

**Roundtable on Sustainable Palm Oil Certification  
R S P O**

Stage-1     Stage-2     Surveillance     Re-Certification

Name of Management : Kok Foh Palm Oil Mill – SOU 16, Sime Darby Plantation, Bhd.  
 Organisation  
 Plantation Name : SOU 16 – Kok Foh Estate, Sg. Senarut Estate, Muar River Estate, Pertang Estate, Sg. Gemas Estate, Bukti Pilah Estate, St. Heiler Estate and Sg. Sabaling Estate.  
 Location : 72109 Bahau, State of Negeri Sembilan, Malaysia  
 Certificate Code : **MUTU-RSPO/093**  
 Date of Certificate Issue : 07 July 2016                      Date of License Issue : 07 July 2018  
 Date of Certificate Expiry : 06 July 2021                      Date of License Expiry : 06 July 2019

Assessment	Assessment Date	PT Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-1.2	14 to 18 May 2018	Oktovianus Rusmin (Lead Auditor), Mohamad Amarullah, Ebnu Holdoon Shawal, Mohd. Nizam Abu Bakar	Ardiansyah	Octo HPN Nainggolan

<b>Assessment</b> ASA-1.2	<b>Approved by MUTUAGUNG LESTARI on:</b> 4 July 2018
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Figure 1. Location Map of SOU 16 Kok Foh

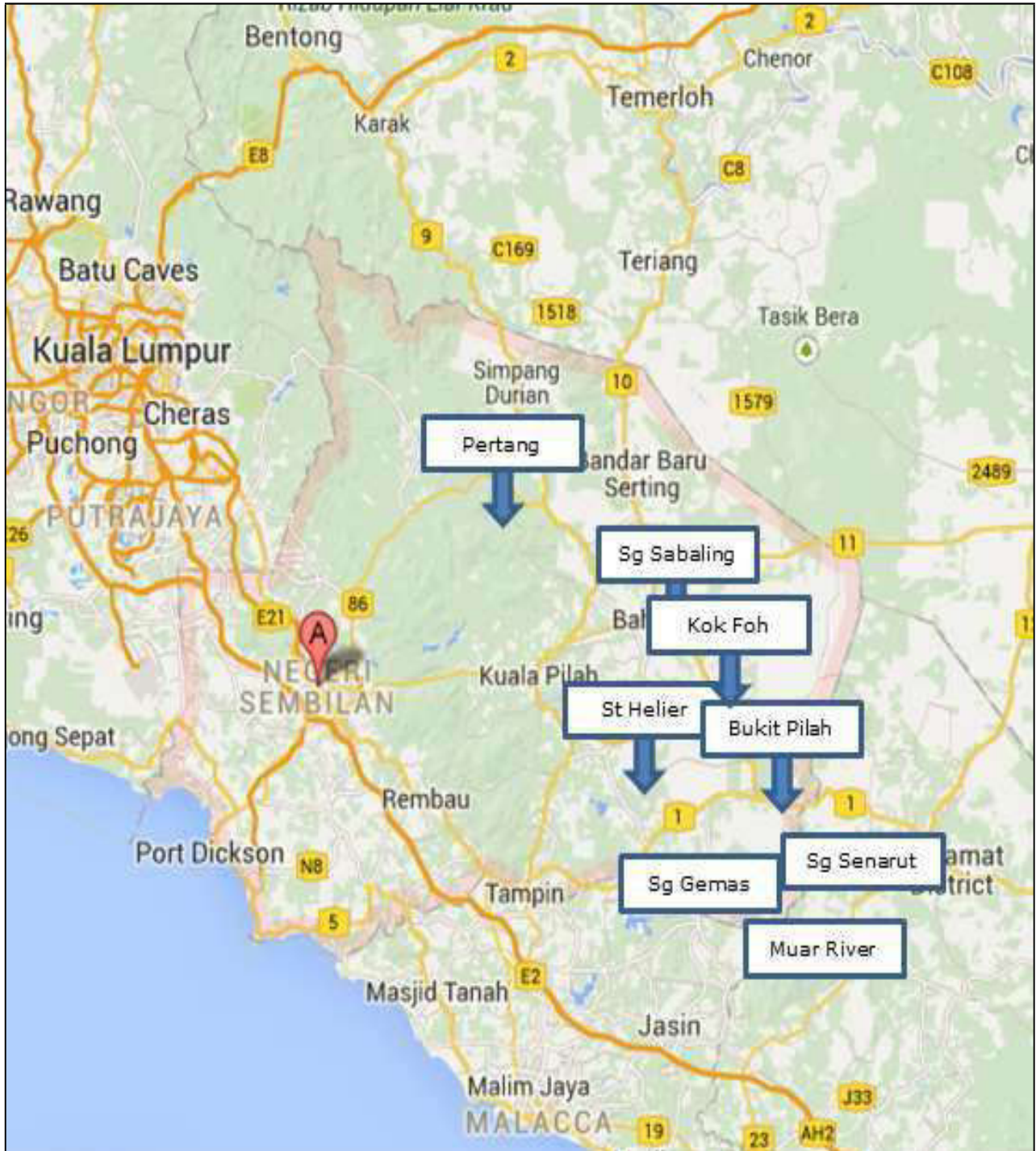




Figure 2. Operational Map of Kok Foh Estate

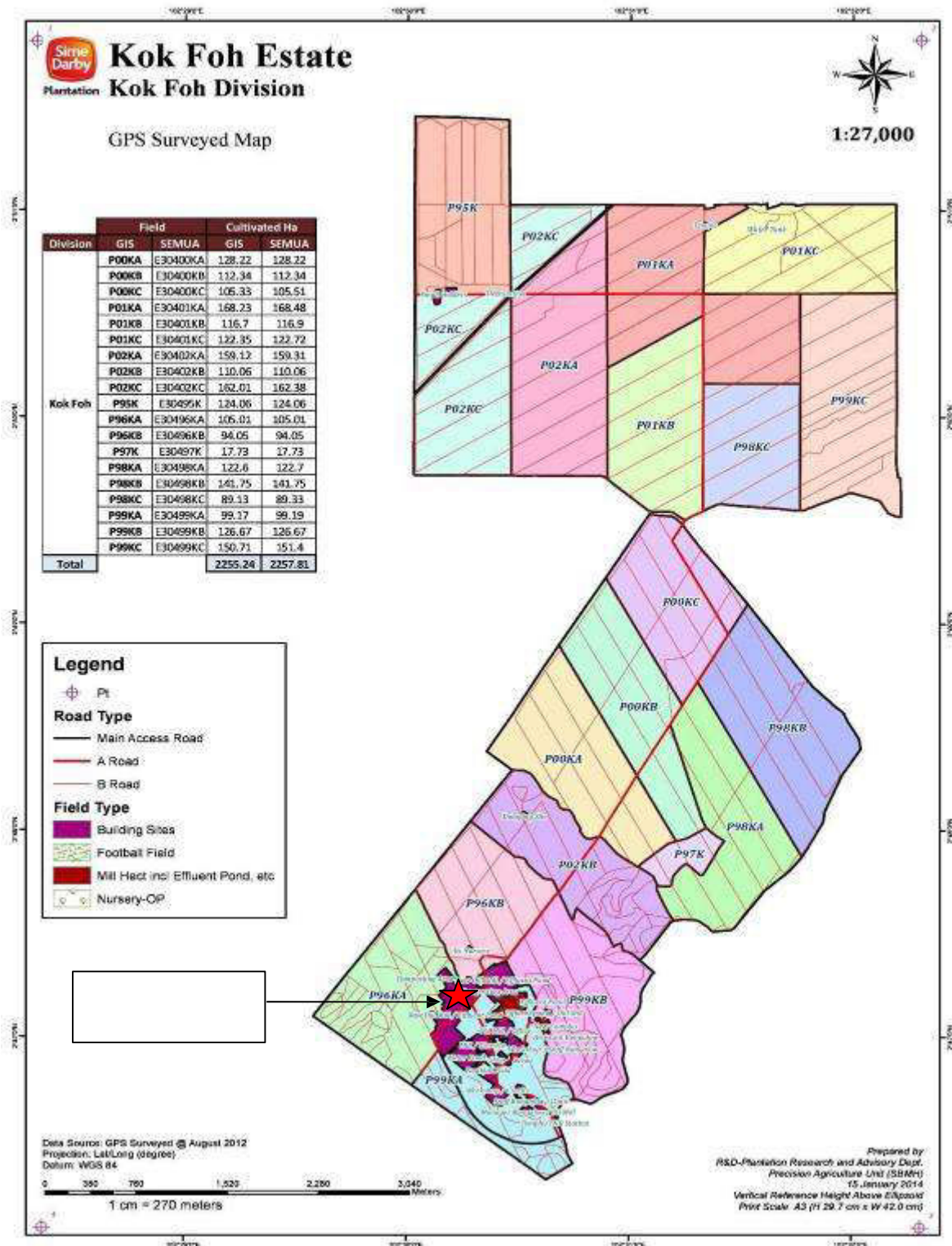






Figure 4. Operational Map of Muar River Estate

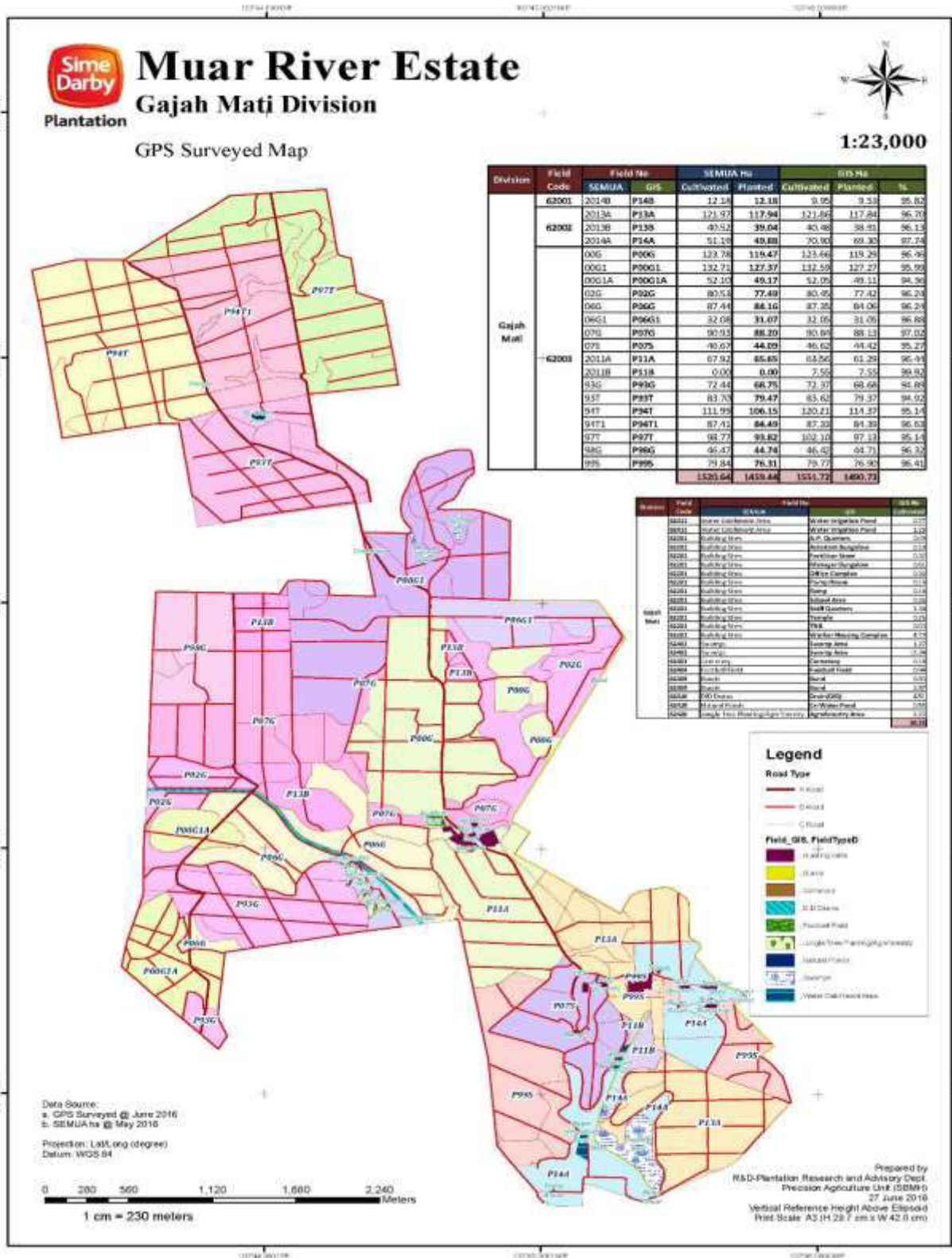


Figure 5. Operational Map of Pertang Estate

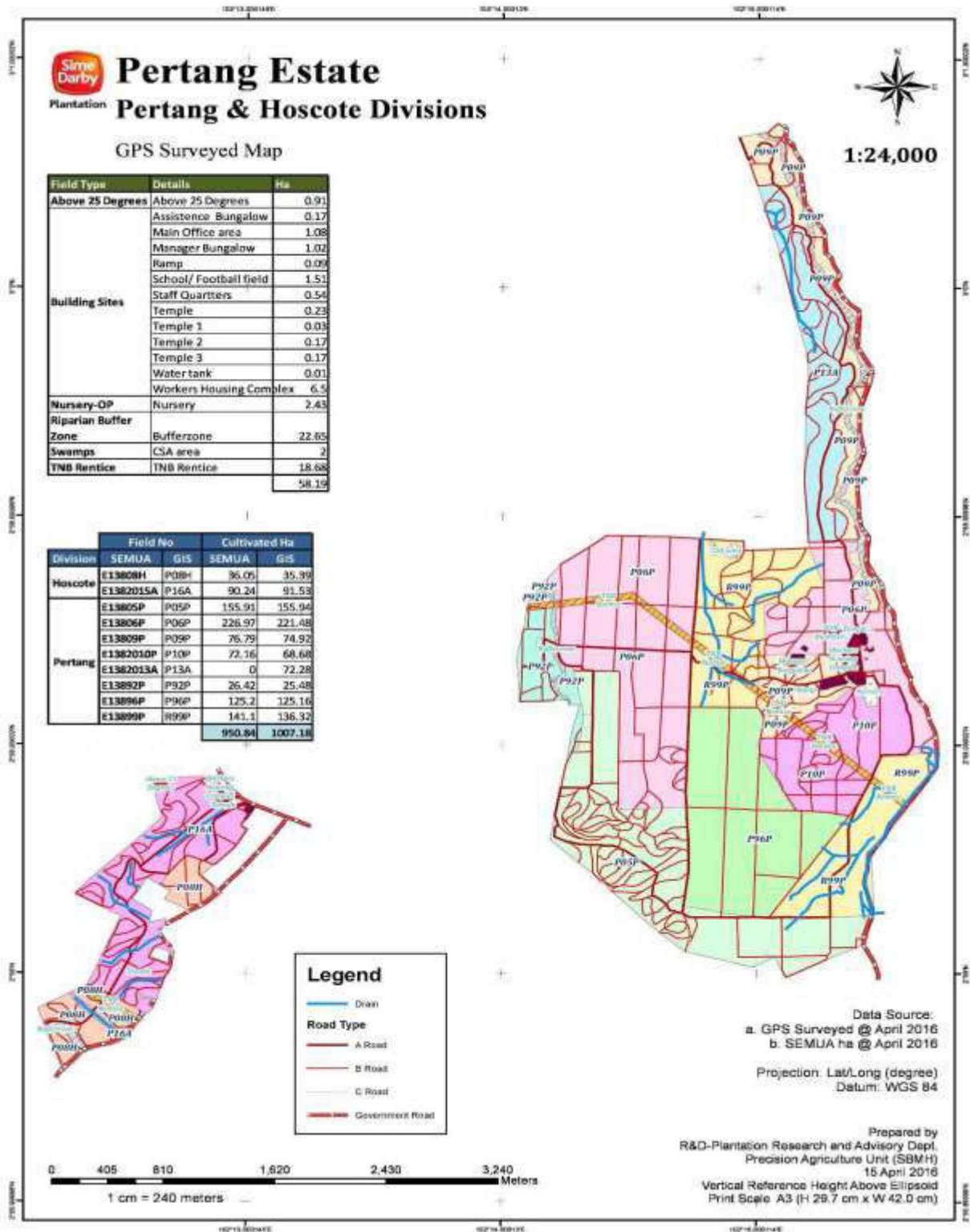




Figure 6a. Operational Map of Bukit Pilah Estate, Kelpin & New Rompin Divisions

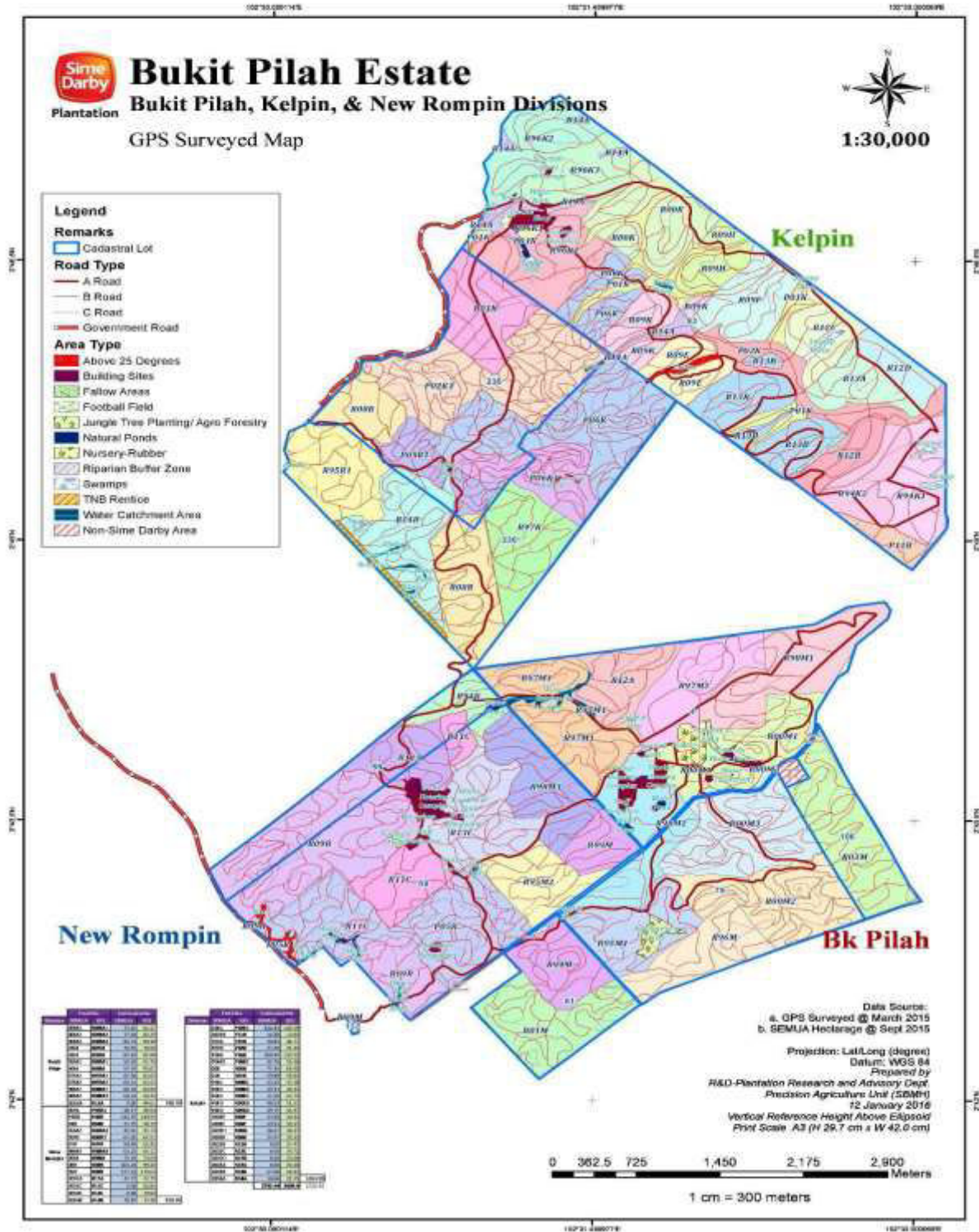




Figure 6b. Operational Map of Bukit Pilah Estate, Sg. Kelamah Division

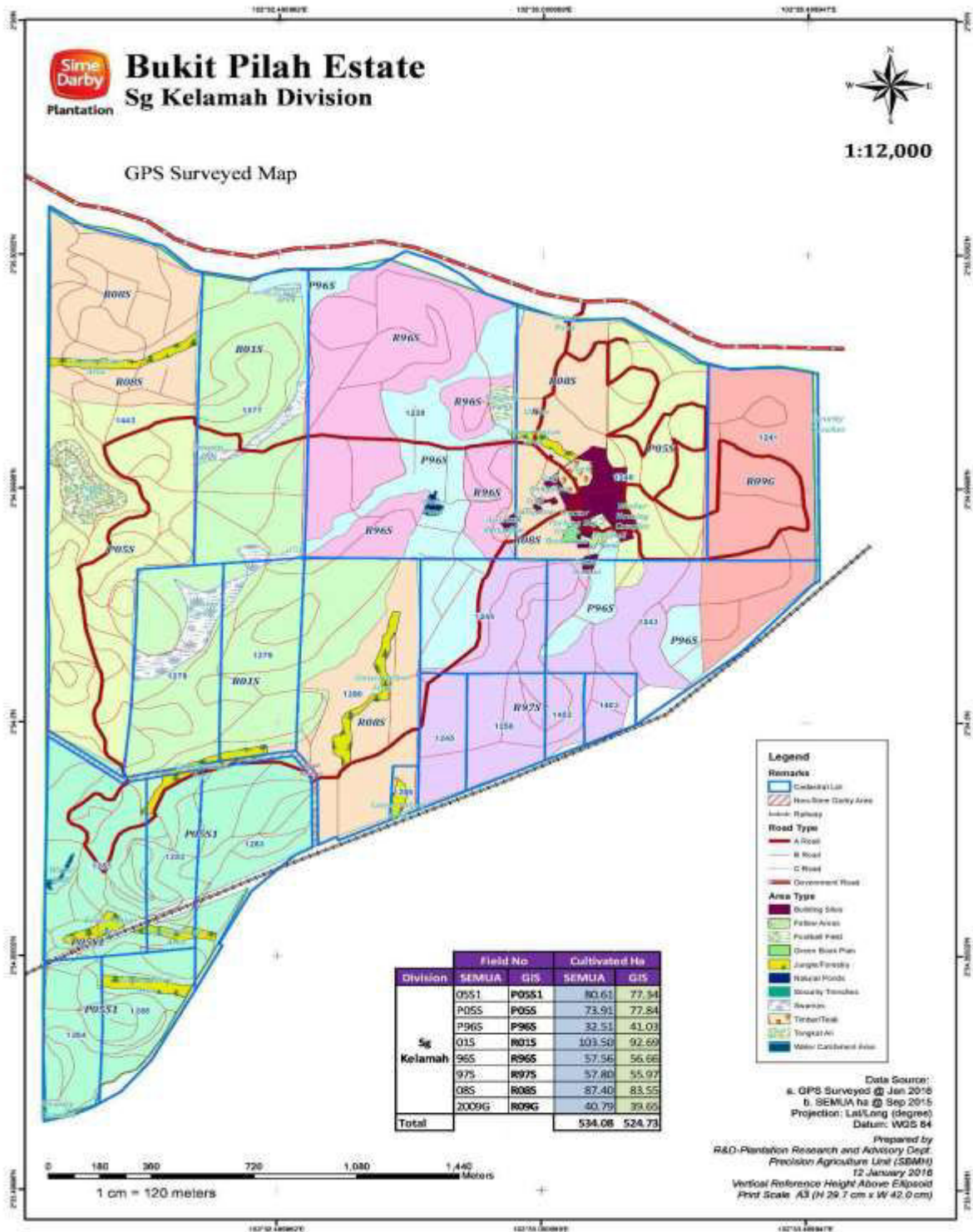


Figure 7. Operational Map of Sg. Gemas Estate

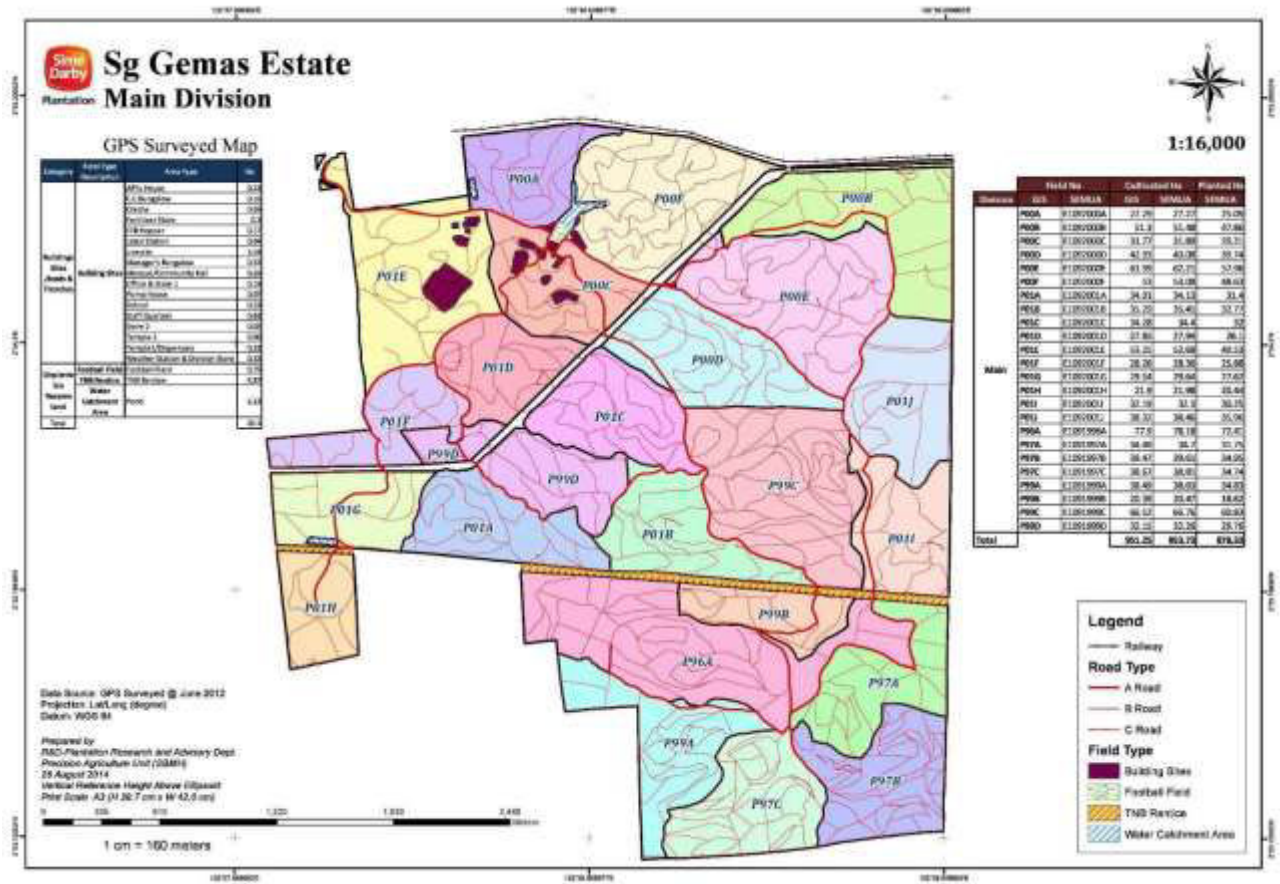


Figure 8a. Operational Map of St. Helier Estate, Jussesh Division

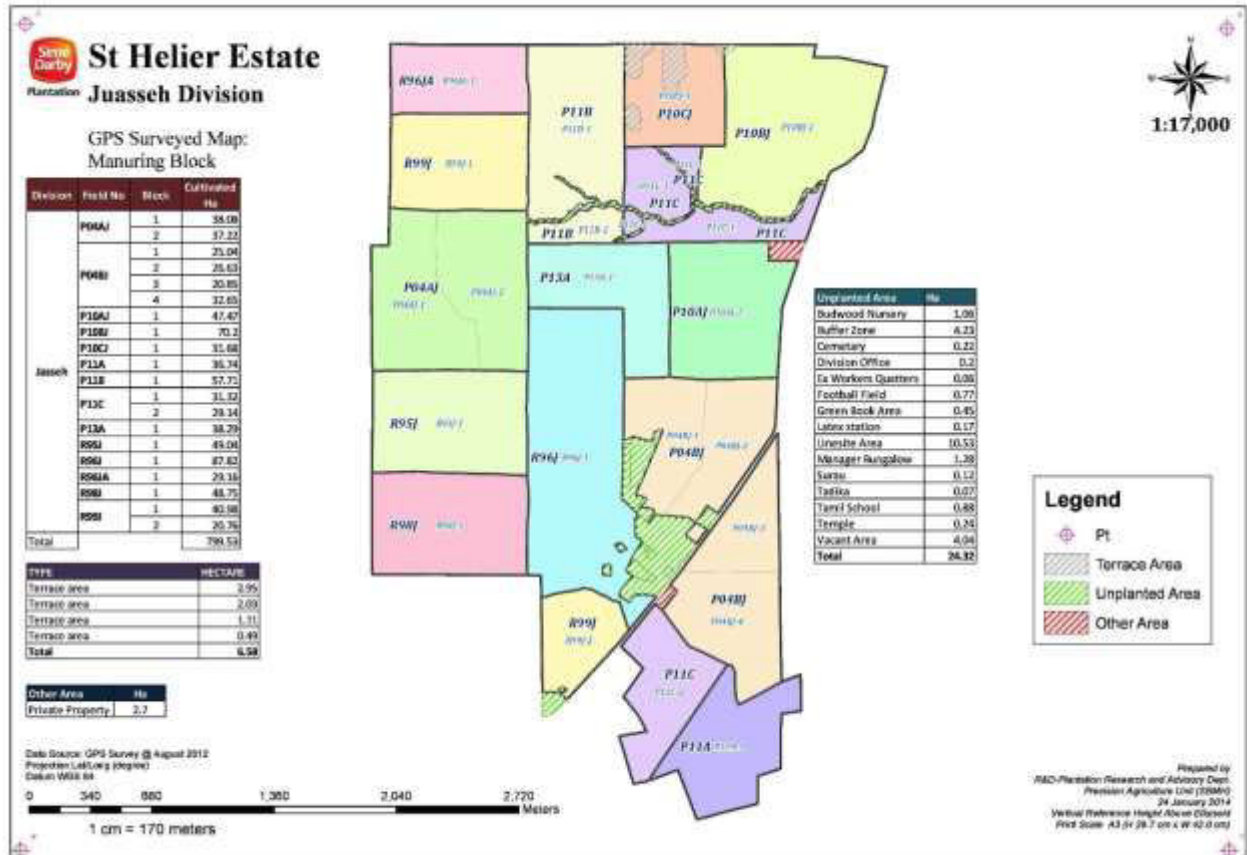
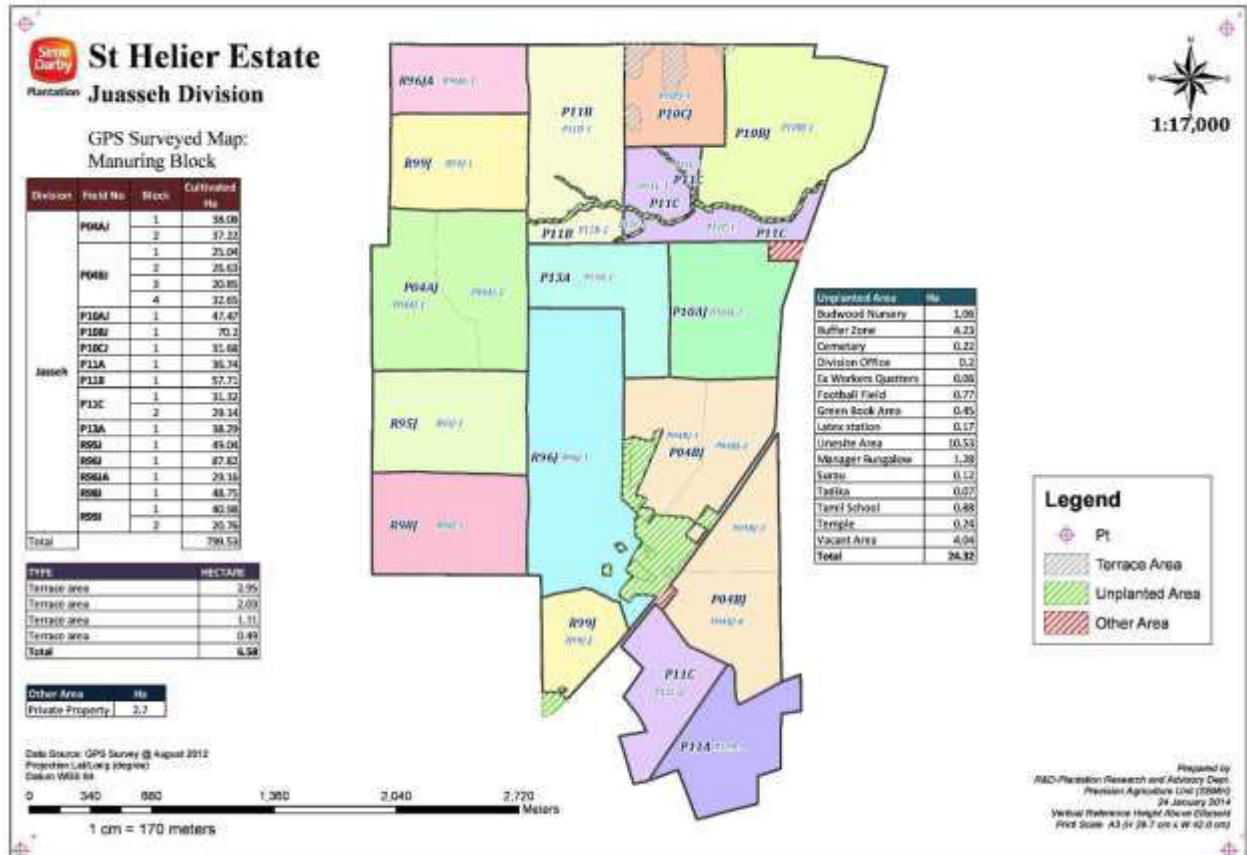




Figure 8b. Operational Map of St. Helier Estate, St. Helier Division



### Abbreviations Used

ARM	:	Agriculture Reference Manual
BOD	:	Biological Oxygen Demand
BTS (FFB)	:	Buah Tandan Segar ( <i>Fresh Fruit Bunch</i> )
CePPOME	:	Certified Environmental Professional in the Treatment of POME
CEMS	:	Continuous Emission Monitoring System
CPO	:	Crude Palm Oil
CHRA	:	Chemical Hazard Risk Assessment
CLC	:	Child Learning Centre
CSA	:	Conservation Site Area
CSR	:	Corporate Social Responsibility
COBC	:	Code of Business Conduct
COD	:	Chemical Oxygen Demand
DOE	:	Department Of Environmental
EFB	:	Empty Fruit Bunch
EMS	:	Environment Management System
EPSM	:	Environmental Protection Society Malaysia
EQMS	:	Environment Quality Management System
FMA	:	Factory Machine Art
FPIC	:	Free Prior and Informed Consent
FPSR	:	Fire Pro System Resources
FY	:	Financial Year
GHG	:	Green House Gases
HA	:	Health Assistant
HCV	:	High Conservation Value
HIRAC	:	Hazard Identification and Risk Assessment Control (HIRAC)
HSE	:	Health Safety and Environment
HQ	:	Head Quarter
IUCN	:	International Union for Conservation of Nature
KER	:	Kernel Extarction Rate
KKS (POM)	:	Kilang Kelapa Sawit (Palm Oil Mill)
KPDNK	:	Kementerian Perdagangan Dalam Negeri Kepenggunaan
LC	:	Land Clearing
LCC	:	Legium Cover Crop
LGM	:	Lembaga Getah Malaysia
LORR	:	Legal and Other Requirement Register
LOTO	:	Log Out and Take Out
LTA	:	Lost Time Accident
MA	:	Medical Assistant
MOA	:	Ministry of Agriculture
MPOB	:	Malaysian Palm Oil Board
MSDS	:	Material Safety Data Sheet
NCR	:	Non Conformance Report
NPP	:	New Planting Procedure
NWSDM	:	National Council of Welfare & Social Development Malaysia
NUPW	:	National Union Plantation Workers
OFI	:	Opportunity For Improvement
OHS	:	Occupational Health and Safety
OHSA	:	Occupational Health and Safety Assessment
OER	:	Oil Extarction Rate

PANAP	:	Pesticide Action Network Asia and the Pacific
PK	:	Palm Kernel
PPE	:	Personal Protective Equipment
POME	:	Palm Oil Mill Effluent
POM	:	Palm Oil Mill
PSQM	:	Plantation Services Quality Management
PSS	:	Pictorial Safety Standard
RHB	:	Rashid Husin Bank
RSPO	:	Rountable on Sustainable on Palm Oil
RTE	:	Rare, Threatened or Endangered
SDP	:	Sime Darby Plantation
SJKC	:	Sekolah Jenis Kebangsaan China
SIA	:	Social Impact Assessment
SOP	:	Standard Operating Procedure
SOM	:	Standarad Operation Manual
SPMS	:	Sustainable Plantation Management System
SOCISO	:	Social Security Organization
SOU	:	Strategic Operating Unit
SQM	:	Sustainabilty & Quality Management
SW	:	Schedule Waste
TQEM	:	Total Quality Environmental Management
WI	:	Work Instruction
WTP	:	Water Treatment Plan



<b>1.0</b>	<b>SCOPE of the CERTIFICATION ASSESSMENT</b>		
<b>1.1</b>	<b>Assessment Standard Used</b>	<ul style="list-style-type: none"> <li>• Malaysia National Interpretation (MY-NI) of the RSPO Principles and Criteria for Sustainable Palm Oil Production. Endorsed by RSPO Board of Governors on March 6<sup>th</sup> 2015.</li> <li>• RSPO Supply Chain Certification Standard For organizations seeking or holding certification. Adopted by the RSPO Board of Governors on 21 November 2014, Revised on 14 June 2017 (Module D / E for CPO Mill)</li> <li>• RSPO Certification System (Approved by RSPO Executive Board, 26 June 2007), Rev. 30 August 2011</li> </ul>	
<b>1.2</b>	<b>Organisation Information</b>		
1.2.1	Organisation name listed in the certificate	SOU 16 Kok Foh – Sime Darby Plantation, Bhd.	
1.2.2	Contact person	Shylaja Devi VasudevanNair	
1.2.3	Organisation address and site address	Level 3A, Main Block, Plantation Tower, No. 2, Jalan PJU 1A/7, Ara Damansara, 47301 Petaling Jaya, Selangor, Malaysia	
1.2.4	Telephone	+(603)78484379	
1.2.5	Fax	+(603) 7848 4363	
1.2.6	E-mail	shylaja.vasudevan@simedarby.com	
1.2.7	Web page address	www.simedarby.com.my	
1.2.8	Management Representative who completed the application for certification	Shylaja Devi Vasudevan Nair	
1.2.9	Registered as RSPO member	1-0008-04-000-00 on September 8 <sup>th</sup> 2004	
<b>1.3</b>	<b>Type of Assessments</b>		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill with eights Estates supply base, e.g.: Kok Foh Estate, Sg. Senarut Estate, Muar River Estate, Pertang Estate, Sg. Gemas Estate, Bukit Pilah Estate, St. Helier Estate and Sg. Sabaling Estate.	
1.3.2	Type of certificate	Single	
<b>1.4</b>	<b>Locations of Mill and Plantation</b>		
1.4.1	Location of Mill		
	<b>Name of Mill</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Kok Foh Oil Mill	Kok Foh Palm Oil Mill, 72109 Bahau, Negeri Sembilan.	2° 46' 30.9" N                      102° 30' 44.3" E
1.4.2	Location of Certification Scope of Supply Base		
	<b>Name of Supply Base</b>	<b>Location</b>	<b>Coordinate</b>
			<b>Latitude</b> <b>Longitude</b>
	Kok Foh Estate	Ldg. Kok Foh, 72109 Bahau, Negeri Sembilan.	2° 46' 30.9" N                      102° 30'44.3" E
	Sg. Senarut Estate	Ldg. Sungai Senarut, 85100 Batu Anam, Segamat, Johor.	2° 34' 12.2" N                      102° 42'44.2" E

Muar River Estate	Ldg. Muar River, PO Box 503, 85009 Segamat, Johor.	2° 34' 24.9" N	102° 45' 07.1" E							
Pertang Estate	Ldg. Pertang, Simpang Pertang, 72300 Jelebu, Negeri Sembilan.	2° 58' 31.1" N	102° 15' 33.7" E							
Sg. Gemas Estate	Ldg. Sungai Senarut, 85100 Batu Anam, Segamat, Johor.	2° 34' 13.3" N	102° 38' 49.0" E							
Bukit Pilah Estate	Ldg. Bukit Pilah, 73500 Rompin, Negeri Sembilan.	2° 43' 17.6" N	102° 32' 18.0" E							
St. Helier Estate	Ldg. St. Helier, 72009 Kuala Pilah, Negeri Sembilan.	2° 46' 31.6" N	102° 26' 31.4" E							
Sg. Sabaling Estate	Ldg. Sungai Sebaling, 72100 Bahau, Negeri Sembilan.	2° 48' 17.0" N	102° 23' 14.4" E							
<b>1.5</b>	<b>Description of Area Statement</b>									
1.5.1	Tenure									
	• Private (Freehold land title)		14,671.10 ha							
	• State		- ha							
	• Community		- ha							
1.5.2	<b>Area Statement</b>									
	• Total area		14671.10 ha							
	• Mature area		6983.86 ha							
	• Immature area		371.99 ha							
	• Mill		0.14 ha							
	• Building and emplishment (housing)		70.96 ha							
	• Infrastructure (road and bridge)		505.50 ha							
	• Nursery		2.43 ha							
	• Others (unplantable, football field, farrow areas, TNB line, river, swamp and cemetery)		140.66 ha							
	• Rubber plantation		6,569.96 ha							
	• HCV		25.60 ha							
<b>1.6</b>	<b>Planting Year and Cycles</b>									
1.6.1	Age profile of planting year									
	<b>Planting Year</b>	<b>Estate Hectarage (ha)</b>								
		<b>Kok Foh</b>	<b>Sg. Senarut</b>	<b>Muar River</b>	<b>Pertang</b>	<b>Sg. Gemas</b>	<b>Bukit Pilah</b>	<b>St. Helier</b>	<b>Sg. Sabaling</b>	<b>Total</b>
	1992	-	-	-	24.08	-	-	-	-	24.08
	1993	-	-	79.47	-	-	-	-	-	79.47
	1994	-	-	190.64	-	-	-	-	-	190.64
	1996	189.77	-	-	121.92	72.41	32.37	-	-	416.47
	1997	16.88	-	93.82	-	101.44	-	-	-	212.14
	1998	342.53	-	44.74	-	-	-	-	-	387.27
	1999	358.69	-	76.31	-	144.04	-	-	-	579.04
	2000	333.61	-	302.65	-	248.49	-	-	-	884.75
	2001	393.38	243.63	-	-	311.95	38.66	-	-	987.62
	2002	412.55	23.43	77.49	-	-	163.52	53.66	-	730.65
	2004	-	-	-	-	-	-	332.74	124.66	457.40

	2005	-	143.24	-	145.54	-	199.82	-	-	488.60
	2006	-	147.39	115.23	211.36	-	195.35	-	-	669.33
	2007	-	-	132.29	-	-	-	-	-	132.29
	2008	-	-	-	33.40	-	-	-	-	33.40
	2009	-	-	-	69.30	-	-	-	-	69.30
	2010	-	-	-	64.54	-	-	143.86	-	208.40
	2011	-	-	65.65	-	-	-	145.32	-	210.97
	2013	-	-	57.50	-	-	-	36.80	-	94.30
	2014	-	-	60.44	67.30	-	-	-	-	127.74
	2015	-	-	-	87.08	-	-	-	-	87.08
	2016	-	-	-	161.73	-	-	-	-	161.73
	2017	-	-	123.18	-	-	-	-	-	123.18
	<b>TOTAL</b>	<b>2,047.41</b>	<b>557.69</b>	<b>1,419.41</b>	<b>986.25</b>	<b>878.33</b>	<b>629.72</b>	<b>712.38</b>	<b>124.66</b>	<b>7,355.85</b>
1.6.2	New Planting area after January 2010				- Ha					
1.6.3	Planting Cycle				2 <sup>nd</sup> Cycle					
<b>1.7</b>	<b>Description of Mill and Supply Base</b>									
1.7.1	Description of Mill									
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO			Palm Kernel			
				Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)			
	Kok Foh POM	60	192,255.11	36,528.47	19	7,690.20	4			
	<i>*Production data source from May 2017 to April 2018</i>									
1.7.2	Description of Certification Scope of Supply Base									
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ year)	Supplied to Mill				
						FFB (tonnes/year)	%			
	Kok Foh Estate	2,189.26	2,047.41	48,308.27	23.59	48,308.27	100.00			
	Sg. Senarut Estate	1,988.75	557.69	14,169.60	25.41	14,169.60	100.00			
	Muar River Estate	1,489.55	1,419.41	29,944.16	23.10	29,944.16	100.00			
	Pertang Estate	1,052.55	986.25	20,181.68	27.37	20,181.68	100.00			
	Sg. Gemas Estate	969.63	878.33	22,272.32	25.36	22,272.32	100.00			
	Bukit Pilah Estate	3,667.31	629.72	14,429.70	22.91	14,429.70	100.00			
	St. Helier Estate	1,992.65	712.38	19,543.21	27.43	19,543.21	100.00			
	Sg. Sabaling Estate	1,321.40	124.66	3,519.53	28.23	3,519.53	100.00			
	<b>TOTAL</b>	<b>14,671.10</b>	<b>7,355.85</b>	<b>172,368.47</b>	<b>24.68</b>	<b>172,368.47</b>	<b>100.00</b>			
	<i>*Production data source from May 2017 to April 2018</i>									
1.7.3	FFB description from other source									
	Name of sources/Organisation (RSPO certified / non-certified)	Type of Organisation	Number of smallholders	Production Area (Ha)	Supplied to Mill					
					FFB (tonnes/year)					
	Kemuning	Sime Darby Plantation, Bhd (RSPO Certified)	-	2,540.90	6,594.30					



Bradwall	Sime Darby Plantation, Bhd (RSPO Certified)	-	3,783.60	7,819.32
Sg. Baru	Sime Darby Plantation, Bhd (RSPO Certified)	-	1,332.49	215.95
Tampin Linggi	Sime Darby Plantation, Bhd (RSPO Certified)	-	1,864.76	1,017.20
Bukit Asahan	Sime Darby Plantation, Bhd (RSPO Certified)	-	2,965.53	39.80
Salak	Sime Darby Plantation, Bhd (RSPO Certified)	-	3,546.32	2,078.98
Sua Betong	Sime Darby Plantation, Bhd (RSPO Certified)	-	2,735.32	86.04
Welch	Sime Darby Plantation, Bhd (RSPO Certified)	-	576.20	765.29
Cheong Wing Chan	Independent FFB Supplier (Non Certified)	-	-	331.67
Eng Huat Latex	Independent FFB Supplier (Non Certified)	-	-	818.69
Bukit Palong	Independent FFB Supplier (Non Certified)	-	-	119.40
<b>TOTAL</b>				<b>19,886.64</b>

\*Production data source from May 2017 to April 2018

1.7.4 Product categories **FFB, CPO, PK**

**1.8 Tonnage of Product**

1.8.1	Past Annual Claim Certified Product	Previous Certificate Claim 07 July 2017 to 06 July 2018 (tonnes/year)	Actual certified product 07 July 2017 to 30 June 2018 (tonnes/year)
	• FFB Production	183,157.31	182,377.69
	• CPO Production	64,205.67	35,828.15
	• Palm Kernel (PK) Production	11,040.16	9,022.62

**On April 2018 unit management request ext.volume because there is exceed over CPO production**

**1.8.2 Product selling**

	Tonnage of selling product	Period of actual selling product 07 July 2017 to 30 June 2018 (MT)
	• CSPO sold as RSPO certified product	-
	• CSPK sold as RSPO certified product	988.75
	• CSPO sold under other scheme	-
	• CSPK sold under other scheme	-
	• CSPO sold as conventional	32,794.58
	• CSPK sold as conventional	7,914.39

**1.8.3 Estimate of Certified FFB Claim**

Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)
Kok Foh Estate	2,189.26	2,047.41	49,138	24.00
Sg. Senarut Estate	1,988.75	557.69	14,500	26.00
Muar River Estate	1,489.55	1,419.41	30,461	23.50
Pertang Estate	1,052.55	986.25	22,674	27.50

	Sg. Gemas Estate	969.63	878.33	22,837	26.00			
	Bukit Pilah Estate	3,667.31	629.72	14,609	23.20			
	St. Helier Estate	1,992.65	712.38	19,947	28.00			
	Sg. Sabaling Estate	1,321.40	124.66	3,615	29.00			
	<b>TOTAL</b>	<b>14,671.10</b>	<b>7,355.85</b>	<b>177,781</b>	<b>25.14</b>			
*Projected FFB production from 07 July 2018 to 06 July 2019								
1.8.4	Estimate of Certified Palm Product Claim							
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>		<b>Palm Kernel</b>		<b>Supply Chain Module</b>
				<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	<b>Out put (tonnes)</b>	<b>Extraction (%)</b>	
	Kok Foh POM	60	177,781	37,334	21.00	8,889	5.00	MB
*Projected CSPO and CSPK production from 07 July 2018 to 06 July 2019								
<b>1.9</b>	<b>Other Certifications</b>							
	ISO 9001:2008			-				
	ISO 14001: 2004			-				
	OHSAS 18001:2007			-				
	ISCC			-				
	Others			-				
<b>1.10</b>	<b>Time Bound Plan</b>							
1.10.1	<b>Time Bound Plan for Other Management Units</b>							
	<b>Management Unit</b>		<b>Supply Base</b>	<b>Time Bound Plan</b>	<b>HGU on Process</b>		<b>Location</b>	<b>Status</b>
	<b>Mill</b>	<b>Time Bound Plan</b>			<b>Ha</b>	<b>Time Bound Plan</b>		
INDONESIA								
	Sekunzir. PT. Indotruba Tengah	2010	Sekunzir	2010			Seruyan and West Kotawaringin District – Central Kalimantan	Certified
			Seruyan	2010				Certified
	Manggala. PT. Tunggal Mitra Plantations	2010	Manggala 1	2010			Rokan Hilir District – Riau	Certified
			Manggala 2	2010				Certified
			Manggala 3	2010				Certified
	Bukit Ajong PT. Sime Indo Agro	2010	West	2010	1,652	2019	Sanggau District –West Kalimantan	Certified
			East	2010				Certified
			Sei Mawang	2018				-
			East Plasma	2010				Certified
			West Plasma	2010				Certified

Teluk Siak. PT Aneka Inti Persada	2011	Teluk Siak	2011	421.31	2020	Pekanbaru, Siak District – Riau	d
		Pinang Sebatang	2011				Certified
		Aneka Persada	2011				Certified
Sungai Pinang. PT. Bina Sains Cemerlang	2012	Sungai Pinang	2012	308.25	2020	Musi Rawas District – South Sumatera	Certified
		Bukit Pinang	2012				Certified
Pematang. PT. Teguh Sempurna	2011	Pematang	2011			Seruyan and East Kotawaringin Dist rict – Central Kalimantan	Certified
		Kawan Batu	2011				Certified
		Hatan Tiring	2011				Certified
		Batang Garing	2011				Certified
Alur Dumai. PT Lahan Tani Sakti	2011	Alur Dumai	2011			Rokan Hilir District – Riau	Certified
Teluk Bakau. PT. Bhumireksa Nusa Sejati	2011	Teluk Bakau	2011			Indra Giri Hilir District – Riau	Certified
		Nusa Perkasa	2011				Certified
		Nusa Lestari	2011				Certified
Mandah PT. Bhumireksa Nusa Sejati	2014	Mandah	2011			Indra Giri Hilir District – Riau	Certified
		Rotan Semelur	2011				Certified
Angsana Mini*) PT Sajang Heulang	2011	KKPA-1 PT.SHE	2013			Tanah Bumbu District – South Kalimantan	Certified
		Pantai Bonati	2011				Certified
Angsana. PT Ladangrum pun Suburabadi	2011	Angsana	2011			Tanah Bumbu District – South Kalimantan	Certified
		Gunung Sari	2011				Certified
		KKPA-4 PT.SHE	2013				Certified
Mustika. PT Sajang Heulang	2013	Mustika				Tanah Bumbu District – South Kalimantan	Certified
		KKPA-2 PT.SHE	2013				Certified
		KKPA-3 PT.SHE	2013				Certified
		KKPA-5 PT.SHE	2013				Certified
		SAP 1	2020				ST-2



Gunung Aru. PT Bersama Sejahtera Sakti	2011	Gunung Aru	2011	765	2020	Kotabaru District – Kalimantan South	Certified
		Gunung Kemasan	2011				Certified
		Laut Timur	2011				Certified
		Pantai Timur	2011				Certified
		KKPA BSS	2020				-
Bebunga. PT. Langgeng Muaramakmur	2011	Sungai Cengal	2011	1,162	2020	Kotabaru District – Kalimantan South	Certified
		Bebunga	2011				Certified
		KKPA Sungai Cengal	2014				Certified
Sukamandang PT Kridatama Lancar	2011	Sukamandang	2011			Seruyan and East Kotawaringin District – Central Kalimantan	Certified
		Sapiri	2011				Certified
		Barasdanum	2011				Certified
		Kuala Kuayan	2011				Certified
Pondok Labu. PT Paripurna Swakarsa	2012	Binturung	2012	1,120	2020	Kotabaru District – Kalimantan South	Certified
		Pondok Labu	2012				Certified
		Rampa	2012				Certified
		Sesulung	2012				Certified
Selabak *) PT Swadaya Andhika	2012	Selabak	2012	63	2020	Kotabaru District – Kalimantan South	Certified
		Randi	2012				Certified
		Sangkoh	2012				Certified
		Lanting	2012				Certified
Rantau. PT Laguna Mandiri	2012	Rantau	2012			Kotabaru District – Kalimantan South	Certified
		Matalok	2012				Certified
Betung. PT Laguna Mandiri	2014	Betung	2012			Kotabaru District – Kalimantan South	Certified
		Sekayu	2012				Certified
Ungkaya. PT Tamaco Graha Krida	2012	Ungkaya	2012			Morowali District – Sulawesi Tengah	Certified
		Plasma TGK	2015				Certified
Ladang	2012	Ladang Panjang	2012	1,639	2020	Muaro Jambi	Certified

Panjang. PT Bahari Gembira Ria		Plasma BGR	2020			District - Jambi	-
Rantau Panjang. PT Guthrie Pecconina Indonesia	2012	Rantau Panjang	2012	4,133	2020	Musi Banyuasin District – South Sumatera	Certified
		Bumi Ayu	2012				Certified
		Karang Ringin	2012				Certified
		Napal	2012				Certified
		Mangun Jaya	2012				Certified
		Sungai Jernih Estate and GPI KKPA	2017				-
Blang Simpo. PT Perkasa Subur Sakti	2013	Tamiang (PT PPP)	2013	1,286	2020	Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam	Certified
		Batang Ara (PT PSK)	2013				Certified
		Blang Simpo-01	2013				Certified
		Blang Simpo-02	2013				Certified
MAS. PT Mitra Austral Sejahtera	2020	MAS 1	2018			Sanggau District – West Kalimantan	-
		MAS 1	2018				-
		MAS 1	2018				-
		Plasma MAS	2020				-
Lembiru. PT Sandika Nata Palma	2014	Lembiru	2014			Ketapang District – West Kalimantan	Certified
		Awatan	2014				Certified
		Karya Palma	2018				-
		KKPA SNP	2020				-
		Pelanjau (PT BAL)	2018				-
		Sungai Putih (PT BAL)	2018				-
		Baturus (PT BAL)	2018				-
		KKPA BAL	2020				-
<b>MALAYSIA</b>							
Sg Dingin SOU 1	2010	Bukit Hijau	2010			Kerangan, Kedah	Certified
		Padang Buluh	2010				Certified
		Bukit Selangor	2010				Certified
		Sg Dingin	2010				Certified
		Jentayu	2010				Certified
		Anak Kuli	2010				Certified

		Somme	2010				d Certified
Chersonese SOU 2	2011	Chersonese	2011			Kuala Kurau, Perak	Certified
		Holyrood	2011				Certified
		Kalumpong	2011				Certified
		Tali Ayer	2011				Certified
Elphil SOU 3	2011	Kinta Kellas	2011			Sg Siput, Perak	Certified
		Elphil	2011				Certified
		Kamuning	2011				Certified
Flemington SOU 4	2011	Flemington	2011			Teluk Intan, Perak	Certified
		Bagan Datoh	2011				Certified
		Sabak Bernam	2011				Certified
		Sg Samak	2011				Certified
Seri Intan SOU 5	2011	Seri Intan (Main Division)	2011			Teluk Intan, Perak	Certified
		Sabrang	2011				Certified
		Sg Wangi	2011				Certified
		Sogomana (Main Division)	2011				Certified
Selaba SOU 5	2011	Seri Intan (Selaba Division)	2011			Teluk Intan, Perak	Certified
		Sogomana (Cashwood & Sg Beruas Division)	2011				Certified
		Bikam	2011				Certified
		Clumy	2011				Certified
Tennamaram SOU 6	2011	Tennamaram	2011			Bestari Jaya, Selangor	Certified
		Sungei Buloh	2011				Certified
		Bkt Talang	2011				Certified
Bkt Kerayong SOU 7	2011	Bkt Kerayong	2011			Kapar, Selangor	Certified
		Bkt Cherakah	2011				Certified
		Bkt Rajah	2011				Certified

		Bkt Lagong	2011				d
		Elmina	2011				Certified
East SOU 8	2010	East	2010			Carey Island, Selangor	Certified
		Dusun Durian	2010				Certified
		Sepang	2010				Certified
West - SOU 9	2010	West	2010			Carey Island, Selangor	Certified
Bukit Putri - SOU 10	2011	Bukit Putri	2011			Raub, Pahang	Certified
Kerdau SOU 11	2011	Kerdau	2011			Temerloh, Pahang	Certified
		Jentar	2011				Certified
		Mentakab	2011				Certified
		Sg Mai	2011				Certified
		Chenor	2011				Certified
Jabor - SOU 12	2011	Jabor	2011			Kuantan, Pahang	Certified
Labu SOU 13	2011	Labu	2011			Nilai, Negeri Sembilan	Certified
		New Labu	2011				Certified
		Bradwall	2011				Certified
Tanah Merah SOU 14	2010	Tanah Merah	2010			Port Dickson, Negeri Sembilan	Certified
		Sua Betong	2010				Certified
		Bukit Pelandok	2010				Certified
Sua Betong SOU 15	2014	Salak	2014			Port Dickson, Negeri Sembilan	Certified
		Sengkang	2014				Certified
		Siliau	2014				Certified
		PD Lukut	2014				Certified
		Sungai Baru	2014				Certified
		Tampin Linggi	2014				Certified
Kok Foh	2011	Bukit Pilah	2011			Bahau, Negeri	Certified



SOU 16		Kok Foh	2011			Sembilan	d
							Certified
		Muar River	2011				Certified
		St. Helier	2011				Certified
		Pertang	2011				Certified
		Sg Gemas	2011				Certified
		Sg Sebalang	2011				Certified
		Sg Senarut	2011				Certified
Kempas SOU 17	2010	Kempas	2010			Jasin, Melaka	Certified
		Kemuning	2010				Certified
		Tangkah	2010				Certified
Diamond Jubilee SOU 18	2011	Bukit Asahan	2011			Jasin, Melaka	Certified
		Diamond Jubilee	2011				Certified
		Serkam	2011				Certified
Pagoh SOU 19	2014	Pagoh	2014			Muar, Johor	Certified
		Lanadron	2014				Certified
		Pengkalan Bukit	2014				Certified
		Welch	2014				Certified
Chaah SOU 20	2010	North Labis	2010			Chaah, Johor	Certified
		Cha'ah	2010				Certified
		Sg Simpang Kiri	2010				Certified
Gunung Mas SOU 21	2010	Gunung Mas	2010			Kluang, Johor	Certified
		Kempas Klebang	2010				Certified
		Bukit Paloh	2010				Certified
		Yong Peng	2010				Certified
Bukit Benut SOU 22	2011	Bukit Benut	2011			Kluang, Johor	Certified
		CEP Niyor	2011				Certified

		Lambak / Elaeis	2011				Certified
Ulu Remis SOU 23	2011	Pekan	2011			Layang-layang, Johor	Certified
		Sembrong	2011				Certified
		Tun Dr. Ismail	2011				Certified
		Ulu Remis	2011				Certified
		Bukit Badak	2011				Certified
		Cenas	2011				Certified
Hadapan SOU 24	2011	CEP Rengam	2011			Layang-layang, Johor	Certified
		Kulai	2011				Certified
		Layang	2011				Certified
		Seri Pulai	2011				Certified
Sandakan Bay SOU 26	2008	Tun Tan Siew Sin	2008			Sandakan, Sabah	Certified
		Tunku	2008				Certified
		Tigowis	2008				Certified
		Sentosa	2008				Certified
		Sagulud	2008				Certified
Melalap SOU 27	2011	Melalap	2011			Tenom, Sabah	Certified
		Sapong	2011				Certified
Binuang SOU 28	2009	Tingkeyu	2009			Kunak, Sabah	Certified
		Sungang	2009				Certified
		Jelata Bumi	2009				Certified
		Binuang	2009				Certified
Giram SOU 29	2009	Mostyn	2009			Kunak, Sabah	Certified
		Giram	2009				Certified
Merotai SOU 30	2009	Imam	2009			Tawau, Sabah	Certified
		Merotai	2009				Certified
		Table	2009				Certified

							d
		Tiger	2009				Certified
Lavang SOU 31	2011	Belian	2011			Bintulu, Serawak	Certified
		Kelida	2011				Certified
		Lavang	2011				Certified
		Lavang (SE)	2011				Certified
		Rasan	2011				Certified
Rajawali SOU 32	2011	Rajawali	2011			Bintulu, Serawak	Certified
		Samudera	2011				Certified
		Semarak	2011				Certified
		Bayu	2011				Certified
Derawan SOU 33	2011	Takau	2011			Bintulu, Serawak	Certified
		Damai	2011				Certified
		Derawan	2011				Certified
		Sahua	2011				Certified
Pekaka SOU 34	2011	Chartquest	2011			Bintulu, Serawak	Certified
		Dulang	2011				Certified
		Peroh	2011				Certified
		Pekaka	2011				Certified
		Ruai	2011				Certified
<b>LIBERIA</b>							
Grand Cape Mount	2017	Matambo (2,500 Ha)	2017			Grand Cape Mount, Liberia	NPP May 2011
		Grand Cape Mount (2,372 Ha)	2017				NPP May 2011
		Zodua (264)	2017				NPP May 2011
		Bomi (3,128 Ha)	2017			Bomi, Liberia	NPP May 2011

		Lofa (2,254 Ha)	2017			NPP May 2011
<b>P &amp; G (New Britain Palm Oil)</b>						
Poliamba	2012	Kara	2012		Kevieng, New Ireland Province, P&G	Certified
		West Coast	2012			Certified
		Nalik	2012			Certified
		Noatsi	2012			Certified
		Madak	2012			Certified
		North (Smallholders)	2012			Certified
		South (Smallholders)	2012			Certified
		West (Smallholders)	2012			Certified
Tetere	2011	Tetere	2011		Gudaicanal, Solomon Island	Certified
		Ngalimbiu	2011			Certified
		Mbalisuna	2011			Certified
		West Zone (Smallholders)	2011			Certified
		Central Zone (Smallholders)	2011			Certified
		MBA East (Smallholders)	2011			Certified
		MBA West (Smallholders)	2011			Certified
Sangara, Sambiripa & Mamba	2013	Sangara	2013		Higaturu, Popondetta, Oro, P&G	Certified
		Sumberipa	2013			Certified
		Ambogo	2013			Certified
		Embi	2013			Certified
		Mamba	2013			Certified
		Sorovi (smallholders)	2013			Certified
		Igora (smallholders)	2013			Certified
		Saiho (smallholders)	2013			Certified



			Aeka (smallholders)	2013				Certified
			Ilimo (smallholders)	2013				Certified
	Gusap	2010	Dumpu	2010			Madang, P&G	Certified
			Surinam	2010				Certified
			Jephcott	2010				Certified
			Gusap	2010				Certified
			Paddox	2010				Certified
			Ngaru	2010				Certified
			Madang VOP (smallholders)	2010				Certified
			Morobe VOP (smallholders)	2010				Certified
	Hagita	2013	Giligili	2013			Milne Bay, P&G	Certified
			Hagita	2013				Certified
			Waigani	2013				Certified
			Sagarai	2013				Certified
			Padipadi	2013				Certified
			Mariawatte	2013				Certified
			East Gurney	2013				Certified
			West Gurney	2013				Certified
			East Sagarai	2013				Certified
			West Sagarai	2013				Certified
	<ul style="list-style-type: none"> <li>• Mosa</li> <li>• Kumbango</li> <li>• Kapiura</li> <li>• Namumdo</li> <li>• Waraston</li> </ul>	2008	Bebere	2008			West New Britain	Certified
			Kumbango	2008				Certified
			Togulo	2008				Certified
			Dami	2008				Certified
			Waisisi	2008				Certified
			Kautu	2008				Certified
			Karaisu	2008				Certified

					d
		Moroa	2008		Certified
		Bilomi	2008		Certified
		Loata	2008		Certified
		Haella	2008		Certified
		Garu	2008		Certified
		Daliavu	2008		Certified
		Sapuri	2008		Certified
		Malilimi	2008		Certified
		Rigula	2008		Certified
		Nomundo	2008		Certified
		Navarai / Karato ME	2008		Certified
		Volupai . Lotomgam / Natupi / Goruru	2008		Certified
		Lolokoru	2008		Certified
		Silovoti	2008		Certified
		LSS Hoskin (1,877 Smallholders)	2008		Certified
		VOP East (1,815 Smallholders)	2008		Certified
		VOP Central (1,958 Smallholders)	2008		Certified
		VOP West (1,277 Smallholders)Kaulong / Akamie / Pusiki / Repamira / Sakapei / KDC ME (21 large smallholders)	2008		Certified
		LSS Kapiura (847 Smallholders)	2008		Certified
		VOP Kapiura (551 Smallholders)	2008		Certified
<p>Sime Darby has achieved 34 management units in Malaysia, 24 management units in Indonesia, 10 management units in Liberia that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 10 in Liberia. In the year of 2017 there are two Mill that are no longer operating, and for the supplying base (Estate) is diverted to a mill that is still operating and has been certified RSPO.</p> <p>A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and Sime Darby Plantation Bhd targets to undergo RSPO Certification by</p>					

	<p>end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p> <p>There was change of the Time Bound Plan under Sime Darby on 15 April 2016 cause the Sime Darby postpone the others certification process. Change of the Time Bound Plan explanation: PT Mitra Austral Sejahtera. There are social issue still unresolved from the Serikat Petani Kelapa Sawit (SPKS) Sanggau, however the improvement are in progress. Sime Darby has informed the Time Bound Plan progress, MUTU has consider that Sime Darby still comply with the RSPO requirement for partial certification.</p>
1.10.2	<p><b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b></p>
	<p>There is no associate smallholders/outgrowers supplied to Kok Foh Mill.</p>

2.0	<b>ASSESSMENT PROCESS</b>
2.1	<b>Assessment Team</b>
ASA-1.2	<ol style="list-style-type: none"> <li><b>1. Oktovianus Rusmin (Lead Auditor).</b> Bachelor's Degree in Social &amp; Political Sciences Department of Anthropology. The working experience, consist of: Coastal Project-Department of Anthropology in Indonesian University (Pilot Project of Mangrove Rehabilitation in coastal area of South Sulawesi) as Social Supervisor (1999-2001), Center of Anhtropology-Indonesian University (Research and Publication) as Researcher (2002 – 2014), The Forest Trust-Indonesia (Consultant of Sustainable Forest Management) as Social Advisor (2004 – 2010) and eForest Consultant (HCV Identification and Social Impact Assessment) as staff (2010 – 2011). Has been participated in several training, consist of: Forest Management Auditor (FSC Standard), Environmental Management System ISO 14001, ISO 9001:2008, Conflict Resolution, Human Right, Verification System of Wood Legality, Training Lead Auditor of ISPO &amp; RSPO Scheme. Had participate in Sustainable Forest Certification (Eco Labelling Indonesia Standard), Gap Analysis of FSC Standard. He was numerously involved in audit of sustainable palm oil certification since 2011 for Indonesian Sustainable Palm Oil (ISPO) and RSPO Scheme in Indonesia &amp; 2014 in Malaysia as Auditor and <i>Lead Auditor</i>. During this audit he has been assigned to verify the <i>Conservation &amp; Supply Chain/General CoC &amp; Continues Improvement</i></li> <li><b>2. Mohamad Amarullah (Auditor).</b> Indonesia citizen. Master of Wood Science and Technology and Bachelor of Forestry, majoring in Forest Product Technology. Has experiences as an Agronomist and Research Assistant in Indonesia and Malaysia from 2008 to 2014. Has attended several trainings such as Lead Auditor of ISPO, RSPO, ISO 17021, ISO 17065, ISO 9001, ISO 19011, ISO 14001, HCV, etc. Has conducted several RSPO, ISPO and MSPO audit scheme in Indonesia and Malaysia since 2014, with expertise on BMP, environment, conservation, safety, legal and supply chain aspects. Fluent in Bahasa, Malay and English. In this report he has verify BMP and safety aspects.</li> <li><b>3. Ebnu Holdoon Shawal (Auditor).</b> Malaysia Citizen. Bachelor of Civil. Has completed the ISO 9001: 2008 QMS Lead assessor course for RABQSA – QM 785 (Exemplar Global) certified. Has experience regarding the safety, health and environmental standard for construction works as an engineer for 1 year. Fluent in local language and English. Has gone for various RSPO audits in Malaysia. In this report he has verify transparency information, worker rights and environment aspects.</li> <li><b>4. Mohd. Nizam Abu Bakar (Auditor).</b> Graduated from University Malaya with a Bachelor of Sciences with Honours (Ecology). Registered as a DOE environmental auditor EA 0012 and EIA consultant AC 0808. He had a 7 years experience on plantations as assistant manager at Asiatic Development Berhad. He had 21 years experience on auditing works on ISO 14000 Advanced EMS Auditing, Identifying Environmental Aspects &amp; Impacts by Sirim Training Services S/B, Environmental Assessment &amp; Management (Aberdeen, Scotland), Project Management Training Course &amp; Train, The Trainer Course (MIM). He is fluent in local language. In this report he has verify management plan, land use right, social and conflict resolution aspects.</li> </ol>
2.2	<b>Assessment Methodology, Assessment Process and Locations of Assessment</b>
2.2.1	<b>Figure of person days to implement assessment</b>
ASA-1.2	<p>Number of auditors: 4 Auditor.</p> <p>Number of days for <b>ASA-1.2</b> at site: 5 Days.</p> <p>Number of working days for <b>ASA-1.2</b> at site: 20 Working Days.</p>
2.2.2	<b>Assessment Process</b>
ASA-1.2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the Sime Darby Plantation SOU-16 Kok Foh to the requirements of Malaysia National Interpretation (MY-NIWG) of the RSPO Principles and Criteria (P&amp;C) for Sustainable Palm Oil Production which endorsed by RSPO Board of Governors on March 6<sup>th</sup> 2015; RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on on 21 November 2014, Revised on 14 June 2017 (Module D / E for CPO Mill); and RSPO Certification System which approved by RSPO Executive Board on June 26<sup>th</sup> 2007, Rev. 30 August 2011</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) <i>interview</i>, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results <b>ASA-1.2</b> delivered by the MUTU auditor to the management unit</p>



and the results are the subject will be verified at the next assessment phase (ASA-1. 3).

Improvement of findings from main assesment findings were observed by auditors at this **ASA-1.2** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-1.2**.

The assessment program please find Appendix 2

2.2.3	<b>Locations of Assessment</b>
ASA-1.2	<p><b>Kok Foh Palm Oil Mill (14 May 2018)</b></p> <ul style="list-style-type: none"> <li>• <b>Mill office:</b> Supply Chain Certification System (SCCS) verification and interview related personnel in charge to supply chain system</li> <li>• <b>Weight bridge :</b> Observation and interview of personnel related to FFB received mechanism and documented system of Certified and non Certified FFBs</li> <li>• <b>Grading Area:</b> Observation and interview of personnel related to FFB received mechanism and of FFBs grading and documented system of Certified and non Certified FFBs</li> <li>• <b>Workshop.</b> Workshop visited. Sighted proper arrangement of tools and 5S policy has been implemented. Clean and proper maintenance of the store as per <b>requirement</b> and first aid kit provided at each station. The improvement of the sump drainage for the Kok Foh Estate had been mentioned in OFI.</li> <li>• <b>Chemical Store.</b> Observed and showed any; MSDS of products, Related SOP &amp; warning sign for PPE Using</li> <li>• <b>Scheduled Waste Store.</b> Scheduled waste had been kept and arranged in accordance with requirement of DOE such as SW 409- spent filters, rags, SW 305 lubricant, hydraulic oil and SW 410, SW 302, and also clinical waste. The collection of scheduled waste had been done by Kualiti Alam Sdn Bhd and clinical waste by Clinco Management, Sdn. Bhd. Proper bund sighted and also the sump for oil trap available. The labelling sighted and the workers are well trained to explain the process of scheduled waste management.</li> <li>• <b>Engine Room .</b> Observed and showed any; Related SOP &amp; warning sign for PPE Used</li> <li>• <b>Station Sterilizer.</b> Observation and interview with 2 Operators from Indonesia, on their understanding towards technical, maintenance, manpower, safety, health and environment aspects.</li> <li>• <b>Station Threshing.</b> Observation and interview with 1 Operators from Indonesia, on their understanding towards technical, maintenance, manpower, safety, health and environment aspects.</li> <li>• <b>Station Press.</b> Observation and interview with 1 Operators from Indonesia, on their understanding towards technical, maintenance, manpower, safety, health and environment aspects.</li> <li>• <b>Station Kernel.</b> Observation and interview with 1 Operators from Indonesia, on their understanding towards technical, maintenance, manpower, safety, health and environment aspects.</li> <li>• <b>Station Boiler.</b> Observation and interview with 3 Operators from local Malaysia, on their understanding towards technical, maintenance, manpower, safety, health and environment aspects.</li> <li>• <b>Hydrant Simulation.</b> Observation towards readiness of fire control devices.</li> </ul> <p><b>Sg Sabaling Estate (15 May 2018)</b></p> <ul style="list-style-type: none"> <li>• <b>Field 97C4 Rubber.</b> Boundary Marker was demarcated by Steel pole and trenching. GPS coordinate has tally with the Map.</li> <li>• <b>Housing Complex.</b> Housing Complex visited that combine mill and estate complex. Sighted a terrace house in the workers quarters including the facilities like football field, clinics and volleyball field available. There are 2 dedicated general workers for each line site to ensure the area is clean and well managed. Based on the interview, the workers are comfortable staying in the workers quarters. Sighted the staff houses (3 rooms provided – new), and workers houses 2 rooms each. There are also water and electricity being provided by Sime Darby.</li> <li>• <b>Pesticide Store.</b> Proper storage of store sighted. MSDS and labelling available. Good explanation from the store keeper. Pesticides has been arrange accordingly to their class and active ingredient. Sighted the container and separation of each pesticides and herbicides according to their types of usage. There are also ventilator installed at the chemical store for air circulation. Furthermore, the auditor has sighted the chemical mixing area properly build next to the store and water supplied provided. Sump and traps for the chemical mixing available and the chemical mixing water will be extracted back and refill back to the chemical container.</li> <li>• <b>Fertilizer Store.</b> Proper stacking of fertilizer. Signage and label available including MSDS. The personnel is well trained.</li> </ul>

- **Field 04 Block B.** Observation to Barn Owl Box (**BOB**) installation, application of EFB on mature area and implementation of management input on undulating to rolling slope areas.
- **Field 04A Block D.** Observation to **harvesting activities** and interview with 2 Harvesters from Indonesia, on their understanding towards technical, safety, environment, conservation, and manpower aspects, as well as company facilities. Location of activity was on hilly areas, hence management input towards hilly area has also observed.
- **Sg. Sabaling Office.** Interview with Upkeep Foreman from India and 2 upkeep workers (pesticide and fertilizer applicator) from India, on their understanding towards technical, safety, environment, conservation, and manpower aspects, as well as company facilities.

**Kok Foh Estate (16 may 2018)**

- **Block 02KE (N 2° 82' 86.5 and E 102° 50' 5.8").** Boundary Marker was demarcated by PVC poles and trenching. GPS coordinate tally with the Map.
- **Block 00 K (N 2° 82' 54.1 and E 102° 51' 80.7").** Boundary Marker was demarcated by PVC poles and trenching. GPS coordinate tally with the Map.
- **Block 99 KC (N 2° 82' 53.3 and E 102° 53' 70.4").** Boundary Marker was demarcated by PVC poles and trenching. GPS coordinate tally with the Map.
- **Housing Complex.** Housing Complex visited that combine mill and estate complex. Sighted a terrace house in the workers quarters including the facilities like football field, clinics and volleyball field available. There are 2 dedicated general workers for each line site to ensure the area is clean and well managed. Based on the interview, the workers are comfortable staying in the workers quarters. Sighted the staff houses (3 rooms provided – new), and workers houses 2 rooms each. There are also water and electricity being provided by Sime Darby.
- **Pesticide Store.** Proper storage of store sighted. MSDS and labelling available. Good explanation from the store keeper. Pesticides has been arrange accordingly to their class and active ingredient. Sighted the container and separation of each pesticides and herbicides according to their types of usage. There are also ventilator installed at the chemical store for air circulation. Furthermore, the auditor has sighted the chemical mixing area properly build next to the store and water supplied provided. Sump and traps for the chemical mixing available and the chemical mixing water will be extracted back and refill back to the chemical container.
- **Fertilizer Store.** Proper stacking of fertilizer. Signage and label available including MSDS. The personnel is well trained.
- **Workshop.** Workshop visited. Sighted proper arrangement of tools and 5S policy has been implemented. Clean and proper maintenance of the store as per **requirement** and first aid kit provided at each station. The improvement of the sump drainage for the Kok Foh Estate had been mentioned in OFI.
- **Scheduled Waste Store.** Scheduled waste had been kept and arranged in accordance with requirement of DOE such as SW 409- spent filters, rags, SW 305 lubricant, hydraulic oil and SW 410, SW 302, and also clinical waste. The collection of scheduled waste had been done by Kualiti Alam Sdn Bhd and clinical waste by Clinco Management, Sdn. Bhd. Proper bund sighted and also the sump for oil trap available. The labelling sighted and the workers are well trained to explain the process of scheduled waste management.
- **Clinic.** Sime Darby had provide a clinic for minor treatment to their workers. Proper scheduled waste for swabs and syringe observed, proper storage of medicine sighted.
- **Field 2017 Block B.** Observation to replanting areas, EFB mulching and composting on immature area, land cover crop condition, drainage system management.
- **Field 2002 Block KA.** Observation to **EFB composting** application and implementation of **HCV** on riparian of Tebu River management.
- **Field 01 Block KA.** Observation to **EFB mulching activities** and interview with 2 upkeep workers from Indonesia and 1 worker from Bangladesh, on their understanding towards technical, safety, environment, conservation, and manpower aspects, as well as company facilities.
- **Field 01 Block KB.** Observation to **harvesting activities** and interview with 3 Harvesters from Indonesia, on their understanding towards technical, safety, environment, conservation, and manpower aspects, as well as company facilities. Furthermore, **BOB** condition has also observed on this Block.
- **Field 00 Block KC.** Observation on POME or **land application**.

**Pertang Estate (17 may 2018)**

- **Block 92P – Pole 1.** Boundary Marker was demarcated by PVC poles and trenching. GPS coordinate tally with the Map.
- **Block 92P – Pole 2.** Boundary Marker was demarcated by PVC poles and trenching. GPS coordinate tally with the Map.
- **Block 92P- Pole 3.** Boundary Marker was demarcated by PVC poles and trenching. GPS coordinate tally with the Map.
- **Block 05P- Pole 4.** Boundary Marker was demarcated by PVC poles and trenching. GPS coordinate tally with the Map.

- **Housing Complex.** Housing Complex visited that combine mill and estate complex. Sighted a terrace house in the workers quarters including the facilities like football field, clinics and volleyball field available. There are 2 dedicated general workers for each line site to ensure the area is clean and well managed. Based on the interview, the workers are comfortable staying in the workers quarters. Sighted the staff houses (3 rooms provided – new), and workers houses 2 rooms each. There are also water and electricity being provided by Sime Darby.
- **Pesticide Store.** Proper storage of store sighted. MSDS and labelling available. Good explanation from the store keeper. Pesticides has been arrange accordingly to their class and active ingredient. Sighted the container and separation of each pesticides and herbicides according to their types of usage. There are also ventilator installed at the chemical store for air circulation. Furthermore, the auditor has sighted the chemical mixing area properly build next to the store and water supplied provided. Sump and traps for the chemical mixing available and the chemical mixing water will be extracted back and refill back to the chemical container.
- **Fertilizer Store.** Proper stacking of fertilizer. Signage and label available including MSDS. The personnel is well trained.
- **Scheduled Waste Store.** Scheduled waste had been kept and arranged in accordance with requirement of DOE such as SW 409- spent filters, rags, SW 305 lubricant, hydraulic oil and SW 410, SW 302, and also clinical waste. The collection of scheduled waste had been done by Kualiti Alam Sdn Bhd and clinical waste by Clinco Management, Sdn. Bhd. Proper bund sighted and also the sump for oil trap available. The labelling sighted and the workers are well trained to explain the process of scheduled waste management.
- **Clinic.** Sime Darby had provide a clinic for minor treatment to their workers. Proper scheduled waste for swabs and syringe observed, proper storage of medicine sighted.
- **Field 2016 Block A.** Observation to **EFB mulching on immature areas**, land cover crop condition, **HCV management** implementation in Air Baniang River riparian zone and management input towards **terraces areas**.
- **Field 05 Block P.** Observation to **BOB** condition.
- **Field 92 Block P and Field 06 Block P2.** Observation to **HCV management** implementation in Teriang River as well as **drainage management system** on lowlying areas.

<b>2.3</b>	<b>Stakeholder Consultation and Stakeholders Contacted</b>
<b>2.3.1</b>	<b>Summary of stakeholder consultation process.</b>
<b>ASA-1.2</b>	Summary of stakeholder consultation process Consultation of stakeholders for SOU 16 Kok Foh, Sime Darby Plantation, Bhd. was held by: <ul style="list-style-type: none"> <li>• Public Notification on Mutu Certification website on 27 March 2018</li> <li>• Public consultation by email sent to related NGO in Malaysia on 07 May 2018</li> <li>• Public consultation meeting with internal stakeholders by interviews and related local stakeholders on 16 &amp; 17 May 2018.</li> </ul> Numbers of input from stakeholders were verified by auditors through field observation and document verification.
<b>2.3.2</b>	<b>Stakeholder contacted</b>
	<i>Please find appendix 1</i>
<b>2.4</b>	<b>Determining Next Assessment</b>
	The next visit ( <b>ASA-1.3</b> ) will be determined one year after this <b>ASA-1.2</b> (May -2019).

**3.0. ASSESSMENT FINDINGS**

**3.1. Summary of Assessment Report of the RSPO Certification**

MUTUAGUNG LESTARI has conducted an assessment of Kok Foh POM, SOU 16 – Sime Darby Plantation Bhd. operation consisting of one (1) mill and eight (8) oil palm estates.

During the assessment, there were one (1) Nonconformity were assigned against Major Compliance Indicator; one (1) nonconformity were assigned against Minor Compliance Indicator and one (1) opportunity for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action that had been reviewed and accepted by Auditor in form of documentation evidence. Those corrective action taken that consist of one (1) Major non-conformity and one (1) Minor non-conformity had been closed out shall be observe during next assessment.

MUTUAGUNG LESTARI found that Kok Foh POM SOU 16 – Sime Darby Plantation, Bhd. complied with the requirements of RSPO Principles & Criteria and National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, MY-NIWG.

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **continued**.

Ref Std.	VERIFICATION RESULT of MUTU-Certification
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>	
<b>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.</b>	
<p><b>1.1.1</b> Sime Darby Plantations, Bhd., SOU 16 Kok Foh Estate and mill had updated the stakeholder list comprising all the contractors that they are dealing with, external and internal stakeholders. Sighted the updated list of stakeholder list for year 2017/2018 and the list had been updated every year. For the mill side, the list had been verified by Mill Manager with 11 contractors had been engaged by the mill [Chin Mee Hwa Contractor trading – Ming Foh Chin, Ngai Fung Engineering, Ponvel Enterprise, PMT Industries Shah Alam, Sri Sinaco Engineering Works ] 63 mills vendors and suppliers had been contacted and 19 agencies and government secTor had been engaged. The staykeholder lis t for the estate had been made comprising all the local agencies in Negeri Sembilan, the local community such as:</p> <ul style="list-style-type: none"> <li>i) Contractors – 6 people K. Rengasamy, Sugumaran A/L Seenvasagam, MLM Loganatahan, Sri Harish Enterprise, HKSM Enterprise , Mariadas A/L Arokidas</li> <li>ii) Vendors Suppliers – sighted 6 Vendors in the list o [ Hup Thye Hardware , Chew trading and Construction, Kee Cheong Hardware, Priya Shakti Enterprise, Eng Soon Tyre Retread]</li> <li>iii) Local Community Heads [NUPW, PPP, Persatuan Surau Ladang, Persatuan Kuil, Gender Comitee, ERT Team, JKPP Ladang, Polis Bantuan Ladang]</li> <li>iv) Other Interested parties 16 list of Govt Servant contacted [ Balai Polis Ladang Geddes, IPD Jempol, Balai Bomba Bahau, Klinik Kesihatan Ladang Geddes, Klinik Kesihatan Bahau, Ketua Kg Geddes, SK Tamil Ladang Sg Sabaling, SMK Datuk Mansur, Perkeso Kuala Pilah, JAB Alam Sekitar K Pilah</li> </ul> <p>The stakeholder meeting had been made centralized and being held at Kok Foh Estate meeting room dated 26<sup>th</sup> April 2018 and attended by 33 peoples that involve on mill and estate operation of Kok Foh Estate, Sungai Sabaling Estate and Kok Foh Mill. Stakeholder invitation letter sighted and the attendant list of the stakeholders verified. Minutes of meeting has been recorded in stakeholder meeting in the mill that include issues of workers, community safety on the road, and safety aspect of workers working in the mill and request by school teacher and local community heads been recorded.</p>	



Sighted the meeting had been chaired by SOU Chairman of Kok Foh Estate and the respond regarding the request and enquiries had been attended adequately. Based on the minutes meeting verified, there is no critical issues voiced out by the stakeholders. There are several request regarding housing / line site repaired however the issues had been channelled into the report form for further action of Kok Foh Estate and Sungai Sabaling Estate. There is a SOP made available by the company in which response to the stakeholder and clearly stated the stakeholder enquiries standard operating procedures (SPMS) Section 3 Documentation and Communication Version 1 Year 2008, Issues 1, Issued on 01/11/08. The stakeholders are aware related to the procedure and documentation process as the information are being circulated during the stakeholder meeting and morning briefing with the management department.

**1.1.2**

The Company had also provide a SOP of constructive responses to the stakeholders and being kept at the management office unit entitled 'Standard Operating Manual' – Communication procedure. The manager of the estate will be the responsible person to communicate the related information with external stakeholder upon request of information and for internal communication will be handled by the assistant manager of each estate and mill. The person in charge of social communication to the internal and external parties is assistant engineer and accountant officer of Kok Foh Mill. The procedures to handle the social issues has been clearly stated as per flowchart:

Issue arise → Case taken by estate management → initial negotiation → report to head office → information gathering and investigation process → presents finding to the Sime Darby plantation management for further directive actions → action taken → Negotiations → Legal preceding → resolved Issues.

The record off request of the information and complaint had been kept at the mill and office estate. Sighted a clear time frame and responses within 2 weeks after outbreak issues (internal and external procedure) stated in appendix 5.5.3.2 Standard operating manual on external communication and further investigation will be one week. There is sample of latest 3 complaint being recorded at the mill as due to workers housing are broken. Complaint has been made to the assistant engineer and they required to fill in the form and once the form has been completed, the process of repairing has been done on the timeframe as per SOP of the company. The record of request has been made as per information and kept in communication and complaint logbook, external and internal from January 2014: latest date on 8<sup>th</sup> January 2018 form one worker regarding damage road – safety damage will be executed immediately. Sighted from the books – Name, Communication/complaint, person in charge – action taken, date completion and status. There is also File Line site repairs and Cleaning 2018 for KKS Kok Foh dated 28<sup>th</sup> April 2018 from Mr Rahim Abd Hamid regarding electrical, bathroom lighting problem, no bathroom lamp, drainage problem, signed by complainer name and approved by manager and the action from the report.

**Status: Comply**

**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**

The management has made publicly available the related document listed by the standard. It include the Land title of the management unit (mill and supply bases), OSH plan of the mill and estate, risk assessment, mitigation plan (HIRARC document), Environmental Aspect Impact, Environmental Impact evaluation (EIE) and Environmental Management Plan (EMP) were made available at the estate and mill. Sime Darby Plantation SOU 16 Kok Foh had also documented the Social Impact Assessment (SIA) at estate and mill accordingly. The social and environment impact has been made available at the estate (refer EIE and EAI) report and matrix including the management plan of each categorized. Assessment date of HCV area had been conducted by PSQM department together with HCV document for the river and water catchment area, Pollution prevention Plan (PPR) together with waste management plan, communication procedure to internal and external parties, and including the human right policy that made available at all estate and management unit of Sime Darby as per field visit and document verification. All the meeting related to stakeholders is documented in stakeholders meeting minutes that held every year (latest on 2017/2018), NUPW meeting and legal registry (LORR) had been kept at the respective unit in order for the publics to review and have access towards the management document except the confidential document that will be retrieved from headquarters of Sime Darby Plantation Berhad.

**Status: Comply**

**1.3**

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

**1.3.1**

Sime Darby Plantation Berhad had produce a booklet name 'Code of Business and Ethical Conduct' (COBC) and being distribute to all their units of Sime Darby subsidiaries including mill and estates. The code of business conduct comprising

all the 8 elements of company integrity towards better business with external parties. Based on the booklet, criteria no. 6 that has elements of respect for fair of conduct and businesses stated that "Avoiding Conflict of interest ". All directors and employees are expected to make business decisions the best interest of the group" and Clause 6.2 "any director and employee of their family member must not have any financial interest in a supplies customer agent or competitor of the group that include any business dealing or contractual arrangements with any group company". Sighted also in the COBC Booklet that the company will prohibit any forms of corruption, bribery and fraudulent use of funds and resources through Principle 7: Guarding against Bribery and corruption "The group takes a zero tolerance approach towards bribery and corruption and is committed to behave professionally , fairly and with integrity in all our business dealings and relationship wherever the group operates , and implementing and enforcing effective system to counter bribery and corruption. Based on the interview with the contractors and workers, they are aware of the company policy and business conduct of Sime Darby during signing the agreement and had been brief accordingly. Sighted the latest refreshing training had been conducted dated 23 March 2018 at Sungai Sabaling Estate for new workers. During the interview, 12 workers in the mill and estate and 3 contractors during stakeholder meeting has been interview as per sampling of the COBC had been brief to them.

**Status: Comply**

**PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

**2.1**

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

**2.1.1**

Sime Darby Plantation has a standard legal and other requirements register (LORR) and updated according to financial year (F17/18). License obtained and valid according to Mill and Estates operation such as MPOB, LGM, KPDNK, FMA and DOE.

Kok Foh Mill

2016 RSPO audit has issued a Non-conformance (Major). The management has appointed a consultant (Zaliza Niaga) to obtain the Fire Certificate in 11/08/2016, thus the NC has been closed with observation. Due to technical reason, the appointed consultant has withdrawn on 16/2/2017. A new consultant FPSR (Fire Pro System Resources) was proposed to be appointed 21/4/2017. Improvement Plan was not submitted by FPSR and considered withdraw silently. Bestro Eng Sdn Bhd was appointed on 24/03/2018 to conduct Improvement Plan and obtain Fire Certificate. There is a new requirement by BOMBA, where Sistem Pengawasan Kebakaran Automatik (SPKA) has to be installed prior to completing the Improvement Plan. SPKA will be implemented by iSCADA.dot Net. On 07/03/2018, Kok Foh Mill has contacted iSCADA.Net, requesting for price quotation. Quotation received on 16/5/2018 and draft agreement has been prepared for management review and approval. Prior to that, on 15/05/2018, the Mill has notified BOMBA for Fire Certificate application via BLESS Portal and now waiting feedback from BOMBA for inspection. Upon receiving BOMBA approval, Fire Cert application will be applied. Kok Foh Mill has shown a documentation evidences that Fire Certificate application is in progress.

**2.1.2**

Documentation system describe in LORR Register tables. Documents available at HQ, Region, Mill and Estate office. The Corporate Department [finance, OHS, legal] in HQ will notify the mill & estate representatives of any changes in applicable regulations. With that, the respective operating unit's manager has the responsibility to delegate the information within their organization. Issues related to environment and OHS, EHS-PSQM to update and implement the changes at SOU level. There has been showed the last update for LORR (Legal and Other Requirement Register) per April 2018.

**2.1.3**

There is a mechanism to ensure compliance was done annually through internal audit by SQM Region. An internal audit in estate and mill by RSPO ICA-PSQM dated 16 to 17 March 2018. The assessment was conducted by Mr. Hazrul Zulkifli and Ms. Selvarani Ayer which resulted with 2 major and 1 Minor. All major findings were closed, and 2 minors remain as on-going with progress of implementation sighted.

**2.1.4**

New laws and regulations tracking was implemented via SQM by subscribing to *law.net*.

**Status: Comply**

**2.2**

**The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.**

**2.2.1**

Kok Foh Mill and Kok Foh Estate land title are under The China Engineer (M) Sdn Bhd which is owned by Sime Darby Plantation Bhd. Sg. Sabaling Estate & Pertang Estate have valid land ownership under Sime Darby Plantation Bhd. Land certificates are available at each respective office. For ownership under China Engineer (M) Sdn Bhd, the ownership were legally done through MOA, share acquisition. No record of contested by local observed. All the area legal area with the total area 14,671.10 (6,569.96 for rubber plantation) was manage by the SOU 16 Kok Foh-Sime Darby Plantation, Bhd. All of the document of land use legality (*Grand Tanah*) was filed in Sime Darby Head Office.

**2.2.2**

Kok Foh Mill, Kok Foh Estate, Sg. Sabaling Estate & Pertang Estate were surrounded by smallholders and villages. Boundary were marked by stones, poles and perimeter drain. Boundary stones were clearly demarcated in the field with GPS verification.

**2.2.3; 2.2.4; 2.2.5 and 2.2.6**

There is no land dispute in the sampled estates as their land titles are legally identified and documented.

**Status: Comply**

**2.3**

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

**2.3.1**

The mill is located within Kok Foh Estate. The mill has obtained all the relevant licenses from respective authority except Fire Certificate which is still in progress for application. There is no evidence the presence of identification of legal, customary or user right. The same status applied to Kok Foh Estate, Sg. Sabaling Estate & Pertang Estate.

**2.3.2; 2.3.3 and 2.3.4**

There is No negotiated agreement in any of the sampled estates, therefore FPIC not applicable.

**Status: Comply**

**PRINCIPLE #3 Commitment to long-term economic and financial viability**

**3.1**

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

**3.1.1**

The certificate holder (CH) has longterm management plan for the next five years which presented in document Management Budget Plan, issued by Mill and Estate Manager in January 2017. Parameters being projected are hectare statement, replanting, production of FFB, CPO and PK, extraction rate (OER, KER), production cost, mill product quality parameters, administrative cots, maintenance cost, price of products (which available on Head Quarter Office under Global Trading Marketing of Sime Darby, Bhd.), etc. CH Management unit stated that those longterm business plan mentioned above are subjected to be changed and reviewed annually by the CEO of Central East Region Office in Pulau Carey, Banting. Furthermore, estate and mill management units informed that there is no plan of land expansion and increament of mill processing capacity in the near future. Furthermore, management unit also informed that there is no smallholder scheme and presence of peat soils within SOU-10 Bukit Puteri operational areas.

**3.1.2**

Sampled Estate management unit shows replanting program and its realization for period 2015/2016 to 2028/2029. According to basic info data, it was informed that all palms in Sungai Sabaling Estate were planted in 2004. Hence, replanting activities is expected to be carried out on 2029. Hence, replanting program would not be available for the coming three years forward. Furthermore, replanting program data in Kok Foh and Pertang Estate, it could be concluded that up to 2017/2018 period realization of replanting has suits with the program scheduled, i.e. 217.84 ha in Kok Foh Estate on period 2017/18 and 130.49 ha in Pertang Estate on Period 2016/17. Estate management informed that the next replanting will be conducted on July 2018. Furthermore, estate management units also informed that there is no plan of

land expansion for new planting in the near future and there is no smallholder scheme and presence of peat soils within SOU-16 Kok Foh operational areas.

**Status: Comply**

**PRINCIPLE #4 Use of appropriate best practices by growers and millers**

**4.1**

**Operating procedures are appropriately documented and consistently implemented and monitored.**

**4.1.1**

Estate and mill management informed that there are no additional and/or revision of the existing technical procedure for oil palm plantation and processing, which presented in document Agricultural Reference Manual (ARM) dated July 1<sup>st</sup> 2011 and Mill Quality Standard Operating Procedure (SOP) dated November 1<sup>st</sup> 2008, respectively. Furthermore the also has Mill Quality Management System dated August 6<sup>th</sup> 2014. All procedures are provided in English and available on the Estate and Mill Office. Distribution SOP was carried out by Department of Plantation Sustainability and Quality Management (PSQM) from Main Office in Ara Damansara. The procedures were used by the executives and transferred to the workers through training and socialization. However, procedure in Bahasa Malaysia were presented in document of Pictorial Safety Standards. Moreover, translation of SOP in Bahasa was also available.

Based on Standard Operational Procedure (SOP) and Work Instruction (WI) document review, it could be concluded that all SOP's and WI's were still relevant with the current situation and has covers all aspect of best management practices in the estate, such as planting material, nursery techniques, replanting, land preparation, planting, maturity age, field upkeep, manuring, canopy management, water management in coastal and peat plantings, ablation, ripeness standard, harvesting Interval, loose fruit collection, plant protection, weeds control, leguminous cover crop Establishment and rainfall recording. Furthermore for mill, it has covers, reception station, fruit handling, technical works in all processing stations, etc.

Procedure of safe working practices is presented in several documents, i.e. Procedure and/or Work Instructions of technical activities for estate and mill has mentioned safe working procedure aspect, such as safe technical work, personal protective equipment (PPE) requirement, PPE management, etc; Hazard Identification Risk Assessment and Control (HIRAC) and Material Safety Data Sheet (MSDS).

Based on observation to in interview with 2 Harvesters (both Indonesian) in Filed 04A Block D, 3 Upkeep Workers (all Indian) in Sg. Sabaling Office, 3 harvesters (all Indonesian) in Field 01 Block KB and 2 Pesticide Applicators (from Indonesia and bangladesh) in Field 01 Block KA Kok Foh Estate, as well as Operators in Weigh Bridge Station, Loading Ramp Station, Sterilizer Station, Threshing Station, Press Station, Kernel Station and Boiler Station, it could be concluded that all workers were able to explained and demonstrate technical work matters, in accordance with SOP and WI, as well as safety aspects.

**4.1.2 and 4.1.3**

Update and distribution of procedure (SOP and WI) to all Sime Darby Plantation, Bhd. unit is carried out by Department of PSQM from Main Office. For monitoring of procedure implementation consistency purposes, several mechanism has conducted by the CH, such as Monthly Estate or Mill Manager Report which presented in Kok Foh Mill Manager Production report (physical movement) and Estates Management Committee Meeting, Plantation Advisory report for Kok Foh Mill, Annual RSPO internal audit by team from SQM Central West Region, Quarter Performance Monitoring Visit Report for Sungai Sabaling, Kok Foh and Pertang Estate and GM visit report which delivered through email. All document reports were available on site. Apart from the above mechanism, the CH also providing a training for workers consistency towards technical implementation.

The above records or report has informed raw data, analysis and mentioned summary notes. Furthermore, Estate and Factory operational records has also recorded on program namely System Application Product and Processing (SAP) which updated on daily basis. All critical parameter points describes were need to be response and follow up by the respective person in charge (PIC) through action plan immediately. Progress of action plan were reported and submitted directly to the upper ordinate. Later on, each (priority) points were discussed, analysed and presented in monthly meeting by the Manager.



**4.1.4**

There are three outsider FFB suppliers was supplied to Kok Foh POM consist of Cheong Win Chan Sdn Bhd, Bukit Palong Sdn Bhd and Eng Huat Latex Concentrate Sdn Bhd. All the FFB suppliers is based in Negeri Sembilan.

**Status: Comply**

**4.2**

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

**4.2.1 and 4.2.3**

Procedure of soil fertility management is presented in document No. ARM dated July 1<sup>st</sup> 2011 Section 8 about manuring. The procedure mentioned that fertilizer recommendation shall be considering leaf (foliar) and soil sampling analysis which conducted annually and every five years, respectively. Both sampling and analysis was conducted by Department Plant Nutrition and Protection from Central West Region of Sime Darby Plantation, Bhd. The samplings were not conducted on the projected replanting areas (about 2 years before replanting). Parameter tested on leaf analysis are macro nutrients (N, P, K, Mg and Ca) and micronutrients (B, Fe, Cu and Zn) content (in dry matter). Furthermore, parameter tested on on soil sampling are soil depth, soil texture, pH, P content (P<sub>2</sub>O<sub>5</sub>), Organic C, Total N, exchange of Na, K, Ca and Mg, and cation exchange capacity (CEC). Apart from chemical fertilizer, procedure also mentioned that by products such as empty fruit bunch (EFB) and palm oil mill effluent (POME) could be used as nutrient support for soil fertility.

Leaf analysis for manuring calculation for Sungai Sabaling, Kok Foh and Pertang Estate are presented in 2018 agronomic and fertilizer recommendations report oil palm and rubber dated December 22<sup>nd</sup> 2017, November 13<sup>th</sup> 2-17 and October 3<sup>rd</sup> 2017, respectively. Furthermore, soil analysis results are presented in document No. S89/2014 dated December 29<sup>th</sup> 2014, No. S88/2014 dated December 26<sup>th</sup> 2014 and No. S44/2014 dated October 10<sup>th</sup> 2014, respectively. These results were used for 2015 to 2019 manuring recommendation. Furthermore, apart from leaf and soil the above analysis, nutrient status of palms has also accessed through visual assessment of palm vigour and field condition, which presented on the Quarter Performance Monitoring Visit Report for Sungai Sabaling, Kok Foh and Pertang Estate.

Based on observation and interview with fertilizer Applicators in Sungai Sabaling Estate, it could be concluded that the applicators were able to explained and demonstrate several working practices such as time of application, macro and micro fertilizer placement, PPE to be used, conservation areas which prohibited to be manured (riparian. HCV), etc. Furthermore, estate management has conducting a proper EFB mulching on mature areas as seen on Field 04 Block B Sungai Sabaling Estate. Soil cover crop condition by *Nephrolephis* and soft grasses were considered satisfactory. Terraces condition on the hilly in Sungai Sabaling and Pertang Estate were considered satisfactory.

**4.2.2 and 4.2.4**

Estate management has monitor the used of fertilizer for period 2017/2018 which presented on Manuring Cost Book, Manuring History and performance monitoring visit report. The report mentioned that up to April 2018, progress of manuring in Sungai Sabaling, Kok Foh and Pertang Estate were in accordance with the schedule. Summary of fertilizer application is presented as follows:

- Sungai Sabaling Estate: 26.69 mt of AC and 32.92 mt of MOP.
- Kok Foh Estate: 404.97 mt of AC, 235.75 mt of GML, 329.11 mt of MOP and 165.50 mt of RP.
- Pertang Estate: 171.08 mt of AC, 168.00 mt of MOP, 133.00 mt of Kieserite and 6.00 mt of Borate.

Estate management informed that the balance of fertilizer application will be continue until June 2018 to complete the annual program.

Apart from chemical fertilizers, organic fertilizers which came from by-products (EFB) has also applied for nutrient cycle purposes. Agronomist has recommend EFB mulching to enhance nutrient K and to retain soil moisture particularly on replanting (immature) areas. Estate management explained that EFB recommended were 250 kg/palm/round or about 30-40 ton/ha/year. Based on field observation to Field 04 Block B Sungai Sabaling Estate and Field 01 Block KB Kok Foh Estate, it was found that the EFB has mulched on the interpalm and/or interrows as recommended by Agronomist. EFB on immature area was placed on the pal circle as seen on Field 17 Block B Kok Foh Estate and Field 2016 Block A Pertang Estate. Furthermore, mill management shows palm oil mill effluent (POME) and compost or decanter cake (DC) application to the field record. For example, DC and POME (through tanker and furrow) application from January to April 2018.



Moreover, Kok Foh Estate shows POME summary report. For example, on May 12<sup>th</sup> 2018, 210 mt of POME has transferred to Field 00 Blok KC with cost of transport about RM 2,064.73.

Based on explanation above, it could be concluded that estate management has conducting nutrient cycle strategy through by-products application which aims to enhance soil fertility and moisture.

**Status: Comply**

**4.3**

**Practices minimize and control erosion and degradation of soils.**

**4.3.1**

The CH shows several maps (scale 1:16,000 and 1:30,000) related to soil suitability for oil palm cultivation within SOU-16 operational areas. Summary of soil types and slope distribution on the three sampled estates were available on site. According to the soil series data, it could be concluded that there were no presence of peat soil in the three Sampled Estate. Main limitation was mainly due to very low soil fertility and organic matters (for example Marang Series with its sandy textures). Terrain in Sungai Sabaling Estate were dominantly flat to undulating which covers about 86 % while the rest was mostly rolling. Furthermore, terrain in Kok Foh Estate were also dominantly flat to undulating which covers about 93 % while the rest was mostly rolling as well. Moreover, terrain in Pertang Estate were also dominated by flat to undulating terrain which covers about 88.91 % while the rest was mostly rolling. However, there was about 0.91 ha in Hoscode Division Pertang Estate. This particular area is not planted by estate management. All terrain condition were conformed during field observation. Furthermore, based on map review, as well as field observation to the field, it could be concluded that there were no presence of fragile soils which caused by peat and or areas with slope more than 25°. Main limitation were mainly due to low soil fertility and sandy texture scattered in several areas.

**4.3.2 and 4.3.6**

According to the slope map review, it was informed that mainly terrain condition were dominantly flat to undulating, though there were small portion of rolling to somewhat hilly areas. Estate management strategy towards oil palm planting on hilly to steep areas is presented in document Agriculture Reference Manual (ARM) dated July 1<sup>st</sup> 2011 Section 4 about land preparation. The procedure defines terraces for different levels of slope, that terraces should be back sloped and also stated that areas with slope greater than 25° slope should not planted and best left for biodiversity purposes. Furthermore, Managing Director has policy signed in January 2015, which mentioned that slope more than 25° shall be excluded from plantation and replanting program. Estate management has implementing soil and water conservation strategy towards areas between 9° to 25°, such as implementing terraces planting pattern with density around 148 palm/ha, planting of *Nephrolepis* sp. and *Mucuna bracteata* for land cover crop, planting of Vetifer grass for minimizing soil erosion on terraces areas, pruned fronds stacking parallel to the countour line, EFB mulching on palm circle in immature areas for enhancing organic matter purposes and selective weeding. Those points mentioned in the former were virified during field observation in Field 04A Block D Sungai Sabaling Estate and Field 2017 Block B Kok Foh Estate and Block Field 2016 Block A Pertang Estate.

**4.3.3**

Estate management shows road map with scale 1:16,000 and 1:30,000 which informed length of road (main, collection and boundary). Program of road maintenance is presented in annual budget plan, as a part of transportation cost. The activities were consist of manual maintenance, road side pruning, culvert installation, bridge and surface construction reparation. Record of road maintenance is presented on the Assistant Logbook and Road Maintenance Program 2017/18 report. Furthermore, based on field observation, it could be concluded that roads condition in Sungai Sabaling Estate, Kok Foh Estate and Pertang Estate were considered satisfactory and easily passable for fruit extraction and products (CPO and PK) transportation.

**4.3.4 and 4.3.5**

Based on detailed soil map review, information from estate management and field observation to Kok Foh, Sungai Sabaling and Pertang Estate, it could be concluded that there were no presence of peat soils within SOU-16 Kok Foh operational areas. Hence, these Indicators are not applicable.

**Status: Comply**

**4.4**

**Practices maintain the quality and availability of surface and ground water.**

**4.4.1****Kok Foh POM**

Water management plan for Kok Foh Mill is presented in document of The Chine Engineers Sdn. Bhd. Kok Foh POM for Identification and Management of waste water for financial year 2017/2018. There were three main program in 2017/2018, e.g.: to use hydrocyclone for reducing CaCO<sub>3</sub> usage on claybath tank water operation, to use dry cleaning on mill and workshop cleaning activities and recycle back to clear water slump on Boiler Station. All program is reported still ongoing.

**Sungai Sabaling Estate**

Water management plan for Sungai Sabaling Estate is presented in document of water management plan FY 2017/2018 dated march 3<sup>rd</sup> 2018. Among water sources on the program are from water catchment, rain and *Syarikat Air* (Water Company) of Negeri Sembilan. Estate management shows License of water abstraction as required in Section 7(4) Water Act. 1920 (Act.418). This License valid until December 31<sup>st</sup> 2018. Based on observation and interview with Fertilizer Applicator and Pesticide Applicators in Sungai Sabaling Office, it was known that there is no riparian zone within Sungai Sabaling operational areas. However, there is signboard or signage on HCV 4 areas (pond) which informed "No Threspassing, No Fishing, No Swimming and safety first".

**Kok Foh Estate**

Water management for Kok Foh is presented in document of water management plan FY 2017/2018 dated July 5<sup>th</sup> 2017. Among the program are to construct water bodies to assist palm watering during prolonged dry spell, to conduct tractor washing recording, water usage monitoring, inspection, campaign on save water, water quality sampling. Based on observation to riparian zone of Tebu River in Field 2002 Block KA Kok Foh Estate, it was found that the areas has marked with yellow paint on palm trunk for about 10 m from water body and signboard which informed prohibition towards chemical application, hunting, fishing, swimming and threspassing was available. Furthermore, based on water analysis results dated February 2<sup>nd</sup> 2018, it was informed that estate activity does not affect parameter tested on the upstream and downstream.

**Pertang Estate**

Water management in Pertang Estate is presented in document of action paln for reduction of water usage and action plan for use water for contingency, July 2017, reviewed in March 31<sup>st</sup> 2018. Among the plan subject are use of catchment water, collection rain water, residue from pre-mix area, use of river water and water catchment pond on Field 15A/16B. Based on observation to riparian of Air Baning River in Field 2016 Block A (HCV area) and riparian of Teriang River in between of Field 06 Block P2 and Field 1009 Block P, it was found that riparian area condition were satisfactory, there were no sign of agrochemicals application. Signboard which informed prohibition towards chemical application, hunting, fishing, swimming and threspassing were also available. Furthermore, based on water analysis results dated February 19<sup>th</sup> 2018, it was informed that estate activity does not affect parameter tested on the upstream and downstream of Air Baning River.

Based on explanation above, it could be concluded that the CH has implementing several water management program. Those are conformed as observed to the field.

**4.4.2**

Water used for operational and domestic in Sungai Sabaling Estate were came from Water Company of Negeri Sembilan or *Syarikat Air Negeri Sembilan* (SAINS). There is no natural water source (river or lake) within Sungai Sabaling Estate Operational areas. Based on interview with Pesticide Applicators in Sungai Sabaling Office, it was explained by the workers that conservation areas were prohibited to be sprayed by pesticide and fertilizer. HCV zone was marked with signage. Based on observation to riparian zone of Tebu River in Field 2002 Block KA Kok Foh Estate, it was found that the areas has marked with yellow paint on palm trunk for about 10 m from water body and signboard which informed prohibition towards chemical application, hunting, fishing, swimming and threspassing was available. Furthermore, based on water analysi results dated February 2<sup>nd</sup> 2018, it was informed that estate activity does not affect parameter tested on the upstream and downstream.

Water used for operational and domestic in Pertang Estate were came from Water Company of Negeri Sembilan or *Syarikat Air Negeri Sembilan* (SAINS). Natural water source such as Air Baning and Tariang River were not used for estate nor domestic purposes. Based on observation to riparian of Air Baning River in Field 2016 Block A (HCV area) and

riparian of Teriang River in between of Field 06 Block P2 and Field 1009 Block P, it was found that riparian area condition were satisfactory, there were no sign of agrochemicals application. Signboard which informed prohibition towards chemical application, hunting, fishing, swimming and threspassing were also available. Furthermore, based on water analysis results dated February 19<sup>th</sup> 2018, it was informed that estate activity does not affect parameter tested on the upstream and downstream of Air Baniang River.

**4.4.3**

For effluent treatment before applied to the land, Kok Foh Mill has 8 ponds which consist of 2 cooling ponds, 2 acidification ponds and 4 anaerobic ponds. Before final discharge, the last anaerobic pond has function a retention pond before discharge to the field. Mill management has conducting effluent testing before applied to the field. Among parameter tested are Biological Oxygen Demend (BOD), Suspended Solid (SS), Oil and Grease (O&G), Ammonical Nitrogen (AN), total Nitrogen (TN) and pH. For example, according to the testing results for BOD and pH on the final outlet during January to March 2018, it could be concluded that parameter tested results on the Final Discharge during January to March 2018 were conforms to parameter limit for watercourse discharge from Department of Environment. The CH has deliver quarterly report of water effluent testing to Department of Environment “Jabatan Alam Sekitar Cawangan Kuala Pilah”. For example, latest report had delivered on April 4<sup>th</sup> 2018.

License of effluent discharge is holds by The Chine Engineers (M) Sdn. Bhd. Kok Foh POM, presented in License No. 002079 dated November 15<sup>th</sup> 2010 from *Jabatan Alam Sekitar* Malaysia (or Department of Environment). Mill management shows the license which valid until June 30<sup>th</sup> 2018 (Extention Letter No. ASNS(B) 31/152/000/005 dated June 30<sup>th</sup> 2017). The permit mentioned that 50 % of effluent shall be composted and the rest was for land application.

**4.4.4**

Mill management has records water consumption for oil palm processing, which monitored by Operator of Water Treatment Plant (WTP) Station. For example, according record of water consumption from July 2017 to April 2018 in Kok Foh Mill, it could be concluded that ratio of water consumption for oil palm processing from the last ten months were ranged from 1.13 to 1.56 m<sup>3</sup>/ton FFB with average about 1.28 m<sup>3</sup>/ton FFB. These figures were still below company target which was about 1.40 m<sup>3</sup>/ton FFB. However, ratio of water used in January 2018 were above the target. This is due to processing devices maintenance activities within that month.

**Status: Comply**

**4.5**

**Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.**

**4.5.1**

The company has committed to implement integrated pest management (IPM) which presented in procedure of ARM Section 15 about plant protection which already covers early warning system, census and analysis, biological and chemical pest population management and monitoring. The estate management has a program of integrated pest management, summarized as follows:

- The IPM program for Sungai Sabaling Estate for 2018 is consist of monitoring of barn owl, census of rat, ganoderma and planting of beneficial plants such as *Turnera subulatan*, *Cassia cobanensis* and *Antigonon leptopus*. Estate management informed that there is no significant pest incidence during 2017/2018. Census of ganoderma and rats were available. This matters has confirmed during field observation to Field 04 Block B and Field 04A Block D.
- The IPM program for Kok Foh Estate for 2018 is consist of monitoring of barn owl, census of rat, leaf eating caterpillar, bagworm, oryctes, ganoderma and planting of beneficial plants such as *Turnera subulatan*, *Cassia cobanensis* and *Antigonon leptopus*. Estate management informed significant pest incidence during 2017/2018 were came from bagworm and oryctes. All census data for pests were available. Pesticide were applied when the incidence were more than 5 %.
- The IPM program for Pertang Estate for 2018 is consist of monitoring of barn owl, census of rat, leaf eating caterpillar, bagworm and oryctes and planting of beneficial plants such as *Turnera subulatan*, *Cassia cobanensis* and *Antigonon leptopus*. Estate management informed significant pest incidence during 2017/2018 were came from bagworm and oryctes. All census data for pests were available. Pesticide were applied when the incidence were more than 5 %.

For Warfarin based application, it was only applied on the mature areas as mentioned in the ARM Section 15 Point 1.3.2 and 1.3.3 Furthermore, control for rat population control was conducted through semeter baiting and adoption of barn owl (*Tyto alba*) as natural predator of rats. In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide,

estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leave control, the use of Ally (Methyl Metsulfuron) could be substitute with Touch Up (Isoprophyl Amine Glyphosate).

**4.5.2**

The Company has conducting several trainings which aims to maintain workers knowledge and skills towards oil palm pest and disease management, for example as follows:

- Safety town hall 6.0, conducted in May 7<sup>th</sup> 2018, attended by all workers of Sungai Sabaling.
- Integrated pest management training in Sungai Sabaling, conducted in may 2<sup>nd</sup> 2018, attended by 6 upkeep workers.triple washing, pesticide application and PPE usage on mixing area, conducted on November 8<sup>th</sup> to 9<sup>th</sup> 2017 attended by 12 workers.
- Trunk injection training in June 20<sup>th</sup> 2017 in Kok Foh Estate, attended by 10 workers.
- Chemicals spillage training in July 5<sup>th</sup> 2017 in Kok Foh Estate, attended by 11 workers.
- OSH Training in March 29<sup>th</sup> 2018 in Kok Foh Estate, attended by 19 workers.
- Beneficial Plants training in April 15<sup>th</sup> 2018 in Kok Foh Estate, attended by 62 workers.
- OSH training dan Safty Townhall 6.0 in May 14<sup>th</sup> 2018 in Community Hall Pertang Estate, attended by 108 workers.
- Bagworm census training, conducted in August 24<sup>th</sup> 2017, attended by 4 census workers of Pertang Estate.
- Muster ground for pesticide application by My Crop, conducted in August 8<sup>th</sup> 2017, attended by 15 upkeep workers of Pertang Estate.

Based on interview with three pesticide Applicators from India in Sungai Sabaling Estate Office and two Pesticide Applicator from Indonesia and Bangladesh in Field 01 Block KA Kok Foh Estate, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP such as target of pesticide, target of weeds, safe working practices, prohibited areas to be sprayed such as riparian zone, PPE to be used, as well as its management.

**Status: Comply**

**4.6**

**Pesticides are used in ways that do not endanger health or the environment**

**4.6.1**

Procedure of ARM policy Section 15 about plant protection mentioned that the use of agrochemical should be based on census analysis evaluation when the level of incidence is more than threshold limits, or recommendation from Agronomist. In order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leave control, the use of Ally (Methyl Metsulfuron) could be substitute with Touch Up (Isoprophyl Amine Glyphosate). Records of pesticides used in sampled estate were available and verified during field observation to chemical store.

For Warfarin application, it was only applied on the replanting areas as mentioned in the ARM Section 15 Point 1.3.2 and 1.3.3. Furthermore, control for rat population control was conducted through calender baiting. Furthermore, based on interview with three pesticide applicators from India in Sungai Sabaling Office and and two Pesticide Applicator from Indonesia and Bangladesh in Field 01 Block KA Kok Foh Estate, it could be concluded that the workers were able to explain and demonstrate its job in accordance with the SOP such as target of pesticide, target of weeds, safe working practices, prohibited areas to be sprayed such as riparian zone, PPE to be used, as well as its management.

**4.6.2**

Record of pesticide used is presented in document of pesticide uses record and monthly manager report. Records of pesticide uses recapitulation from July 2017 to April 2018 which informed LD-50. Total usage, active ingredients per ha and per ton FFB were available. For example, Pertang Estate management mentioned that high glyphosate usage was due to application on lowlying areas which very easy for weeds to growth fastly.

**4.6.3**

The company has committed to implement integrated pest management (IPM) which presented in procedure of ARM Section 15 about plant protection which already covers early warning system, census and analysis, biological and chemical pest population management and monitoring. The estate management has a program of integrated pest management. The IPM program in 2018 is consist of monitoring of barn owl, census of rat, ganoderma and planting of beneficial plants. Estate management has conducting early warning system before going to census. For Cypermethrin



application, it was only applied on the replanting areas as mentioned in the ARM Section 15 Point 1.3.2 and 1.3.3. Furthermore, control for rat population control was conducted through calender baiting, as recommended by Agronomist.

For biological control method, estate management has conducting plantation of *Turnera subulata*, *Cassia cobanensis* and *Antigonon leptopus* for leaf eating caterpillar and bagworm population control as seen on the collection road, and adopting *Tyto alba* through installation of barn owl box (BOB) for rat population control. Furthermore, in order to avoid P&D (include weeds) resistance and prophylactic uses of pesticide, estate management had substitute and/or rotate the use of pesticides for the same target, for example, in term of broad leave control, the use of Ally (Methyl Metsulfuron) could be substitute with Touch Up (Isoprophyl Amine Glyphosate).

#### 4.6.4

Based on pesticide used records in 2017/18 for Sungai Sabaling, Kok Foh and Pertang Estate which presented in Indicator 4.6.1 and 4.6.2, it could be concluded that there is no pesticides listed in WHO Appendix 1A and/or listed in Stockholm or Roterdam Convention as well as paraquat. Moreover, all pesticides used by those Estates were listed on Provision of Pesticides Act 1994 and USECHH 2000. However there was uses of Warfarin which classified as Pesticide Class 1B WHO Appendix III. Regarding this matter, estate management has adopting *Tyto alba* through installation of barn owl box (BOB) for rat population as seen in Field 04 Block B Sungai Sabaling Estate, Field 2017 Block B and Field 01 Block KB Kok Foh Estate. Estate management mentioned that 1 BOB is expected to covers 10 ha area. Based on warfarin based record for period 2016/17 and 2017/2018, it could be concluded that rat bait application in Sungai Sabaling, Kok Foh and Pertang Estate were Nil.

#### 4.6.5; 4.6.7 and 4.6.9

Procedure of pesticide handling is presented in several documents as follows:

- No. JE/SOP/066 about protective personal equipment (PPE). Type of PPE required are helmet, goggle, respirator, apron, rubber gloves and boots.
- No. JE/SOP/067 about pesticide storage which describes store specification and administration of balance recording.
- Pictorial safety standard for oil palm estate dated March 17<sup>th</sup> 2008 Section 8.
- Chemical safety which presented in OSH Manual dated August 20<sup>th</sup> 2008 Chapter 9 which describes MSDS, PPE, store management, store specification standard and disposal.

Based on field visit that showed the facility for pesticide mixing, devices cleaning up, as well as PPE storage and bathroom for pesticide applicators are provided by estate management. All were located nearby pesticide storage on the estate office.

The CH has conducting several trainings which aims to maintain workers knowledge and skills towards pesticide application and management, for example as follows:

- Safety town hall 6.0, conducted in May 7<sup>th</sup> 2018, attended by all workers of Sungai Sabaling.
- Integrated pest management training in Sungai Sabaling, conducted in may 2<sup>nd</sup> 2018, attended by 6 upkeep workers. triple washing, pesticide application and PPE usage on mixing area, conducted on November 8<sup>th</sup> to 9<sup>th</sup> 2017 attended by 12 workers.
- Trunk injection training in June 20<sup>th</sup> 2017 in Kok Foh Estate, attended by 10 workers.
- Chemicals spillage training in July 5<sup>th</sup> 2017 in Kok Foh Estate, attended by 11 workers.
- OSH Training in March 29<sup>th</sup> 2018 in Kok Foh Estate, attended by 19 workers.
- Beneficial Plants training in April 15<sup>th</sup> 2018 in Kok Foh Estate, attended by 62 workers.
- OSH training dan Safty Townhall 6.0 in May 14<sup>th</sup> 2018 in Community Hall Pertang Estate, attended by 108 workers.
- Bagworm census training, conducted in August 24<sup>th</sup> 2017, attended by 4 census workers of Pertang Estate.
- Muster ground for pesticide application by My Crop, conducted in August 8<sup>th</sup> 2017, attended by 15 upkeep workers of Pertang Estate.

Facility for pesticide mixing, devices cleaning up, as well as PPE storage and bathroom for pesticide applicators are provided by estate management. All were located nearby pesticide storage on the estate office.

Based on observation to chemical store in Sungai Sabaling, Kok Foh and Pertang Estate, it was found that all MSDS of



pesticides were available. The Store Keeper was able to explained PPE management and pesticide management, as well as its used containers. Based on PPE store it could be concluded that PPE provided by Estate management are in accordance with procedure No. JE/SOP/066. Record of PPE delivery to Foreman and pesticide applicators were available. Furthermore, based on interview with pesticide applicators in Sungai Sabaling Estate Office and Field 01 Block KA Kok Foh Estate, it was stated that all PPE were provided by Estate Management and easily replaced if damaged and training of safe working practices in pesticide application has conducted annually. All workers were able to explain and demonstrate pesticide handling technique such as storage of used containers on the Scheduled Waste Store, can't be reused for domestical purposes, PPE to be used, emergency action of pesticide incidence and cholinestarse testing which conducted once a year.

#### **4.6.6**

Procedure of pesticide storage is presented in document No. JE/SOP/067 which describes store specification and administration of balance recording and in document of pictorial safety standard (PSS) V.1 2008 dated March 17<sup>th</sup> 2008. There is no revision of procedure. Based on observation to Pesticide Store in Sungai Sabaling, Kok Foh and Pertang Estate, it was found that the store was properly maintained as required. The store was locked, has fire extinguisher standby, emergency shower located beside the store, MSDS, labelling and signage were available as required on OSH Act 1994, stacking pallet, exhaust fan in operating condition, PPE available and first aid box were also available. Furthermore, based on observation to employees housing area, it could be concluded that there is no used pesticide containers which reused for domestic purposes. All used containers were send and stored on the schedule waste Store.

#### **4.6.8**

Based on field observation and information form estate management, it was informed that there were no pesticide application by plane through aerial spraying in Sungai Sabaling, Kok Foh and Pertang Estate. All pesticides has applied through spraying.

#### **4.6.10**

Based on interview with pesticide applicators in Sungai Sabaling Office and Field 01 Block KA Kok Foh Estate, it could be concluded that the workers were able to explain and demonstrate pesticide handling technique such as storage of used containers on the Scheduled Waste Store and can't be reused for domestical purposes. Moreover, based on observation to employees housing area in Sungai Sabaling, Kok Foh and Pertang Estate, it could be concluded that there were no used pesticide containers which reused for domestic purposes. All used containers were send and stored on the schedule waste Store. The record of used pesticide containers balance was available. The used containers later on to be disposed by the Clinco Waste Management, Sdn. Bhd. Which permitted by *Jabatan Alam Sekitar* (Environment Agency).

#### **4.6.11**

Summary of medical surveillance record is presented as follows:

- There were five pesticide applicators (include Foreman) in Sungai Sabaling Estate. Medical surveillance for those workers which conducted by Pantai Hospital Ayer Keroh (last results March 28<sup>th</sup> 2017. The next surveillance will be conducted on May/June 2018. The results shows that the workers tested were fit to works with agrochemicals.
- There were 26 pesticide applicators (include 1 Foreman) in Kok Foh Estate. Medical surveillance for those workers which conducted by Clinic Raja and Surgery (last result May 3<sup>rd</sup> 2018). The results shows that the workers tested were fit to works with agrochemicals.
- There were 25 pesticide applicators (include 1 Foreman) in Pertang Estate. Medical surveillance for those workers which conducted by Clinic Raja and Surgery (last result March 28<sup>th</sup> 2018). The results shows that the workers tested were fit to works with agrochemicals. However, there were 2 workers with abnormal results due to non-occupational caused.

From the explanation above, it could be concluded that all testing were in accordance with the USECHH (Use and Standard of Exposure of Chemicals Hazardous to Health) testing for period 2017/2018. Results of all applicators tested were indicated as normal. As mentioned by pesticide applicators in Sungai Sabaling Office and Field 01 Block KA Kok Foh Estate, it was stated that Medical check up results was informed to the worker through verbally during muster morning. Skins infection and diseases due to pesticide application were never been complained by the workers. The applicators also explained that when the results shows positively above the threshold from the parameter tested, they will transferred to manual upkeep works.

Based on interview result, mentioned by pesticide applicators in Sungai Sabaling Office and Field 01 Block KA Kok Foh Estate, it was stated that Medical check up results was informed to the worker through verbally during muster morning. Skins infection and diseases due to pesticide application were never been complained by the workers. The applicators also explained that when the results shows positively above the threshold from the parameter tested, they will transferred to manual upkeep works.

**4.6.12**

Schedule waste Keeper mentioned that pregnant and breastfeeding women is prohibited to works related to pesticide. However, according to list of pesticide operators' record in Sungai Sabaling, Kok Foh and Pertang Estate, it was known that all applicators were male.

**Status: Comply**

**4.7**

**An occupational health and safety plan is documented, effectively communicated and implemented.**

**4.7.1**

An occupational safety and health (OSH) policy for SOU-16 Koh Foh (Mill and Estates) are issued by the Managing Director of Sime Darby Plantation, Bhd. on January 2015. The policy declared that mill management has committed to pursue compliances towards Legal and other related OSH requirements, providing adequate knowledge through training and experience which aims to maintain good competency for employees, preventing work accident, as well as providing a safe and healthy working environment. This policy has available in information board as communication media evidence are available in English and Bahasa. Based on interview with workers in Koh Foh POM, Sungai Sabaling Estate dan Kok Foh Estate, it was stated that the CH has deliver socialization towards safety working practices through trianing and safety town hall which regularly conducted annually, safety briefing meeting during morning muster and inspection which conducted daily.

The OHS working plan for Kok Foh Mill is presented in document Kok Foh Mill OSH Programme for Period 2017/2018 which prepared by Assistant manager. The program has consist of 15 main program, e.g. Environmental Safety and Health (ESH) risk management, ESH structure, incident reporting, emergency preparedness and response, chemical safety management, personal and boundary noise management, contractor safety management, vehiclle and safety machinary safety management, aie emission management, scheduled waste management, communication, inspection, health and hygine monitoring program, waresnes and competency training, as well as reporting /licensing. Furthermore, OSH working plan for Estate is presented in document OSH Programme 2017/18. Among the program are Environment Safety and Health (ESH) risk management, ESH structure, incident reporting, emergency preparedness response, chemical safety management, contractor safety management, vehicle and machinary safety management, health and hygine monitoring programme, OSH training, as well as inspection on PPE, fire extinguisher, first aid kit, signages and MSDS, contractor, motorcycle and workers lisences. OSH program for sampled estates were available.

To verify OSH implementation on the field, both Kok Foh Mill and all sampled Estates has conducting daily inspection and safety briefing during morning muster. Furthermore, annual internal visit (inspection) has also conducted by Plantation Advisor and Plantation and Mechanization Department visit. The CH can show evidence of implementation the program, which explained in the following Indicators.

**4.7.2**

The Kok Foh Mill management unit has Hazard Identification, Risk Assessment and Risk Control (HIRARC) document for financial year (FY) 2017/2018, which cover all working type in all stations. The HIRARC analysis describes and explains job step, hazard, effect, existing control, type, probability, severity level, risk assessment (low, medium, high) and recommended risk control. Latest evaluation towards HIRARC on the Mill has conected in February 9<sup>th</sup> 2018. Among process being reviewed or evaluated are for activity of maintenance on change belting pump on Kernel Station and maintenance on to switch on welding set power on Press Station. Socialization on hazard procedure to the workers has conducted during morning muster. Rick assessment has conducted all the time.

Sungai Sabaling Estate management unit has HIRARC document for financial year (FY) 2017/2018, which cover all working type in the estate. HIRARC analysis has describes and explains job step, hazard, effect, existing control, type, probability, severity level, risk assessment (low, medium, high) and recommended risk control. Risk assessment has

conducted all the time. Furthermore, Kok Foh Estate has HIRAC which lastly has updated on January 22<sup>nd</sup> 2018. There were revision on struck by lift arm. The committee has adding training of handling of machine and proper PPE to be used. Socialization on hazard procedure to the workers has conducted on January 23<sup>rd</sup> 2018, attended by 22 drivers (included Assitand and Foreman). Moreover, HIRAC in Pertang Estate has lastly updated on 21<sup>st</sup> February 2018. Work to be revised was on trailer installation in parking area on Department of Transportation for workers.

#### 4.7.3

The CH through OHS committee has provide safe working practices by providing socialization and training such as as follows:

- Safety Townhall for Central Region conducted by PSQM-ESH on October 28<sup>th</sup> 2017, attended by 87 workers and 14 contractors.
- Has conducting quarterly OSH Meeting. For example, OSH meeting in Kok Foh POM has been carried out in April 26<sup>th</sup> 2018, attended by 17 participants included foreign worker representative from Indonesia.
- Has conducting quarterly OSH Meeting. For example, OSH meeting in Sungai Sebalang Estate has been carried out in March 13<sup>th</sup> 2018, attended by 8 participants.
- Scheduled waste training which will be conducted by Competent Scheduled Waste Management (CEPSWAM) on November 6<sup>th</sup> 2017, attended by Assistant Manager.
- Chemicals splillage training in July 5<sup>th</sup> 2017 in Kok Foh Estate, attended by 11 workers.
- OSH Training in March 29<sup>th</sup> 2018 in Kok Foh Estate, attended by 19 workers.
- OSH training dan Safty Townhall 6.0 in May 14<sup>th</sup> 2018 in Community Hall Pertang Estate, attended by 108 workers.

Kok Foh Mill Management shows PPE distribution record during 2017/2018. Among PPE given are safety vest, safety helmet, safety shoes and earplug. Mill Management mentioned that Mechanism of PPE usage monitoring has conducted daily during morning muster. However, based on observation to Station of Sterilizer, Threshing, Press and Kernel, it was found that the workers do not wear earplug as required by HIRARC. Based on delivery earplug record, some workers received their earplug more than six months ago. Hence, it could be concluded that mechanism of PPE monitoring as well as readiness of PPE is not well implemented. **NCR No. 2018.01 with Major category.**

Record of PPE distribution for Sungai Sabaling, Kok Foh and Pertang Estate for period 2017/2018 were available. Based on observation and interview with 2 Harvesters (both Indonesia) in Field 04A Block D, 2 Pesticide and Fertilizer Applicators (both Indian) in Sungai Sabaling Office, 3 Pesticide Applicators (2 Indonesian and 1 Bangladeshi) in Field 01 Block KA and 3 Harvesters (all Indonesian) in Field 01 Block KB Kok Foh Estate, it could be concluded that all workers were use PPE as required by HIRAC and company regulation. PPE were provided by Estate Management and easily replaced if damaged. For example, PPE for pesticide applicator has refers to procedure No. JE/SOP/066, which consist of safety helmet, rubber gloves, respirator, boots, apron and goggle. Record of PPE delivery to Foreman and pesticide applicators were available.

#### 4.7.4

Kok Foh Mill management has appointed OSH Committee for 2017/2018 which consist of Chairman, one Secretary, three Coordinators (e.g.: for "Accident Investigation and HIRARC and SOP Review", "Emergency Response team" and "Work Place Inspection/Welfare/Housing Complex") and one representative from Indonesia. The OHS Chairman and Secretary are in coordination with PSQM Head Quarter Officer for any update national regulations and collective agreements. Furthermore, Sampled Estates management has appointed OSH Committee for 2017/2018. Representative from Employer and Employees from Indonesia, India, Nepal and Bangladesh in every estates were available. The OHS Chairman and Secretary are in coordination with PSQM Head Quarter Officer for any update national regulations and collective agreements.

The CH shows safety meeting record, for example as follows:

- OSH Minutes Meeting in Kok Foh POM dated April 26<sup>th</sup> 2018, attended by 17 participants included foreign worker representative from Indonesia. Several issues being discussed and reviewed during the meeting are SIME Card, LTI, accident report, devices maintenance, medical report, scheduled waste report and others.
- Has conducting quarterly OSH Meeting. For example, OSH meeting in Sungai Sebalang Estate has been carried out in February 15<sup>th</sup> 2018, attended by 10 participants included foregin worker representatives from Indonesia and India. Several issues being discussed are safety induction, accident report, field monitoring report, training ptogram, safety report and other matters. Next meeting is scheduled on May 18<sup>th</sup> 2018.

- Kok Foh Estate management shows minutes of the latest OSH meeting which conducted on April 12<sup>th</sup> 2018, attended by 20 committee members, included representative foreign workers from Indonesia, Bangladesh and India. Among issues being discussed are duct from store to the housing areas, accident reporting, health reporting, scheduled waste, work place inspection and training report. Next OSH meeting is scheduled on June 21<sup>st</sup> 2018.
- Latest quarter OSH meeting has conducted on February 21<sup>st</sup> 2018, attended by 18 members, included representative of foreign workers from Indonesia, India Nepal and Bangladesh. Among issues being discussed are accident report, work inspection at main post, FFB ramp, office matters, chemical storage, tractor parking area, etc.

#### 4.7.5

Accident of emergency procedure is presented in Mill Quality Management System Standard Operation manual (MQMS SOM) dated November 1<sup>st</sup> 2008. Flowchart of emergency handling was presented in Appendix 5.5.3.3. Based on observation to, Scheduled Waste Store and Pesticide Store, it was found that the warehouse were equipped with fire extinguisher, important contact number and flowchart of emergency. Furthermore, based on interview with respective worker, it could be concluded that the worker was able to explain and demonstrate steps of precaution on incidence, such as first aid action to be taken, spills handling and reporting. Summary of first aid is presented as follows:

- Kok Foh POM has one occupational first aid officer certified by Pantai Hospital Ayer Keroh on January 19<sup>th</sup> and 20<sup>th</sup> 2017, valid for two years. In order to deliver first aid knowledge to estate worker, training on emergency simulation and first aid will be conducted on June 2018. Moreover, Kok Foh POM has eight first aid equipment box located on Auxiliary Police Post, Office, Laboratory, Store, Workshop, Boiler Station, Grading and Sterilizer Station. Based on observation to Boiler Station, Workshop and General Store, it was found that 16 items of first aid equipment were available on the box. Monitoring record of items used were also available.
- Sungai Sabaling Estate has one occupational first aid officer certified by Pantai Hospital Ayer Keroh which already expired. However, there is a program of extension which will be carried out in June 2018 di Ramsay Sime Darby Hospital in Shah Alam Selangor. In order to deliver first aid knowledge to estate worker, training on emergency simulation and first aid has conducted on December 23<sup>rd</sup> 2017. Moreover, Sungai Sabaling Estate has five first aid equipment box located on Office, Store, Workshop, Dispensary. Furthermore there were six portable first aid box which brings by Foreman. Based on observation to Field 04A Block D, it was found that the Harvesting Foreman has equipped with portable first aid box which contain of 16 items. Monitoring record of items used were available on the box.
- Kok Foh Estate has one occupational first aid officer certified by Diploma Medical Assitant. In order to deliver first aid knowledge to estate worker, training on emergency simulation and first aid has conducted on March 18<sup>th</sup> 2018, attended by 10 workers. Moreover, Kok Foh Estate has five first aid equipment box located in the main office, Auxiliary police, Agrochemicals Store, Workshop and Clinic. Furthermore there were five portable first aid box which brings by Foreman. Based on observation to Field 01 Block KA for pesticide application and Field 01 Block KB for harvesting activity, it was found that the Harvesting Foreman has equipped with portable first aid box which contain of 16 items. Monitoring record of items used were available on the box.
- Pertang Estate has one occupational first aid officer certified by Diploma Medical Assitant. In order to deliver first aid knowledge to estate worker, training on emergency simulation and first aid has conducted on April 25<sup>th</sup> 2018, attended by 7 workers. Moreover, Pertang Estate has three first aid equipment box located in the chemical store, meeting room and office. Furthermore there were six portable first aid box which brings by Foreman or Head Gank. Based on observation to Pertang Estate Office, it was found that first aid box which contain of 16 items and its monitoring record of items used were available on the box.

Moreover, summary towards accident record is presented as follows:

- OSH Committee of Kok Foh POM has records any accident happen and evaluate it on the OSH quarter meeting. During 2018, it was informed that was only one accident had hapened on January 25<sup>th</sup> 2018 in Press Station. Medical leave (MC) has given by paramedic of Clinic Oflimology of Tuanku Ampuan Najihah Hospital – Kuala Pilah to the respective worker which presented in MC document No. 407910 dated January 26<sup>th</sup> 2018 (2 days), No. 407958 dated January 29<sup>th</sup> 2018 (3 days) and No. 407775 February 2<sup>nd</sup> 2018 (1 day). Form 34 on this matter has completed on February 2<sup>nd</sup> 2018. Report of JKPP6 had delivered on February 1<sup>st</sup> 2018.
- There is no accident during 2018 in Sabaling Estate.
- During 2018 there was 1 accident in Kok Foh Estate recorded on January 17<sup>th</sup> 2018 which caused 5 mandays lost and classified as Class 3 accident. Investigation report on the same date and Incident Detailed Report Case No. Inc-0019499 which both prepared by Assistant were available. Form P.P.2 (Accident Report) for Department of Labor



Negeri Sembilan dated March 7<sup>th</sup> 2018 and MC for five days from Clinic Raja and Surgery Bahau were also available. Reporting to JKPP 6 has been conducted on January 23<sup>rd</sup> 2018.

- During 2018 there was 1 accident in Pertang Estate recorded on April 26<sup>th</sup> 2018 which caused 3 mandays lost and classified as Class 4 accident. Investigation report on the same date, medical chit for Sime Darby Employee (Form M.C.1) on the same date were available.

**4.7.6**

**Kok Foh POM**

Mill management has provide medical care and insurance for all employees. Local Malaysia workers has covered by Social Security Organization (SOCSO). The Mill Management is able to shows evidence of payment is presented in Borang 8A. For example, SOCSO payment in April for 2018 had been paid for 67 Local workers. Furthermore for foreign workers, insurance is registered through RHB Insurance Berhad. Foreign Worker Compensation Scheme Certificate of Insurance for 21 foreign workers (all Indonesian) for covering period 2018/2019 were also available.

Based on interview with workers in Station of Sterilizer, Threshing, Press, Kernel and Boiler, it was stated that Audiometri test has conducted annually by Procoma Environmental (M) Sdn. Bhd. for example, according to the test results dated November 22<sup>nd</sup> 2017, it was informed that 54 workers indicated normal, 12 workers has indetified impairment mild (25-40 dB) and 1 worker Impairment moderately severe (56-70 dB). Hence, the identified worker with hearing loss or deafness has to be continued the test and checked on Poliklinik Eden on Februray 27<sup>th</sup> 2018. The medical process was still on going, this matters will be **observed** on the next surveillance.

**Sungai Sabaling Estate**

Estate management has provide medical care and insurance for all employees. Local Malaysia workers has covered by Social Security Organization (SOCSO). Mill Management is able to shows evidence of payment is presented in Borang 8A. For example, SOCSO payment in April for 2018 had been paid for 114 Local workers. Furthermore for foreign workers, insurance is registered through RHB Insurance Berhad. According to the record, it could be concluded that from totaling 135 foreign workers, there were 39 workers has not cover with insurance yet. Communication from estate management to the Manager of Worker Management Unit (WMU) via email on May 14<sup>th</sup> 2018 to overcome this matter was available. However, response from the respective person is not available. Hence, Estate management is not be able to shows evidence that all workers has covered by accident insurance. **NCR No. 2018.02 with minor category.**

**Kok Foh Estate**

Estate management has provide medical care and insurance for all employees. Local Malaysia workers has covered by SOCSO. Estate Management is able to shows evidence of payment is presented in Borang 8A. For example, SOCSO payment in April for 2018 had been paid for 44 Local workers. Furthermore for foreign workers, insurance is registered through RHB Insurance Berhad. According to the record, it could be concluded that from totaling 198 foreign workers (2 Bangladeshi, 82 Indian, 94 Indonesian and 20 Nepalese), evidence of payment were available.

**Pertang Estate**

Estate management has provide medical care and insurance for all employees. Local Malaysia workers has covered by SOCSO. Estate Management is able to shows evidence of payment is presented in Borang 8A. For example, SOCSO payment in April for 2018 had been paid for 34 Local workers. Furthermore for foreign workers, insurance is registered through RHB Insurance Berhad. According to the record, it could be concluded that from totaling 76 foreign workers (5 Bangladeshi, 31 Indian, 39 Indonesian and 1 Nepalese), evidence of payment were available. However, there were insurance of 8 workers which already expired on April 13<sup>th</sup> 2018. Regarding this matter, Manager of Pertang Estate has deliver email to Officer of Human Resources Department in HQ to extend the period of cover and evidence of communication to RHB Insurance representative through e-mail since March 2018. The process of extension was still ongoing.

**4.7.7**

The CH shows matrix of lost time incident (LTI) which updated every month. The matrix has onformed checkroll workers, total number of workers (staff and contract), miscellaneous, manhours, total hours, total manhours, number of LTI cases, number days of Medical Certificate (MC), total hours LTI and cumulative manhours without LTI.

<b>4.7.3 Major</b>	<b>Status: NCR No. 2018.01 with Major category</b>	<b>Open</b>
<b>4.7.6 minor</b>	<b>Status: NCR No. 2018.02 with minor category</b>	<b>Open</b>



**4.8**

**All staff, workers, smallholders and contractors are appropriately trained.**

**4.8.1**

The company shows the document of Training Requirements for Operating Unit (Mill & Estate) period 2016/2017 which describes the training schedule of HIRAC training (September 2016), operational training (boiler operating, Harvesting, spraying & chemical handling), Environment & Safety Policy Training, First Aid Training, RSPO training, SCCS training, Fire drill and Scheduled Waste Management Training. The formal training program in place that covers all aspect of RSPS had been implemented dated 23 March 2018 on Update New RSPO Supply chain Standard And system document 2017, training on SCCS for the executive and staff workers attended by 4 peoples which are executive, account, staff and auxiliary police .Based on the explanation, it is known that SOU Kok Foh already conducted the training program covering all aspects of RSPO [policies and principles]. Sighted the list of workers that attending the training dated 7<sup>th</sup> May 2018 that include workers, e.g. G1 Harvesting workers and General workers – 20 peoples, Gang No. 22 – 18 workers, Gang 23 – 4 workers, Gang 11 yong – 41 workers, Gang 12 Guna – 43 workers, Gang 13 – 44 workers, Gang 14 – 44 workers and Gang 15 – 19 workers.

**4.8.2**

The company shows evidence of training activities in accordance with the training program, among others **and** maintained list of workers that been trained for the mill operation that include:

- a. RISE @ work – train the manager workshop dated 23 april 2018 – location at SUA Betong Training center include 3 personnel – 1 Senior Manager and 2 staff.
- b. Shooting practices for auxiliary police attende by 3 personnel date 18<sup>th</sup> April 2018 at shooting range Bukit Tangkah Sime Darby.
- c. Integration of E lab and LIMS for POME Proficiency Testing (EFFTYEST) train – to provide training and roll out the system to the end users dated 23 April 2018 at R&D Carey Island attended by 2 staff and general workers.
- d. Training on social issues management – training on SOP performance monitoring of the D3 surfactant dosing – at executive staff and works at Merlimau training center attended by 1 person.
- e. Sighted that the D3 surfactant training on SOP and Monitoring dated 5<sup>th</sup> April 2018 at KKS Tennaram – training on SOPE and performance monitoring for the D3 surfactant attended by 5 Peoples.
- f. HACCP System Implementation – to equip them with sufficient knowledge and competency in Implementation of HACCP System at Sime Darby Plantation POM.
- g. Sighted the IPM training – dated 2<sup>nd</sup> May 2018 – [at field 04 Sg Sabaling Estate] 6 workers attended.
- h. Harvesting training at Field 04A – Sg Sabaling Estate: 28 April 2018, 10 peoples.
- i. Training on Sehari Bersama Perkeso, Majikan Prihatin dan Gender Committee: 26 April 2018 1030 am.
- j. RSPO refresher training- meeting room Sg Sabaling estet dated 20 April 2018 attended by 9 peoples.
- k. Manuring training for new workers – dated 17 April 2018: 730 am at Field 4 attended by 11 peoples.
- l. Triple washing training dated 9<sup>th</sup> Nov 2017 by competent training – mix chemical attended by 3 person Sprayer training – Mr Hong My Corp dated 8 November 2017 attended by 9 persons.

Based on interviews with workers at Mill and Estate, it was explained that workers had been trained in relation to operational activities, emergency responses, and waste handling to first aid training.

**Status: Comply**

**PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity**

**5.1**

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

**5.1.1**

The company had developed an Environmental Aspect and Impact identification (EAI), FY 17/18 for the operation of Mill and Estate and its impact to the environment (document No. EAI / 2017 /001-1). Mill does not involve in new planting neither replanting therefore Environmental Impact Assessment (EIA) report for Malaysian context is not related, however Environmental Aspect Impact and Environmental impact Evaluation are available and updated accordingly. EAI evaluation is complete covering the whole estate activities. Sighted the impact evaluation form for Sime Darby Plantation, Bhd for Kok Foh Mill and Master List EMS /01/5.4.3 related to Environment Aspect and Impact Identification, review on 2018 and

verified by Mill manager and Estate manager the EAI had been reviewed on the same year 2018 prepared by the assistant manager. Sighted the Mill had reviewed the EAI on 2017 / 2018 operation , Sungai Sabaling Estate on 10<sup>th</sup> January 2018, Kok Foh estate 22<sup>nd</sup> February 2018, and Pertang Estate on 2017/2018 activities. Environmental Aspect Impact had been done comprising the activities at the mill:

- i) Store Cleaning : aspect , discharge to land , air emission – impact on land contamination
- ii) Dispatch of good – impacts discharge to land , fuel consumption - environmental load item (chemical and lubricant ) impact on land contamination and business impact
- iii) Receiving of goods : aspect discharge to land and fuel consumption – chemical and lubricant , - impact to land contamination and business impact,
- iv) Waste and storage disposal -aspect spillage and leaking – item gear box oil , hydraulic oil , electrical, lead acid batteries – impact on land contamination

### 5.1.2

Environmental Aspect & Impact Identification (EAI) is prepared according to Mill activities. Action plan is prepared to mitigate the negative impact registered. Main impacts such as water pollution, air pollution and schedule wastes are the on-going actions taken at Sungai Sabaling and Pertang Estate, mitigation against negative impacts identified in EAI report was done through Environmental Management Plan (EMP). The environmental impact evaluation had been taken into consideration by management and the plan had been updated on 13<sup>th</sup> September 2017. The EMP made in place for year 2017 and 2018 related to environmental issues, mitigating measures, action by person in charge and time frame of the action. Sighted the Environmental management plan FY 2017/2018 that include:

- i) Objective, target and duration
- ii) Action Steps
- iii) Resource required – PIC / records monitoring
- iv) Review date : 11th September 2017 → details and remarks
- v) ½ half review / signature
- vi) Review date 9<sup>th</sup> February 2018

e.g : management of HCV 4 Buffer zone → to train/ retrain the sprayer and manuring gangs not to do any chemical – related works at the area → person in charge Assistant manager) → training records → last training conducted for sprayers on 3<sup>rd</sup> March 2016 and for manuring gag was on 15<sup>th</sup> September 2017 → maintaining with grass cut only , no chemical usage at HCV area

Sighted the appointed person that will be in charged to mitigate the environmental impact, as for example schedule waste management - to ensure the Scheduled Waste disposed of before 180 days or 20 tons weight whichever come first as per Environmental Quality Act requirement. Impact registered was evaluated, suitable mitigation of impact measures implemented with time frame included. There were also evidence on environmental management plant implemented through scheduled waste store and disposal record. Sighted the evaluation form of company and the company had done the evaluation matrix including criteria, weightage, operating condition (normal, Abnormal, Emergency) and the criteria had been divided into frequency , extent of impact , duration of impact and cost remedial action.

### 5.1.3

Action Plan prepared is inclusive of monitoring protocol either physical notification or by scientific measurement. Improvement plan is prepared to mitigate negative impacts at Sungai Sabaling, Kok Foh and Pertang estate and es the Pollution Preventive Management Plan had been established prepared for year 2017/2018 which included action plan, person in-charge and implementation status. Monitoring protocol was undertaking by physical inspection and parameters measurement to ensure conformity. The monitoring protocol also has been developed by management unit including the evaluation of matrix criteria, weightage and operating condition (Normal , Abnormal, Emergency)

Sighted the review of PPR for year 2018 prepared by assistant manager and approved by estate manager of Pertang estate that include frequency extent of impact, duration of impact, cost of remedial action, and potential compliance to environmental regulations. Sighted the environmental impacts evaluation form that has been produced by the estate dated 10<sup>th</sup> January 2018 – no changes in the evaluation SOU 16 Sg Sabaling Estate Serial No. EIE/2017/07/03/COMP/01:

- i) Receiving storage and disposal → Discharge to land → lubricant: evaluation Matrix 130.
- ii) Maintenance Equipment → discharge to land → Spillage to lubricant – N 200.
- iii) Mixing chemical → Spillage → Chemical scoring of 130.
- iv) FFB Stacking → release to air → exhaust gas.

v) Security check → use of energy → manpower 130 Normal.

Result of monitoring had been made into aspect impact environmental plan. Every single operation the mill had concluded the impact evaluation form that categorize into 9 code of environmental impact – the weightahe had been classified – operation condition : Nomal = 100-199, Abnormal – 200-299, Emergency 300 above . For example is management of HCV 4 Buffer zone → to train/ retrain the sprayer and manuring gangs not to do any chemical – related works at the area → person in charge 9cyprian denis dares Asssitant manager → training records →last training conducted for sprayers on 3<sup>rd</sup> March 2016 and for manuring gaag was on 15<sup>th</sup> September 2017 → maintaining with grass cut only , no chemical usage at HCV area.

**Status: Comply**

**5.2**

**The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced**

**5.2.1**

The Certificate Holder has conduct HCV assessment which carried out on 2008 and re-assessment on 2016 by the PSQM Department. There are two ALS certified assessors: Nur Aida Abdul Ghani (ALS2015-19) and Nursyamini Saifullizam (ALS2015-104) and accordance with HCV toolkit year of 2013. The report describes that total of 25.60 ha of HCV area identified in SOU 16 Kok Foh which only comprises HCV 4.1 and there was no RTE species was identified.

**5.2.2**

There was no rare, threatened or endangered (RTE) species was identified. The management of SOU 16 Kok Foh has the Environmental Management Plan year of 2017/2018 & HCV Monitoring in each estates, the document informing the scope, objectives, programme, time frame, Personnel in Charge and remark/record. Also has been showed the HCV Monitoring till April 2018 in each estates sampling (Sg. Sabaling, Kok Foh and Pertang Estate). The company was installed signboard, prohibition sign of swim and fishing around the river area. Based on field visit in HVC area Block 99B Sg. Sabaling Estate and Block 02 KE Kok Foh Estate, there was showed that the signboard and prohibition sign of swim, fishing and trespassing was installed properly and also any yellow colour marking on oil palm plant.



HCV Signboard in Sg. Sabaling Estate



Prohibited sign of river buffer zone in Kok Foh Estate



Yellow color marking as sign of boundary line for chemical application

**5.2.3**

The Sime Darby Plantation has Saving the Orang Utan Policy & Environment Biodiversity Policy (Signed by Managing Director on January 2015). The company was socialization and installed sign board for prohibition for illegal activities (hunting, fishing, burning) and chemical used surround of water catchment area and river buffer zone. Based on stakeholder consultation with the workers and related stakeholder (local contractor) surround plantation area that know there was no indication of any capture, harm, collect or kill these species by the workers.

**5.2.4**

There was no RTE identified only was identified of water catchment and river riparian reserves covering 25.60 Ha. The company has management Plan for HCV monitoring in related estate. There was showed the management plan year of 2017/2018. Based on field visit in HVC area Block 09B, there was showed that the signboard and prohibition sign of swim and fishing. The area surrounded was covered by natural vegetation and prohibition marking (red color) was put on oil palm plant as sign to no agrochemical application on river buffer zone area.

**5.2.5**

There was no found HCV set-asides in identification process was done on 2008 & re-assessment 2016 in SOU 16 Kok Foh. There was only identified HCV 4.1 as water catchment area and river riparian reserves totally of 25.60 ha.

**Status: Comply**

**5.3**

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

**5.3.1**

Sighted the management unit had updated the inventory latest into DOE website through e-swis system dated May 2018 – for KKS Kok Foh inventory No . 0507N0215103152018:

- i) SW102 lead acidic battery = 0.00
- ii) SW 110 – Electrical waste = 0.002
- iii) SW 305 – lubricant oil = 0.279 mt.
- iv) SW 306 – Hydraulic oil = 0.126 mt.
- v) SW 322 = isopropyl alcohol = 0.038.
- vi) SW 324 – hexane = 0.0025.
- vii) SW 409 = tong Plastic = 0.2310.
- viii) SW 410= oil filter = 0.00.

ix) Sighted date of submission of inventory updating – 14<sup>th</sup> May 2018

The unit also had a waste categorizes form all the spent chemical using in the mill that include IPA, Hexane, Plastic Container and tin, Chemical Container, spent Filter, Spent Lubricating Oil, Spent Hydraulic Oil, Battery and electrical waste, that the categorized are: Dated, code of scheduled waste, waste name, balance from previous month (metric tonned), quantity produced and waste handling (metric tonned )

**5.3.2**

Sighted the extension letter dated 9<sup>th</sup> May 2018 to Pengarah Jabatan Alam Sekitar Cawangan Kuala Pilah – extension request for scheduled waste to be extended for spent chemical container, SW 409 = < 100 Kg. Sighted the approval letter verified by Mr Manager of Sungai Sabaling date received on 14<sup>th</sup> May 2018 .

Chemical store well ventilated, and separated as per Sime Darby SOP and Scheduled waste store made available at the estate, made according to the regulation of DOE and SOP of Sime Darby Storage Area bund constructed. Sighted the last disposal to Clinco waste management dated 6<sup>th</sup> Nov 2017 items SW 104 Clinical waste :

- i) GP Kualiti Alam Package D – 1.00 Lot
- ii) Sharps Bin Round 1 – 10 L = 1 Pcs
- iii) Yellow bag (660mm x 550 mm / 30 L) =10 pcs
- iv) Cable tie = 10pcs

There is a invoice Pertang estate dated 18<sup>th</sup> April 2018 that include clinical waste , pathogenically or quarantined waste , unit price and amount of 1 kg total including GST = RM 215.07.

Quantity SW 404 – 1 pail yellow plastic bag dated 26 march 2018 – name transporter Kualiti Alam sdn Bhd Mr K Barani – WB8404P (registered collector)

Sighted the SS Setia Teknologi Enterprise as recycling collector for chemical container which are :

- i) Gunny sacks – 870 kg = total 82.65 rm
- ii) Herbicides chemical = 62 units – 0.50 per pieces = Rm 31.00
- iii) Paper box = 67 kg
- iv) Steel = 112 kg
- v) Empty Container ally / basta / galon = 188 kg

Based on the record sighted that the waste had been disposed according to national best practices and Sime Darby SOP and operation procedure.

**5.3.3**

Sighted the waste management and disposal plan for year 2017 and 2018: including the type of waste, item description, location, action to be taken and person in charge. The documented scheduled waste has been disposed of properly. Sighted the scheduled waste location and action taken by the management as per regulation. Rubbish on domestic waste



has been made properly managed: line site, Mill, office, Mill plant. The company had a proper waste management disposal plan and scheduled including:

- Provide adequate dustbin at mill and linesite, establish collection / landfill Sop
- Establish Collection Schedule
- Create awareness on hygiene amongst employees
- Regular monitoring cleanliness and hygiene

To handle the domestic waste, the site had managed the procedure according to the company SOP of segregation:

- i) Type of waste
- ii) SW code : SW 102
- iii) Item description – spent hydraulic oil
- iv) Location – workshop
- v) Action to be taken → collect and record amount of relevant scheduled waste
- vi) Person in charge → Mohana Kesavan
- vii) Time frame → 20<sup>th</sup> December 2017 – every 6 month

The waste management plan has been verified and review on FY 2017/2018 related pollution prevention management plan:

Include the pollution source → specific concern → means of mitigation → means of monitoring and action plan and person in charge.

Source of pollution → workshop / linesite / housing / chemical store / genset diesel store/ effluent / emission

Sighted the means of mitigation (waste management ) through the method of :

e.g ; containment via bunds and proper flooring , disposal as scheduled waste → site inspection by executives and staff regularly

e.g : proper waste management system →site inspection

Water pollution → anaerobic pond for effluent treatment before discharge to waterways → to send water sampling every month for water quality monitoring.

**Status: Comply**

**5.4**

**Efficiency of fossil fuel use and the use of renewable energy is optimised.**

**5.4.1**

The company had developed a plan to improve fossil fuel efficiency including usage of fiber as fossil fuel in the boiler, for mill operation. The unit also had developed a plan to reduce diesel consumption on 2017 from July to June 2018:

The renewable energy usage per ton CPO = 0.92, 1.00, 0.94, 0.88, 0.94, 0.89, 1.09, 1.06, 0.92, 0.86

As for the estate, from July 2017 to June 2018 : Diesel Per ton FFB : 2.42, 2.19 , 1.85, 2.09 , 1.91, 1.83, 2.53, 2.97

The company had also recorded the electricity usage per ton FFB as per details:

Sighted the monitoring diesel use per ton FFB FY 2017/2018 from July 2017 until June 2018 for Kok Foh Mill as followed:

The fossil fuel usage – per ton CpPO= 0.26, 0.31, 0.38, 0.33, 0.34, 0.41, 0.48, 0.34, 0.32, 0.35

The biogas feasibility studies had not been carried out however the composting plant had been installed and using the POME spray method for 45 days before its converted into compost fertilizers .Sighted the downwards trend on the usage of FFB from July 2017 – March 2018 Diesel / ton FFB Usage.

**Status: Comply**

**5.5**

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

**5.5.1 and 5.5.2.**

There is a SOP in Standard Operating Procedure, Section B2, Felling / Clearing & Land Preparation year 2008. Environmental Management – Zero Burning Technique (The zero burning technique of land clearing basically involves felling the original stands, shredding them, and leaving the remnant in windrows or between terraces to decompose naturally. Sime Darby Berhad is committed towards zero burning during replanting and land clearing and this was stated



in their company website at [www.simedarbyplantation.com/sustainability/practices-key-initiatives/zero-burning-replanting-technique](http://www.simedarbyplantation.com/sustainability/practices-key-initiatives/zero-burning-replanting-technique). There are also signages around Kok Foh estate linesite, stating that open burning is not allowed. Field visit in estate show there is no evidence of open burning being conducted in Kok Foh, Sungai Sabaling and Pertang estate for land clearing or other purposes.

**Status: Comply**

**5.6**

**Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.**

**5.6.1**

Sime Darby Plantations Kok Foh mill had an analysis of aspect impact assessment from the activity and record the mitigation plan from the impact for the mill, e.g.: dust emission, steam usage, diesel usage for the vehicles, black smoke emission when starting the engine, POME effluent being utilized as compost, engine operational – smoke emission, diesel spillage at diesel tanks, noise pollution at kernel, vehicle smoke entering the weighbridge, lubricant oil at Store and smoke from prime mover.

**5.6.2**

Sighted a document of plan to reduce the ‘Green House Gas’ for year 2017/2018 for Kok Foh Mill, Kok Foh Estate, Sungai Sabaling Estate and Pertang Estate. There is a document listed down the activities in all those estate that contribute to greenhouse gas e.g.: diesel usage, pesticide usage, chemical fertilizer usage, domestic waste usage, organic waste domestic usage. There is also action plan been documented to reduce the pollution and activity that contribute to GHG emission as per flow chart: Estate activity that release GHG → Action plan to reduce the emission → program to reduce GHG Emission → person in charge → Status of the action plan. Field visit on noise area (kernel cracking and boiler area, etc) showed that the Warning Signages more than 85db had been displayed

**5.6.3**

GHG monitoring include the record of tonnage fertilizers, and diesel usage in the estate and mill. The reporting GHG has been made through PALM GHG toolkit as per evidence sighted. Sighted the evidence of the Palm GHG calculation has been made as per details:

Summary of Net GHG Emissions :

Emissions per product	tCO <sub>2</sub> e/tProduct	Extraction	%	Production	ton/year
CPO	1.21	OER	19.62	FFB Processed	208,670.76
PK	1.21	KER	5.05	CPO Produced	40,944.46

Land Use	ha
OP planted area	33,216.54
OP Planted on peat	0.00
Conservation (forested)	0.00
Conservation (non-forested)	0.00

Summary of Field Emissions and Sinks

	Own Crop		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha	tCO <sub>2</sub> e	tCO <sub>2</sub> e/ha
Emissions								
Land conversion	72,439.01	9.92	24,383.34	9.88	-	-	96,822.35	19.80
CO <sub>2</sub> emissions from fertilizer	8,365.03	1.15	2,730.83	0.89	-	-	11,095.86	2.04
N <sub>2</sub> O emissions	9,257.73	1.25	1,598.05	0.50	-	-	10,855.78	1.75
Fuel consumption	853.25	0.12	244.29	0.12	-	-	1,097.54	0.24

Peat Oxidation	0.00	0.00	0.00	0.00	-	-	0.00	0.00
Sinks							0.00	0.00
Crop sequestration	-68,713.09	-9.33	-23,109.24	-9.09	-	-	-9,1822.3	-18.42
Conservation Sequestration	0.00	0.00	0.00	-	-	-	0.00	0.00
Total	22,741.93	3.10	5,847.11	2.29	-	-	28,589.04	5.39

Summary of Mill Emissions and Credits

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
Emissions		
POME	24,950.83	0.12
Fuel consumption	696.15	0.00
Grid Electricity Utilisation	0.00	0.00
Credits	0.00	0.00
Export of Grid Electricity	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	25,695.58	0.12

Palm oil Mill Effluent (POME) Treatment

Divert to compost	39 %
Divert to anaerobic digestion	61 %

POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	100.0 %
Divert to methane capture (flaring)	0.00 %
Divert to methane capture (electricity generation)	0.00 %

Status: Comply

**PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills**

**6.1**

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

**6.1.1**

There is a SIA report prepare for the whole SOU 16. SIA was conducted for the whole SOU 16 which involved 9 operating units. Latest done was in February 2016 and will be review in every 5 years.

**6.1.2**

SIA was done with the participation of affected community. SIA review was done in every 5 years. Community views were recorded and depicted in the SIA report.

**6.1.3**

Issues raised in SIA report were mitigated by action plan. Methodology and dateline were set to review the effectiveness. Implementation monitoring was done via verification on the complaint form.

**6.1.4**

There is an action plan prepare to monitor the effectiveness. SIA action plan has been implemented by each estate. The estate and mill management to communicate with PSQM of the developments. As for this period of assessment, found there were many on request rather than promoting on positive social aspects. For example, the Kok Foh local contractor of FFB loading suggest to maintain of road access to estate and increase the Oil Extra Rate (OER) by outsider crop plantation.

**6.1.5**

Impact on surrounding community such as smallholders is always the prime focus of Sime Darby Plantation. The SOP is clearly written in Social Policy. However this SOU 16 did not involve with smallholders scheme.

**Status: Comply**

**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**

Communication with local community was done through SIA stakeholder meeting, RSPO stakeholder meeting, Internal Estate communication and external community communication. Result of interviewed with stakeholders, generally expressed their satisfaction with SOU 16 management team.

**6.2.2**

Action Plan has been implemented. Official PIC is Assistant Manager with formal appointment letter. However local community can always communicate with any estates staff.

**6.2.3**

Affected stakeholders were recorded in SIA report. Follow up action was done by action plan report. PSQM and GCAD department are the monitoring team to ensure implementation.

**Status: Comply**

**6.3**

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

**6.3.1**

Estate management took serious action for complaint either by workers or local community. Interview with affected parties was conducted to express their satisfaction/dissatisfaction. Stakeholder meeting confirmed that their complaints have been entertained. Procedures of complaints and settlement is handle internally within the estate operation. None has been brought to RSPO complaint system. However, Sime Darby Plantation Bhd is ready to handle any complaint brought to RSPO complaint system.

**6.3.2**

Internal complaint recorded by forms and complaint book. External complaint handled by HQ or SQM department. Upon no settling issues, legal procedures will be applied.

**Status: Comply**

**6.4**

**Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.**

**6.4.1**

Procedures for external communication are available. However, no record of dispute with local communities occurred thus implementation evidence is not available.

**6.4.2**

This SOU 16 has never encountered land dispute issue. In other operating unit acquired was done by government or illegal settlers on Sime's land. Sime Darby used to follow government procedures.

**6.4.3**

The whole SOU 16 has never encountered conflict with surrounding local communities. There is no compensation record available. Meeting with School, NUPW and Villages depicted a positive relation.

**Status: Comply**

**6.5**

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

**6.5.1**

The management of Sime Darby SOU 16 Kok Foh had followed the definition of living wage based on minimum wages order July 2016, issued by Attorney Generals Chambers, for Malaysia peninsula RM 1000/month (RM38.46/day for 6 working days per week). Provided the provisions of harvester, and loaders in MAPA / NUPW collective agreement for workers and company, in the article 6 stated that the respective cutter / carrier shall be paid for the satisfactory performance of the duties. Provided the rates for total weight of ripe bunches and loose fruits harvested as for March 2017.

Detailed payment described in pay receipt, informed fixed income component (basic pay, normal day bonus price, shift allowance), un-fixed income component (bonus price, normal days overtime), defray expenses (phone reimbursement, insurance reimbursement) and deduction (normal advances, employees EPF, employees SOCSO for local workers and NUPW dues for member of workers union). The company has paid the wages in accordance with applicable regulation, it is also consistent with the result of interview with the workers in the mill and estate (daily rate and productivity rate).<sup>2</sup> Indonesian workers, 2 Indian workers and 2 Bangladeshis workers pays lip had been cross checked according and based on the document verification, sighted no lapses of the pays lip and minimum wages of Malaysian order. Sighted the workers name list and the salary: for March 2018 wages of workers as per details:

- Number 84144 :RM 1743.66
- Number 8405 : RM 1499.79
- Number 58528 : RM 1150.07
- Number 62103 : RM 2059.02
- Number 69398 : RM 1160.48
- Number 78085 : RM 1754.02
- Number 124085 : RM 1714.17

**6.5.2**

Pay and condition of employment described in collective agreement document and individual agreement. Sighted MAPA/NUPW collective agreement 2015, effective date 1 April 2015, valid for three years, on wages of harvester, loaders and other loaders on oil palm estates; MAPA/NUPW palm oil mill employees agreement; MAPA/NUPW field and other general employees and fringe benefits agreement circulated all Sime Darby Plantations Unit

The employment agreement for local workers described in the document of offer appointment, which stated the terms and conditions of service is in accordance with the provisions of the relevant MAPA / NUPW agreement or award.

The employment agreement for immigrant workers written in two languages (English and the language of the origin country), describes include: duration of employment, place of work, salary, working hours, medical, accommodation, compliance, foreign workers compensation scheme (accidental death due to injury while on duty, permanent disability, partial disability, temporary disability, temporary partial disability, medical and hospital expenses, sickness / injury at work place), employment cost, transportation cost at the beginning of employment, income tax, public holidays, sick leave, annual leave, unpaid vacation leave, transportation to workplace, equipment, termination of service, safety health, and other terms and conditions.

SOU16 employ immigrant workers from Indonesia, Bangladesh, India and Nepal, all workers employed is a legal workers, passport and work permit for each employee examined by auditors to verify this. Completely described in C6.12.

The auditor has verified that all immigrant personnel have employment agreements and based on interviews with employees mentioned that the employment agreement has been understood. For example: a work agreement of

Indonesian immigrant workers in SOU Kok Foh POM Sungai Sabaling, sighted from the estate that 3 workers contract had been verified and checked:

- i) Workers number – 118483 – date of worked = 27<sup>th</sup> November 2015 [passport number 09118303] – work minimum period = 3 years – 27 November 2015 until 27 November 2018
- ii) Workers Number – 142065 – male: present at Sg Sabaling Estate : letter of employment dated 16<sup>th</sup> April 2018
- iii) Workers number Indonesian – 70552 – extension workers contract dated 1<sup>st</sup> August 2017 until 1<sup>st</sup> August 2018 verified by Mr Manager of Sg Sabaling Estate

As per 2015, the contract had been revised to 3 year contract which area; “your employment is for 3 years from the date of your work permit issued by Malaysian immigration (fixed term)

**6.5.3 and 6.5.4**

Based on site visit and interview with workers stated that the company has been provide a sufficient facilities such as housing, prayer building, electricity and clean water. There is no grievance associated to facilities. Its also confirmed that the access to adequate, sufficient and affordable food has been provided, the distances to market only 5 Km from housing. There are 2 shops provided in the Kok Foh Mill and estates provided for the workers and staff. Among other facilities provided are free water for the housing area, football field, schools for children, clean water supplies provide by the mill and electricity – subsidized by the mill/company.

Sighted the workers at Pertang Estate housing area 52 units of housing area including two rooms and fans, electricity and water facilities provided by Sime Darby management.

The management had provide 3 canteen available in the mill and estate: 2 in the estate and 1 at the mill area. There is also the scheduled van for the workers to go to the nearest town, Bahau Negeri Sembilan. As per Kok Foh estate, the company had provide a van to Bahau town and the workers buy foods and groceries at nearby village at kampung Geddes. Sighted the grocery shop at Pertang Estate – Sri Mutappan Store and the shops provide the groceries for the estate.

**Status: Comply**

**6.6**

**The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.**

**6.6.1 and 6.6.2**

The company had provide a policy to the rights of employees for freedom of association by implementing the social policy: ‘the company shall respect the right of all personnel to form and join trade unions of their choice and to bargain collectively. Sighted the minutes of trade and union workers minutes of meeting made available at the estate and mill. There is a meeting on Kok Foh Mill , Kok Foh Estate , Sungai Sabaling and Pertang Estate:

- Sighted the minutes meeting among Chairman of NUPW Sg Sabaling Estate – dated 17<sup>th</sup> May 2017:330 pm at manager estate meeting room.
- The association name ‘Pihak kesatuan kebangsaan pekerja ladang Pertang’ 2017/2018 dated 4<sup>th</sup> April 2018 at 0330 pm meeting room Pertang Estate.
- Sighted the minutes meeting with Union Meting dated 7<sup>th</sup> May 2018 – 1130 AM attended by 7 peoples: senior manager, assistant engineer, supervisor, workers representative.

The mill management meeting of union NUPW had been discussed dated 31<sup>st</sup> March 2018 that discussing related the replacement of members board NUPW and discussion related to salary of NUPW Members. The document and minutes meeting can be retrieved form respected unit. The minutes had been prepared by secretary of the union and approved by the estate and mill manager. Sighted the documented minutes meeting between company and trade unions dated 26<sup>th</sup> April 2018 Thursday at Briefing room KKS Kok Foh. The minutes meeting recorded 8 peoples attended including Estate and Mill Manager, Assistant Managers, Chief Clerk, Foreman, Union Workers representatives, Secretary of Union Workers and the Executives.

**Status: Comply**

**6.7**

**Children are not employed or exploited.**



**6.7.1**

The Sime Darby Plantations has Child Protection Policy ((Signed by Managing Director on January 2015). The policy was explained that to set up appropriate channels for individual to report any concerns relating to Child maltreatment. All employees and individuals working with the company on contractual, voluntary and / or unpaid basis have the responsibility to uphold the highest standards of integrity and conduct in safeguarding the rights of the child. Based on field visit to plantation area and interview with the workers, there was no indication of child workers. Sighted from the estate list, there are 93 workers in the list including the name, passport, date of entry estate, birth of date, designation and approval permit. Based on the document verification at the estate and mill, there are none of them are below 18 years old as per Malaysian law. The company itself had developed a system that will filter the age of the workers below 18 years old. Sighted 292 list name of workers in Sungai Sabaling Estate, including staff working in the estate and based on verification, no children sighted to work in the estate as per master list had been made available that comprises of code of workers, estate and mill location, races of workers, religion of workers, employee full name, employee number, old number, dte of birth, joined on date and DML user.

Sighted 102 list name of workers at Pertang Estate Employee master listing dated 15<sup>th</sup> May 2018;

- i) Daily rated General workers - 5 workers
- ii) Monthly paid – AP
- iii) Daily rated General workers – Pertang Estate division 1
- iv) Oil palm harvesters.

**Status: Comply**

**6.8**

**Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.**

**6.8.1 and 6.8.2**

The Sime Darby Plantations has the document of Social Policy. These documents was explained in Point 1 that All employee should be treated fairly in terms of recruitment, progression, term and conditions of work and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and/or age. These documents was signed by managing Director on January 2015. The policy is made publicly available for the relevant stakeholder through workers handbook and Sime Darby website. Based on the interview with the workers at the field and mill, there is no discrimination from the management towards the workers either foreign, local workers or staff. All workers of Sime Darby Plantation had been fairly treated as per policy circulated. 6 foreign worker and 4 staff had been interviewed to ensure the policy had been briefed to them.

**6.8.3**

The company was filled on each estate office the records of each individual with respect to competence requirements for various categories of jobs, identification of training needs, training provided, and assessment for effectiveness. These documents was explained in point 1 that All employee should be treated fairly in terms of recruitment, progression, term and conditions of work and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and/or age. These documents was signed by managing Director on January 2015. The policy had been reviewed twice since year 2010. The company has recorded and filled of each employee personnel document and was promote based on their capability and performance. An evidence Has been showed the personnel assessment and evaluation of the employee (categorized as confidential document). Sighted the Appraisal form on July 1<sup>st</sup> 2017 for clerk of Pertang Estate – final 2016/2017 performance rating – management has conducted a performance calibration for upstream Malaysia on 23 may 2017. “based on this calibration, we wish to inform you that your performance for Financial year 2016/2017 has been rate as Rating 3

Sighted the section B on Key result area for the worker that also including:

- i) Performance factor 40%
- ii) Performance score and proposed performance rating
- iii) Overall comments – work challenges, strengths improvement.
- iv) Employee and superior acknowledgement

Appraisal completed by: employee and managers by the Sime Darby management unit.

**Status: Comply**

**6.9**

**There is no harassment or abuse in the work place, and reproductive rights are protected.**

**6.9.1**

The company has provide and develop the policy related to all form of sexual harassment and refer : Social and Humanity Management Policy clause : In fulfilling our Social and Humanity commitments we shall : preventing sexual harassment and other forms of violence against women and protect their reproductive rights (management Policy) For the operational policy the Gender Policy has been developed on clause; Endeavour to prevent sexual harassment and all other forms of violence against women workers and community. Policy has been documented based on the display and have been communicated through all the workforce based on the interview and displayed on the workers quarters. There is a Gender Committee Handbook (First Edition 2014) distributed to all employees. There is a policy to prevent the sexual harassment and violence stated in the Social Policy (to developed and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights) There is SPMS (Flowchart and Procedure on Handling Social Issues) there is a gender committee handbook first edition 2004. In chapter 3 (Type of Gender-Based Violence & Grievance Procedures.

Sighted e Gender committee meeting dated 7<sup>th</sup> February 2018 to all gender committees Sungai Sabaling Estate – invitation to attend gender committee meeting Sungai Sabaling Estate; held on 12<sup>th</sup> February 2018 at store area of the estate. Sighted the agenda that has been discussed include salary scale, new members appointment, workers issues regarding human rights , workers amenities and facilities, and etc. Sighted the minutes approved by chairman of gender committee. Among the attendees are 14 genders which are: Assistant Manager, Chairman, Secretary, AJK and Workers Union representative. For the operational policy the Gender Policy has been developed on clause; Endeavour to prevent sexual harassment and all other forms of violence against women workers and community. Based on the interview, there is available documented the organizational chart for each estate and mill comprising the coworkers and staff especially for gender committee. The woman workers are understanding their rights including the time for breastfeeding policy and it was stated in the clause that protecting the ‘safeguards our operation from employing forced labor and child labor.

**6.9.2**

There is a policy has been developed by Sime Darby Bhd. related to human right especially on women to protect their reproductive rights signed by Managing Director (Datuk Franki Anthony Dass) dated January 2016. The gender policy has been developed by the management and has been clearly distributed to all level of workforce. Based on the interview with store clerk of the estate and mill, they understood that there was a policy available related to reproductive of human rights such as a pregnant woman can’t enter the chemical store and signboard had been displayed at the entrance. The policy communicated to all level of workforce by method of speech during the muster ground training and displayed on the office. And the policies is displayed on the workshop and mill management office.

**6.9.3**

There is Grievance Redressal Procedure to recognizing the value and importance of discussion there is SPMS (Flowchart and Procedure on Handling Social Issues) Sustainable Plantation Management System, Appendix 5. Upon arising social issues, the matter shall be brought forward to the respective estate management, initial negotiation process shall be carried out, upon any failure, the pending issues shall be reported to the Head Office. The head office shall send forth the investigation team an independent body to gather sufficient information (timeframe on dispute, area involved, parties / people involved and outstanding issues) in the case through interviews and focused group discussion.

**Status: Comply**

**6.10**

**Growers and mills deal fairly and transparently with smallholders and other local businesses.**

**6.10.1 and 6.10.2**

The FFB price based on standard from Malaysia Palm Oil Board (MPOB). There was showed FFB price list update till 14 May 2018, categorized in three grade (A, B & C). The FFB price was put in the front window of the weight bridge room. The Kok Foh POM received outside FFB from outside crop plantation consist of 3 FFB suppliers. There was no smallholders scheme under SoU 16 Kok Foh, only FFB trader (supplier) and based on stakeholder consultation with one of supplier that the management of POM has help them to how to control the quality of FFB and mechanism of safety loading of FFB (using the net on vehicle and the operator should using properly PPE).

**6.10.3**

There was observed of document contract between Kok Foh POM and Cheong Wing Chan Sdn, Bhd (FFB Supplier), document contract between the Sg. Sabaling Estate with Sri Harrish (Local contractor for FFB transporter) and also document contract between Pertang Estate Mahin Varmaa Enterprise (Local contractor for FFB transporter) . The right and obligation each party and the payment mechanism was clearly describe in this document, consist of the contractor employed use safety equipment (PPE Used) and/or any other form of protection to ensure the safety and health, compensation insurance payment mechanism and the workers insurance of contractor operator (workers) was responsible by the contractor. Based on document verification, interview with company representation and the local contractor at stakeholder consultation process, they was understand of contract before signed. Overall the document was filled in Head Office and copy of document in mill and estate office, and the related evidence of payment slip was filled too by the contractors or dealers.

**6.10.4**

The payment was transferred via bank account by the Head Office, the Management estate only acquired the received from the Head Office when the payment process has been done. The local contractor was informed that the payment process was well implemented. There was observed payment record to contractor on April 2018 in Kok Foh POM, Sg. Sabaling Estate and Pertang Estate. Those documents consist of invoice, contract form (description of work, quantity, price per unit, tax and total payment), work completion certificate and payment advice (payment receipt). Payment has been made timely according to the contract.

**Status: Comply**

**6.11**

**Growers and millers contribute to local sustainable development wherever appropriate.**

**6.11.1**

Both Mill and estates in SOU 16 have record of CSR. Schools which located within the estates benefit the most. Others event such as festival and sport are regularly hold with surrounding communities.

**6.11.2**

Smallholders productivity did not related to estates. However there are OCPs that contribute FFB to Kok Foh Mill. Improving productivity is indirectly through FFB grading.

**Status: Comply**

**6.12**

**No forms of forced or trafficked labour are used.**

**6.12.1**

Foreign or migrant workers were recruited by Head Quarters under Workers Management Unit. There is no record found on force labor or trafficked or illegal labor within SOU 16. All workers are with proper passport and work permit. Labors passport are kept by estate operation and passport copy and iCard were given to workers.

**6.12.2**

All workers either local or migrant are employed directly by Sime Darby Plantation Bhd. Job description and location of job place are stated in the agreement between workers and employer.

**6.12.3**

Appropriate training was given by Sime Darby Plantation Bhd to all workers. Induction training was given at the country origin. Upon reaching the work place safety training was given during Town Hall.

**Status: Comply**

**6.13**

**Growers and millers respect human rights**

**16.13.1**

Human rights issue was covered un Social and Humanity Management Policy. There was no case of human rights violation was recorded. SDPB always believed in humanity which did not infringe on basic human rights. Non-discrimination of employees practice is clearly stated Social and Humanity Management Policy.

**16.13.2**

Not applicable.

	<b>Status: Comply</b>	
<b>PRINCIPLE #7 Responsible development of new plantings</b>		
<b>7.1</b>		
<b>A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.</b>		
<b>7.1.1; 7.1.2 and 7.1.3</b>		
Not applicable.		
	<b>Status: Comply</b>	
<b>7.2</b>		
<b>Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.</b>		
<b>7.2.1 and 7.2.2</b>		
SOU-16 Kok Foh has established since 1996 which currently it has turn on the second cycle. Based on information from unit management and external stakeholders, it was known that there is no new land expansion (development) in SOU-16. Hence, this requirement is not applicable.		
	<b>Status: Comply</b>	
<b>7.3</b>		
<b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>		
<b>7.3.1; 7.3.2; 7.3.3; 7.3.4 and 7.3.5</b>		
Not applicable,		
	<b>Status: Comply</b>	
<b>7.4</b>		
<b>Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</b>		
<b>7.4.1 and 7.4.2</b>		
SOU-16 Kok Foh has established since 1996 which currently it has turn on the second cycle. Based on information from unit management and external stakeholders, it was known that there is no new land expansion (development) in SOU-16. Hence, this requirement is not applicable.		
	<b>Status: Comply</b>	
<b>7.5</b>		
<b>No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</b>		
<b>7.5.1</b>		
The development of SOU 16 did not involve local people land. Thus no dispute was recorded thus far.		
	<b>Status: Comply</b>	
<b>7.6</b>		
<b>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>		
<b>7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5 and 7.6.6</b>		
There no compensation paid to local that are related to land acquisition. Sime Darby has a procedure in tackling land dispute issue but not the one that related to FPIC principles. Generally Sime Darby will follow government requirements or instruction.		
	<b>Status: Comply</b>	
<b>7.7</b>		
<b>Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>		
<b>7.7.1 and 7.7.2</b>		
Not applicable.		

	<b>Status: Comply</b>	
<b>7.8</b>		
<b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>		
<b>7.8.1 and 7.8.2</b>		
Not applicable.		
	<b>Status: Comply</b>	
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>		
<b>8.1</b>		
<b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>		
<p>Social impact was improved by implementing SIA Action Plan. The plan was done on yearly basis with tracking on the implementation and improvement.</p> <p>SOU 16 Kok Foh has conducting internal audit with summary as follows:</p> <ul style="list-style-type: none"> <li>• Foh POM has conducting internal audit for RSPO and MSPO which conducted by SQM Central West Region on March 15<sup>th</sup> 2018. According to the audit results, it was informed 3 NCR related to SCCS, 2 NCR of P&amp;C and 5 OFI. Internal auditor informed that all finding were fully complied on April 2018.</li> <li>• Internal audit RSPO in Sungai Sabaling Estate has conducted in March 14<sup>th</sup> 2018 which conducted by SQM Central West Region. According to the audit results, it was informed 1 NCR related to P&amp;C and 5 OFI. Internal auditor informed that all finding were fully complied on April 2018.</li> <li>• Internal audit RSPO in Kok Foh Estate has conducted in March 13<sup>th</sup> 2018 which conducted by SQM Central West Region. According to the audit results, it was informed 3 NCR related to P&amp;C and 3 OFI. Internal auditor informed that all finding were fully complied on April 2018.</li> <li>• Internal audit RSPO in Pertang Estate has conducted in March 12<sup>th</sup> 2018 which conducted by SQM Central West Region. According to the audit results, it was informed there was 8 OFI identified by Internal auditor.</li> </ul>		
	<b>Status: Comply</b>	



**3.2. Summary of Assessment Report of Supply Chain Requirement**

**3.2.1 General Chain of custody requirements for the supply chain**

Clause	Requirement
<b>5.1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>
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. Question: Does the organization take legal ownership and physically handles RSPO Certified Sustainable oil palm products at their premises or through the outsourcers?
	Yes the SOU16 Kok Foh POM is under manage of Sime Darby Plantation Bhd, and has been registered of certified products of RSPO (CSPO and CSPK) with e-trace- UTZ, Member ID: RSPO_ PO100000296.
	<b>Status: Comply</b>
5.1.2	Traders and distributors require a license 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. Question: Is the organization buying from RSPO licensed traders who pass the certification number of the product manufacturer and the applicable supply chain model?
	No, the SOU 16 Kok Foh did not buying the product manufacturer from the other RSPO licensed traders.
	<b>Status: Comply</b>
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. Question: Is the site level or its parent company a member of RSPO and registered on RSPO IT platform?
	Yes, the SOU 10 Kok Foh POM and the parent company-Sime Darby Plantation, Bhd was registered on RSPO IT platform (September 8, 2004, 1-0008-04-000-00).
	<b>Status: Comply</b>
5.1.4	Processing aids do not need to be included within an organization's scope of certification. Question: Is the site level or its parent had a processing aids?
	There was no.
	<b>Status: Comply</b>
<b>5.2</b>	<b>Supply chain model</b>
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. Question: Has the organization applied the Supply Chain Model correctly?
	Yes, the SOU 16 – Kok Foh POM (Sime Darby Plantation Bhd) was implemented of supply chain model of Mass Balance (Modul E).
	<b>Status: Comply</b>
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB. Question: Has the organization applied a combination of Supply Chain Model correctly?

There is not, only Modul E Mass Balance was applied.	
	<b>Status: Comply</b>
<b>5.3</b>	<b>Documented procedures</b>
<b>5.3.1</b>	
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.	
Questions: Documented procedures established and covering all provisions following:	
<ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> <li>• Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> <li>• 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.</li> </ul>	
<p>The management unit of Kok Foh Palm Oil Mill (SOU 16 Sime Darby Plantation) has have work procedure as guideline to ensure the implementation for the entire required elements. These procedure is Standard Operating Procedure for Sustainable Supply Chain and Traceability (SOP No. 2, issued on February 2018). It is aim for identifying product's traceability with supply chain Mass Balance Model. Person in charge have been pointed to ensure the operation of mill based on the applicable procedure consist of Mill Manager, Administration Office Staff, Weighbridge Staff, Ramp Staff, CPO &amp; Dispatch Staff and PSQM Staff.</p> <p>There has been showed of SCCS training (refreshing) for the personnel in charge and related staff for implemented the supply chain system in Sua Betong on 23 March 2018. The participants was consist of Personnel in Charge for traceability and weighbridge operators. The evidences is training material by PSQM Staff, Attendant List (4 Participant from SOU 16 Kok Foh) and pictures of training process.</p> <p>Based on an field visit observation and interview with staff in weighbridge and grading area/loading ramp that indicated the personal in charge was understood the mechanism to handle of supply chain system. The personnel in charge of weight bridge also can demonstrate of separate between FFB from own estate (Sime Darby) and the FFB from outsider crop plantation. The form of FFB from own estate is stamp with code RSPO Certification MUTU-RSPO/093-MB. And through to grading area that shows the grading staff can demonstrated of grading mechanism and through make daily report refer to Standard Operation Procedure of Sime Darby Report System sent the grading data to Sime Weight System.</p>	
	<b>Status: Comply</b>
<b>5.3.2</b>	
The site shall have a written procedure to conduct annual internal audit	
Question:	
Documented annual internal audit procedures established and covering all provisions :	
<ul style="list-style-type: none"> <li>i) Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</li> <li>ii) Effectively implements and maintains the standard requirements within its organization.</li> </ul>	
<p>The management unit of Kok Foh Palm Oil Mill (SOU 106 Sime Darby Plantation) has have work procedure as guideline to ensure the implementation for the entire required elements. These procedure is Standard Operating Procedure for Sustainable Supply Chain and Traceability (SOP No. 2, issued on February 2018). It is aim for identifying product's traceability with supply chain Mass Balance Model. Person in charge have been pointed to ensure the operation of mill based on the applicable procedure consist of Mill Manager, Administration Office Staff, Weighbridge Staff, Ramp Staff, CPO &amp; Dispatch Staff and PSQM Staff. These procedure also contained of Internal Audit Mechanism on point 17.0. An internal audit in mill by RSPO ICA-PSQM dated 17 March 2018. The assessment was conducted by Mr. Hazrul Zulkifli and Ms. Selvarani Ayer which resulted with 1 major. The finding were closed with progress of implementation sighted.</p>	
	<b>Status: Comply</b>

<b>5.4</b>	<b>Purchasing and goods in</b>
<p><b>5.4.1</b> 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</p> <p>Question :</p> <p>All RSPO product information is provided by suppliers in accordance with :</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number</li> <li>• 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).</li> <li>• 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 of shipments. Refer to section 5.7.1 of this document for further guidance.</li> <li>• 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 (<a href="http://www.rspo.org">www.rspo.org</a>) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.</li> <li>• The validity of license 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.</li> </ul>	
<p>Yes, based on document verification was showed the all of document related to purchases of RSPO certified, for example in the Sales Contract and Invoice. These documents was contained of information consist of :</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued; etc.</li> </ul>	
<p><b>Status: Comply</b></p>	
<p><b>5.4.2</b> The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents</p> <p>Question:</p> <p>Has the organization established mechanism in place for handling non-conforming oil palm products and/or documents?</p>	
<p>Yes, it was describe in Standard Operating Procedure for Sustainable Supply Chain and Traceability (SOP No. 2, issued on February 2018). These procedure was explained on point 10.0 Non-conforming Products and/or Document that where contamination of RSPO is certified material during receiving, processing, storage and dispatch, the mill/estate shall downgrade the materials following downgrade order: RSPO Identity Preserve → Mass Balance → Non Certified.</p>	
<p><b>Status: Comply</b></p>	
<b>5.5</b>	<b>Outsourcing activities</b>
<p><b>5.5.1</b> 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 mill cannot outsource processing activities like refining or crushing.</p>	

<b>Question: Are the outsourcers RSPO certified?</b>	
The SOU 16 Kok Foh POM did not has cooperation with another outsources or independent third parties in storage or other outsourced activities.	
	<b>Status: Comply</b>
<b>5.5.2</b>	
Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:	
<ul style="list-style-type: none"> <li>a. The site has legal ownership of all input material to be included in outsourced processes;</li> <li>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.</li> <li>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>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</li> </ul>	
<b>Question: Has the site established outsourcing procedures, agreement and keeps legal ownership of the products during the outsourcing</b>	
Yes, it was describe in Standard Operating Procedure for Sustainable Supply Chain and Traceability (SOP No. 2, issued on February 2018). It was explained on point 12.0.	
	<b>Status: Comply</b>
<b>5.5.3</b>	
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.	
<b>Question: Has the site maintained names and contact details of all outsourcers?</b>	
Yes, has been showed the name of outsider FFB Supplier (3) and the local contractor for FFB transport services from the area of the Estate to Kok Foh POM area. All the document contract was filled in estate & Mill office.	
	<b>Status: Comply</b>
<b>5.5.4</b>	
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	
<b>Question: Has MUTU informed about any new outsourcers?</b>	
During ASA-1.2 the SOU 16 Kok Foh POM did not cooperation with another outsources or independent third parties in storage or other outsourced activities.	
	<b>Status: Comply</b>
<b>5.6</b>	<b>Sales and goods out</b>
<b>5.6.1</b>	
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	
<b>Question:</b>	
All RSPO product information is provided by the organisation in accordance with:	
<ul style="list-style-type: none"> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number of the seller;</li> <li>• A unique identification number.</li> <li>• 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</li> </ul>	

<ul style="list-style-type: none"> <li>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.</li> </ul>	
<p>Yes, based on document verification was showed the all of document related to purchases of RSPO certified, for example in the Sales Contract and Invoice. These documents was contained of information consist of :</p> <ul style="list-style-type: none"> <li>The name and address of the buyer;</li> <li>The name and address of the seller;</li> <li>The loading or shipment / delivery date;</li> <li>The date on which the documents were issued; etc.</li> </ul>	
	<b>Status: Comply</b>
<b>5.7</b>	<b>Registration of transactions</b>
<p><b>5.7.1</b> Supply chain actors who:</p> <ul style="list-style-type: none"> <li>are mills, traders, crushers and refineries; and</li> <li>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</li> </ul>	
<p>Question: Has the organization registered their transactions in the RSPO IT platform? (mills, traders, crushers and refineries only)</p>	
<p>The SOU 16 Kok Foh POM is under manage of Sime Darby Plantation Bhd, and has been registered of certified products of RSPO (CSPO and CSPK) with e-trace- UTZ, Member ID: RSPO_ PO100000296.</p>	
	<b>Status: Comply</b>
<p><b>5.7.2</b> The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li> <li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li> </ul>	
<p>Question: Did the organization correctly perform the applicable actions on RSPO IT Platform?</p>	
<p>Yes, based on document verification the Certificate Holder was registered of certified products of RSPO (CSPO and CSPK) with e-trace- UTZ, Member ID: RSPO_ PO100000296 (will end on 06/07/2018). The Certificate Holder was make shipping announcement in Palm Trace. There was observed the document of Transaction Record SOU 16 Kok Foh POM in Palm Trace per transaction from 07 July 2017 till 14 May 2017 (Current day SCCS Verification).</p>	
	<b>Status: Comply</b>
<b>5.8</b>	<b>Training</b>
<p><b>5.8.1</b> 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</p>	
<p>Question: Has the organization established RSPO training plan?</p>	
<p>Yes has been observed the document of training plan period of July 2018 to June 2019. The participants was consist of Mill Gate Security, weighbridge operators, Grading Staff and Mill Administration Staff.</p>	
	<b>Status: Comply</b>



<b>5.8.2</b>	
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	
Question: Has the organization Delivered Effective RSPO training?	
Yes, there has been showed of SCCS Refreshing training for the personnel in charge and related staff for implemented the supply chain system in Sua Betong on 23 March 2018. The participants was consist of Personnel in Charge for traceability and weighbridge operators. The evidences is training material by PSQM Staff, Attendant List (4 Participant from SOU 16 Kok Foh) and pictures of training process.	
	<b>Status: Comply</b>
<b>5.9</b>	<b>Record keeping</b>
<b>5.9.1</b>	
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	
Question: All records are accurate, complete, up-to-date and accessible?	
Yes, based on document verification there was showed the document up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements, for example: procedure, training record and the document sales contract, etc.	
	<b>Status: Comply</b>
<b>5.9.2</b>	
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	
Question: All records are kept for minimum two years and comply with legal and regulatory requirements?	
Yes, based on the Standard Operating Procedure for Sustainable Supply Chain and Traceability (SOP No. 2, issued on February 2018) explained that:	
<ul style="list-style-type: none"> <li>• For RSPO Certified Unit, record area maintained for a period of two (2) years.</li> <li>• For RSPO and ISCC Certified Unit, record area maintained for a period of ten (10) years.</li> </ul>	
Based on information by mill administration staff that several Document for example: FFB FFB Consignment Note, FFB Receive Ticket will filed in mill office and also has been observed related early of SOP Sustainable Supply Chain and Traceability (was revised) and Several Document of early training of SCCS filed in mill office.	
	<b>Status: Coromply</b>
<b>5.9.3</b>	
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.	
Question: For all palm oil / palm kernel oil volumes purchased (input) and claimed (output) records kept over a period of twelve (12) months?	
Yes, based on the Standard Operating Procedure for Sustainable Supply Chain and Traceability (SOP No. 2, issued on February 2018) explained that Mill shall keep an up to date record of the volume purchased (input) and claimed (output) over period of twelve (12) months.	
	<b>Status: Comply</b>
<b>5.10</b>	<b>Conversion factors</b>
<b>5.10.1</b>	
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	

<p>experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (<a href="http://www.rspo.org">www.rspo.org</a>); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries</p>	
<p>Question: Conversion rates applied accurately?</p>	
<p>Yes, The SOU 16 Kok Foh POM was periodically prediction the Oil Extra Rate (OER) and Kernel Extra Rate (KER). Based on document verification and information by mill manager and administration staff that the CH use conversion factor for calculate their production</p>	
	<p><b>Status: Comply</b></p>
<p>5.10.2 Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.</p>	
<p>Question: Conversion rates periodically updated?</p>	
<p>Yes, periodically for every year.</p>	
	<p><b>Status: Comply</b></p>
5.11	<p><b>Claims</b></p>
<p>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.</p>	
<p>Question: Any communication to any stakeholder group / customers issued in accordance with RSPO Rules on Market Communications and Claims?</p>	
<p>Yes, the Certificate Holder was declare to the buyer that the CPO &amp; PK product from the SOU 16 – Kok Foh POM was RSPO Certified.</p>	
	<p><b>Status: Comply</b></p>
5.12	<p><b>Complaints</b></p>
<p>5.12.1 The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.</p>	
<p>Question: Documented procedures for stakeholders complaints established?</p>	
<p>Yes, the SOU 16 Kok Foh POM has Procedure for External Communication under Standard Operation Manual version 01 dated 1 November 2008. The procedure outlines the process in receiving and addressing grievances from both internal and external stakeholders. In addition, there is a Whistle blowing Policy (GPA No. B5) dated 27 February 2014 which is essentially an internal mechanism for reporting, investigating and remedying any wrongdoing, as defined in Clause 4.3 of the same policy in order to ensure that stakeholders are “able to raise genuine concerns in good faith without fear of reprisals or retaliation”. Based on document verification and stakeholder meeting there was no significant complaint was arise.</p>	
	<p><b>Status: Comply</b></p>
5.13	<p><b>Management review</b></p>
<p>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</p>	
<p>Question: Management reviews performed annually at planned intervals?</p>	
<p>Yes, the management review (<i>Internal Review</i>) was done periodically per year.</p>	
	<p><b>Status: Comply</b></p>
<p>5.13.2 The input to management review shall include information on:</p>	

- 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.

Question:

Has all input required above has been included in the management review?

Yes, the SOU 16-Kok Foh POM has been done the Management Review on 3 November 2017 and there was observed the document of Management Review Meeting and attendant list of participant (17 Participants).

**Status: Comply**

5.13.3

The output from the management review shall include any decisions and actions related to:

- Improvement of the effectiveness of the management system and its processes.
- Resource needs.

Question:

Has all output required above has been included in the management review?

The management review result the several recommendation and was follow up by the mill management, for example is SCCS training for the personnel in charge and related staff for implemented the supply chain system in Kok Foh Palm Oil Mill. The evidences is training material by PSQM Staff, Attendant List (4 Participant) and pictures of training process, dated 23 March 2018 in Sua Betong.

**Status: Comply**

3.2.3 (Module E) CPO Mills - Mass Balance Requirements

Clause	Requirement																																																											
E.1	<b>Definition</b>																																																											
<b>E.1.1</b>	<p><b>Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</b></p> <p>The Kok Foh Palm Oil Mill has have a record mechanism on FFB's acceptance by separating FFB from own estate that being identified as certified FFB (RSPO certified) and from other sources that not being certified (<i>RSPO non-certified</i>). Certified FFB will be processed and claimed as certified CPO and PKO. There is eight (8) own estate was supplied of FFB to Kok Foh POM and other RSPO certified FFB from estate under Sime Darby holding, consist of Kemuning, Bradwal, Sungai Baru, Tampin Linggi, Bukit Asahan, Salak, Sua Betong and Welch Estate. There was three (3) outsider crop plantation (<i>non-certified</i>). The table below is certified and non-certified FFB was recorded in summary monthly FFB received.</p> <table border="1"> <thead> <tr> <th rowspan="2">Month</th> <th colspan="3">FFB Received</th> </tr> <tr> <th>RSPO Certified</th> <th>Non Certified</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>July 2017</td> <td>10,299.84</td> <td>2,600.39</td> <td>12900.23</td> </tr> <tr> <td>August 2017</td> <td>9,349.45</td> <td>2,747.99</td> <td>12097.44</td> </tr> <tr> <td>September 2017</td> <td>12,493.14</td> <td>1,511.76</td> <td>14004.90</td> </tr> <tr> <td>October 2017</td> <td>17,173.36</td> <td>1,683.35</td> <td>18856.71</td> </tr> <tr> <td>November 2017</td> <td>20,899.63</td> <td>3,619.28</td> <td>24518.91</td> </tr> <tr> <td>December 2017</td> <td>21,079.32</td> <td>4425.64</td> <td>25504.96</td> </tr> <tr> <td>January 2018</td> <td>17,981.97</td> <td>3,438.25</td> <td>21420.22</td> </tr> <tr> <td>February 2018</td> <td>15,144.48</td> <td>3,626.71</td> <td>18771.19</td> </tr> <tr> <td>March 2018</td> <td>19,088.12</td> <td>4,179.60</td> <td>23267.72</td> </tr> <tr> <td>April 2018</td> <td>13,066.27</td> <td>2,820.15</td> <td>13,066.27</td> </tr> <tr> <td>May 2018</td> <td>15,228.83</td> <td>3,814.60</td> <td>15,228.83</td> </tr> <tr> <td>June 2018</td> <td>10,573.28</td> <td>3,640.27</td> <td>10,573.28</td> </tr> <tr> <td><b>Total</b></td> <td><b>182377.69</b></td> <td><b>38107.99</b></td> <td><b>220485.68</b></td> </tr> </tbody> </table>	Month	FFB Received			RSPO Certified	Non Certified	Total	July 2017	10,299.84	2,600.39	12900.23	August 2017	9,349.45	2,747.99	12097.44	September 2017	12,493.14	1,511.76	14004.90	October 2017	17,173.36	1,683.35	18856.71	November 2017	20,899.63	3,619.28	24518.91	December 2017	21,079.32	4425.64	25504.96	January 2018	17,981.97	3,438.25	21420.22	February 2018	15,144.48	3,626.71	18771.19	March 2018	19,088.12	4,179.60	23267.72	April 2018	13,066.27	2,820.15	13,066.27	May 2018	15,228.83	3,814.60	15,228.83	June 2018	10,573.28	3,640.27	10,573.28	<b>Total</b>	<b>182377.69</b>	<b>38107.99</b>	<b>220485.68</b>
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June 2018	10,573.28	3,640.27	10,573.28																																																									
<b>Total</b>	<b>182377.69</b>	<b>38107.99</b>	<b>220485.68</b>																																																									
	<b>Status: Comply</b>																																																											
E.2	<b>Explanation</b>																																																											
<b>E.2.1</b>	<p><b>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&amp;C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</b></p> <p>The Kok Foh Palm Oil Mill has record of actual tonnage produced of CPO and PK (RSPO certified). Based on data of certified products of CPO and PK, the actual tonnage produced on 07 July 2017 until 30 June 2018 (current ASA-02) and estimation certified product are description on table below.</p>																																																											

Products	Actual certified products Period of 07 July 2017 until 30 June 2018 (mt/year)	Estimate Tonnage Products Certified Period 07 July 2018 to 06 July 2019 (mt/Year)
CPO	35,828.15*	37,334
PK	9,022.62**	8,889

\* The SOU 16 Kok Foh was proposed of additional volume of certified products and has been approved by MUTU on April 2018. The projected certified product was increased be **64,205.67 for CPO\*** (28,173 + 36,032.67 additional volume) and **11,040.16 for PK\*\*** (6,522 + 4,518.16 additional volume).

Status: Comply

### 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 or book and claim).**

The Kok Foh Palm Oil Mill-SOU 16 (Sime Darby Plantation) has been registered of certified products of RSPO (CSPO and CSPK) with Member ID: **RSPO\_PO1000000296**. The mill has been documented certified Crude Palm Oil (CPO) and Palm Kernel (PK). These products was registered as **RSPO Certified – Mass Balance**. Based on the data RSPO *Palm Trace* period of 07 July 2017 till 13 April 2018 that shown there was any transaction of RSPO certified product for PK and only book and claim (credit) of CPO. The data of certified product transaction was describe below.

#### CPO

Date	Buyer	Volume (mt)	RSPO Credit (mt)
July 2017	-	-	-
August 2017	-	-	-
September 2017	-	-	-
October 2017	-	-	-
November 2017	-	-	-
December 2017	-	-	4,000
January 2018	-	-	-
February 2018	-	-	-
March 2018	-	-	-
April 2018	-	-	-
May 2018	-	-	-
<b>Total</b>			<b>4,000</b>

#### Palm Kernel (PK)

Date	Buyer	Volume (mt)	RSPO Credit (mt)
July 2017	-	-	-
August 2017	-	-	-
September 2017	-	-	-
October 2017	-	-	-
November 2017	-	-	-
December 2017	-	-	-
January 2018	-	-	-
February 2018	-	-	-
March 2018	Sime Darby Plantation, Carey Island	200	-
	Sime Darby Plantation, Carey Island	598.75	-
	Sime Darby Plantation, Carey Island	190	-
April 2018	-	-	-
May 2018	-	-	-
<b>Total</b>		<b>988.75</b>	<b>-</b>

Status: Comply

### 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;**
- 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.**

The management unit of Kok Foh Palm Oil Mill (SOU 16 Sime Darby Plantation) has have work procedure as guideline to ensure the implementation for the entire required elements. These procedure is Standard Operating Procedure for Sustainable Supply Chain and Traceability (SOP No. 2, issued on February 2018). It is aim for identifying product's traceability with supply chain Mass Balance Model. Person in charge have been pointed to ensure the operation of mill based on the applicable procedure consist of Mill Manager, Administration Office Staff, Weighbridge Staff, Ramp Staff, CPO & Dispatch Staff and PSQM Staff.

There has been showed of SCCS training (refreshing) for the personnel in charge and related staff for implemented the supply chain system in Sua Betong on 23 March 2018. The participants was consist of Personnel in Charge for traceability and weighbridge operators. The evidences is training material by PSQM Staff, Attendant List (4 Participant from SOU 16 Kok Foh) and pictures of training process.

Based on an field visit observation and interview with staff in weighbridge and grading area/loading ramp that indicated the personal in charge was understood the mechanism to handle of supply chain system. The grading staff can demonstrated of grading mechanism and through make daily report refer to Standard Operation Procedure of Sime Darby Report System sent the grading data to Sime Weight System).The personnel in charge of weight bridge also can demonstrate of separate between *certified* FFBs and the *non certified* FFBs from outsider crop plantation. The form of FFB from own estate is stamp with code RSPO Certification MUTU-RSPO/093.

**Status: Comply**

**E.3.2**

**The site shall have documented procedures for receiving and processing certified and non-certified FFBs.**

The Kok Foh Palm Oil Mill has mechanism for accepting the FFB. In the weight bridge area all of FFB transportation operator was checked on main gate by the security and the FFB Receive Ticket must stamped. There was any two kind of FFB receive, consist of form by each own estate of SOU 16- Sime Darby Plantation (***Certified FFB***) and FFB Delivery Order (***non Certified FFB***) from the outsider crop plantation. Both of document are explain the origin of fruit and quantity, etc. In every document FFB Receive Ticket from each own estate there was any code with Note (RSPO Certified – Kok Foh SOU 16). Meanwhile for non-certificate source of FFB there are no specific code but the FFB received is different with form of FFB receive from own estate. Certified FFB that has been processed will be claimed as certified CPO and PKO. Sample of records such as:

**Certified FFB**

- FFB Consignment Note from Kok Foh Estate (No 55453) on 14<sup>th</sup> May 2018, Bin/Trailer Number 830423 05. 5429, driver name is Saravanan with number of bunches is 657.
- FFB Receive Ticket from Kok Foh Estate (No. 133946) on 14<sup>th</sup> May 2018, Bin/Trailer Number 830423 05. 5429, driver name is Saravanan with number of bunches is 657 with estate weight (13,020 kg) and Mill weight (13,020 kg). It is number from First Weight (27,310 kg) and Second Weight 14,290 kg= Nett 13,020 weight kg

**Non Certied FFB**

- FFB Delivery Note from Ladang Cheong Wing Chan, on 14<sup>th</sup> May 2018, vehicle number JLB2066, driver name is Saibun.
- FFB Receive Ticket from Ladang Cheong Wing Chan (No 133954) on 14<sup>th</sup> May 2018, vehicle number JLB2066, driver's name is Saibun, First Weight (11,910 kg) and Second Weight (4,890 kg)= Net weight 7,020 kg

**Status: Comply**

**E.4**

**Purchasing and goods in**

**E.4.1**

**The site shall verify and document the volumes of certified and non-certified FFBs received.**

All tonnages of FFB received from certified estates are recorded at the mill weighbridge. The delivering estate will provide an FFB consignment note or FFB dispatch advice ticket which includes the name of source (estate), vehicle and driver details, division, field, harvesting date and road, no. of bunches and weight. Consignment notes or dispatch advice tickets are attached with a printout from the respective estate which includes the estimated and actual weight and RSPO certificate number.

The certified FFB of Kok Foh POM was supplied by certified and the non-certified FFB. There was any record mechanism on FFB's acceptance in Mill by separating FFB from own estate that being identified as certified FFB (RSPO certificate) and other RSPO certified FFB from several estate under Sime Darby holding, consist of Kemuning, Bradwal, Sungai Baru, Tampin Linggi, Bukit Asahan, Salak, Sua Betong and Welch Estate. Also any FFBs from other sources that categorized as non-certified. Certified FFB will be processed and the products will claim as certified CPO and PKO. The table below is certified and non-certified FFB was recorded in summary monthly FFB received.

Month	FFB Received		
	RSPO Certified	Non Certified	Total
July 2017	10,299.84	2,600.39	12900.23
August 2017	9,349.45	2,747.99	12097.44
September 2017	12,493.14	1,511.76	14004.9
October 2017	17,173.36	1,683.35	18856.71
November 2017	20899.63	3,619.28	24518.91
December 2017	21079.32	4425.64	25504.96
January 2018	17,981.97	3,438.25	21420.22
February 2018	15,144.48	3,626.71	18771.19
March 2018	19,088.12	4,179.60	23267.72
April 2018	13,066.27	2,820.15	13,066.27
May 2018	15,228.83	3,814.60	15,228.83
June 2018	10,573.28	3,640.27	10,573.28
<b>Total</b>	<b>182377.69</b>	<b>38107.99</b>	<b>220485.68</b>

**Status: Comply**

**E.4.2**

**The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.**

Based on Standard Operating Procedure (SOP) for Sustainable Supply Chain and Traceability Kok Foh Palm Oil Mill (SOU 16 – Sime Darby Plantation) was stated that will management unit will inform to Certification Body if there is an over-production than the projected production.

Based on verification data of FFB's processed in 07 July 2017 – 14 May 2018 it's known that the actual production is **CPO 37,470 ton** and **PK 9,506 ton**. These total number of product was not over than the projected for PK and additional volume of certified products, which is **CPO 28,173 + 36,032.67 additional volume = 64,205.67 ton** and **PK 6,522 + 4,518.16 additional volume = 11,040.16 ton** (Based on annex Certificate of ASA-1.1 + Additional Volume).

There was showed email from the Raanon Gandon (*Sustainability Unit, PSQM Sime Darby Plantation Berhad*) on Tuesday, April 10, 2018 to PT Mutuagung Lestari.

**Status: Comply**

**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 three-monthly basis.
- 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 by RSPO.
- c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)

The Kok Foh Palm Oil Mill has record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified product (CPO and PK) on a three-monthly basis as describe on table below.

Period	CPO Production			Dispatch CSPO
	Certified	Non Certified	Total	
July 17	2071.84	523.08	2594.921	1610.24
Augs 17	1814.56	533.33	2347.892	2944.95
Sept 17	2494.12	301.81	2795.923	1507.48
<b>Total</b>	<b>6380.52</b>	<b>1358.22</b>	<b>7738.74</b>	<b>6062.67</b>
Oct 17	3251.77	318.74	3570.512	1503.74
Nov 17	4062.29	703.48	4,765.78	2824.76
Dec 17	4153.72	872.08	5,025.80	5422.9
<b>Total</b>	<b>11467.78</b>	<b>1894.31</b>	<b>13362.09</b>	<b>9751.40</b>
Jan 18	3211.25	614.01	3,825.25	4183.32
Feb 18	3074.77	736.33	3,811.10	1848.41
Mar 18	3825.68	837.68	4663.36	1647.16
<b>Total</b>	<b>10111.70</b>	<b>2188.02</b>	<b>12299.72</b>	<b>7678.89</b>
Apr 18	2766.00	597.00	3,363.00	3972.87
May 18	3025.69	757.89	3,783.58	3210.78
June 18	2076.46	714.90	2,791.37	2117.97
<b>Total</b>	<b>7868.15</b>	<b>2069.79</b>	<b>9937.95</b>	<b>9301.62</b>
<b>Grand Total</b>	<b>35828.15</b>	<b>7510.34</b>	<b>43338.49</b>	<b>32794.58</b>

Period	Palm Kernel Production			Dispatch CSPK
	Certified	Non Certified	Total	
July 17	480.31	121.265	601.579	304.68
Augs 17	441.76	129.841	571.599	383.55
Sept 17	551.80	66.772	619	224.43
<b>Total</b>	<b>1473.87</b>	<b>317.877</b>	<b>1791.75</b>	<b>912.66</b>
Oct 17	818.27	80.208	898	183.79
Nov 17	999.36	173.063	1172	194.48
Dec 17	1128.33	236.894	1365	170.79
<b>Total</b>	<b>2945.95</b>	<b>490.165</b>	<b>3436.12</b>	<b>549.06</b>
Jan 18	813.30	155.507	969	516.29
Feb 18	784.88	187.959	973	166.08
Mar 18	1056.84	231.410	1288	117.82
<b>Total</b>	<b>2655.02</b>	<b>574.876</b>	<b>3229.90</b>	<b>800.19</b>
Apr 18	696.09	150.241	846	381.31
May 18	749.66	187.780	937	112.11
June 18	502.02	172.842	675	173.32
<b>Total</b>	<b>1947.78</b>	<b>510.862</b>	<b>2458.64</b>	<b>666.74</b>
<b>Grand Total</b>	<b>9022.62</b>	<b>1893.780</b>	<b>10916.40</b>	<b>2928.65</b>

Status: Comply

**E.5.2**

In cases where a mill outsources activities to an independent (not owned by the same organization) 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.

There is no palm kernel crush in SOU 16 Kok Foh.

Status: Comply

**3.3. Conformity Checklist of Certificate and trademark Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and trademark from Certification Body which submitted by Client</b>	<b>X or ✓</b>
<b>ASA-1.2</b>	Kok Foh POM – SOU16 a certificate of approval numbers No. MUTU-RSPO/093	✓
	<b>Status: Comply</b>	
<b>2.</b>	<b>Implementation of certificate and trademark used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or ✓</b>
<b>ASA-1.2</b>	Kok Foh POM – SOU16 does not use the RSPO trademark both in the on-product and off-product.	✓
	<b>Status: Comply</b>	
<b>3.</b>	<b>Implementation of Certificate and trademark is not used on product</b>	<b>X or ✓</b>
<b>ASA-1.2</b>	Kok Foh POM – SOU16 does not use the RSPO trademark both in the on-product and off-product.	✓
	<b>Status: Comply</b>	
<b>4.</b>	<b>Controlling of Certificate and trademark, including withdrawing inappropriate logo.</b>	<b>X or ✓</b>
<b>ASA-1.2</b>	Kok Foh POM – SOU16 does not use the RSPO trademark both in the on-product and off-product.	✓
	<b>Status: Comply</b>	

**3.4. Summary of RSPO Partial Certification.**

Compliance of the uncertified management units of Sime Darby Plantation Bhd against the rules for partial certification was determined through Self-Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below

Sime Darby Plantation Bhd Time Bound Plan is explained in table section 1.10. Sime Darby has achieved 34 management units in Malaysia and 24 Management Units in Indonesia that RSPO certified. Total management unit in Sime Darby Plantation Bhd are 34 in Malaysia, 25 in Indonesia and 1 in Liberia. Sime Darby Plantation Bhd has informed the Time Bound Plan progress through representative’s office in Indonesia. MUTU has considered that Sime Darby Plantation Bhd is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by the Sime Darby Plantation Bhd Indonesian representative on June 16th, 2016 by the Head of PSQM.

MUTU has verified partial certification for un-certified unit’s subsidiary of Sime Darby Plantation Bhd based on their Time Bound Plan. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There are significant land conflicts in PT Mitra Austral Sejahtera, there is still an issue that remain unresolved social i.e. from Serikat Petani Kelapa Sawit (SPKS), but improvements are ongoing.
- PT Budidaya Agro Lestari waiting for land title process.
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There is no labour disputes that are not being resolved through an agreed process
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above

<b>2.1 Un-Certified Units or Holdings</b>		
<b>Section</b>	<b>Requirement</b>	<b>Concerns to Discuss, if any</b>
2.2.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p><b>Company Group/Holding Statement:</b> Companies are already doing internal audits. There are internal audit reports for each company.</p> <p><b>Auditor Verification:</b> Internal Audit report available for uncertified management unit for example PT Sandika Natapalma – Karya Palma Estate on 10 February 2017.</p>
i.	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area identified as containing High Conservation Values (HCVs).</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.</li> </ul>	<p><b>Company Group/Holding Statement:</b> HCV assessment has been conducted for uncertified units i.e. PT Mitra Austral Sejahtera (by Aksenta in March 2009) and Sime Darby Plantation Liberia operations (by RSPO approved assessors – Dr SK Yap in 2011).</p> <p><b>Auditor Verification:</b> Sime Darby Plantation Bhd sent disclosure of liability including LUCA analysis to RSPO Secretariat on 2 December 2014 and 2<sup>nd</sup> revision on 24 June 2016. The companies ensuring reporting of disclosure of liability progress to</p>



		RSPO and according to the CB's correspondency with RSPO Remediation and Compensation.
i.	Any new plantings since January 1 <sup>st</sup> 2010 must comply with the RSPO New Plantings Procedure.	<p><b>Company Group/Holding Statement:</b>  A new mill will be set up in Liberia and planned for commissioning in February 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017.  RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.  *Note: RSPO NPP Announcements for SDP can be found at  <a href="http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14">http://www.rspo.org/certification/new-planting-procedures/public-consultations/page/14</a></p> <p><b>Auditor Verification:</b></p> <ul style="list-style-type: none"> <li>• Karya Palma Estate (PT Sandika Natapalma) and Baturus Estate (PT Budidaya Agro Lestari) any new planting after January 1<sup>st</sup> 2010 and due to not conduct NPP.</li> <li>• RSPO NPP process has been completed in 2011 for a new mill in Liberia.</li> </ul>
ii.	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p><b>Company Group/Holding Statement:</b>  Sime Darby (Liberia) Plantation Inc.  Status: Box G - Close for Monitoring  Further details please refer to:  <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/46">http://www.rspo.org/members/complaints/status-of-complaints/view/46</a>  PT Mitra Austral Sejahtera (Sime Darby Bhd)  Further details please refer to:  <a href="http://www.rspo.org/members/complaints/status-of-complaints/view/29">http://www.rspo.org/members/complaints/status-of-complaints/view/29</a></p> <p><b>Auditor Verification:</b>  Auditor has verified the supporting evidence of above the company statement.  There are land conflict in :</p> <ul style="list-style-type: none"> <li>• PT Mitra Austral Sejahtera, this issue are remain being resolved with RSPO dispute settlement facilities</li> <li>• PT Bina Sains Cemerlang, this issue was raise on 22 April 2017 and still being process to resolve.</li> </ul>

3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

3.5.1 Identification of Findings, Corrective Actions and Observations at ASA-1.1 Assessment

NCR No.	: 2017.1	Issued by	: Mohd. Nizam
Date Issued	: 21 April 2017	Time Limit	: 20 June 2017
NC Grade	: Major	Date of Closing	: 16 May 2017
Standard Ref. & Requirement	: 2.1.1 Evidence of compliance with relevant legal requirements shall be available.		
<b>Non-Conformance Description &amp; Evidence observed</b> (filled by auditor): RSPO recertification audit in 2016, SOU 16 was issued NCR (Major) for not obtaining approved Fire Certificate for Kok Foh Mill. However, the NCR was downgraded to observation as Sime Darby Plantation has shown proved evidence that the Fire Certification Consultant (Fire Protection System) has been appointed in September 2016. The consultant had withdrawn the contract on 16 February 2017 thus making the submission pending. As at 17 April 2017, the Mill Manager has proposed Fire Pro System Resources as a consultant responsible to obtain Fire Certificate from Fire Service Department. The appointment for Fire Pro System Resources is still pending approval from the General Manager. Failure to obtain Fire Certificate has contradict to Fire Service Act 1988, <b>Section 28(1) every designated premise shall require a fire certificate.</b>			
<b>Root Cause Analysis</b> (filled by organization audited): The fire certification process was pending at previously appointed consultant. The consultant has failed to deliver the work as required.			
<b>Corrective Action</b> (filled by organization audited): Kok Foh Oil Mill has appointed a new consultant to carry out the works specified in the contracts and prepare the mill for certification.			
<b>Preventive Action</b> (filled by organization audited): Close monitoring of works carried out by consultant and its contractors to avoid delays. Monitoring will be done by the Mill Manager, En. Ghazali Said			
<b>Assessor Evaluation and Conclusion</b> (filled by auditor): <b>Verification on 16 May 2017</b> The company was shown evidence of engaging fire certification consultant No. 4300370157 dated 21/4/17 and delivery by 31/5/17. The evidence is recommended to be accepted and nonconformity <b>was closed with observation</b> , while the Fire Certificate from Fire Service Department will be re-verification on next surveillance.			
Verified by	: Mohd. Nizam		

NCR No.	: 2017.2	Issued by	: Ebnu Holdoon S
Date Issued	: 21 April 2017	Time Limit	: ASA-2
NC Grade	: Minor	Date of Closing	: 16 May 2017
Standard Ref. & Requirement	: 4.4.1. An implemented water management plan shall be in place.		
<b>Non-Conformance Description &amp; Evidence observed</b> (filled by auditor): Based on the water management plan, all of water catchment area should be installed by Signboard of no hunting, no swimming and no spraying. However during the observation at Sungai Senarut estate and Muar River estate, there are			

<p>available signboard of no hunting and no swimming only, while in Bukit Pilah Estate, there is not available warning signboard at the water catchment pond.</p>
<p><b>Root Cause Analysis</b> <i>(filled by organization audited)</i>: Overlooked the requirement of the water management plan of having signboards at the water catchment areas.</p>
<p><b>Corrective Action</b> <i>(filled by organization audited)</i>:</p> <ul style="list-style-type: none"> <li>- To install signboards of no chemical activities at the reserve area around water catchment ponds.</li> <li>- To mark reserve areas to indicated limits of chemical activities.</li> <li>- To retrain spraying and manuring workers on the reserves and no chemical activities allowed within reserves.</li> </ul>
<p><b>Preventive Action</b> <i>(filled by organization audited)</i>: Regular 4 monthly reminder training/briefing for workers and new workers. Persons in-charge to provide training is Mycrop (external supplier on the technical matters) and PIC from each estate (on sustainability &amp; best practices):</p> <ul style="list-style-type: none"> <li>i. Muar River Estate – Muhamad Hasnal Badarudin (Assistant Manager).</li> <li>ii. Sg. Senarut Estate – Aidi Mazrol Ab Manan (Assistant Manager).</li> <li>iii. Bukit Pilah Estate – Mohd Azmil Samsudin (Assistant Manager).</li> </ul>
<p><b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor)</i>: <b>Verification on 16 May 2017</b> The company was shown several evidence as:</p> <ol style="list-style-type: none"> <li>1. HCV and Buffer zone signboard installing documentation as limits of chemical activities on Muar River Estates, Sungai Senarut.</li> <li>2. Signboard of no hunting, no swimming, and no spraying installing on HCV area at Bukit Pilah Estate; and also limits of chemical activities by yellow paint on second row oil palm from water catchment area.</li> <li>3. Training record related to no chemical activities allowed within reserves area to all of spraying workers and manuring workers on Muar River Estate dated 8 May 2017.</li> <li>4. Training record related to HCV and no chemical activities allowed within reserves area to all of spraying workers on Sungai Senarut Estate dated 13 April 2017.</li> <li>5. Training record related to no chemical activities allowed within reserves area to all of spraying workers and manuring workers on Bukit Pilah Estate dated 10 May 2017.</li> </ol> <p><b>Auditor Conclusion:</b> According to root cause, corrective action, preventive action analysis; the nonconformity was closed.</p>
<p><b>Verified by</b> : Trismadi N</p>

<b>NCR No.</b>	: 2017.3	<b>Issued by</b>	: Sandra Purba
<b>Date Issued</b>	: 21 April 2017	<b>Time Limit</b>	: ASA-2
<b>NC Grade</b>	: Minor	<b>Date of Closing</b>	: 16 May 2017
<b>Standard Ref. &amp; Requirement</b>	: 4.7.6 All workers shall be provided with medical care, and covered by accident insurance.		
<p><b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor)</i> All local employees have been covered in the workers compensation scheme and social security (SOCSO), and payments are made monthly. Based on interviews with management representatives (PSQM) known that the foreign worker is covered in RHB Insurance Berhad, valid for one year period. However, the company has not been able to show the insurance certificate and the payment of the employee, however based on sampling at Sg Senarut Estate on behalf of Paramananda (Nepalese) and Demah (Indonesian); Bukit Pilah Estate on behalf of Saepudin (Indonesian) and Dhud Raj (Nepalese).</p>			

<b>Root Cause Analysis</b> <i>(filled by organization audited)</i> : There was no mechanism to track worker's insurance policy when needed.	
<b>Corrective Action</b> <i>(filled by organization audited)</i> : To maintain an active list of employees complete with insurance policy number and coverage validity period.	
<b>Preventive Action</b> <i>(filled by organization audited)</i> : To immediately update and search policy for respective worker when necessary. Person in-charge for monitoring: i. Muar River Estate – Prema a/p Kannan (Chief Clerk) ii. Sg. Senarut Estate – Geeta Kumari a/p Dorgadas (Chief Clerk) iii. Bk Pilah Estate – Pn. Zaiton Jaafar (Chief Clerk)	
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor)</i> : <b>Verification on 16 May 2017</b> The company was shown several evidence as: 1. Insurance Guarantee No. MG076517 from RHB Insurance Berhad valid from 17 September 2017 until 16 March 2018. There also list of foreigner workers name including of Dudhraj BK (Nepal)/ Bukit Pilah Estate. 2. Insurance Guarantee No. BR-BG138362 from RHB Insurance Berhad valid from 12 April 2016 until 11 October 2017. There also list of foreigner workers name including of Saepudin (Indonesia)/ Bukit Pilah Estate. 3. Insurance Guarantee No. BR-BG145231 from RHB Insurance Berhad valid from 29 August 2016 until 27 February 2018. There also list of foreigner workers name including of Demah (Indonesia)/ Sg Senarut Estate. 4. Insurance Guarantee No. MW101602 from RHB Insurance Berhad valid from 13 September 2016 until 12 September 2017. There also list of foreigner workers name including of Parmananda Chaudhary (Nepal)/ Sungai Senarut Estate.  <b>Auditor Conclusion:</b> According to root cause, corrective action, preventive action analysis; the nonconformity was closed.	
<b>Verified by</b>	: <b>Trismadi N</b>

<b>NCR No.</b>	: <b>2017.4</b>	<b>Issued by</b>	: <b>Ebnu Holdoon S</b>
<b>Date Issued</b>	: <b>21 April 2017</b>	<b>Time Limit</b>	: <b>20 June 2017</b>
<b>NC Grade</b>	: <b>Major</b>	<b>Date of Closing</b>	: <b>19 May 2017</b>
<b>Standard Ref. &amp; Requirement</b>	: <b>5.3.2 All chemicals and their containers shall be disposed of responsibly</b>		
<b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor)</i> : Based on Malaysian Environmental Quality Act 1974 (Environmental Quality [Scheduled wastes] Regulations 2005, SW 409 Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes.  However during the field visit at Bukit Pilah estate, based on regulations there is evidence of the pesticides containers had been kept in a store without identification as scheduled waste.			
<b>Root Cause Analysis</b> <i>(filled by organization audited)</i> : Person handling Scheduled Waste has lack of knowledge in SW labelling			
<b>Corrective Action</b> <i>(filled by organization audited)</i> : To retrain the Scheduled Waste handler the requirements of SW labeling as per EQA.			

**Preventive Action** *(filled by organization audited):*

Close monitoring of Scheduled Waste stored and ensure it complies with EQA requirements, by monitoring the SW records and physical storage on monthly basis. Person in-charge for monitoring: Mohd Akhbar bin Ahmad (Assistant Manager)

**Assessor Evaluation and Conclusion** *(filled by auditor):***Verification on 16 May 2017**

The company was show documentation of schedule waste store and labelling as per EQA, there are separating between SW 409 (chemical containers) with others. However there are no evidence of retrain records about schedule waste handler as corrective action analysis. And also there are update record of Schedule Waste monitoring.

**Verification on 19 May 2017**

Schedule Waste Management taining has been conducted on 13 May 2017 to 13 Bukit Pilah Estate staff. There also SW 409 monitoring record dated 18 May 2017 with quantity 32 unit chemical containers.

**Auditor Conclusion:**

According to root cause, corrective action, preventive action analysis; the nonconformity was closed.

<b>Verified by</b>	:	<b>Trismadi N</b>
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**3.5.2 Identification of Findings, Corrective Actions and Observations at ASA-1.2 Assessment**

<b>NCR No.</b>	<b>: 2018.01</b>	<b>Issued by</b>	<b>: Mohamad Amarullah</b>
<b>Date Issued</b>	<b>: 18 May 2018</b>	<b>Time Limit</b>	<b>: 16 July 2018</b>
<b>NC Grade</b>	<b>: Major</b>	<b>Date of Closing</b>	<b>: 02 July 2018</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 4.7.3</b> <b>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.</b>		
<b>Non-Conformance Description &amp; Evidence observed (filled by auditor)</b>  Based on observation to Station Thresher, Press and Kernel in Kok Foh POM, it was found that the operators do not wear earplug. Furthermore, based on review towards PPE delivery record, it was informed that some workers interviewed has received earplug more than six months ago. This is not in accordance with the HIRARC.			
<b>Root Cause Analysis (filled by organization audited):</b>  1. There is no mechanism of inspection which aims to assure that all workers shall wear PPE provided by Mill management. 2. There is no mechanism towards PPE condition (life service).			
<b>Corrective Action (filled by organization audited):</b>  1. PPE inspection will be carried out every shift at toolbox briefing to ensure all PPE complete prior to mill stations. 2. PPE issuance record will be reviewed in quarterly safety meeting as one of its compulsory agenda.			
<b>Correction (filled by organization audited):</b>  Mill management will review the PPE issuance record and those employee who requires his PPE to be replaced will be receive their PPR as requested.			
<b>Assessor Evaluation and Conclusion (filled by auditor):</b>  <b>Verification 25 June 2018</b> Mill management shows evidence of PPE checking and delivery for 12 workers of Shift 31 and 13 Workers of Shift 32 on My 25 <sup>th</sup> 2018. Among PPE checked and given are ear plug and vest. However, estate management is required to explain the mechanism if the respective workers/operators were not in accordance towards PPE usage as instructed by their Superior and mechanism to make sure that all PPE used were in appropriate condition. Hence, this NCR is remain <b>open</b> .  <b>Verification 28 June 2018</b> Mill management describes that root of cause were due to mechanism of PPE checking and monitoring are not available. It was mentioned in the previous verification that PPE checking and monitoring had starts to be implemented. However, document of the respective mechanism which approved by management representative is not available. Hence the status of NCR is still <b>open</b> .  <b>Verification 02 July 2018</b> Mill management shows Memorandum of Kok Foh Mill Manager dated May 15 <sup>th</sup> 2018 about compulsory on PPE Usage in working place. The document has mentioned mechanism as explained in verification dated 28 June 2018. Hence, based on description on root of cause, corrective action and correction evidence given, it could be concluded that NCR No. 2018.01 is stated <b>closed</b> .			
<b>Verified by</b>	<b>: Mohamad Amarullah</b>		

<b>NCR No.</b>	<b>: 2018.02</b>	<b>Issued by</b>	<b>: Mohamad Amarullah</b>
<b>Date Issued</b>	<b>: 18 May 2018</b>	<b>Time Limit</b>	<b>: ASA-1.3</b>
<b>NC Grade</b>	<b>: Minor</b>	<b>Date of Closing</b>	<b>: 29 June 2018</b>
<b>Standard Ref. &amp; Requirement</b>	<b>: 4.7.6 All workers shall be provided with medical care, and covered by accident insurance.</b>		
<b>Non-Conformance Description &amp; Evidence observed</b> <i>(filled by auditor)</i>			
Based on review towards RHB Insurance payment on 135 foreign workers record in Sungai Sabaling Estate, it was noted that evidence insurance payment for 39 workers was not available during the audit.			
<b>Root Cause Analysis</b> <i>(filled by organization audited):</i>			
The renewal process for Foreign Worker Insurance Scheme (FWIS) is carried out along with yearly permit renewal process. This way it is can be assured that both the renewal is carried out concurrently. This process involved Workers Management Unit (WMU) of Head Quarter to update the status of the renewal process. Nonetheless the PIC has not done their follow up with HQ on this.			
<b>Corrective Action</b> <i>(filled by organization audited):</i>			
Estate management has liaised with WMU pertaining on the renewal of insurance policy.			
<b>Correction</b> <i>(filled by organization audited):</i>			
The Chief Clerk to follow up with WMU on the Foreign Workers Coverage Scheme for all Sg Sabaling workers.			
<b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor):</i>			
<b>Verification 25 June 2018</b>			
Estate management has explain a proper corrective action. However, evidence such as progress of insurance payment, appointment letter for PIC, etc. are not showed yet. Hence, this NCR is remain <b>open</b> .			
<b>Verification 28 June 2018</b>			
Estate management shows data of 39 workers which noted during audit. The data informed ID/Employee Number, Full name, date joined, nationality, Work Permit Expiry date, date of arrival to Malaysia, year, period of cover and Policy Number. As per date of data given, it was known that insurance for 32 workers has already extended until February to May 2019. However, information towards insurance payment for the rest 7 workers (4 Indian and 3 Indonesian) were still not available. Hence the NCR is still <b>open</b> .			
<b>Verification 29 June 2018</b>			
The company shows Appointment Letter from Sabaling Estate Manager for Chief Clerk, as PIC for Foreign workers matter, dated June 12 <sup>th</sup> 2018. Regarding insurance payment, the management mentioned that the 4 Indian workers has repatriated while for 3 Indonesia workers, the last policy is from 16/05/2017 to 15/05/2018. The renewed policy is as attached in BAE17-E, Refer to No. 14, 24 and 28 for workers namely Herman, Marsoan and Nasruddin, respectively. Hence, it could be concluded that all foreign workers has fully covered by estate management.			
Based on description on root cause analysis, corrective action and correction evidence given, the NCR No. 2018.02 is stated <b>closed</b> .			
<b>Verified by</b>	<b>: Mohamad Amarullah</b>		

**3.5.3 Opportunity for Improvement**

No	Ref. Std.	Description
1	5.3.3	Consideration for Kok Foh Estate to improve the workshop area with proper drainage system.
-	-	-

**4.5.4 Noteworthy Positive Components at ASA-1.2**

No	Ref Std	Descriptions
1		The company has commitment to implement the principle of sustainable palm oil management.
2		Internal 5S Certification in 2013.
3		MSPO Certified in 2017.
4		The mill area is clean & well manage.
5		Good documentation system.



**3.6 Summary of Arising Issues from Public, and Auditor Verification**

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p><b>Gender Committee of Sime Darby Kok Foh (Sg Sabaling and Kok Foh Estate)</b></p> <p>There is a feedback from gender committee chairman of Kok Foh Estate and Sungai Sabaling for the women staff at both estate. Sighted the respondent are having a good response and feedback to the Sime Darby Management. The relationship with the manager is good. There is a budget given every year regarding the festival, and temple activities .estate management had provide a good facilities for the workers working inside the estate. The Gender Committee in the estate had expressed their gratitude for Sime Darby Management to take care of the women concern regarding the rights and their role. There is also meeting among them to discuss the request from women workers and staff and being done as per request basis. They will discuss new amendment of company policies of woman rights, and also to discuss any sexual harassment that happen in the company. The committee also thanks the Sime Darby management to keep on approving the budget for their activity throughout the years and concern about women.</p>	<p>Sime Darby Berhad will continue to follow the company policy and support the woman rights at SOU Kok Foh and its estates.</p>
<p><b>Contractors of FFB Transportation (Cheong Win Chan and PCI Boiler)</b></p> <p>2 Local contractors had been interviewed during the audit. 1 is local contractor for the boiler of mill and the other one is supplier of outside crop for Kok foh mill. Both of the contractor found no critical issues when working with sime darby. The contract had been clearly return and they both are satisfied with the contract. Sighted that the payment workers had been done on time and payment made by HQ. Sighted no complaint has been logged in towards the Sime Darby Management and both contractors are satisfied with the managers and Sime Darby Management handling the contract. The Sime Darby management also giving information to the workers during signing the contract that the workers should obey the company policy, code of conduct and everything had been kept in a booklet send to the contractors and a copy of contract also kept by the contractor.</p>	<p>The company will continue to keep a good relation between the contractors and Sime Darby Management</p>
<p><b>Sime Darby Kok Foh Workers Union Representative</b></p> <p>The workers had ebben working in Kok Foh Mill since 2016. The workers union accepted any of the interested worker including foreigner to join them and does not limit itself to only local workers. The repressantative alos aware regarding the minimum wages and payment for the workers which is Rm 1000.00. Any grievances of by the workers usuallay reported to accountant officer for the mill cases. However sime darby estate had used their Medical officer or Hospital assistant to assist the</p>	<p>Sime Darby Management will keep a good relationship with the foreign workers representative</p>

Public Issues (Institution/ NGO/Community)	Auditor Verification
workers regarding their report and complaint procedure. The HA and MA will record the complaint and channeled it to the respective person for further action	
<p><b>Local Teacher of SJKC Sg Jerik</b></p> <p>Local teacher had been interviewed. The school had 164students and 26 teachers in the school. Good cooperation between the teachers and Sime Darby chenur estate, as the teacher requested for using the road for sports day and approved by the manager. No dispute sighted and good relationship wit the school teacher and the teacher request had been attended accordingly.</p>	Sime Darby Management will keep a good relation with the school of SK Sg Jerik
<p><b>Estate canteen representative</b></p> <p>The local canteen representative had been interviewed. Sighted no problem occurred with Sime Darby Management. They thanking the management to give them opportunity to continue works with Sime Darby management. Complaint regading ythe drainage had been channeled to the Manager and repected person will act accordingly.</p>	Sime Darby Management will keep a good relation with the local canteen contractor and will respond more of to their request appropriately.
<p><b>Local FFB Supplier (Cheong Wing Chan Sdn Bhd) Mr. Kwan Thim Fok</b></p> <p>The discussion was conducted by Interview method. The main points of discussion:</p> <ul style="list-style-type: none"> <li>• Cooperation with the SOU 16 Kok Foh has been started since1982</li> <li>• The partnership opportunities with SOU 16 Kok Foh was based on condition as neighbor plantation</li> <li>• At the time of starting in cooperation with SOU 16 Kok Foh there is a contract signed by both of parties and each keeps the document</li> <li>• The period of contract is one year and will renew every year</li> <li>• In the contract have been listed: <ul style="list-style-type: none"> <li>- Provisions of the company to be followed by the contractor (Driver has License and still valid)</li> <li>- Use of Personal Protective Equipment (Helmet &amp; Shoes)</li> <li>- The workers insurance of contractor operator (workers) was responsible by the local contractor.</li> <li>- Payment time</li> </ul> </li> <li>• Timely payment in accordance with clauses describes in the document contract that is at the end of each month and can be taken through Bank account.</li> <li>• The mill staff was explained the criteria and standard for FFB from outsider crop and will grading by the mill staff and evaluate</li> <li>• There is any evaluation by the SOU 16 Kok Foh to all of local contractor (quarterly meeting)</li> </ul>	<p>Indicator 6.10.1 &amp; 6.10.2, there was no smallholder scheme</p> <p>Indicator 6.10.3 &amp; 6.10.4 the company has provided opportunities to several local contractors surround of plantation area</p>



Public Issues (Institution/ NGO/Community)	Auditor Verification
<u>Aspiration:</u> Increase the Oil Extra Rate (OER) by outsider crop plantation on grade 19 %.	
There was no feed-back received from NGO and External Stakeholders.	No issues raised.

<p><b>4.0</b></p>	<p><b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b></p>
<p><b>4.1</b></p>	<p><b>Formal Sign-off of Assessment Findings</b></p>
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <p>Sime Darby Plantation, Bhd. SOU 16 – Kok Foh Chairman</p>  <p><b><u>Aminorhudin Mohammad Nor</u></b> Friday, 02 July 2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari Lead Auditor</p>  <p><b><u>Oktovianus Rusmin</u></b> Friday, 02 July 2018</p> </div> </div>

**Appendix 1. List of Stakeholder Contacted in the RSPO Certification Process**

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
1	Kok Foh POM: - 2 Sterilizer Station operators from Indonesia. - 1 Threshing Station Operator from Indonesia. - 1 Press Station Operator from Indonesia. - 1 Kernel Station Operator from Indonesia. - 3 Boiler Operators from local Malaysia.	Kok Foh Palm Oil Mill, 72109 Bahau, Negeri Sembilan.		Interview	14 May 2018	✓	
2	Sg. Sabaling Estate: - 2 Harvesters from Indonesia. - 3 Upkeep workers from India (fertilizer and pesticide Applicators).	Ldg. Sungai Sebalang, 72100 Bahau, Negeri Sembilan.		Interview	15 May 2018	✓	
3	Kok Foh Estate: - 2 Upkeep workers from Indonesia and 1 worker from Bangladesh. - 3 Harvesters from Indonesia.	Ldg. Kok Foh, 72109 Bahau, Negeri Sembilan.		Interview	16 May 2018	✓	
4	Gender Committee Kok Foh and Sabaling Estate	Ldg. Kok Foh, 72109 Bahau, Negeri Sembilan.		Interview		✓	
5	Kok Foh Worker Union Representative	Ldg. Kok Foh, 72109 Bahau, Negeri Sembilan.		Interview	16 May 2018	✓	
6	Local Teacher of SJKC Sg Jerik	Ldg. Kok Foh, 72109 Bahau, Negeri Sembilan.		Interview	16 May 2018	✓	
7	Estate Canteen Representatives	Bahau, Negeri Sembilan.		Interview	16 May 2018	✓	
8	Local FFB Supplier (Cheong Wing Chan Sdn. Bhd.)	Bahau, Negeri Sembilan.		Interview	16 May 2018	✓	

**Appendix 2. Assessment Program**

DATE	13 – 18 May 2018	
PLANNED TIME PELAN MASA	PROCESSES / CLAUSES TO BE AUDITED PROSES / FASAL YANG DIAUDIT	AUDITOR
<b>Ahad / Sunday</b> <b>13 May 2018</b>		
08.35 – 11.50	Travelling from Jakarta to Kuala Lumpur	ORN/ MAH
14.00 – 17.00	Travelling from KL to Bahau (Negeri Sembilan)	ORN/ MAH/ EHS/ MNZ / FRD
<b>Isnin / Monday</b> <b>14 May 2018</b>		
08.00 – 09.00	<b>Opening Meeting in Kok Foh POM</b> <ul style="list-style-type: none"> <li>Auditee Speech (Introduction of PIC, Profile of Mill and Estates Management Unit)</li> <li>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Determine of Field Visit Audit, Transparency and Confidentiality Clarification)</li> </ul>	<b>All Auditor Team</b>  ORN/ MAH/ EHS/ MNZ / FRD
09.00 – 13.00	Document Audit and Field visit to <b><u>Kok Foh PALM OIL MILL</u></b> <ul style="list-style-type: none"> <li>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO); Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond &amp; Land Application of POME)</li> <li>Interview&amp;FGD with Worker's Union, Gender Committee, Local Contractor, All Local Communities.</li> </ul>	ORN/ MAH/ EHS/ MNZ / FRD  <b>All Auditor</b>
13.00 -14.00	<b>Break and Lunch</b>	
14.00 – 16.30	<ul style="list-style-type: none"> <li>Field Observation Verification &amp; Completion of Check List in Mill</li> </ul>	
<b>Selasa / Tuesday</b> <b>15 May 2018</b>		
08.00 – 09.30	Document Audit and Field Visit to <b><u>Sg. Gemas Estate</u></b> <ul style="list-style-type: none"> <li>Agronomy (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application; Environmental, Occupational Health &amp; Safety Aspect (PPE Used in Harvest, Manure &amp; Pesticide Application) and Worker Welfare; Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area)</li> <li>Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave)</li> <li>Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) &amp; (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li> <li>Interview&amp;FGD with Worker's Union, Gender Committee, Local Contractor, All Local Communities.</li> </ul>	<b>MAH/ ORN</b>  <b>MNZ</b>  <b>EHS/ FRD</b>  <b>MNZ /EHS</b>
13.00 – 14.00	<b>Break and Lunch</b>	
14.00 – 17.00	<ul style="list-style-type: none"> <li>Field Observation Verification &amp; Completion of Check List in Estate</li> </ul>	<b>All Auditor</b>
<b>Rabu / Wednesday</b> <b>16 May 2018</b>		
08.00 – 09.00	Document Audit and Field Visit to <b><u>Kok Foh Estate</u></b> <ul style="list-style-type: none"> <li>Agronomy (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, slope Area; Environmental, Occupational Health &amp; Safety Aspect (PPE Used in Harvest, Manure &amp; Pesticide Application) and Worker Welfare; Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area)</li> <li>Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave)</li> <li>Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) &amp; (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, Workshop)</li> <li>Interview&amp;FGD with Worker's Union, Gender Committee, Local Contractor, All Local Communities.</li> </ul>	<b>MAH/ ORN</b>  <b>MNZ</b>  <b>EHS/ FRD</b>  <b>MNZ /EHS</b>
13.00 – 14.00	<b>Break and Lunch</b>	
14.00 – 17.00	<ul style="list-style-type: none"> <li>Field Observation Verification &amp; Completion of Check List in Estate</li> </ul>	<b>All Auditor</b>

DATE	13 – 18 May 2018	
PLANNED TIME <i>PELAN MASA</i>	PROCESSES / CLAUSES TO BE AUDITED <i>PROSES / FASAL YANG DIAUDIT</i>	AUDITOR
<b>Khamis / Thursday</b> <b>17 May 2018</b> 08.00 – 13.00  13.00 – 14.00  14.00 – 17.00	<p>Document Audit and Field Visit to <b>Pertang Estate</b></p> <ul style="list-style-type: none"> <li>• Agronomy (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, slope Area; Environmental, Occupational Health &amp; Safety Aspect (PPE Used in Harvest, Manure &amp; Pesticide Application) and Worker Welfare; Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area)</li> <li>• Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave)</li> <li>• Worker's Facilities Aspect (Housing, Daycare, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) &amp; Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, Workshop</li> <li>• Interview&amp;FGD with Worker's Union, Gender Committee, Local Contractor, All Local Communities.</li> </ul> <p><b>Break and Lunch</b></p> <ul style="list-style-type: none"> <li>• Field Observation Verification &amp; Completion of Check List in Estate</li> </ul>	<p><b>MAH/ ORN</b></p> <p><b>MNZ</b></p> <p><b>EHS/ FRD</b></p> <p><b>MNZ /EHS</b></p> <p><b>All Auditor</b></p>
<b>Jumaat / Friday</b> <b>18 May 2018</b>  08.00 – 10.00  10.00 – 13.00  19.05 – 20.10	<p><b>Closing Meeting:</b></p> <ul style="list-style-type: none"> <li>• Presentation of Assessment Findings by Auditor Team (Explanation of Identified Nonconformities and Completion of Corrective Timeline, Answer &amp; Questions)</li> <li>• Auditee Response against Assessment Findings</li> </ul> <p>Travelling from Site to KL</p> <p><b>Travelling from KL to Jakarta</b></p>	<p><b>All Auditor</b></p> <p><b>All Auditor</b></p> <p><b>ORN/ MAH</b></p>