and Records of Complaints for Stakeholders to record any complaints related to external stakeholders and internal housing issues. As to date, there was no external stakeholders have lodge complaint to Pagoh POM. Stakeholders complaints were normally done during stakeholder meeting in the estates. Seen the complaint form for internal stakeholders and sampled the complaints as below:</p> <ul style="list-style-type: none"> i. House No.: 22 dated 17/10/2018 Issue: Rear house ceiling broken off. Action: Contractor has been appointed to carry out the repairing work. Purchase Requisition S/N: 002029 dated 5/11/2018 was issued to the contractor. Seen the INV# 2362 dated 15/11/2018 for supplying new ceiling plaster board sheet and iron rafter to replace the broken ceiling. Work Completion Certificate# 001016 dated 16/11/2018 was sighted. ii. House No.: 8-81 dated 4/10/2019 Issue: Water tank in the toilet was broken. Action: Carpenter has inspected the issue and found that the water tank cannot be repair. It has to be replaced with new water tank. The management has made Purchase Order# 4502421278 dated 9/10/2019 to purchase 80 gallon water tank and the water tank received on 16/10/2019 with DO# DO20-00637 was sighted. The replacement still under progress. This will be verify during next assessment. iii. House No.: 20 on September 2019 Issue: Roofing leakage. <p>Action: Pagoh Estate management has appointed contractor to repair the roofing and seen the INV# 2409 dated 1/10/2019 for supply of roof ardex</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		10' and labour to repair and replace roofing and patch leak. Verified on site found that the roofing has been replaced accordingly.	
Criterion 6.4: Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.			
6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	Sime Darby Plantation Berhad has developed Flowchart and Procedures on Handling Land Disputes, version 1 and issue date: 1/11/2008. The procedure has detailing the process if any issues reported by local communities regarding land dispute. Negotiation process will be initiated which included the Estate Management, Land Management Department, Regional Heads, Zone Heads, third parties' involvement including stakeholders. Compensation of calculation and distribution to the affected parties will be determined by Land Management Department.	Complied
6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. - Minor compliance -	SOP as per indicator 6.4.1. Besides, the company has implemented Social Policy dated January 2015 where they are committed to ensure that any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	Complied
6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. - Major compliance -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit through interviewed with the local communities. Boundary stone and trenches were available to demarcate the boundary of land.	Complied

Criterion / Indicator	Assessment Findings	Compliance
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>	<p>Documentation of pay and conditions shall be available. - 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, deduction of salary such as electricity bill. Payslip for October 2018, January 2019, April 2019, May 2019, July 2019 and September 2019 was sampled based on the crop summary as below:</p> <ul style="list-style-type: none"> a. Employee No.: 86326 (PPOM) b. Employee No.: 102552 (PPOM) c. Employee No.: 130971 (PPOM) d. Employee No.: 129963 (PPOM) e. Employee No.: 75507 (WE) f. Employee No.: 110509 (WE) g. Employee No.: 149329 (WE) h. Employee No.: 127474 (WE) i. Employee No.: 117190 (WE) j. Employee No.: 105029 (LE) k. Employee No.: 75318 (LE) l. Employee No.: 125392 (LE) m. Employee No.: 108545 (LE) n. Employee No.: 128508 (PBE) o. Employee No.: 102027 (PBE) p. Employee No.: 114885 (PBE) q. Employee No.: 119868 (PBE) r. Employee No.: 144791 (PBE) s. Employee No.: 101957 (PE) t. Employee No.: 125688 (PE) u. Employee No.: 144848 (PE) v. Employee No.: 144857 (PE) <p>All the sampled workers have achieved the minimum wage order.</p> <p>Pagoh POM:</p>	<p>Major nonconformance</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>Sampled of the payslips and punch card for May 2019 for worker (Employee No.: 147827) in Pagoh POM found that she has worked on rest day (Thursday) on the date of 9/5/2019, 23/5/2019 and 30/5/2019 but has yet to pay double of wages as per the regulation.</p> <p>Besides, sampled the payslips for July – September 2019 and punch card of contractor’s worker (Shovel Driver – IC No.: 691025-01-6XXX) found that he has worked more than 26 days per month and more than 8 hours per day. However, the payslip could not show that the driver has paid the overtime and work on rest day rate as per the regulation.</p> <p><u>Lanadron Estate:</u> Interviewed with the 3 sprayers of Gang 26 found that they were requested to work on Sunday to cover back the hectarage if there was raining day during weekdays. However, the wages that work on Sunday to cover back the raining day were paid as normal rate but the mandore was paid double rate by confirmed through interviewed with the mandore. The mandore told that it was their normal practice due to the sprayers are piece-rated workers. However, this is not accordance to the regulation where any employee employed on piece rates who works on a rest day, he shall be paid twice his ordinary rate per piece.</p>	

<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. - Major compliance -</p>	<p>Employment contract are available and explained in language that understood by workers and contractor's workers. The contract was signed by the workers and sampled of contracts as below:</p> <ul style="list-style-type: none"> a. Employee No.: 86326 (PPOM) b. Employee No.: 130971 (PPOM) c. Employee No.: 151618 (PPOM) d. Employee No.: 129963 (PPOM) e. IC No.: 691025-01-6XXX (PPOM Contractor Worker) f. Employee No.: 145513 (WE) g. Employee No.: 140147 (WE) h. Employee No.: 149329 (WE) i. Employee No.: 127474 (WE) j. Employee No.: 107831 (WE) k. Employee No.: 125392 (LE) l. Employee No.: 139664 (PBE) m. Employee No.: 128508 (PBE) n. Employee No.: 144791 (PBE) o. Employee No.: 153315 (PE) p. Employee No.: 153314 (PE) q. Employee No.: 135693 (PE) r. Employee No.: 144848 (PE) <p>Besides, for workers who workers more than 2 years (Indonesian) and 3 years (other nationalities) have signed an extension contract as below:</p> <ul style="list-style-type: none"> i. Employee No.: 86360 (PPOM) ii. Employee No.: 122030 (PPOM) iii. Employee No.: 135782 (WE) iv. Employee No.: 117190 (WE) v. Employee No.: 105029 (LE) vi. Employee No.: 114621 (LE) vii. Employee No.: 75318 (LE) viii. Employee No.: 119868 (PBE) 	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	ix. Employee No.: 114346 (PKE) x. Employee No.: 102027 (PKE) xi. Employee No.: 125688 (PE) xii. Employee No.: 121528 (PE) xiii. Employee No.: 101957 (PE) xiv. Employee No.: 114720 (PE)	

<p>6.5.3</p>	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance –</p>	<p>All the workers were provided with basic amenities such as free accommodation, subsidized water and free medical assistance. Linesite inspection was carried out on weekly basis by Hospital Assistant/ Medical Assistant. The last inspection was carried out on 16/10/2019, 10/10/2019, 4/10/2019, 27/9/2019 in Pagoh POM, 14/10/2019, 7/10/2019, 30/9/2019, 23/9/2019 and 17/9/2019 in Wlech Estate using the Housing Complex/ Crèche/ Community Hall Inspections checklist.</p> <p>Welch Estate: Linesite visit found that the whole stretch of the drainage behind the 02/81 and 02/82 was clogged with bad smell.</p> <p>Lanadron Estate: Linesite inspection was carried out by using the Housing Complex/ Crèche/ Community Hall Inspections checklist. However, the inspection was not consistently carry out as per the regulation where it has to be carried out on weekly basis. The date of inspection as below:</p> <table border="1" data-bbox="981 911 1868 1283"> <thead> <tr> <th>Date of inspection</th> <th>Date of Next inspection</th> </tr> </thead> <tbody> <tr><td>22/8/2019</td><td>10/9/2019</td></tr> <tr><td>17/7/2019</td><td>8/8/2019</td></tr> <tr><td>20/6/2019</td><td>17/7/2019</td></tr> <tr><td>6/6/2019</td><td>20/6/2019</td></tr> <tr><td>15/5/2019</td><td>6/6/2019</td></tr> <tr><td>3/5/2019</td><td>15/5/2019</td></tr> <tr><td>11/4/2019</td><td>25/4/2019</td></tr> <tr><td>22/3/2019</td><td>11/4/2019</td></tr> <tr><td>8/3/2019</td><td>22/3/2019</td></tr> <tr><td>22/2/2019</td><td>8/3/2019</td></tr> </tbody> </table> <p>Besides, linesite visit found that House No. 144 has the following issues: i) drainage clogged</p>	Date of inspection	Date of Next inspection	22/8/2019	10/9/2019	17/7/2019	8/8/2019	20/6/2019	17/7/2019	6/6/2019	20/6/2019	15/5/2019	6/6/2019	3/5/2019	15/5/2019	11/4/2019	25/4/2019	22/3/2019	11/4/2019	8/3/2019	22/3/2019	22/2/2019	8/3/2019	<p>Minor nonconformance</p>
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22/8/2019	10/9/2019																								
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8/3/2019	22/3/2019																								
22/2/2019	8/3/2019																								

Criterion / Indicator		Assessment Findings	Compliance
		ii) sign of spillage of oil on the ground outside the house Pengkalan Bukit Estate and Pagoh Estate: Linesite inspection was carried out by Medical Assistant by using the Housing Complex/ Crèche/ Community Hall Inspections checklist on weekly basis. Seen the records from October 2018 to October 2019 in both estate. Site visit to the linesites found the compound was cleaned and rubbish was well managed.	
6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food. - Minor compliance –	Site verification to the canteen found that the pricing of all food and beverage were displayed accordingly at the wall of canteen. Interviewed with the workers found that they paid according to the price list.	Complied
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 -	Sime Darby 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. The policy was developed in Bahasa Malaysia and English. The policy has been briefed to all the workers on 10/7/2019 in Pagoh POM, 8/10/2018 in Welch Estate, 23-24/4 and 26/4/2019 during Town Hall 7.0 meeting in Pengkalan Bukit Estate and 6/8/2019 in Pagoh Estate. The policy was displayed at the notice board outside the office. Interviewed with the workers confirmed that they understood on the policy and aware that they are freely to join any association.	Complied

<p>6.6.2</p>	<p>Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -</p>	<p>NUPW meeting was carried out once a year and the last meeting was conducted on 18/7/2019 in Pagoh POM. Seen the meeting minutes and issues reported during the meeting were incorporated into the SIA management plan dated 18/7/019.</p> <p>There were 2 meetings carried out in Welch Estate since last audit. The meeting was dated 29/4/2019 with the NUPW representative from Johor to explain on the latest Minimum Wages 2018 and new changes on the NUPW agreement. The next meeting was held on 4/7/2019 with participation of representatives from workers, Human Resource, NUPW Johor and MAPA South due to a complaint received by NUPW dated 30/6/2019 regarding the Hospital Assistant. NUPW Johor has formally wrote in letter to arrange for meeting with the management with letter dated 1/7/2019 was sighted. The management has investigated the issue and seen the details of meeting minutes. The investigation result found that no solid evidence that shown the Hospital Assistant has punched the worker. Pejabat Tenaga Kerja Segamat has invited the management to attend meeting regarding to this matter on 2/9/2019. Phone interviewed with the officer from JTK Segamat confirmed that the issues reported were not under the scope of JTK and therefore is invalid.</p> <p>Union meeting was carried out on 24/6/2019 in Lanadron Estate with the local representatives of NUPW related to the complaint of Ex-Gratia payment received by NUPW Johor Branch. Seen the meeting minutes that the management has explained to the representatives on how to calculate the Ex-Gratia payment. Besides, interviewed with workers also found that the issue has been solved. They are understood on the calculation of payment.</p> <p>There was a meeting conducted on 4/9/2019 between the Union representatives and Pengkalan Bukit Estate’s management. The issue reported during the meeting was discussed in the management meeting</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		<p>conducted on 30/9/2019 and action plan has incorporated into the SIA management plan.</p> <p>Pagoh Estate has carried out NUPW meeting with the representatives on 15/8/2019. There was no issue reported during the meeting. The manager of the estate has explained the issue raised previously.</p>	
<p>Criterion 6.7: Children are not employed or exploited.</p>			
6.7.1	<p>There shall be documentary evidence that minimum age requirements are met.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Berhad has developed Child Protection Policy and Social Policy dated January 2015 where they are committed to comply with the minimum age of employees. The policy has been briefed to all the workers on 10/7/2019 in Pagoh POM, 8/10/2018 in Welch Estate, 23-24/4 and 26/4/2019 during Town Hall 7.0 meeting in Pengkalan Bukit Estate and 6/8/2019 in Pagoh Estate. The policy was displayed at the notice board outside the office. Document reviewed on the master listing of the employees found that all workers employed were above 18 years old. Interviewed with the workers confirmed that no child labour was found in the plantations.</p>	Complied
<p>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.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	SDPB 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. The policy has been briefed to all the workers on 10/7/2019 in Pagoh POM, 8/10/2018 in Welch Estate, 23-24/4 and 26/4/2019 during Town Hall 7.0 meeting in Pengkalan Bukit Estate and 6/8/2019 in Pagoh Estate. The policy was displayed at the notice board outside the office. Interviewed with the workers confirmed that they are treated equally without any discrimination of nationality and races.	Complied
6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. - Major compliance -	Interviewed with the workers consisted of different nationalities and different gender confirmed that they are treated equally without any discrimination. The benefits that provided to them were the same such as medical treatment, overtime was offered to everyone whenever necessary and trainings were provided according to job needs.	Complied
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	Sime Darby Plantation Berhad has developed Workforce Management Unit Liaison & Recruitment (LR) Procedure with Doc. No. WMU/LR-SOPP/MARCH2016, rev. 0 dated 30/3/2016. The recruitment process was clearly stated in the procedure where the recruitment was based age, medical fitness and etc. There is no any discrimination based on religion, gender, nationality and etc during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary and etc.	Complied
Criterion 6.9: There is no harassment or abuse in the work place, and reproductive rights are protected.			

Criterion / Indicator		Assessment Findings	Compliance
6.9.1	Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	Sime Darby Plantation Berhad has implemented Social Policy and Social & Humanity Management Policy dated January 2015 where the management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights. The policy has been briefed to all the workers on 10/7/2019 in Pagoh POM, 8/10/2018 in Welch Estate, 23-24/4 and 26/4/2019 during Town Hall 7.0 meeting in Pengkalan Bukit Estate and 6/8/2019 in Pagoh Estate. The policy was displayed at the notice board outside the office.	Complied
6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	SDPB has implemented Social Policy and Social & Humanity Management Policy dated January 2015 where the management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights. The policy has been briefed to all the workers on 10/7/2019 in Pagoh POM, 8/10/2018 in Welch Estate, 23-24/4 and 26/4/2019 during Town Hall 7.0 meeting in Pengkalan Bukit Estate and 6/8/2019 in Pagoh Estate. The policy was displayed at the notice board outside the office. Interviewed with the female workers confirmed that they are aware of their reproductive rights.	Complied

<p>6.9.3</p>	<p>A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -</p>	<p>Sime Darby Plantation Berhad has developed Gender Committee Handbook, First Edition and the purpose of the development of this handbook is to provide general guide to the management, Gender Committee and other relevant parties to the specific components of the Gender Policy. Gender Committee was established in every operating unit to implement, promote and disseminate values and principles of the Gender Policy. It enhances the awareness of employees on issues related to women in the workplace, gender discrimination as well as fair and equal opportunity. Flowchart to handle the social issues was stated in the handbook as well. Besides, the company has established Whistleblowing channel that could be found in www.simedarbyplantation.com to enable the employees to anonymously report actual, potential, or suspected wrongdoings without fearing repercussions. Besides that, complaint form for sexual harassment was implemented to record any sexual harassment issue.</p> <p>Gender Committee in Pagoh POM has conducted the meeting on quarterly basis and the last meeting was held on 20/9/2019 with total 9 participants. Reviewed the meeting minutes found that no issue reported by the female employees. Interviewed with the female employee also confirmed that no case of sexual harassment and violence reported as to date. The committee has organized activities such as Hari Raya celebration and Zumba for the committee.</p> <p>Welch Estate has established Gender Committee and meeting was conducted on 16/10/2019. The committees have been briefed on the objective and role of gender committee is playing as well as the procedure on handling the social issue. Interviewed with the gender representatives found that no sexual harassment and violence case reported. Social activities were held in the estate such as exercise, festival celebration and linesite cleaning.</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		Meeting was conducted on 8/8/2019 in Pengkalan Bukit Estate and seen the meeting minutes. The issues reported during the meeting were recorded in the SIA management plan. Interviewed with the female workers confirmed that no case of sexual harassment and violence has reported so far.	
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	SOU 19 Pagoh POM has received FFB from own supplying estates and purchased FFB from outsider crops. The current and past prices was displayed at the weighbridge office.	Complied
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	There are five OCPs supplied FFB to the mill and they were briefed on the pricing mechanism as well as the mechanism was clearly stated in the First Schedule and Second Schedule of the agreement. Sampled of the agreement as below: i. Agreement No.: P/P/0619/FFB01475L which valid until 31/12/2019 ii. Agreement No.: P/P/090/FFB01515L which valid until 31/12/2019	Complied
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Sampled of contract agreement with the contractors that worked in the mill as below: i. Company No.: JM 0359066-K for rental of shovel with driver which valid until July 2020. ii. Company No.: MA0120306-X for grass cutting works which valid until December 2019. iii. Company No.: 880893-H for transporting of FFB which valid until 30/9/2021. iv. Company No.: 943602-A for land preparation for replanting oil palm which valid until 31/1/2020.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>6.10.4 Agreed payments shall be made in a timely manner. - Minor compliance -</p>	<p>According to the agreement, the payment divided into two portions for OCP. One is advance payment which on weekly basis where the payment of 70% of the value equivalent to the total FFB delivered every 7 days or more during the delivery month shall be made at any time prior to the end of the week of the said month. Final payment will be made on or before the 10th day of the following month.</p> <p>Reviewed on the payment records for the OCP as below:</p> <ul style="list-style-type: none"> i. Self Billed INV# P/AFVCH-07764 dated 31/7/2019; Official Receipt No.: PPMSB 2612 dated 8/8/2019 ii. Self Billed INV# P/AFVCH-07920 dated 31/8/2019; Official Receipt No.: PPMSB 2613 dated 12/9/2019 <p>Besides, the payment term for FFB transporter was within 30 days from the date of receipt of invoice from contractor as stipulated in the LOA. Sampled of the payment records as below:</p> <ul style="list-style-type: none"> i. INV# GTSB/INV/19/247 dated 31/7/2019; Payment made on 8/8/2019 with Doc. No.: 1600039094 ii. INV# GTSB/INV/19/283 dated 30/9/2019; Payment made on 8/10/2019 with Doc. No.: 1600047839 iii. INV# GTSB/INV/19/281 dated 31/30/9/2019; Payment made on 8/10/2019 with Doc. No.: 1600047841 iv. INV# 2521 dated 30/6/2019; Payment made on 8/7/2019 with Doc. No.: 1600033029 v. INV# JULY19-014 dated 31/7/2019; Payment made on 8/8/2019 with Doc. No.: 1600038934 vi. INV# AUG19-0008 dated 29/8/2019; Payment made on 6/9/2019 with Doc. No.: 1600043097 vii. INV# SEP19-008 dated 30/9/2019; Payment made on 8/10/2019 with Doc. No.: 1600046901 	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
Criterion 6.11: Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	The mill has made contribution to the local communities such as provided job opportunity to the local workers by verified the Employee Master Listing. Besides, activities such as festival celebration and competition were held that involved the employees and their families. In addition, the mill has provided free transportation to send the children to school for free. Representative from neighbouring school informed that the management from Welch Estate has provided many assistance such as grass cutting in school compound upon request. Pengkalan Bukit Estate management was helped the local community to solve the flooding issue along the way to the village by constructed trenches. Besides, they also allowed the sport society to use the estate’s field for their activity upon request.	Complied
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	There was no scheme smallholder involved in SOU 19 Pagoh.	Not applicable
Criterion 6.12: No forms of forced or trafficked labour are used.			

Criterion / Indicator	Assessment Findings	Compliance
6.12.1	<p>There shall be evidence that no forms of forced or trafficked labour are used.</p> <p>- 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.: PE 7340789 valid until 27/5/2020 (PPOM) b. Permit No.: PE 6386442 valid until 25/1/2020 (PPOM) c. Permit No.: PE 8265114 valid until 21/9/2020 (PPOM) d. Permit No.: PE 8385908 valid until 13/9/2020 (WE) e. Permit No.: PE 8390596 valid until 15/10/2020 (WE) f. Permit No.: PE 8251922 valid until 7/8/2020 (WE) g. Permit No.: PE 6425103 valid until 8/3/2020 (WE) h. Permit No.: PE 8369879 valid until 2/9/2020 (LE) i. Permit No.: PE 7660062 valid until 29/5/2020 (LE) j. Permit No.: PE 8746578 valid until 26/11/2020 (LE) k. Permit No.: PE 7065122 valid until 17/4/2020 (LE) l. Permit No.: PE 1750763 valid until 26/11/2019 (PBE) m. Permit No.: PE 6302912 valid until 24/1/2020 (PBE) n. Permit No.: PE 6302920 valid until 6/2/2020 (PBE) o. Permit No.: PE 7341523 valid until 9/6/2020 (PBE) p. Permit No.: PE 7302438 valid until 27/5/2020 (PE) q. Permit No.: PE 7267080 valid until 10/5/2020 (PE) r. Permit No.: PE 8251258 valid until 9/8/2020 (PE) <p>Permit No.: PE 7816959 valid until 3/6/2020 (PE)</p>	Complied
6.12.2	<p>Where applicable, it shall be demonstrated that no contract substitution has occurred.</p> <p>- Minor compliance –</p> <p>Interviewed with the foreign workers confirmed that no contract substitution has occurred. The terms and conditions explained to them at their country of origin were similar to what they have signed in Malaysia.</p>	Complied

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 -	SDPB has implemented a Sime Darby's Human Rights Charter and can be easily access via www.simedarbyplantation.com 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 <p>All the foreign workers will be provided with induction training prior to work. Besides, they were provided with decent living condition and free from any discrimination. The workers informed that they were treated equally without any discrimination and allow joining NUPW freely. No contract substitution has occurred through interviewed with the workers.</p>	Complied
Criterion 6.13: Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	The Social and Humanity Management Policy covers the necessary aspects of human rights. Employees are aware of their rights and workers and staff union monitor to ensure no violations. The policy has been briefed to all the workers on 10/7/2019 in Pagoh POM, 8/10/2018 in Welch Estate, 23-24/4 and 26/4/2019 during Town Hall 7.0 meeting in Pengkalan Bukit Estate and 6/8/2019 in Pagoh Estate. The policy was displayed at the notice board outside the office.	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 in Peninsular Malaysia.	Not applicable
Principle 7: Responsible development of new plantings			

Criterion / Indicator	Assessment Findings	Compliance	
<p>Pagoh Palm Oil Mill Certification Unit and supply base did not carry out any new plantings since November 2005. Therefore, Principle 7 is not applicable during this surveillance assessment. The immature areas are replanted area.</p>			
<p>Principle 8: Commitment to continual improvement in key areas of activity</p>			
<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>Continuous improvement plan was established at Pagoh POM and supply bases as follow:</p> <ol style="list-style-type: none"> 1. To reduce registration medical cost 2. To reduce painting cost 3. To repair existing shelter and other maintenance works using scrap irons, used woods and used zink. 4. To optimize utilization of estate grader for road maintenance work. 5. Reduce electricity consumption 6. Reduce consumption of raw water treatment chemical 7. Increase OER % 8. Reduce water consumption 9. To improve safety road condition 	<p>Complied</p>

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Appendix B: Approved Time Bound Plan

SDP- RSPO Certification Status for Malaysia Operations

SOU NO	Name of SOU	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	Sg. Dingin	Karangan, Kedah	12 Aug '10	11-Aug-20	RSPO 550179	N.A
2	Chersonese	Kuala Kurau, Perak	5 Oct '11	4-Oct-21	CU-RSPO-815148, RSPO 590800	N.A
3	Elphil	Sg Siput, Perak	18 Jun '11	17-Jun-21	RSPO 550180	N.A
4	Flemington	Teluk Intan, Perak	5 Oct '11	4-Oct-21	CU-RSPO-819144, RSPO 590802	N.A
5	Seri Intan	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-811218, RSPO 0015	N.A
5	Selaba	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-819142, RSPO 0016	N.A
5a	Sg Samak		3 Mar '11	NA	NA	Mill was closed down.
6	Tennamaram	Bestari Jaya, Selangor	3 Mar '11	2-Mar-21	CU-RSPO-819143, RSPO 0014	N.A
7	Bkt Kerayong	Kapar, Selangor	15 Apr '11	14-Apr-21	RSPO 550181	N.A
8	East	Carey Island, Selangor	19 May '10	18-May-20	RSPO 543543	N.A
9	West	Carey Island, Selangor	19 May '10	18-May-20	RSPO 543594	N.A
9a	Sepang	Sepang, Selangor	19 May '10	NA	NA	Mill was closed down.
10	Bukit Puteri	Raub, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-815147, 18502206 001, 824 502 14020, MUTU – RSPO/091	N.A
11	Kerdau	Temerloh, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-819155, 18502207 001, 824 502 14019, MUTU-RSPO/094	N.A
12	Jabor	Kuantan, Pahang	7 Jul '11	6-Jul-21	CU-RSPO-819156, RSPO 928288, 824 502 16049, MUTU-RSPO/092	N.A
13	Labu	Nilai, Negeri Sembilan	30 Dec '11	29-Dec-21	CU-RSPO-855480	N.A
14	Tanah Merah	Port Dickson, Negeri Sembilan	19 May '10	18-May-20	RSPO 541905	

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SOU NO	Name of SOU	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
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 '11	6-Jul-21	CU-RSPO-819157, RSPO 928188, 824 502 16051, MUTU-RSPO/093	N.A
17	Kempas	Jasin, Melaka	19 May '10	18-May-20	RSPO 005	N.A
18	Diamond Jubilee	Jasin, Melaka	5 Oct '11	4-Oct-21	CU-RSPO-819146, RSPO 591224	N.A
19	Pagoh	Muar, Johor	28/1/2014	27-Jan-19	RSPO 600305	Pagoh Oil Mill has been commissioned to replace Nordanal Oil Mill with Certificate No: SPO 549297, certification date: 7 Jan 2011.
19a	Yong Peng	Yong Peng, Johor	20 Oct '10	19-Oct-15	RSPO 550182	Mill was closed down.
20	Chaah	Chaah, Johor	18 Nov '10	17-Nov-20	RSPO 548299	N.A
21	Gunung Mas	Kluang, Johor	19 May '10	18-May-20	RSPO 901888	N.A
22	Bukit Benut	Kluang, Johor	5 Oct '11	4-Oct-21	CU-RSPO-819147, RSPO 591229	N.A
23	Ulu Remis	Layang-layang, Johor	11 Apr '11	10-Apr-21	SGS-RSPO/PM-00722, 824 502 16042, BV-RSPO-20170705-01	N.A
24	Hadapan	Layang-layang, Johor	29 Mar '11	28-Mar-21	SGS-RSPO/PM-00715, 824 502 16040, BV-RSPO-20170623-01	N.A
25	Segaliud	Sandakan, Sabah	20 May '10	19-May-15	RSPO 547123	Mill was closed down.
26	Sandakan Bay	Sandakan, Sabah	5 Sep '19	30-Sep-23	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	Mill was closed down.
30b	Mostyn	Kunak Sabah	16 Jan '09	NA	NA	Mill was closed down.
31	Lavang	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819166, MUTU-RSPO/053	N.A

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SOU NO	Name of SOU	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
32	Rajawali	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819167, RSPO 0020	N.A
33	Derawan	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819169, RSPO 0019	N.A
34	Pekaka	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-815150, MUTU-RSPO/054	N.A

Legends

Certification Withdrawal

NA - NOT APPLICABLE

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

SDP- RSPO Certification Status for Indonesia Operations

NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	PT LAHAN TANI SAKTI	ALUR DUMAI	Bagan Sinembah/Tanh Putih, Pujud, Rokan Hilir, Riau	16-Jan-12	15-Jan-22	SGS-RSPO/PC17-00005	N.A
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	3-Jul-13	2-Jul-23	MUTU-RSPO/027	N.A
4	PT LADANGRUMPUN SUBURUBADI	ANGSANA	Sebamban, Indonesia	9-Nov-16	8-Nov-21	MUTU-RSPO/006a	N.A
5	PT LANGGENG MUARAMAKMUR	BEBUNGA	Pamukan Utara, Tanah Grogot, Kotabaru/Pasir, Kalimantan Selatan/Kalimantan Timur	16-Mar-12	3-Aug-22	MUTU-RSPO/014	N.A
6	PT KRIDATAMA LANCAR	SUKAMANDANG	Seruyan Tengah, Sampit, Seruyan, Kalimantan Tengah	2-Sep-16	1-Sep-21	MUTU-RSPO/003	N.A
7	PT BAHARI GEMBIRA RIA	LADANG PANJANG	Kumpeh Ulu, Jambi, Muaro Jambi, Jambi	9-Jul-12	28-Nov-22	MUTU-RSPO/019	N.A
8	PT TUNGGAL MITRA PLANTATIONS	MANGGALA	Riau, Indonesia	25-Nov-10	24-Nov-20	MUTU-RSPO/002	N.A
9	PT PARIPURNA SWAKARSA	PONDOK LABU	Pamukan Selatan, Tanah Grogot, Kotabaru, Kalimantan Selatan	16-Mar-12	19-Jul-22	MUTU-RSPO/016	N.A
10	PT BERSAMA SEJAHTERA SAKTI	GUNUNG ARU	Sebamban, Indonesia	21-Oct-16	20-Oct-21	MUTU-RSPO/005	N.A

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NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
11	PT GUTHRIE PECCONINA	RANTAU PANJANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	16-Mar-12	19-Nov-22	MUTU-RSPO/017	N.A
12	PT LAGUNA MANDIRI	RANTAU	Sungai Durian, Kotabaru, Kalimantan Selatan	30-Dec-11	29-Dec-21	MUTU-RSPO/009	N.A
13		BETUNG		1-April-14	31 Mar-24	MUTU-RSPO/035	
14	PT INDOTRUBA TENGAH	SEKUNYIR	Kalimantan Tengah, Indonesia	23-Nov-10	22-Nov-20	MUTU-RSPO/001	N.A
15	PT SWADAYA ANDIKA	SELABAK	Sungai Durian, Kotabaru, Kalimantan Selatan	16-Mar-12	15-Mar-17	MUTU-RSPO/015	Cert. discontinued – supply bases extended to Rantau POM
16	PT BINA SAINS CEMERLANG	SG PINANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	11-Sep-12	28-Nov-22	MUTU-RSPO/020	N.A
17	PT TEGUH SEMPURNA	PEMANTANG	Kuala Kuayan, Sampit, Kotawaringin Timur, Kalimantan Tengah	9-Sep-16	8-Sep-21	MUTU-RSPO/004	N.A
18	PT BHUMIREKSA NUSA SEJATI	TELUK BAKAU	Pelangiran, Sg. Guntung, Indragiri Ilir, Riau	11-Oct 2011	10-Oct-21	MUTU-RSPO/008	N.A
19		MANDAH		1 April 2014	31 Mar 2024	MUTU-RSPO/036	
20	PT ANEKA INTIPERSADA	TELUK SIAK	Tualang, Perawang, Siak, Riau	8-Dec-16	7-Dec-21	MUTU-RSPO/007	N.A
21	PT TAMACO GRAHA KRIDA	UNGKAYA	Witaponda, Kolonodale, Morowali, Sulawesi Tengah	10-Jul-12	28-Dec-22	MUTU-RSPO/018	N.A
22	PT SIME INDO AGRO	BK AJONG	Kalimantan Barat, Indonesia	18-Jul-16	17-Jul-21	MUTU-RSPO/088	N.A
23	PT PADANG PALMA PERMAI/PT PERKASA SUBUR SAKTI	BLANG SIMPO	Karang Baru, Kuala Simpang, Aceh Tamiang, Nangroe Aceh Darussalam	3-May-13	2-May-23	MUTU-RSPO/026	N.A
24	PT SANDIKA NATAPALMA/PT BUDIDAYA AGRO LESTARI	LEMBIRU	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	3-Jul-14	2-Jul-24	MUTU-RSPO/044	N.A
25	PT MITRAL AUSTRAL SEJAHTERA	MAS Mill	Desa Rahayu Kec. Parindu Kab. Sanggau, Kalimantan Barat	NA	NA	NA	N.A

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Legends

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

Appendix C: GHG Reporting Executive Summary

The GHG emissions that were produced in **2018** for **Pagoh POM** and supply base was calculated using the PalmGHG Calculator version 3.0.1. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

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

The summary of the Net GHG emitted in **2018** for **Pagoh Palm Oil Mill** and supply base are as following:

Emission per product	tCO ₂ e/tProduct
CPO	1.27
PKO	1.27

Extraction	%
OER	20.55
KER	5.17

Production	t/yr
FFB Process	159244.69
CPO Produced	32717.11
PKO Produced	8229.66

Land Use	Ha
OP Planted Area	17178.92
OP Planted on peat	0.00
Conservation (forested)	0.00
Conservation (non-forested)	0.00
Total	17178.92

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	68410.48	0.51	11601.97	0.43			80012.45	0.50
CO ₂ Emission from fertilizer	8404.27	0.06	1663.59	0.05			10067.86	0.06
NO ₂ Emmision	6276.6	0.05	982.93	0.03			7259.53	0.05
Fuel Consumption	774.27	0.01	124.33	0			898.6	0.01
Peat Oxidation	0	0	0	0			0	0.00
Sink								
Crop Sequestration	-64844.06	-0.49	-10991.39	-0.4			-75835.5	-0.48
Conservation Sequestration	0	0	0	0			0	0.00

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Total	19021.56	0.14	3381.43	0.12			22402.99	0.14
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*Note: Includes both estates and smallholders

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	28553.48	0.18
Fuel Consumption	53.47	0
Grid Electricity Utilisation	931.31	0.01
Credit		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	29538.26	0.19

Summary of Kernel Crusher Emission and Credit (if applicable)

Emissions	tCO ₂ e
PK from own mill	10439.38
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 D: General Chain of Custody Requirements for the Supply Chain

5.1 Applicability of the general chain of custody requirements for the supply chain			
	Requirement	Evidence For any N/A raised, justification is required.	Compliance (Yes / No or N/A)
5.1.1	The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.	Pagoh Palm Oil Mill takes legal ownership and physically handles its RSPO certified oil palm products i.e. CPO and PK. Nonetheless, the trading and contract are managed by a department in Sime Darby called Global Trade Marketing which is based at HQ, KL	Yes
5.1.2	Traders and distributors require a licence obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.	Pagoh POM is not a trading company. Therefore, this requirement is not applicable.	N/A
5.1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.	The parent company (Sime Darby Plantation Sdn Bhd) is the member of RSPO. Pagoh POM is registered in RSPO PalmTrace with ID No. RSPO_PO1000001031 and valid until 27/1/20.	Yes
5.1.4	Processing aids do not need to be included within an organization’s scope of certification.	Processing aids are not used in the milling process.	N/A
5.2 Supply chain model			
5.2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	The FFB suppliers are of RSPO certified estates which consists of Pagoh certification unit and other certified Sime Darby group estates. Starting from June 2019, 3 rd party uncertified crop received and downgraded to MB. Declassification of the CPO or	Yes

		PK was done in accordance to the correct order i.e. MB to conventional.	
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Pagoh POM is IP certified until (May 2019) and sales of the products were of IP, MB or conventional only. From June 2019, CPO and PK production will be under mass balance.	Yes
5.3. Documented Procedures			
5.3.1	<p>The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ul style="list-style-type: none"> • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. 	<p>Procedure for supply chain has been established entitled "Standard Operating Procedure (SOP) for Sustainable Supply Chain and Traceability" [appendix 15 of the Sustainable Plantation Management System (SPMS)], version 2, issue: 5 dated April 2019. Among the subjects covered in the procedure are:</p> <ul style="list-style-type: none"> a) Responsibilities b) Control of documents & records c) Delivery of FFB from the estate d) Receiving FFB at the mill e) Process monitoring f) CPO and PK dispatch g) Non-conforming products and/or documents h) Product claims i) Outsourced contractor j) Training k) Reclassification of mill's supply chain model l) Production volume m) Conversion factors n) Internal audit o) Complaints 	Yes

		p) Management review	
	<ul style="list-style-type: none"> Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). 	<p>Among the records included in the procedures are:</p> <ul style="list-style-type: none"> a) Weighbridge tickets b) Dispatch of CPO/PK – weighbridge ticket, delivery order, shipping document c) Daily production report d) Record and balance e) All the records were found to be up-to-date 	Yes
	<ul style="list-style-type: none"> Identification of 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 organization’s procedures for the implementation of this standard. 	Addressed in the SOP for Sustainable Supply Chain and Traceability, clause 4.0. The assigned persons are the Head of Operating Unit where in this case the Mill Manager. Based on interview, the person in-charge was able to demonstrate the implementation of their procedures in accordance to the standard requirements.	Yes
5.3.2	The site shall have a written procedure to conduct annual internal audit to determine whether the organization;	SOP for Sustainable Supply Chain and Traceability, Issue No:3, Dated Feb 2018 which covered internal audit. Based on the procedure, the internal audit shall be conducted in accordance to Internal Audit Procedure (SD/SDP/PSQM/IAP) [rev. 1, dated 1/5/2015].	Yes
	<ul style="list-style-type: none"> i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. ii) effectively implements and maintains the standard requirements within its organization 	The internal audit for supply chain was conducted on 1820/9/2018 by GSQM team. The audit was conducted in combination with RSPO P&C and MSPO. As a result of the audit, there were 5 OFIs raised. No critical issue found during last internal audit.	Yes

5.4. Purchasing and goods in

<p>5.4.1</p>	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment/delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply Chain certificate number of the seller; • A unique identification number 	<p>When FFB delivered to the mill from the estates, the transporters presented Delivery Order (DO) to the mill weighbridge clerk in order the FFB to be received by the mill.</p> <p>E.g. of information available in the DO is as follows:</p> <ul style="list-style-type: none"> • Consignment note no. (7316) • Estate’s names (Muar River – E149) SOU 16 Kok Foh • Date & time of delivery (6/4/19) • Field No. (06G1) • No. of bunches (709 bunches) • Vehicle no. (JME6878) • Seal no. (026949) • Net weight (10.81 mt) <p>E.g. of information available in the mill’s weighbridge tickets is as follows:</p> <ul style="list-style-type: none"> • Weighbridge ticket no.:133466 • Name of estates (E149 – Muar River) • Field No. (06G1) • Vehicle no. (JME6878) • Date (6/4/2019) • Total bunches (709 bunches) • Seal no. (026949) • Net weight (10.81 mt) <ul style="list-style-type: none"> • Weighbridge ticket no.: 133501 • Name of estates (E129 – Tangkah) SOU 17 • Field No. (2001G) • Vehicle no. (JQR1185) • Date (7/4/2019) • Total bunches (842 bunches) 	<p>Yes</p>
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		<ul style="list-style-type: none"> • Seal no. (041187) • Net weight (12.90 mt) • Weighbridge ticket no.: 133137 • Name of estates (E260 – Pengkalan Bukit) SOU 19 • Field No. (1995A) • Vehicle no. (MCC8757) • Date (1/4/2019) • Total bunches (625 bunches) • Seal no. (089349) • Net weight (12.02 mt) 	
	<ul style="list-style-type: none"> • Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation). 	<p>The information was available in various documents such as delivery order and weighbridge tickets.</p>	<p>Yes</p>
	<ul style="list-style-type: none"> • The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group shipments. Refer to section 5.7.1 of this document for further guidance. 	<p>The mill has a list of certified FFB suppliers which has the information about certificate number and validity period. This is applied to both second and third party FFB suppliers [ref.: clause 7.2 of SOP for Sustainable Supply Chain and Traceability]</p>	<p>Yes</p>
	<ul style="list-style-type: none"> • A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (www.rspo.org) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements. 	<p>A check of the validity of supply chain certification of supplier is done via the list of RSPO Supply Chain Certified sites on the RSPO website (www.rspo.org). Physical RSPO certificate for all diverted crops sent to Pagoh Mill, e.g. from SOU 17 (Kempas) and SOU 16 (Kok Foh) were verified. Validity check was done prior to each FFB delivery.</p> <p>SOU 16 Kok Foh, MUTU-RSPO/093 valid until 6/7/21 SOU 17 Kempas, RSPO 0005 valid until 19/5/20</p>	<p>Yes</p>

	<ul style="list-style-type: none"> The validity of licence for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements / announcements. 	NA – this part is applicable for supply chain actor after refinery.	N/A
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.	<p>Addressed in the SOP clause 10.0 Non-conforming Products and/or Documents. Based on the procedure, where there is contamination of RSPO certified material during receiving, processing, storage and dispatch, the mill shall downgrade the materials in such order: IP to MB to conventional.</p> <p>Material received with insufficient information shall be treated as non-conforming documents. The documents shall be investigated, verified and corrected in order to allow processing of material. Authorization for release shall be by the mill manager.</p>	Yes
5.5. Outsourcing activities			
5.5.1	<p>In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mil cannot outsource processing activities like refining or crushing.</p> <p>This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organization (not the tank farm manager).</p>	No bulking facilities outsourced by the mill. Transporter for CPO and PK was assigned by GTM.	N/A

5.5.2	Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: a. The site has legal ownership of all input material to be included in outsourced processes;	Not applicable. No outsourcing activity.	N/A
	b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.	Not applicable. No outsourcing activity.	N/A
	c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.	Not applicable. No outsourcing activity.	N/A
	d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.	Not applicable. No outsourcing activity.	N/A
5.5.3	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	Not applicable. No outsourcing activity.	N/A
5.5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products.	Not applicable. No outsourcing activity.	N/A
5.6. Sales and goods out			
5.6.1	The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form. • The name and address of the buyer;	Pagoh POM ensured the required information is available in document form. Sampled of CPO contract: S/C-	Yes

	<ul style="list-style-type: none"> • The name and address of the seller; • The loading or shipment/ delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply chain certificate number of the seller; • A unique identification number 	<p>PSD/1903/CPO0166H dated 22/3/19, quantity 250 mt (delivery month – March 2018)</p> <ul style="list-style-type: none"> • The name and address of the buyer; XXX • The name and address of the seller: KKS Pagoh, Muar, Johor • The loading or shipment/ delivery date; e.g. 29/3/19 (28-30/3/19) • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); Crude Palm Oil (CPO) RSPO IP • The quantity of the products delivered; e.g. 40.29 mt • Any related transport documentation; e.g. Despatch note e.g. #010876 • Supply chain certificate number of the seller; e.g. On weighbridge ticket e.g. RSPO 600305 • A unique identification number: palm trace no. TRc861609adaf6 • Available in a few forms e.g. DN no., seal no., etc. <p>Pagoh POM ensured the required information is available in document form. Sampled of PK contract: S/C-PSD/1902/PK0072 dated 29/1/19, quantity 500 mt (delivery month – December 2018)</p> <ul style="list-style-type: none"> • The name and address of the buyer; XXX • The name and address of the seller: KKS Pagoh, Muar, Johor • The loading or shipment/ delivery date; e.g. 25/2/19 • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); 	
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		<p>Palm Kernel (PK) RSPO IP</p> <ul style="list-style-type: none"> • The quantity of the products delivered; e.g. 40.48 mt • Any related transport documentation; e.g. Despatch note e.g. #010790 • Supply chain certificate number of the seller; e.g. On weighbridge ticket e.g. RSPO 600305 • A unique identification number: palm trace no. TR- cdf4b02- ce8c • Available in a few forms e.g. DN no., seal no., etc. 	
	<ul style="list-style-type: none"> • Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation). 	Information is complete and available in various documents such as sales contract, mill weighbridge ticket, delivery note, transporter collection order.	Yes
	<ul style="list-style-type: none"> • For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance. 	Review period from October 2018 to September 2019. Shipping announcement details refer to table C.	Yes
5.7. Registration of transactions			
5.7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> • are mills, traders, crushers and refineries and; • take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, Refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable. 	The registration of PalmTrace is carried out by the Sime Darby's Global Trade Marketing Department, HQ. All transaction will be registered in the PalmTrace	Yes

5.7.2	The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:	Based on the announcement summary, all the registrations were found to be in order.	Yes
	<ul style="list-style-type: none"> Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures. 		
	<ul style="list-style-type: none"> Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually. 	Not applicable. Products are not sold beyond refinery.	Yes
	<ul style="list-style-type: none"> Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. 	Based on the MB accounting, the removal of volumes was done correctly when the products were sold as conventional	Yes
	<ul style="list-style-type: none"> Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements. 	Based on the announcement summary, all the confirmations were found to be in order.	Yes
5.8. Training			
5.8.1	The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff.	Training plan for 2019 were available which training for RSPO Supply Chain has been included. Training need analysis is done prior to development of training plan.	Yes
5.8.2	Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed.	Relevant personnel to supply chain implementation as defined by the CU are the personnel that involve in supply chain implementation such as Assistant Managers, staff and weighbridge operators.	Yes

		The latest RSPO training was carried out on 13 & 19/6/2019 attended by operating units representative. The refresher training was given by PSQM personnel from HQ.	
5.9. Record Keeping			
5.9.1	The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements.	All the sampled records related to the movements of RSPO certified materials and products were found to be accurate, complete, up-to-date and accessible.	Yes
5.9.2	Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	As spelt out in its supply chain procedure, Clause 5.4, records are to be maintained minimum of two years.	Yes
5.9.3	The organization shall be able to provide the estimate volume of palm oil/palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	Not applicable. The product of the facility is containing 100% palm oil.	N/A
5.10. Conversion factors			
5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivaties. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries.	Conversion factor of CPO and PK production is depending on the actual OER and KER. Last year's average were 20.79% (OER) & 5.26% (KER).	Yes
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	The facility is using the actual extraction rate and therefore updating of rates is not necessary.	Yes
5.11. Claims			

5.11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	RSPO trademark was not use. Nonetheless, the facility is aware with the requirements of the RSPO Rules on Market Communications and Claims.	Yes
General corporate communications			
4.1	A corporate communication is one made by any RSPO member that highlights its membership of the RSPO and/or its commitment to the principles of the RSPO. Corporate communication is an 'off-product' claim.	No off-product claim made by Pagoh POM and verified through document and site review (notice board, business card, shipping documentation, procurement/ purchasing document and promotional material etc).	Yes
4.2	In corporate communications a member is allowed to: a. Display its RSPO membership status b. Display the RSPO web address (www.rspo.org) c. State that the member supports the work of the RSPO d. State the member's history with regard to the RSPO. e. Use the RSPO trademark to promote its membership of the RSPO. Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text 'Check our progress at www.rspo.org' where the link must lead to the member's profile page.	Not applicable as no off-product claim made by Pagoh POM as to date.	N/A
4.3	In corporate communications RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.	Not applicable as no off-product claim made by Pagoh POM as to date.	N/A
4.4	Members must ensure that all communication is consistent, clear and cannot mislead consumers or other stakeholders as to the certified content of oil palm products in the member's own products.	Not applicable as no off-product claim made by Pagoh POM as to date.	N/A
4.5	Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.	No evidence of RSPO corporate logo used by Pagoh POM and verified through document and site review (notice board, business card, shipping documentation, procurement/ purchasing document and promotional material etc).	Yes

Business to business communications			
5.1	Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products.	Business to business communication is demonstrated via shipping documentation and invoices to the next supply chain actor or buyer.	Yes
5.2	When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made.	Shipping documentation verified and conformance with the requirements of RSPO SCCS. In the weighbridge ticket, it stated that i.e product/commodity with SCC model (Crude Palm Oil RSPO IP) and RSPO certificate number; RSPO 600305. Refer to weighbridge ticket number 010876 dated 29/3/19. This also applies to PK.	Yes
5.3	Where a distributor or wholesaler takes title to products containing certified sustainable oil palm products, the requirements of the RSPO SCCS can follow either of two options: a. If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the product to the manufacturer using the manufacturer’s SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation. b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.	Pagoh POM is not under distributor or wholesaler category. Thus, this requirement is not applicable.	N/A
5.4	A certified member can provide information to its customers detailing the presence of certified palm oil contained within a product even if it is not eligible for a product-specific under RSPO rules. The end product must not be labelled as certified or sold in such a way that implies RSPO certification.	Pagoh POM is producing crude palm product and does not involved in any labelling of end product and the presence of certified palm oil contained within a product. This requirement is for the next supply chain actor and not applicable for POM.	Yes

	For example, a retailer or food service company may require a breakdown of all palm based ingredients within an end product and the certified status of each. This information may be provided by a certified RSPO member without constituting a product-specific claim.		
Business to consumer communication			
6.1	Only RSPO members that have supply chain certification are allowed to make business to consumer claims about the certified sustainable oil palm products contained within product(s), which are known as 'product-specific' claims. Product-specific claims are voluntary.	No business to consumer communication on product specific claim made Pagoh POM and only producing crude and unfinished product. This is not applicable for POM.	N/A
6.2	Only RSPO members who have supply chain certification are authorised to use the RSPO trademark and/or RSPO label, with the exception of RSPO Credits and of retailers in accordance with 6.8 below.	No business to consumer communication on product specific claim made Pagoh POM and only producing crude and unfinished product. This is not applicable for POM	N/A
6.3	When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.	No business to consumer communication on product specific claim made Pagoh POM and only producing crude and unfinished product. This is not applicable for POM	N/A
6.4	Business to consumer communication shall not include information about the claimant's RSPO membership status.	No business to consumer communication on product specific claim made Pagoh POM and only producing crude and unfinished product. This is not applicable for POM	N/A
6.5	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	No business to consumer communication on product specific claim made Pagoh POM and only producing crude and unfinished product. This is not applicable for POM	N/A
6.6	Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.	No business to consumer communication on product specific claim made Pagoh POM and only producing crude and unfinished product. This is not applicable for POM	N/A
6.7	Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim.	No business to consumer communication on product specific claim made Pagoh POM and only producing crude and unfinished product. This is not applicable for POM	N/A

6.8	<p>RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body (CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food service company will need to demonstrate that the use of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on www.rspo.org.</p>	<p>No business to consumer communication on product specific claim made Pagoh POM and only producing crude and unfinished product. This is not applicable for POM</p>	N/A
MODULE A – IDENTITY PRESERVED & SEGREGATED SPECIFIC RULES			
Certified oil palm content (IP)			
	For IP, 95% or above of the oil palm content must be RSPO IP-certified.	Oil palm content is 100% CPO and claim as RSPO IP-certified.	Yes
	For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.	No SG claim made.	Yes
	Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the volume of non-certified oil palm products must be covered by the purchase of RSPO Credits of equivalent volume.	Oil palm content is 100% CPO and claim as RSPO IP-certified. All infeed material (FFB) is RSPO certified.	Yes

Labelling and trademark (IP)		
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> a. RSPO trademark which includes the tag 'CERTIFIED' or b. RSPO trademark which includes the tag 'This product contains certified sustainable palm oil'. Wherever a RSPO trademark is displayed, the applicable trademark license number must be shown immediately under or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4pt (1.4 mm or 0.06 inch). In on-pack communications, the RSPO trademark can be printed anywhere on the pack. 	<p>As to date, no RSPO trademark used by Pagoh POM.</p> <p style="text-align: center;">Yes</p>
Messaging (IP)		
	<p>Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements:</p> <ul style="list-style-type: none"> • The oil palm products contained in this product have been certified to come from RSPO sources. www.rspo.org • By choosing this product, you are sure it contains RSPO-certified palm oil. For more information: www.rspo.org • RSPO-certified sustainable oil palm products were kept apart from other oil palm products throughout the supply chain. www.rspo.org • Certified sustainable oil palm products can be traced back to RSPO-certified mills and plantations. www.rspo.org • The entire supply chain is monitored by independent, RSPO-accredited auditors. www.rspo.org • RSPO-certified sustainable palm oil has been produced to stringent environmental and social criteria. www.rspo.org • References to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown by company records. 	<p>As to date, no RSPO trademark used by Pagoh POM</p> <p style="text-align: center;">Yes</p>

5.12. Complaints			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Addressed in Section 18 of the supply chain SOP. Should there be any complaints from stakeholders pertaining supply chain issues, it will be handled through Procedure for External Communication in PQMS SOM Sub-Section 5.5 Appendix 5.5.3.2. There has been no complaint from any third party with regards to supply chain so far.	Yes
5.13. Management Review			
5.13.1	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken.	RSPO SCC management review was last conducted on 2/10/2019. It was chaired by Mill Manager and attended by other estates manager, mill staff which include AMs, Head of AP, office clerk, lab supervisor, quality supervisor and mill supervisor.	Yes
5.13.2	The input to management review shall include information on: <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. 	Based on the minutes of meeting, the following agendas were adequately recorded: <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. (item 1.8) • Customer feedback. (item 1.0.1) • Status of preventive and corrective actions. (item 1.8) • Follow-up actions from management reviews. (item 1.0.2) • Changes that could affect the management system. (item 3.0) • Recommendations for improvement. (item 4.0) 	Yes
5.13.3	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. 	Discussion about the improvement of the effectiveness of the management system and its processes, and any resource needs were found to be included in the meeting minute.	Yes

	<ul style="list-style-type: none"> Resource needs. 		
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MODULE B – MASS BALANCE SPECIFIC RULES			
Minimum Mass Balance content (MB)			
	95% or above of the oil palm content must be RSPO MB-certified.	Pagoh POM is producing RSPO IP product until May 2019 and production of MB start from June 2019 onwards. As to date no MB claim made as to date.	Yes
	Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the non-certified volume must be covered by equivalent volume of RSPO Credits.	Pagoh POM is producing RSPO IP product until May 2019 and production of MB start from June 2019 onwards. As to date no MB claim made as to date.	Yes
Labelling and trademark (MB)			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> Surrounded by the text: 'Certified sustainable palm oil'. The RSPO label MUST contain the tag 'MIXED'. The tag MIXED designates oil palm products sourced under the Mass Balance (MB) supply chain system, which administratively balances inputs and outputs of certain palm oil volumes. The tag 'MIXED' on a product does not guarantee that the product itself contains the certified material; some or all of it may reside in a product that does not carry a claim. The RSPO label can also include the statement: '[The palm oil contained in this product] contributes to the production of certified sustainable palm oil'. Wherever the RSPO trademark is displayed, the applicable trademark license number must be shown immediately under or next to the 	Pagoh POM is producing RSPO IP product until May 2019 and production of MB start from June 2019 onwards. As to date no MB claim made as to date.	Yes

	<p>trademark or the 'statement'. Font must be Calibri, font size must be at least 4 pt (1.4 mm or 0.06 inch).</p> <ul style="list-style-type: none"> • In on-pack communications, the RSPO trademark can be printed anywhere on the pack. Further guidance on use of the trademark is provided in the RSPO Trademark License Terms and Conditions and in Annex 1 of the Rules on Market Communications & Claims document. 		
Messaging (MB)			
	<p>Messaging ALLOWED in storytelling in product-related communications includes:</p> <ul style="list-style-type: none"> • [Oil palm products]/[palm oil]/[palm kernel oil] from RSPO-certified mills and plantations were mixed with non-certified oil palm products in the supply chain. • The volume of [oil palm products][palm oil]/[palm kernel oil] in this product reflects an equivalent volume of palm oil or palm kernel oil produced by RSPO certified mills and plantations. • In off-product communications, reference to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown in company records is allowed. 	<p>Pagoh POM is producing RSPO IP product until May 2019 and production of MB start from June 2019 onwards. As to date no MB claim made as to date.</p>	<p>Yes</p>
	<p>Messaging NOT ALLOWED in storytelling in product-related communications:</p> <p>Anything that can lead consumers to believe that RSPO-certified palm products are (certified to be) part of the product.</p>	<p>Pagoh POM is producing RSPO IP product until May 2019 and production of MB start from June 2019 onwards. As to date no MB claim made as to date.</p>	<p>Yes</p>

Appendix E : CPO Mill Supply Chain Assessment Report (Module E - CPO Mills: Mass Balance)

E.1 Definition			
	Requirement	Evidence For any N/A raised, justification is required.	Compliance (Yes / No or N/A)
E.1.1	Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.	Pagoh POM received certified FFB and uncertified FFB since June 2019. Therefore qualifies for the Mass Balance 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.	Yes
E.2 Explanation			
E.2.1	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm 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.	Yes
E.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).	The registration of PalmTrace will be carried out by the Global Trade Marketing Department, HQ. All transaction will be	Yes

		registered in the PalmTrace. Company has registered their mill in the PalmTrace:- Members ID – Pagoh Oil Mill: RSPO_PO1000001031	
E.3 Documented procedures			
E.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;	SOP for Sustainable Supply Chain and Traceability, version:2 Issue No:5, Dated April 2019 which covered control of documents and records, delivery of FFB from the estate, receiving FFB at the mill, process monitoring, CPO and PK despatch, non-conforming material/product, product claims, production volume, conversion factor, internal audit, outsourced contractor, training, reclassification of mill’s supply chain model, complaints and management review.	Yes
	b. The name 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 procedures for the implementation of this standard.	SOP for Sustainable Supply Chain and Traceability, version:2 Issue No:5, Dated April 2019has identified every responsible personal who involved in the implementation RSPO Supply Chain Certification. The mill manager and assistant manager have awareness of the supply chain system. During interview with mill assistant manager, he had explained that he has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.	Yes
E.3.2	The site shall have documented procedures for receiving and processing certifies and non-certified FFBs.	SOP for Sustainable Supply Chain and Traceability, version:2 Issue No:5, Dated April 2019which covered control of documents and records, delivery of FFB from the estate, receiving FFB at the mill, process monitoring, CPO and PK despatch, non-conforming material/product, outsourced contractor, training, reclassification of mill’s supply chain model and production volume.	Yes

E.4 Purchasing and goods in		
E.4.1	<p>The site shall verify and document the volumes of certified and non-certified FFBS received.</p>	<p>The daily records are prepared at the entry point at the weighbridge. When FFB delivered to the mill from the estates, the transporters presented Delivery Order (DO) to the mill weighbridge clerk in order the FFB to be received by the mill. Daily summary and monthly summary documented for all the certified FFB.</p> <p>E.g. of information available in the mill’s weighbridge tickets is as follows:</p> <ul style="list-style-type: none"> • Weighbridge ticket no.:133466 • Name of estates (E149 – Muar River) • Field No. (06G1) • Vehicle no. (JME6878) • Date (6/4/2019) • Total bunches (709 bunches) • Seal no. (026949) • Net weight (10.81 mt) <ul style="list-style-type: none"> • Weighbridge ticket no.: 133501 • Name of estates (E129 – Tangkah) SOU 17 • Field No. (2001G) • Vehicle no. (JQR1185) • Date (7/4/2019) • Total bunches (842 bunches) • Seal no. (041187) • Net weight (12.90 mt) <ul style="list-style-type: none"> • Weighbridge ticket no.: 133137 • Name of estates (E260 – Pengkalan Bukit) SOU 19 • Field No. (1995A)

Yes

		<ul style="list-style-type: none"> • Vehicle no. (MCC8757) • Date (1/4/2019) • Total bunches (625 bunches) • Seal no. (089349) • Net weight (12.02 mt) 	
E.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	The management will inform CB if there is any overproduction of certified tonnage. They aware on the overproduction as per stated in the procedure. Based on last review period, no overproduction recorded.	Yes
E.5 Record keeping			
E.5.1	a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis by RSPO.	<p>Pagoh Palm Oil Mill has established SOP for Sustainable Supply Chain and Traceability, version :2 Issue No:5, Dated April 2019</p> <p>Pagoh POM ensured the required information is available in document form.</p> <ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment/ delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); Crude Palm Oil (CPO) RSPO IP (until May 2019) • The quantity of the products delivered; • Any related transport documentation; • Supply chain certificate number of the seller; • A unique identification number; • Available in a few forms e.g. DN no., seal no. 	Yes

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		CPO and PK IP sales recorded only from October 2018 to May 2019. Starting from June 2019 onward, Pagoh POM has started receiving 3 rd party uncertified crop and producing MB product from June 2019. No sales of RSPO MB product as todate.	
	b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated	Computerized system in place with the delivery deducted accordingly.	Yes
	c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short. (i.e. product can be sold before it is in stock.) For further details refer to Module C.	The Mill aware that only positive stock can be delivered. No short selling.	Yes
	E.5.2 In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement	Not applicable because no outsource activity.	N/A

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Supply Chain Declaration *(Applicable For Appendix E)*

A. Monthly Records of Certified and Uncertified FFB Received since the last audit (Oct 2018-Sept 2019)				
No.	Month - Year	Volume of FFB from certified supply bases (mt)	Volume of FFB from uncertified supply bases (mt)	Total FFB/Month (mt)
1	October 2018	13,260.19	-	13,260.19
2	November 2018	11,763.07	-	11,763.07
3	December 2018	10,576.55	-	10,576.55
4	January 2019	11,047.23	-	11,048.23
5	February 2019	13,102.77	-	13,102.77
6	March 2019	11,807.81	-	11,807.81
7	April 2019	15,207.84	-	15,207.84
8	May 2019	7,648.87	-	7,648.87
9	June 2019	12,157.56	5,082.90	17,240.46
10	July 2019	12,711.15	7,950.09	20,661.24
11	August 2019	11,562.92	6,813.02	18,375.94
12	Sept 2019	10,009.87	7,645.58	17,655.45
Total		140,855.83	27,491.59	168,348.42

B. Monthly Records of Certified CPO & PK since the last audit (Oct 2018-Sept 2019)			
No.	Month - Year	Certified CPO (mt)	Certified PK (mt)
1	October 2018	2,706.73	744.60
2	November 2018	2,455.31	624.10
3	December 2018	2,247.20	530.24
4	January 2019	2,307.54	568.51
5	February 2019	2,788.22	691.81
6	March 2019	2,510.76	636.67
7	April 2019	3,139.76	815.35
8	May 2019	1,603.10	378.65
9	June 2019	2,421.07	582.52
10	July 2019	2,658.38	654.62
11	August 2019	2,435.50	646.02

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12	Sept 2019	2,023.35	533.27
Total		29,296.92	7,406.37

C. Records of Certified CPO & PK Sold under PalmTrace to Buyers since the last audit (if any) (Oct 2018-Sept 2019)				
No.	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (mt)	Certified PK Sold (mt)
1	Sime Darby Oils Langat Refinery	TR-4b1e1e5e-6060 TR-1b448ed8-2dbe TR-3ac56a12-c315 TR-3c65b935-e01c TR-ccc3c510-8fc7 TR-dc528ab5-ce85 TR-d71a12b7-e3de TR-f9f46339-fab0 TR-7e6dc15a-a7c7 TR-0c3bc725-1f5a TR-50535897-6bc8 TR-36eed89-06a0 TR-9e2adfc4-a48b TR-9969651d-34c4 TR-3636cf87-38af TR-023d2c71-622a TR-fe3b0b9a-d5c5 TR-151bccee-ca42 TR-6bfd8a39-190b TR-055924bf-5887	3,546.21	
2	Sime Darby Oils Klang Refinery	TR-825e8ebf-5b92 TR-c861609a-daf6 TR-562e0519-8905 TR-33a1460a-145b TR-58763acc-bc27 TR-2a288bce-b83b TR-17a8aa48-267c TR-836cd144-7ba2 TR-a42535cc-c4ff TR-0ebb9a2e-d5f6	7,231.19	

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		TR-90a2919c-3deb TR-04b7672e-91c3 TR-9985cfb8-0736 TR-7b29eda9-69b0 TR-6934b7ad-9f50 TR-eb449485-9577 TR-ef7f6f62-7dad TR-0451b3ee-5f7f TR-cb0acb68-cdc2 TR-9a9efd64-fe14 TR-dbdca49b-a479 TR-74f1c3ea-10f3 TR-c8772542-1d9a TR-0934199b-e2b7 TR-1868a22f-6dc0 TR-7bca9a63-2aba TR-c1995a4f-1460 TR-da9ed32d-adf0 TR-b5816a73-23ca TR-72ad3115-b65a TR-48f2f4ee-c730 TR-55ea937f-d484 TR-b9a42b10-1469 TR-8c391d4f-3f69 TR-4bc70f98-d31b TR-7a9a8f9a-1a90 TR-0490cd2f-a07b TR-2cb08959-734d TR-a7d7c0f6-bb33 TR-2564d535-5109 TR-c27c5e45-5def		
3	Sime Darby Oils Carey Island KCP	TR-cedf4b02-ce8c TR-75ab2a7c-46c6 TR-e22b450e-b213 TR-b8f4a8ff-41e8 TR-16b15188-bd1a TR-1942b4ec-2089		2,300.00

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	Total	10,774.40	2,300.00
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D. Records of CPO & PK Sold under other schemes to Buyers since the last audit (if any) (Oct 2018-Sept 2019)				
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
N/A				

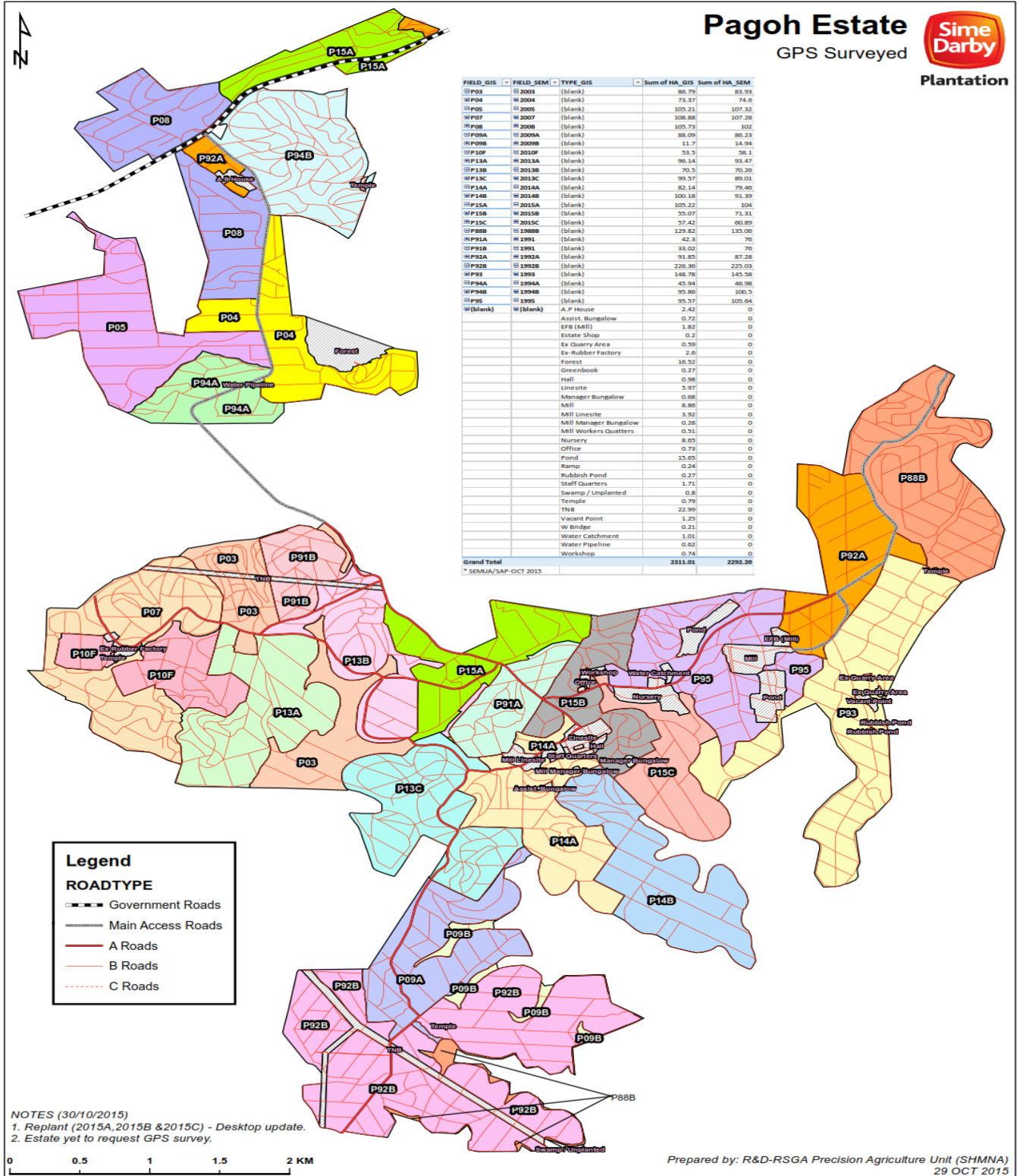
E. Records of CPO & PK Sold as conventional to Buyers since the last audit (if any) (Oct 2018-Sept 2019)			
No.	Buyers Name	CPO Sold (mt)	PK Sold (mt)
1	A	1,137.15	0
2	B	247.94	0
3	C	7,295.83	0
4	D	3,493.08	0
5	E	2,097.64	0
6	F	0	395.35
7	G	0	2,206.80
8	H	0	1,211.31
9	I	0	209.32
10	J	0	519.93
11	K	0	462.76
Total		14,271.64	5,005.47

F. Records of Certified CPO Sold under RSPO Credits to Buyers since the last audit (if any) (Oct 2018-Sept 2019)			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (mt)
N/A			

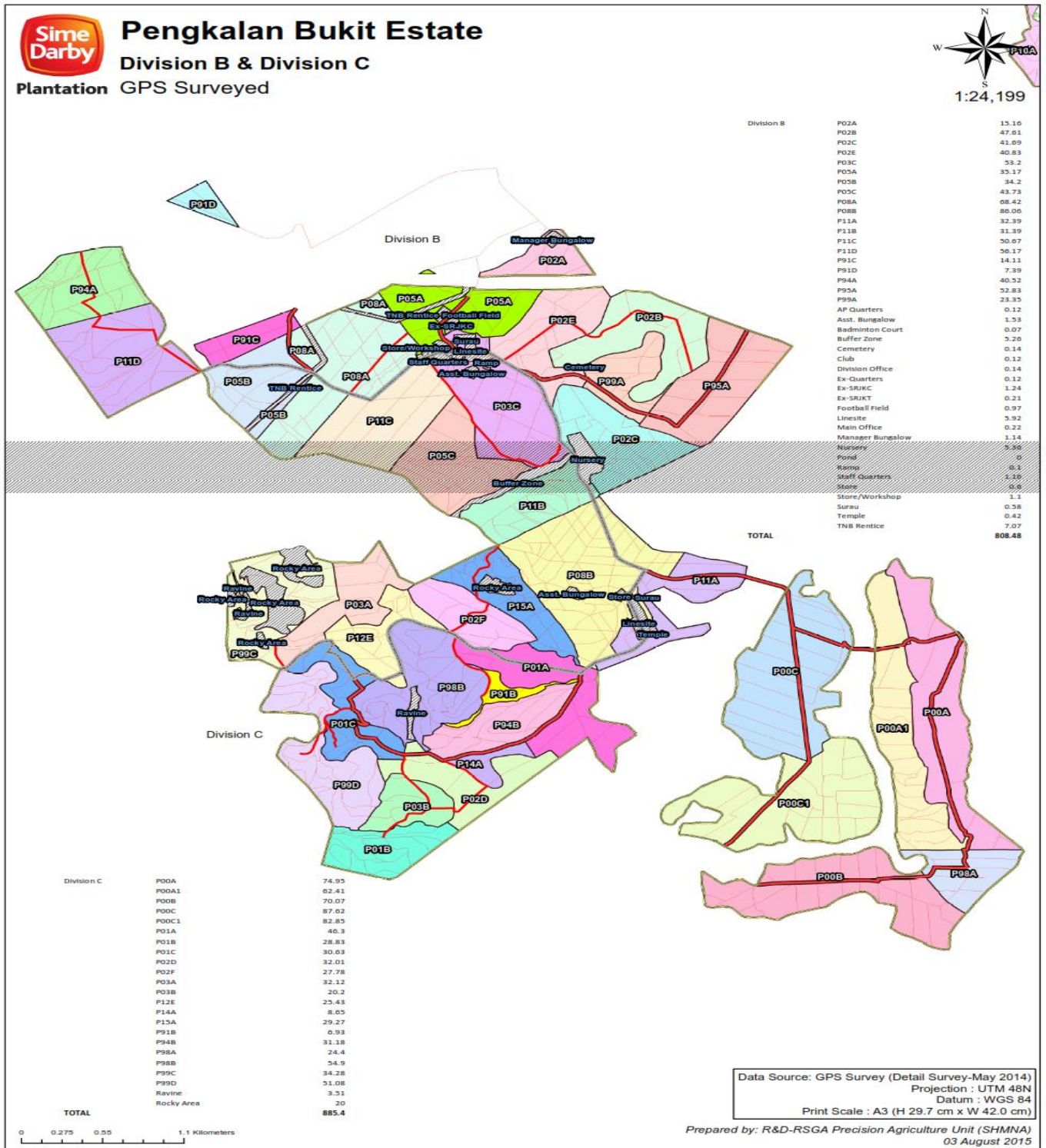
Appendix F: Location Map of Pagoh Palm Oil Mill and Supply bases



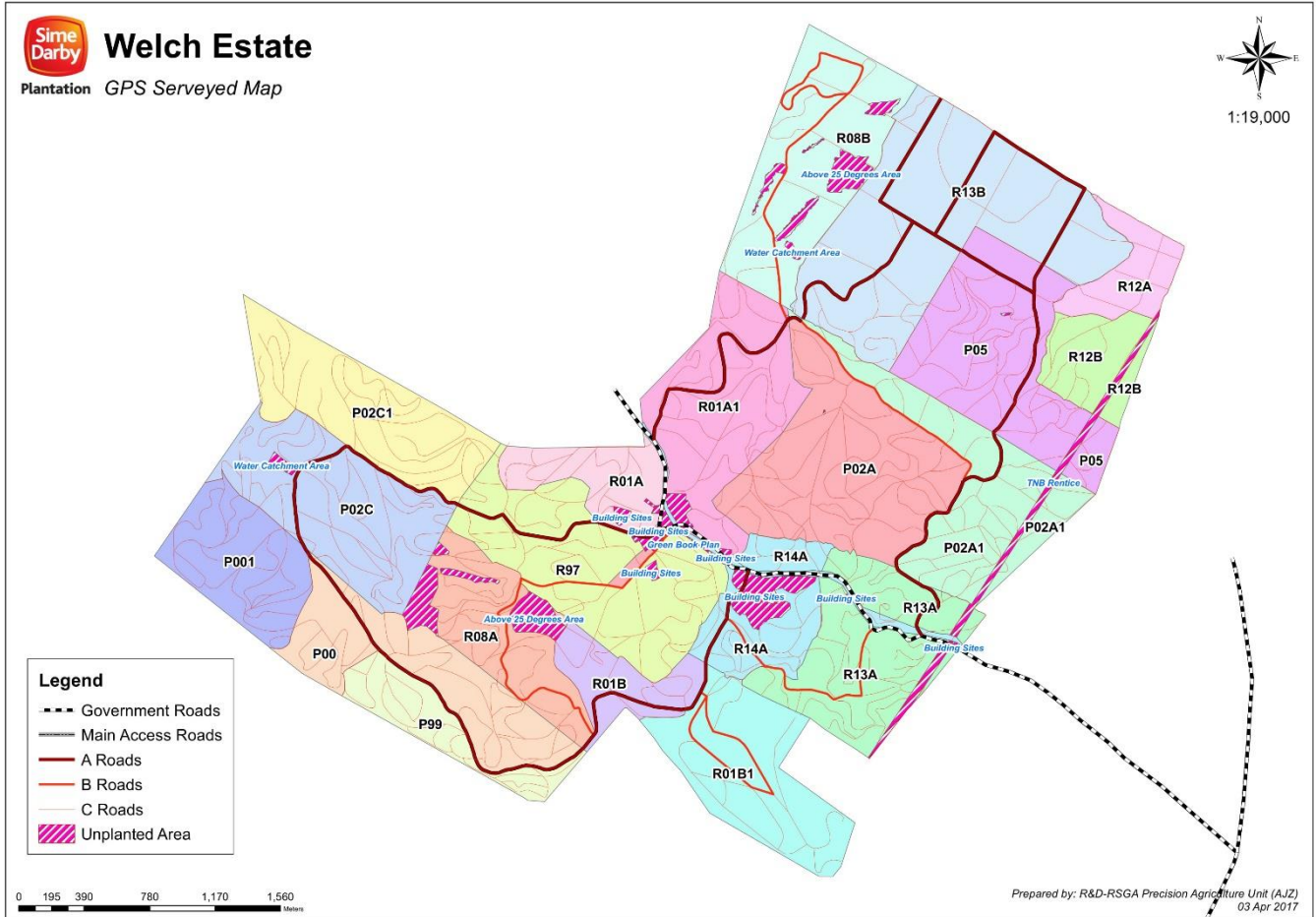
Appendix G: Pagoh Estate Field Map



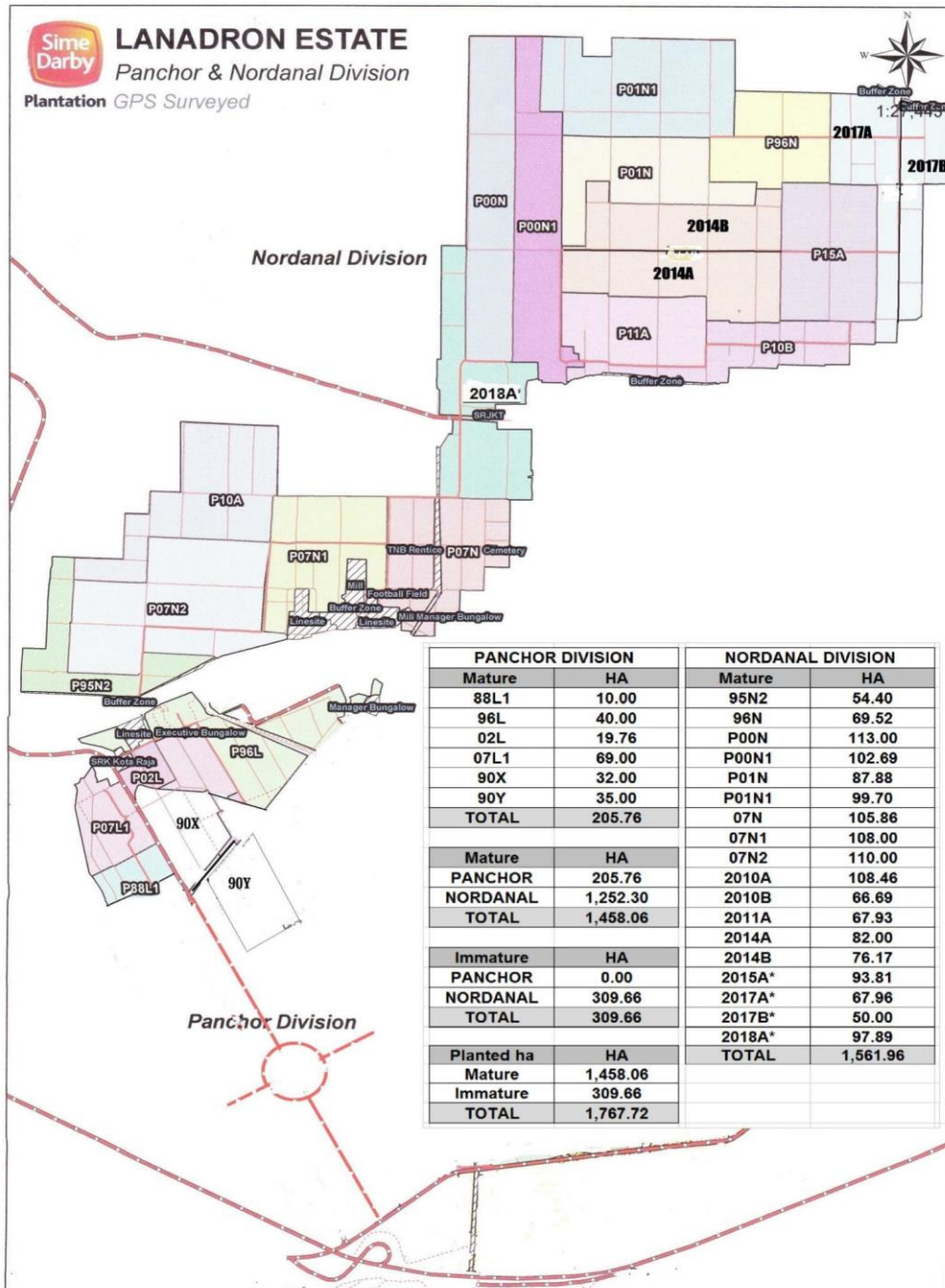
Appendix H: Pengkalan Bukit Estate Field Map



Appendix I: Welch Estate Field Map



Appendix J: Lanadron Estate Field Map



Appendix K: List of Smallholder Sampled *(If applicable – scheme/associated/group certification)*

Not applicable.

Appendix L: List of Abbreviations

a.i	Active Ingredient
BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CSPO	Certified Sustainable Palm Oil
CSPKO	Certified Sustainable Palm Kernel Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
IP	Identity Preserved
IS - CSPO	Independent Smallholder Certified Sustainable Palm Oil
IS – CSPKO	Independent Smallholder Certified Sustainable Palm Kernel Oil
IS – CSPKE	Independent Smallholder Certified Sustainable Palm Kernel Expeller
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MB	Mass Balance
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
P&C	Principles & Criteria
RTE	Rare, Threatened or Endangered species
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure