

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

**[ ] Stage-1   [ ] Stage-2   [✓] Surveillance   [ ] Re-Certification**

Name of Management Organisation : Kerdau Palm Oil Mill – SOU 11, SIME DARBY Plantation Berhad

Plantation Name : SOU 11 : Kerdau Estate, Jentar Estate, Sungai Mai Estate, Mentakab Estate, Chenor Estate.

Location : 28010 Temerloh, Pahang, Malaysia

Certificate Code : **MUTU-RSPO/094**

Date of Certificate Issue : 7 July 2016

Date of License Issue : 7 July 2018

Date of Certificate Expiry : 6 July 2021

Date of License Expiry : 6 July 2019

| Assessment | Assessment Date   | PT. Mutuagung Lestari Auditor                              | Reviewed by            | Approved by |
|------------|-------------------|--|------------------------|-------------|
| ASA-2      | 02 to 05 May 2018 | Leonada (Lead Auditor), Sandra Purba, Ebnu Holdoon, Yap CH | Octo H.P.N. Nainggolan | Ardiansyah  |

| Assessment | Approved by MUTUAGUNG LESTARI on: |
|------------|-----------------------------------|
| ASA-2      | 04 June 2018                      |

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 on March 12<sup>th</sup>, 2014 with registration number **ASI-ACC-055**

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Figure 1. Location Map of SOU 11

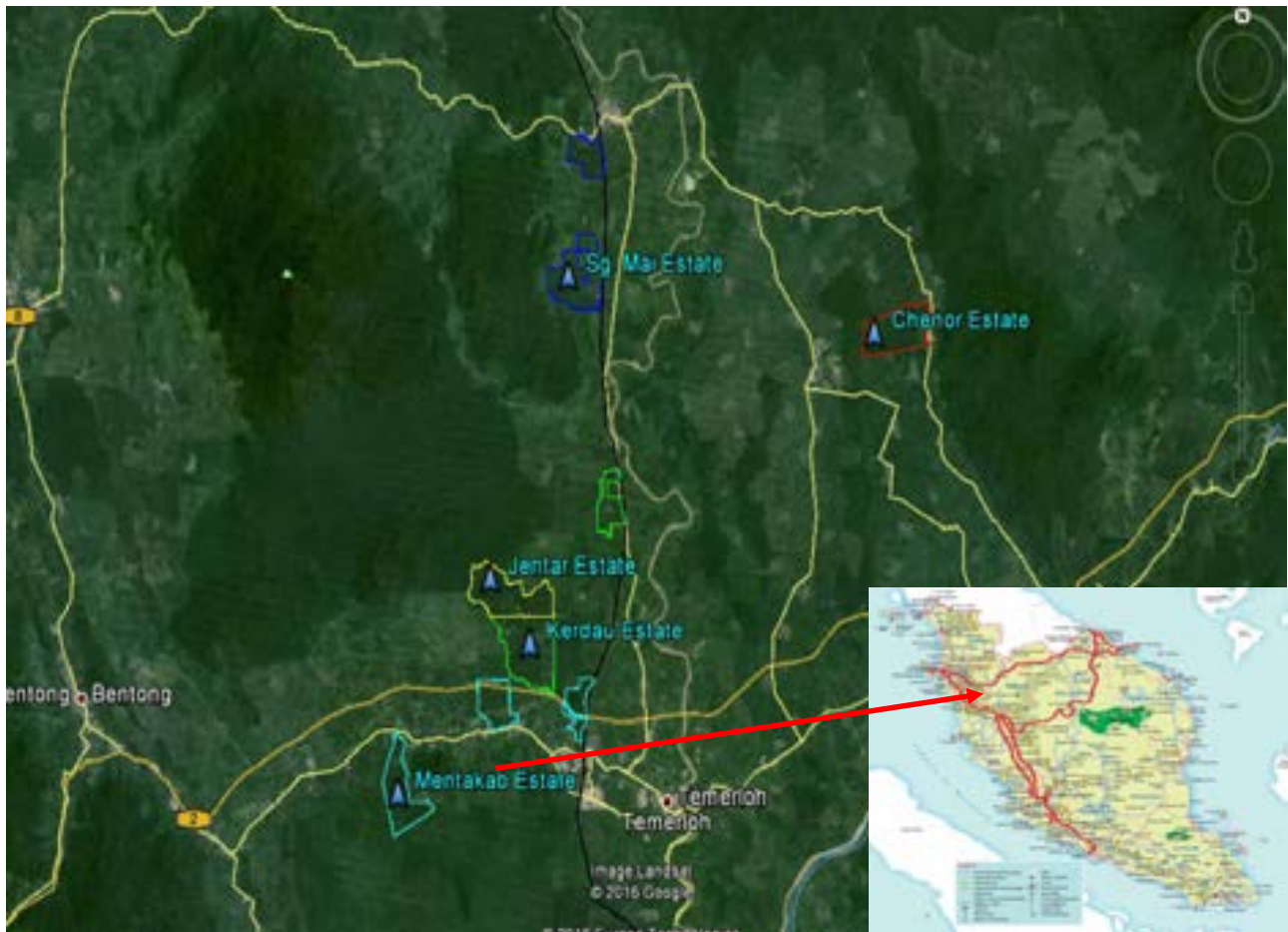


Figure 2. Operational Map of Kerdau Estate

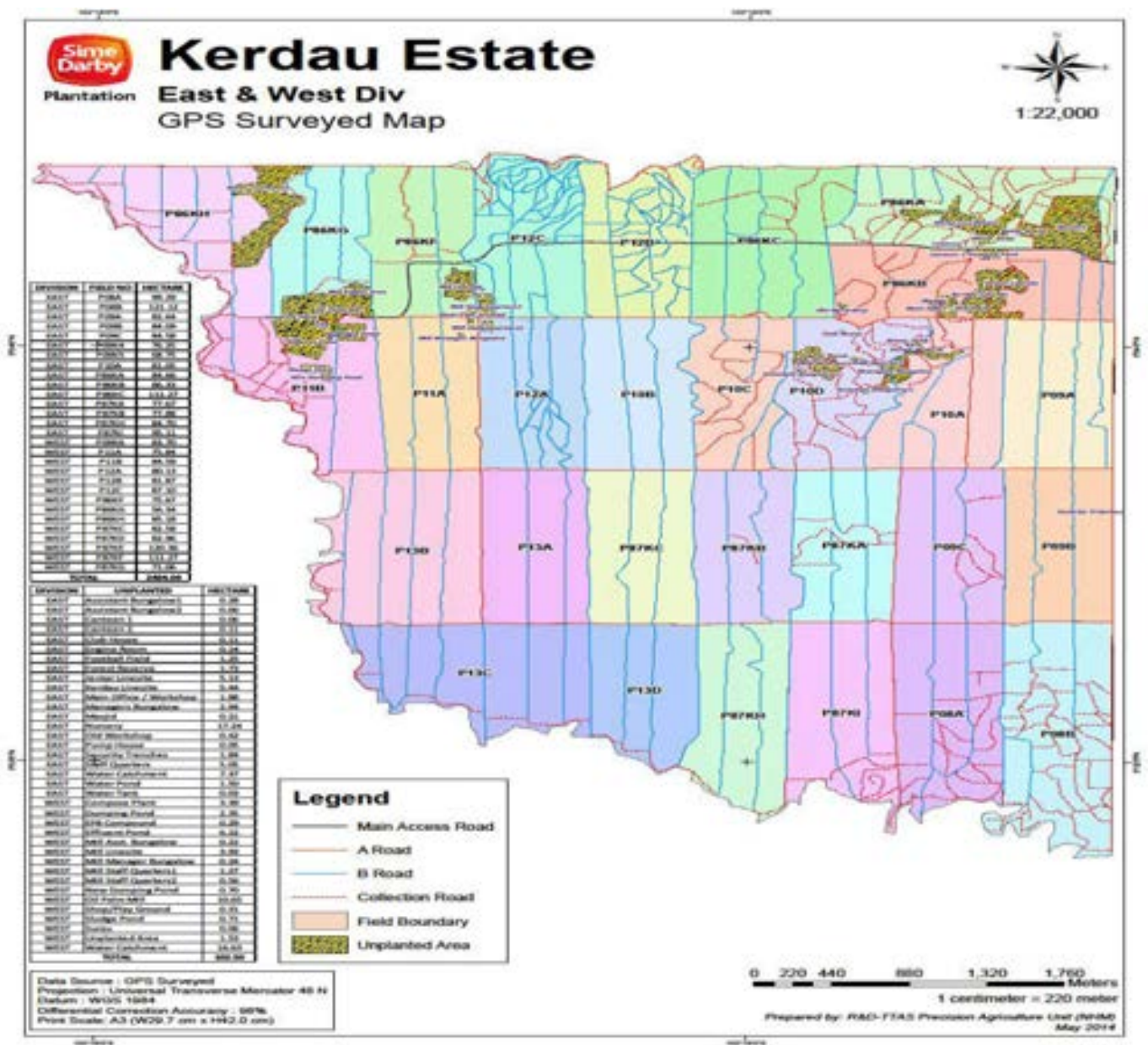


Figure 2.1 Operational Map of Kerdau Estate (Sg Tekal Division)

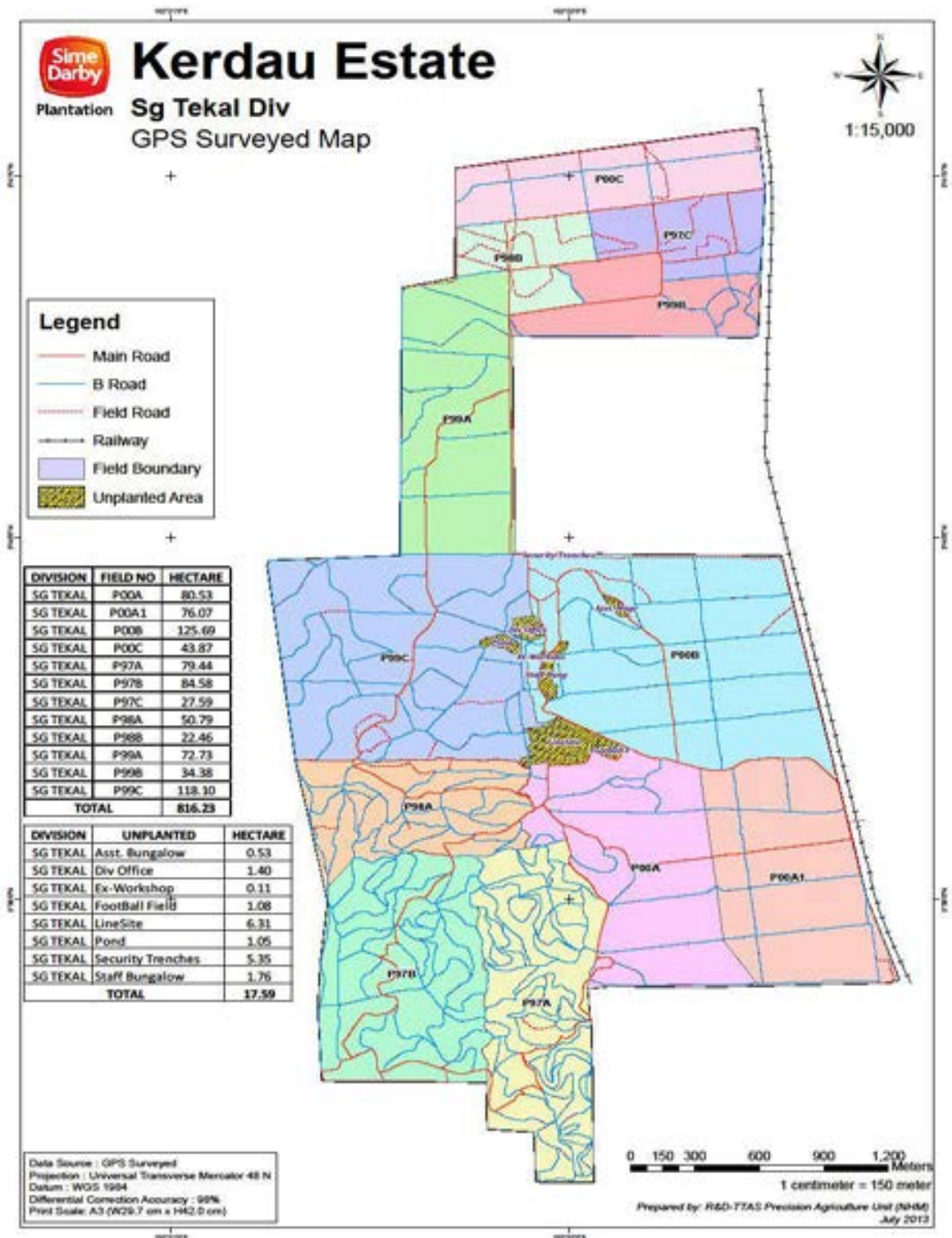


Figure 3. Operational Map of Jentar Estate

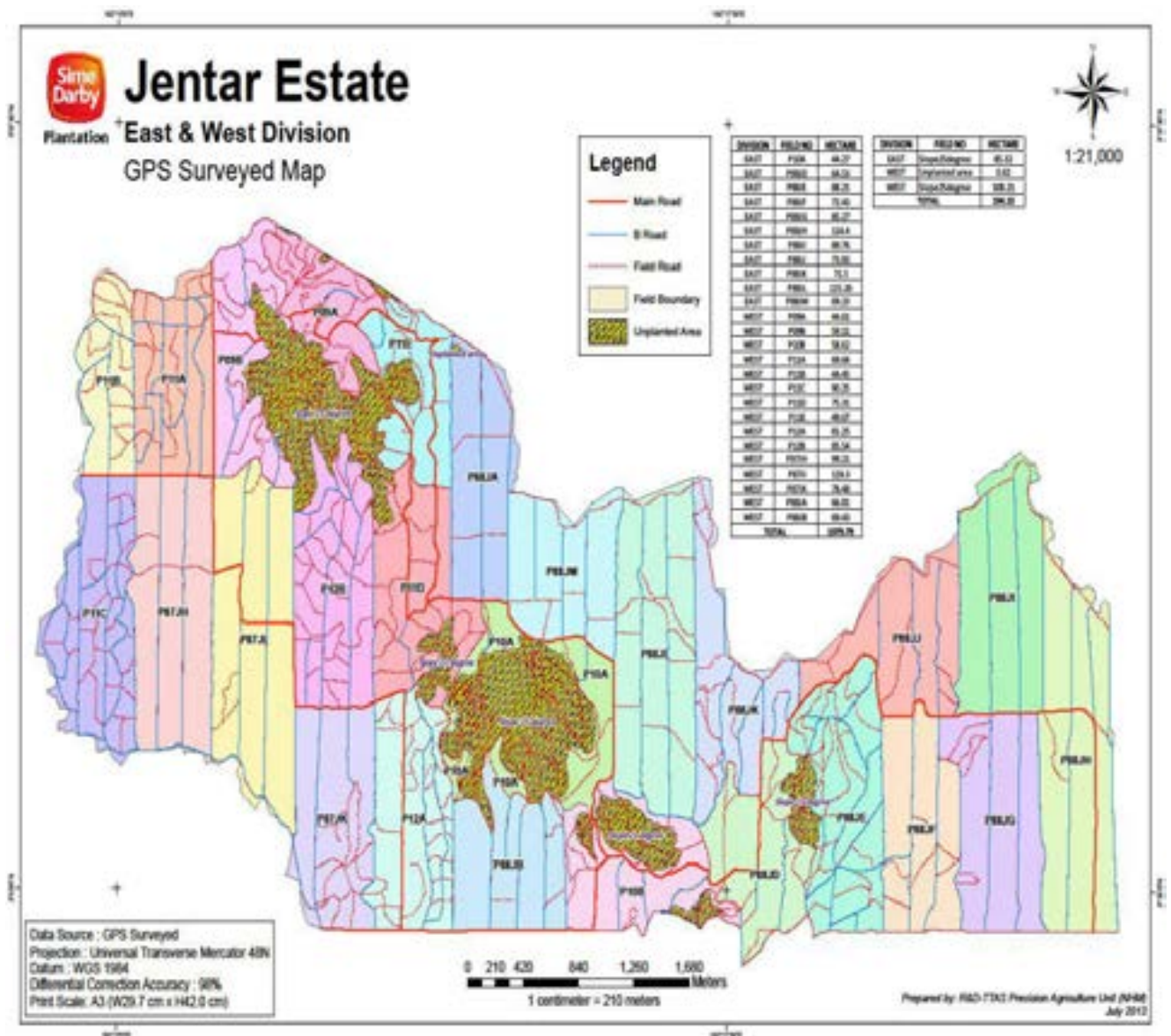


Figure 4. Operational Map of Chenor Estate

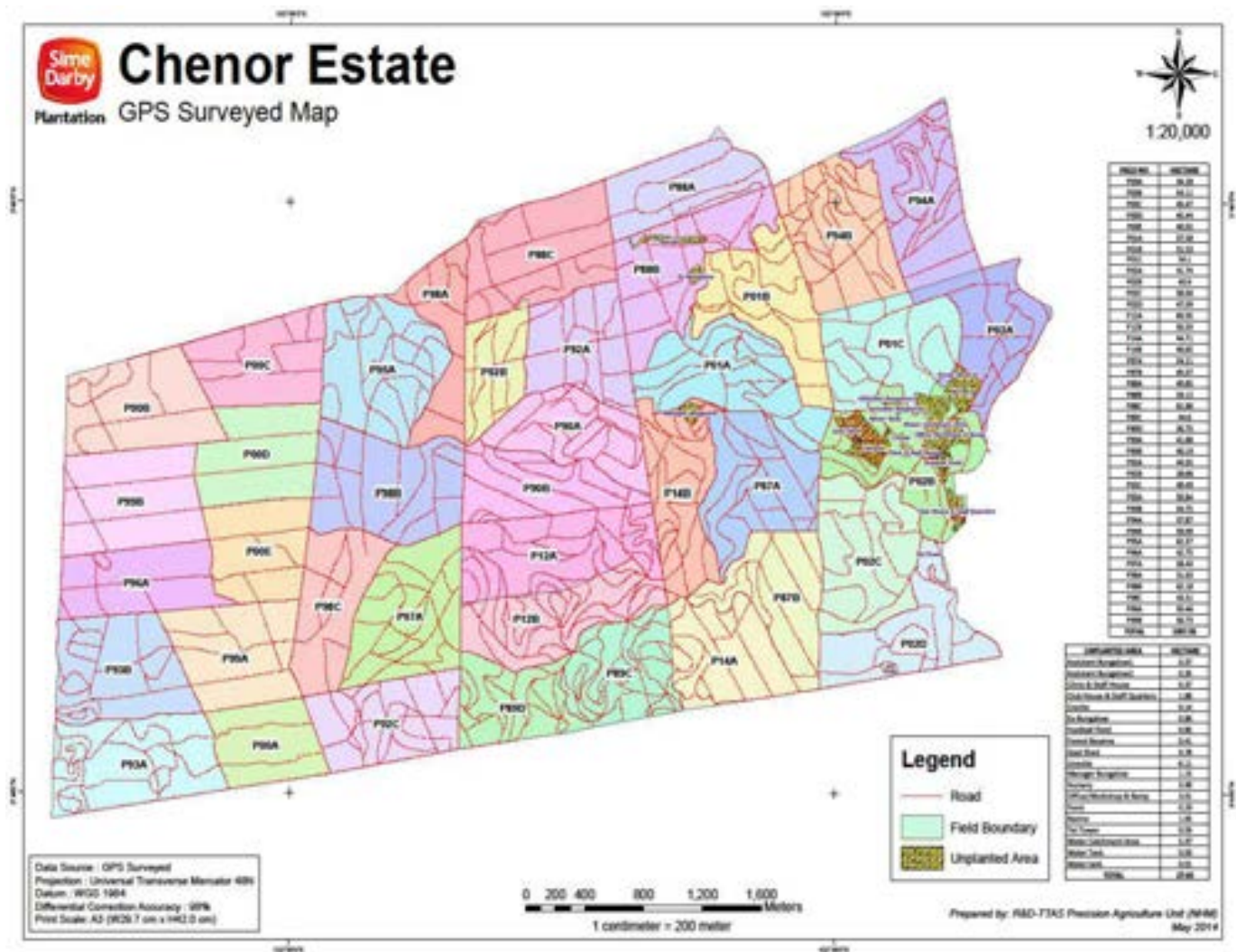


Figure 5. Operational Map of Sungai Mai Estate (Main Division)

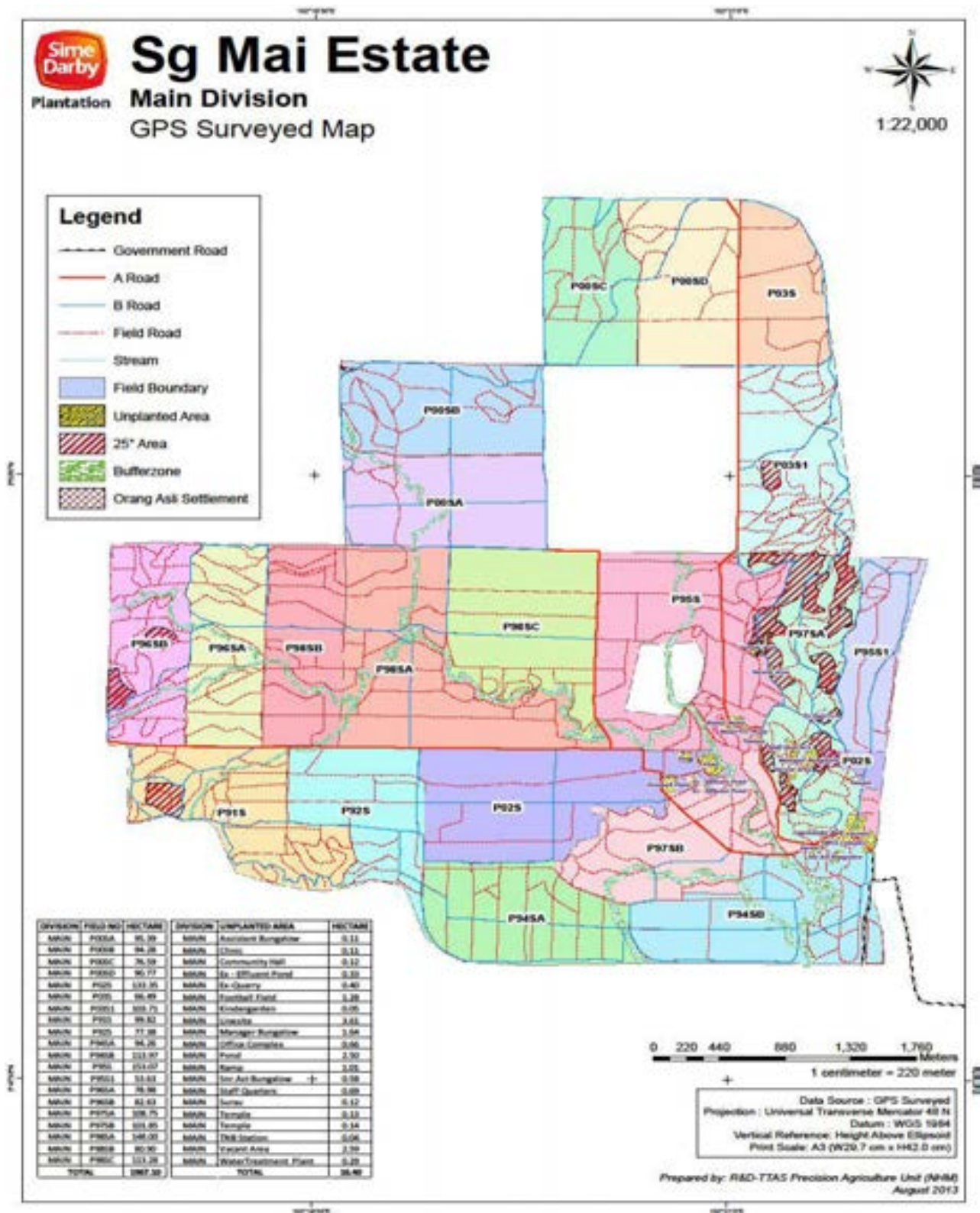


Figure 5.1 Operational Map of Sungai Mai Estate (Jerantut Division)

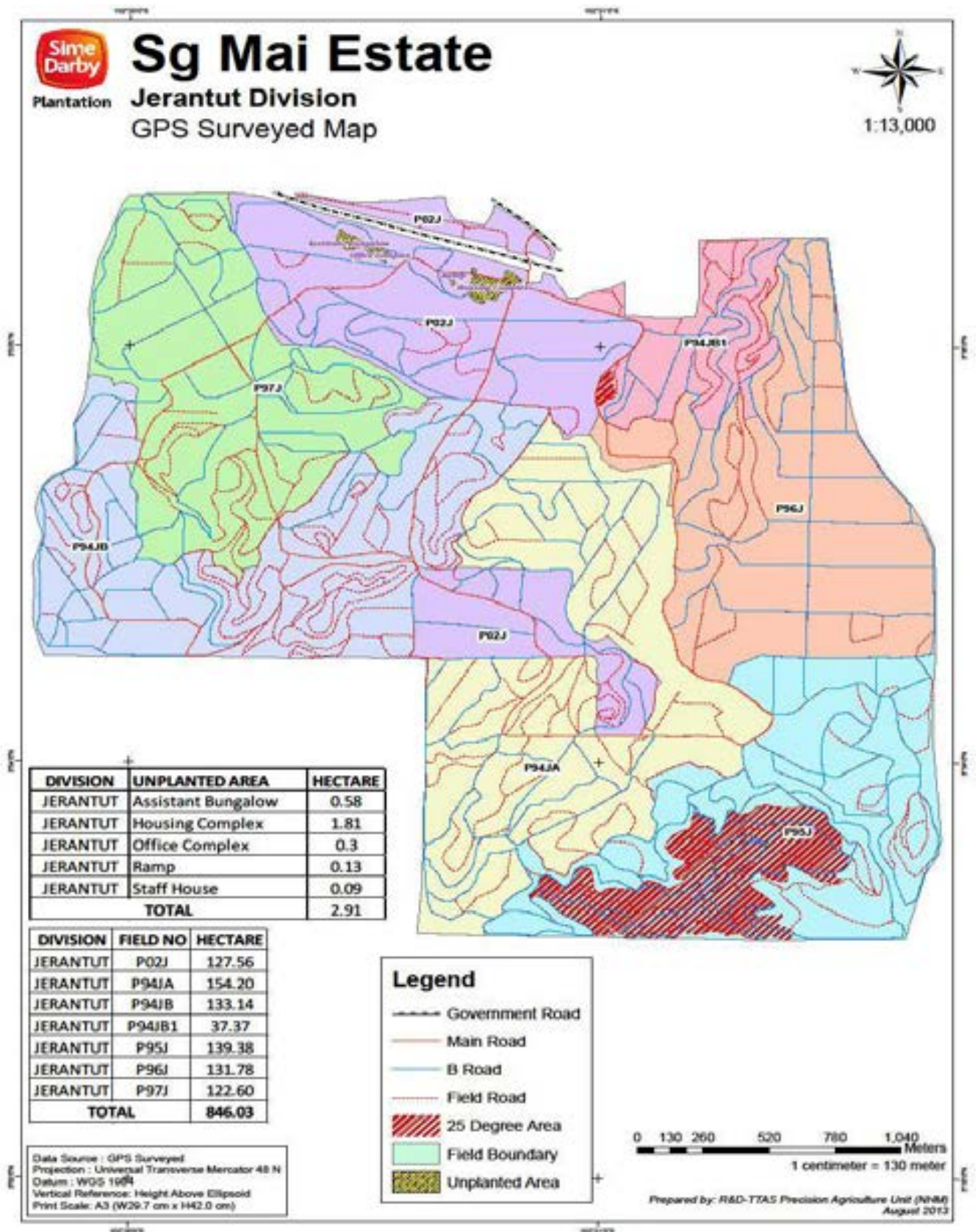


Figure 6. Operational Map of Mentakab Estate (Lanchang Division)

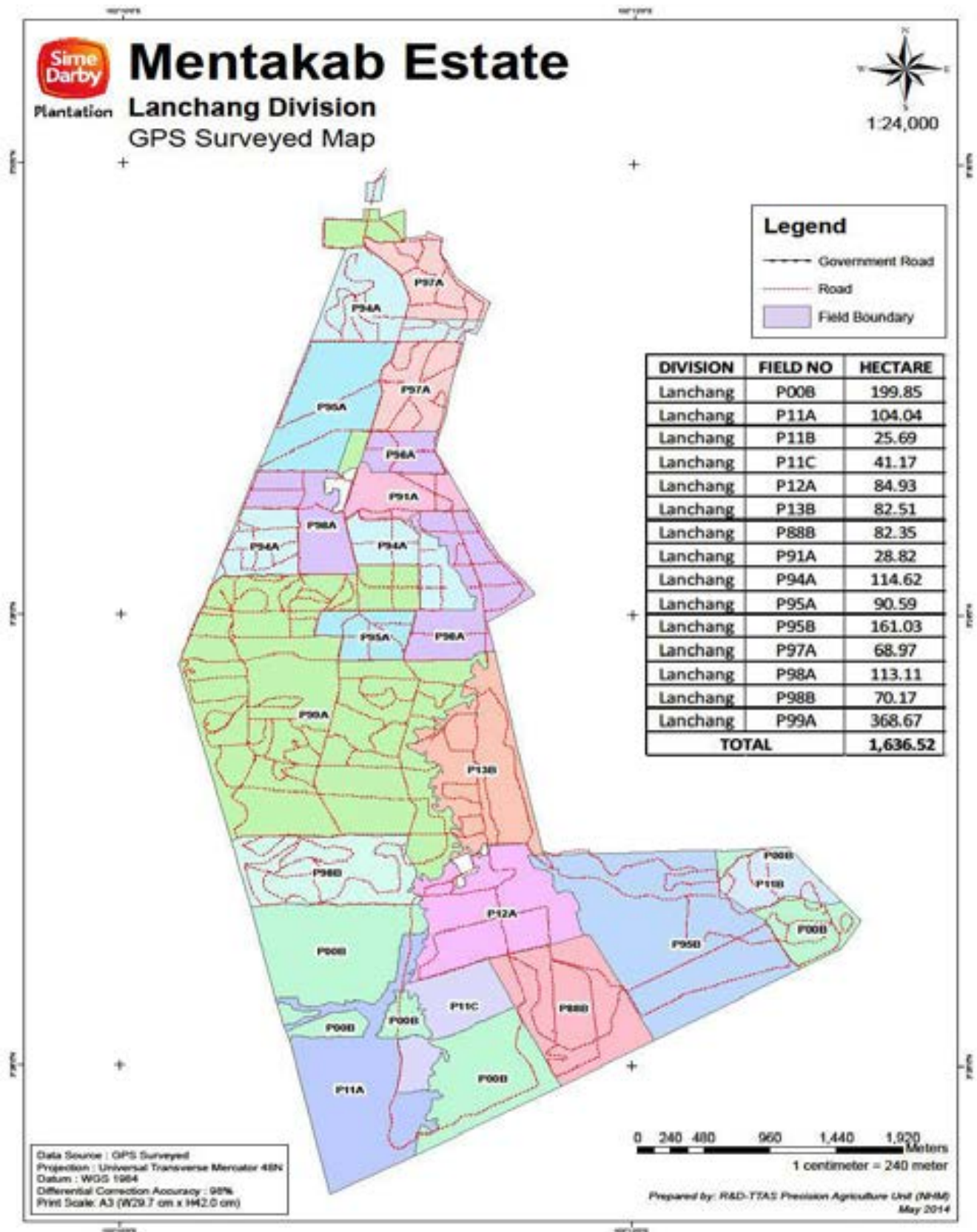


Figure 6.1 Operational Map of Mentakab Estate (Mentakab Division)

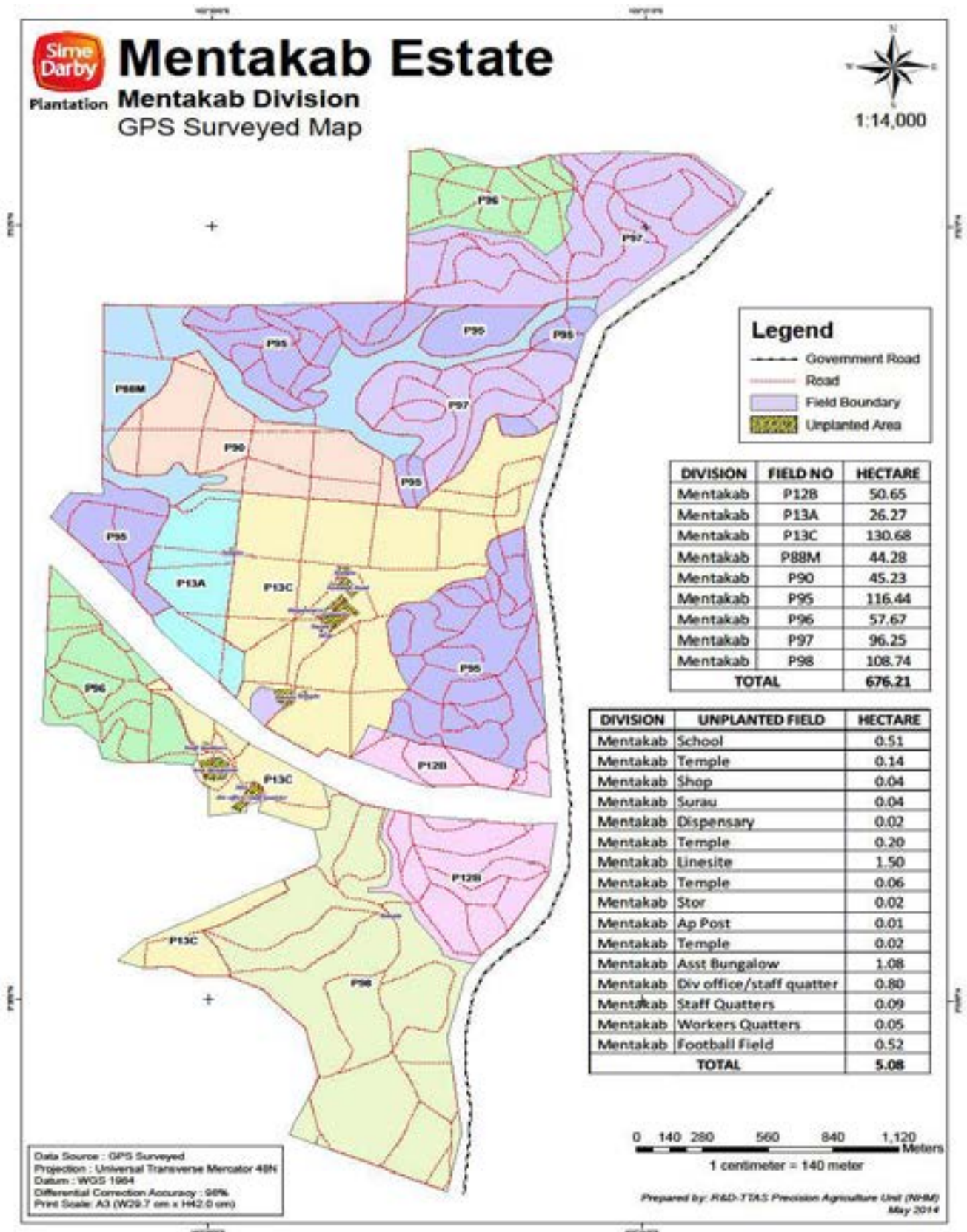
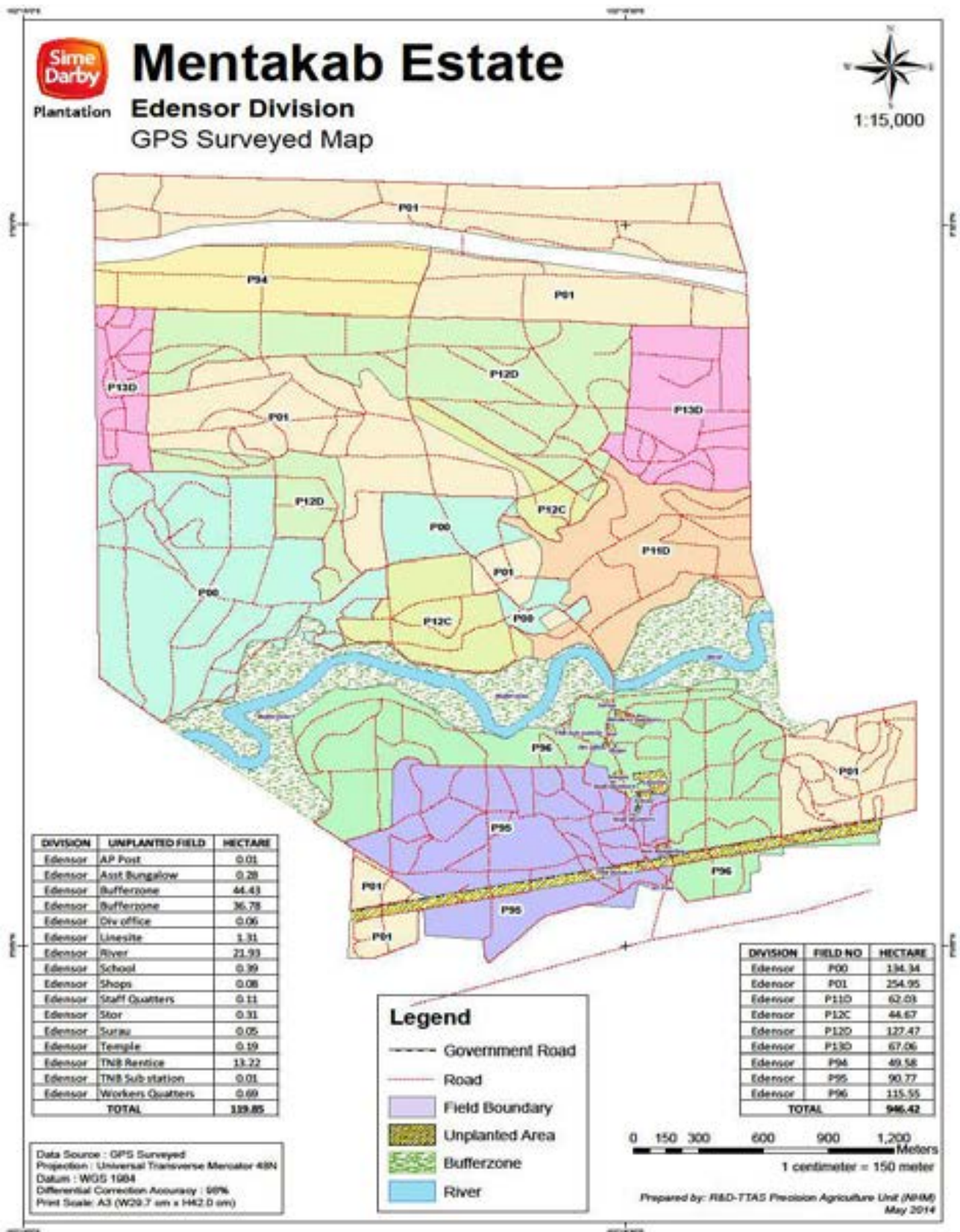


Figure 6.2 Operational Map of Mentakab Estate (Edensor Division)



**Abbreviations Used**

|           |   |        |   |
|-----------|---|--------|---|
| ARM       | : Agriculture Reference Manual                                  | NCR    | : Non Conformance Report                                    |
| ASA       | : Annual Surveillance Assessment                                | NPP    | : New Planting Procedure                                    |
| BOD       | : Biological Oxygen Demand                                      | NWSDM  | : National Council of Welfare & Social Development Malaysia |
| FFB       | : Fresh Fruit Bunch   | NUPW   | : National Union Plantation Workers                         |
| CePPOME   | : Certified Environmental Professional in the Treatment of POME | OFI    | : Opportunity For Improvement                               |
| CEMS      | : Continous Emission Monitoring System                          | OHS    | : Occupational Health and Safety                            |
| CPO       | : Crude Palm Oil  | OHSA   | : Occupational Health and Safety Assessment                 |
| CHRA      | : Chemical Hazard Risk Assessment                               | OER    | : Oil Extarction Rate                                       |
| CLC       | : Child Learning Centre   | PANAP  | : Pesticide Action Network Asia and the Pacific             |
| CSA       | : Conservation Site Area  | PK     | : Palm Kernel   |
| CSR       | : Corporate Social Responsibility                               | PPE    | : Personal Protective Equipment                             |
| COBC      | : Code of Business Conduct                                      | POME   | : Palm Oil Mill Effluent                                    |
| COD       | : Chemical Oxygen Demand  | POM    | : Palm Oil Mill   |
| DOE       | : Department Of Environmental                                   | PSQM   | : Plantation Services Quality Management                    |
| EFB       | : Empty Fruit Bunch   | PSS    | : Pictorial Safety Standard                                 |
| EMS       | : Environment Management System                                 | QHSE   | : Quality Health Safety and Environment                     |
| EPSM      | : Environmental Protection Society Malaysia                     | RHB    | : Rashid Husin Bank   |
| EQMS      | : Environment Quality Management System                         | RSPO   | : Roundtable on Sustainable on Palm Oil                     |
| FY        | : Financial Year  | RTE    | : Rare, Threatened or Endangered                            |
| FPIC      | : Free Prior and Informed Consent                               | SCCS   | : Supply Chain Certification System                         |
| GHG       | : Green House Gases   | SDP    | : Sime Darby Plantation                                     |
| GPS       | : Global Positioning System                                     | SIA    | : Social Impact Assessment                                  |
| HCV       | : High Conservation Value                                       | SJKC   | : Sekolah Jenis Kebangsaan C                                |
| HIRAC     | : Hazard Identification and Risk Assessment Control (HIRAC)     | SOP    | : Standard Operating Procedure                              |
| HSE       | : Health Safety and Environment                                 | SOM    | : Standarad Operation Manual                                |
| HQ        | : Head Quarter  | SPMS   | : Sustainable Plantation Management System                  |
| IUCN      | : International Union for Conservation of Nature                | SOCISO | : Social Security Organization                              |
| KER       | : Kernel Extarction Rate  | SOU    | : Strategic Operating Unit                                  |
| KKS (POM) | : Kilang Kelapa Sawit (Palm Oil Mill)                           | SW     | : Schedule Waste  |
| LC        | : Land Clearing   | TQEM   | : Total Quality Environmental Management                    |
| LCC       | : Legium Cover Crop   | WTP    | : Water Treatment Plan                                      |
| LOTO      | : Log Out and Take Out  |        |   |
| LTA       | : Lost Time Accident  |        |   |
| MPOB      | : Malaysian Palm Oil Board                                      |        |   |
| MSDS      | : Material Safety Data Sheet                                    |        |   |

|       |  |  |                            |
|-------|--|--|----------------------------|
| 1.0   | SCOPE of the CERTIFICATION ASSESSMENT  |  |                            |
|       |  |  |                            |
| 1.1   | Assessment Standard Used   |  |                            |
|       | Malaysia National Interpretation - RSPO MY-NIWG of Principles and Criteria (P & C) for Sustainable Palm Oil Production.<br>Endorsed by RSPO Board of Governors 6 March 2015.<br>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014, revised 14 June 2017 (Module D / E for CPO Mill) |  |                            |
|       |  |  |                            |
| 1.2   | Organisation Information   |  |                            |
| 1.2.1 | Organisation name listed in the certificate  | SOU 11 - Sime Darby Plantation Sdn 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, 7 September 2004   |                            |
|       |  |  |                            |
| 1.3   | Type of Assessment   |  |                            |
| 1.3.1 | Scope of Assessment and Number of Management Unit  | Palm Oil Mill and supply base  |                            |
| 1.3.2 | Type of certificate  | Single<br>Date of Certificate validity was 7 July 11 – 6 July 2016, The 2 <sup>rd</sup> cycle certificate issued by TUV Rheinland Indonesia On 7 July 2016, transferred to PT Mutuagung Lestari on 19 June 2017. |                            |
|       |  |  |                            |
| 1.4   | Locations of Mill and Plantation   |  |                            |
| 1.4.1 | Location of Mill   |  |                            |
|       | Name of Mill   | Location   | Coordinate                 |
|       |  |  | LatitudeLongitude          |
|       | Kerdau Oil Mill  | Kerdau Palm Oil Mill, 28010 Temerloh Pahang, Malaysia  | 3° 34' 10" N102° 16' 42" E |
|       |  |  |                            |
| 1.4.2 | Location of Certification Scope of Supply Base   |  |                            |
|       | Name of Supply Base  | Location   | Coordinate                 |
|       |  |  | LatitudeLongitude          |
|       | Kerdau Estate  | Ladang Kerdau, Wakil Pos Kerdau 28010 Temerloh, Pahang, Malaysia   | 3° 34' 03" N102° 17' 07" E |
|       | Jentar Estate  | Ladang Jentar, Wakil Pos Kerdau, 28010 Temerloh , Pahang, Malaysia   | 3° 35' 44" N102° 17' 01" E |
|       | Mentakab Estate  | Ladang Mentakab/ Lanchang/ Edensor, c/o Lanchang Division, 28500 Lanchang, Pahang Darul Makmur, Malaysia   | 3° 30' 47" N102° 20' 10" E |

|               |   |              |                |
|---------------|---|--------------|----------------|
| Sg Mai Estate | Ladang Sungai Mai, 27000 Jerantut, Pahang, Malaysia                           | 3° 48' 03" N | 102° 21' 24" E |
| Chenor Estate | Ladang Chenor (KT), Sungai Jerik, 26400 Bandar Pusat Jengka, Pahang, Malaysia | 3° 46' 05" N | 102° 38' 14" E |

|       |  |                |        |              |                 |        |          |
|-------|--|----------------|--------|--------------|-----------------|--------|----------|
| 1.5   | Description of Area Statement                                |                |        |              |                 |        |          |
| 1.5.1 | Tenure   |                |        |              |                 |        |          |
|       | • Private (Freehold land title)                              |                |        | 13,619.55 Ha |                 |        |          |
|       | • State  |                |        | 0 Ha         |                 |        |          |
|       | • Community  |                |        | 0 Ha         |                 |        |          |
|       |  |                |        |              |                 |        |          |
| 1.5.2 | Area Statement   |                |        |              |                 |        |          |
|       | • Total area   |                |        | 13,619.55 Ha |                 |        |          |
|       | • Mature area  |                |        | 9,665.31 Ha  |                 |        |          |
|       | • Immature area  |                |        | 2,846.89 Ha  |                 |        |          |
|       | • Mill/building/road/trenches                                |                |        | 738.72 Ha    |                 |        |          |
|       | • Unplantable:   |                |        |              |                 |        |          |
|       | - Riparian   |                |        | 93.81 Ha     |                 |        |          |
|       | - Low land/ Swamp area/cemetery, football field, TNB rentice |                |        | 92.03 Ha     |                 |        |          |
|       | • Nursery  |                |        | 29.33 Ha     |                 |        |          |
|       | • HCV  |                |        | 153.46 Ha    |                 |        |          |
|       |  |                |        |              |                 |        |          |
| 1.6   | Planting Year and Cycles                                     |                |        |              |                 |        |          |
| 1.6.1 | Age profile of planting year                                 |                |        |              |                 |        |          |
|       | Planting Year  | Hectarage (Ha) |        |              |                 |        |          |
|       |  | Kerdau         | Sg Mai | Chenor       | Sungai Mentakab | Jentar | Total    |
|       | Mature   |                |        |              |                 |        |          |
|       | 1994   |                | 375.00 | 58.95        |                 | 111.06 | 545.01   |
|       | 1995   |                | 291.74 | 41.35        | 199.30          | 0      | 532.39   |
|       | 1996   |                | 275.85 | 55.19        | 151.88          | 0      | 482.92   |
|       | 1997   | 175.04         | 283.53 | 130.9        | 138.35          | 0      | 727.82   |
|       | 1998   | 68.13          | 324.90 | 103.47       | 267.59          | 0      | 764.09   |
|       | 1999   | 214.17         | 347.14 | 212.39       | 332.95          | 0      | 1,106.65 |
|       | 2000   | 313.35         | 250.33 | 154.29       | 294.52          | 0      | 1,012.49 |
|       | 2001   |                |        | 181.50       | 254.74          | 0      | 436.24   |
|       | 2008   | 216.16         | 163.66 |              |                 | 0      | 379.82   |
|       | 2009   | 243.74         |        |              |                 | 101.55 | 345.29   |
|       | 2010   | 302.15         |        |              |                 | 100.00 | 402.15   |
|       | 2011   | 157.49         |        | 104.42       | 72.72           | 316.82 | 651.45   |
|       | 2012   | 233.93         |        | 86.75        | 271.79          | 0.00   | 592.47   |
|       | 2013   | 0.00           |        | 94.00        | 393.72          | 161.13 | 648.85   |

|  |   |                            |   |                      |                           |                      |                   |
|--|---|----------------------------|---|----------------------|---------------------------|----------------------|-------------------|
|  | 2014  | 605.60                     |   |                      | 119.10                    | 312.97               | 1,037.67          |
|  | Immature  |                            |   |                      |                           |                      |                   |
|  | 2015  | 258.45                     |   | 225.54               | 139.67                    | 154.69               | 778.35            |
|  | 2016  | 235.87                     | 167.00  | 276.62               | 167.22                    | 505.56               | 1,352.27          |
|  | 2017  | 161.50                     | 126.52  | 137.32               | 131.37                    | 159.56               | 716.27            |
|  | TOTAL   | 3,185.58                   | 2,605.67  | 1,862.69             | 2,934.92                  | 1,923.34             | 12,512.2          |
| 1.6.2  | New Planting area after January 2010              |                            | 0   |                      |                           | Ha                   |                   |
| 1.6.3  | Planting Cycle                                    |                            | 2 <sup>nd</sup> Cycle                             |                      |                           |                      |                   |
|  |   |                            |   |                      |                           |                      |                   |
| 1.7  | Description of Mill and Supply Base               |                            |   |                      |                           |                      |                   |
| 1.7.1  | Description of Mill                               |                            |   |                      |                           |                      |                   |
|  | Name of Mill                                      | Capacity<br>(tonnes/ hour) | FFB Processed<br>(tonnes/year)                    | CPO                  |                           | Palm Kernel          |                   |
|  |   |                            |   | Out put<br>(tonnes)  | Extraction<br>(%)         | Out put<br>(tonnes)  | Extraction<br>(%) |
|  | Kerdau Mill                                       | 60                         | 256,911.41  | 49,557.414           | 19.29                     | 12,122.283           | 4.72              |
| <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<br>(Ha)         | Planted Area<br>(Ha)                              | FFB<br>(tonnes/year) | Yield<br>(tonnes/ha/year) | Supplied to Mill     |                   |
|  |   |                            |   |                      |                           | FFB<br>(tonnes/year) | %                 |
|  | Kerdau Estate                                     | 3,310.97                   | 3,185.58  | 49,180.596           | 15.4                      | 49,180.596           | 100               |
|  | Jentar Estate                                     | 2,207.30                   | 1,923.34  | 19,698.580           | 10.2                      | 19,698.580           | 100               |
|  | Mentakab Estate                                   | 3,266.49                   | 2,934.92  | 48,988.331           | 16.7                      | 48,988.331           | 100               |
|  | Sungai Mai Estate                                 | 2,835.04                   | 2,605.67  | 62,576.800           | 24.0                      | 62,576.800           | 100               |
|  | Chenor Estate                                     | 1,999.75                   | 1,862.69  | 26,776.650           | 14.4                      | 26,776.650           | 100               |
|  | TOTAL   | 13,619.55                  | 12,512.20   | 207,220.96           | 16.2                      | 207,220.96           | 100               |
| <i>*Production data source from May 2017 to April 2018</i> |   |                            |   |                      |                           |                      |                   |
| 1.7.3  | FFB description from other source                 |                            |   |                      |                           |                      |                   |
|  | Name of sources                                   | Organisation               | Location  |                      |                           | Supplied to Mill     |                   |
|  |   |                            |   |                      |                           | FFB<br>(tonnes/year) |                   |
|  | Sri Kerdau  | Independent FFB Supplier   | Jalan Besar Kerdau,28010 Temerloh,Pahang          |                      |                           | 33,647.500           |                   |
|  | Pro Island  | Independent FFB Supplier   | Pahang, Malaysia                                  |                      |                           | 902.130              |                   |
|  | Bakti Mas   | Independent FFB Supplier   | Pahang, Malaysia                                  |                      |                           | 12,714.980           |                   |
|  | Golden Horse                                      | Independent FFB Supplier   | Jalan Kemayan-Triang,28380 Kemayan,Bera<br>Pahang |                      |                           | 2,315.130            |                   |
|  | SCL   | Independent FFB Supplier   | Pahang, Malaysia                                  |                      |                           | 110.710              |                   |
|  | TOTAL   |                            |   |                      |                           |                      | 49,690.450        |
| <i>*Production data source from May 2017 to April 2018</i> |   |                            |   |                      |                           |                      |                   |
| 1.7.4  | Product categories                                |                            |   | FFB, CPO, PK         |                           |                      |                   |

|   |   |                            |                                   |   |                      |   |                           |                           |
|---|---|----------------------------|-----------------------------------|---|----------------------|---|---------------------------|---------------------------|
|   |   |                            |                                   |   |                      |   |                           |                           |
| 1.8   | Tonnage of Product  |                            |                                   |   |                      |   |                           |                           |
| 1.8.1   | Past Annual Claim Certified Product   |                            |                                   | Previous Certificate Claim<br>7 July 2016 to 6 July 2017<br>(tonnes/year) |                      | Actual certified product<br>7 July 2017 to 30 April 2018<br>(tonnes/year) |                           |                           |
|   | • FFB Production  |                            |                                   | 199,728   |                      | 168,005.20  |                           |                           |
|   | • CPO Production  |                            |                                   | 42,962  |                      | 32,456.06   |                           |                           |
|   | • Palm Kernel (PK) Production   |                            |                                   | 10,825  |                      | 8,149.31  |                           |                           |
|   |   |                            |                                   |   |                      |   |                           |                           |
| 1.8.2   | Product selling   |                            |                                   |   |                      |   |                           |                           |
|   | Tonnage of selling product  |                            |                                   | Period of actual selling product 7 July 2017 to 30 April 2018             |                      |   |                           |                           |
|   | • CSPO sold as RSPO certified product                                       |                            |                                   | 2,200.00  |                      |   |                           |                           |
|   | • CSPK sold as RSPO certified product                                       |                            |                                   | -   |                      |   |                           |                           |
|   | • CSPO sold under other scheme  |                            |                                   | -   |                      |   |                           |                           |
|   | • CSPK sold under other scheme  |                            |                                   | -   |                      |   |                           |                           |
|   | • CSPO sold as conventional   |                            |                                   | 26,380.93   |                      |   |                           |                           |
|   | • CSPK sold as conventional   |                            |                                   | 8,149.31  |                      |   |                           |                           |
|   |   |                            |                                   |   |                      |   |                           |                           |
| 1.8.3   | Estimate of Certified FFB Claim   |                            |                                   |   |                      |   |                           |                           |
|   | Name of Estate(s)   |                            | Total Area<br>(Ha)                | Planted Area<br>(Ha)  | FFB<br>(tonnes/year) |   | Yield<br>(tonnes/ha/year) |                           |
|   | Kerdau Estate   |                            | 3,310.97                          | 3,185.58  | 54,144               |   | 17                        |                           |
|   | Jentar Estate   |                            | 2,207.30                          | 1,923.34  | 23,473               |   | 12                        |                           |
|   | Mentakab Estate   |                            | 3,266.49                          | 2,934.92  | 48,956               |   | 17                        |                           |
|   | Sungai Mai Estate   |                            | 2,835.04                          | 2,605.67  | 52,902               |   | 20                        |                           |
|   | Chenor Estate   |                            | 1,999.75                          | 1,862.69  | 24,841               |   | 13                        |                           |
|   | TOTAL   |                            | 13,619.55                         | 12,512.20   | 204,316              |   | 16                        |                           |
|   | <i>*Projected FFB production for 07 July 2018 to 06 July 2019</i>           |                            |                                   |   |                      |   |                           |                           |
| 1.8.4   | Estimate of Certified Palm Product Claim                                    |                            |                                   |   |                      |   |                           |                           |
|   | Name of Mill  | Capacity<br>(tonnes/ hour) | FFB<br>Processed<br>(tonnes/year) | CPO   |                      | Palm Kernel   |                           | Supply<br>Chain<br>Module |
|   |   |                            |                                   | Out put<br>(tonnes)   | Extraction<br>(%)    | Out put<br>(tonnes)   | Extraction<br>(%)         |                           |
|   | Kerdau Mill   | 60                         | 204,316                           | 42,906  | 21                   | 10,216  | 5                         | MB                        |
|   | <i>*Projected CSPO and CSPK production for 07 July 2018 to 06 July 2019</i> |                            |                                   |   |                      |   |                           |                           |
|   |   |                            |                                   |   |                      |   |                           |                           |
| 1.9   | Other Certifications  |                            |                                   |   |                      |   |                           |                           |
|   | MSPO  |                            |                                   | Certified on 2017   |                      |   |                           |                           |
|   |   |                            |                                   |   |                      |   |                           |                           |
| 1.10 Time Bound Plan                              |   |                            |                                   |   |                      |   |                           |                           |
| 1.10.1 Time Bound Plan for Other Management Units |   |                            |                                   |   |                      |   |                           |                           |
|   | Sime Darby Plantation Sdn Bhd Time Bound Plan                               |                            |                                   |   |                      |   |                           |                           |
|   | Management Unit   |                            | Supply Base                       | Time<br>Bound<br>Plan   | HGU on Process       |   | Location                  | Status                    |
|   | Mill  | Time<br>Bound              |                                   |   | Ha                   | Time<br>Bound   |                           |                           |
|   |   |                            |                                   |   |                      |   |                           |                           |

|   | Plan |                 |      |        | Plan |   |           |
|---|------|-----------------|------|--------|------|---|-----------|
| INDONESIA                                     |      |                 |      |        |      |   |           |
| Sekunyr.<br>PT. Indotruba<br>Tengah           | 2010 | Sekunyr         | 2010 |        |      | Seruyan and West<br>Kotawaringin<br>District – Central<br>Kalimantan  | Certified |
|   |      | Seruyan         | 2010 |        |      |   | Certified |
| Manggala.<br>PT. Tunggal<br>Mitra Plantations | 2010 | Manggala 1      | 2010 |        |      | Rokan Hilir District<br>– Riau  | Certified |
|   |      | Manggala 2      | 2010 |        |      |   | Certified |
|   |      | Manggala 3      | 2010 |        |      |   | Certified |
| Bukit Ajong<br>PT. Sime Indo<br>Agro          | 2010 | West            | 2010 | 1,652  | 2019 | Sanggau District –<br>West Kalimantan                                 | Certified |
|   |      | East            | 2010 |        |      |   | Certified |
|   |      | Sei Mawang      | 2018 |        |      |   | -         |
|   |      | East Plasma     | 2010 |        |      |   | Certified |
|   |      | West Plasma     | 2010 |        |      |   | Certified |
| Teluk Siak.<br>PT. Aneka Inti<br>Persada      | 2011 | Teluk Siak      | 2011 | 421.31 | 2020 | Pekanbaru,<br>Siak District – Riau                                    | Certified |
|   |      | Pinang Sebatang | 2011 |        |      |   | Certified |
|   |      | Aneka Persada   | 2011 |        |      |   | Certified |
| Sungai Pinang.<br>PT. Bina Sains<br>Cemerlang | 2012 | Sungai Pinang   | 2012 | 308.25 | 2020 | Musi<br>Rawas District –<br>South Sumatera                            | Certified |
|   |      | Bukit Pinang    | 2012 |        |      |   | Certified |
| Pematang.<br>PT. Teguh<br>Sempurna            | 2011 | Pematang        | 2011 |        |      | Seruyan and East<br>Kotawaringin Distri<br>ct – Central<br>Kalimantan | Certified |
|   |      | Kawan Batu      | 2011 |        |      |   | Certified |
|   |      | Hatan Tiring    | 2011 |        |      |   | Certified |
|   |      | Batang Garing   | 2011 |        |      |   | Certified |
| Alur Dumai.<br>PT. Lahan Tani<br>Sakti        | 2011 | Alur Dumai      | 2011 |        |      | Rokan Hilir District<br>– Riau  | Certified |
| Teluk Bakau.<br>PT. Bhumireksa<br>Nusa Sejati | 2011 | Teluk Bakau     | 2011 |        |      | Indra Giri<br>Hilir District – Riau                                   | Certified |
|   |      | Nusa Perkasa    | 2011 |        |      |   | Certified |
|   |      | Nusa Lestari    | 2011 |        |      |   | Certified |
| Mandah<br>PT. Bhumireksa<br>Nusa Sejati       | 2014 | Mandah          | 2011 |        |      | Indra Giri<br>Hilir District – Riau                                   | Certified |
|   |      | Rotan Semelur   | 2011 |        |      |   | Certified |
| Angsana Mini*)<br>PT. Sajang<br>Heulang       | 2011 | KKPA-1 PT.SHE   | 2013 |        |      | Tanah<br>Bumbu District –<br>South Kalimantan                         | Certified |
|   |      | Pantai Bonati   | 2011 |        |      |   | Certified |
| Angsana.<br>PT<br>Ladangrumpun<br>Suburabadi  | 2011 | Angsana         | 2011 |        |      | Tanah<br>Bumbu District –<br>South Kalimantan                         | Certified |
|   |      | Gunung Sari     | 2011 |        |      |   | Certified |
|   |      | KKPA-4 PT.SHE   | 2013 |        |      |   | Certified |
| Mustika.<br>PT. Sajang<br>Heulang             | 2013 | Mustika         |      |        |      | Tanah<br>Bumbu District –<br>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.<br>PT. Bersama                    | 2011 | Gunung Aru      | 2011 | 765    | 2020 | Kotabaru District –<br>South Kalimantan                               | Certified |
|   |      | Gunung Kemas    | 2011 |        |      |   | Certified |

|   |      |                                      |      |       |      |   |           |
|---|------|--------------------------------------|------|-------|------|---|-----------|
| Sejahtea Sakti  |      | Laut Timur                           | 2011 |       |      |   | Certified |
|   |      | Pantai Timur                         | 2011 |       |      |   | Certified |
|   |      | KKPA BSS                             | 2020 |       |      |   | -         |
| Bebunga.<br>PT. Langgeng<br>Muaramakmur                 | 2011 | Sungai Cengal                        | 2011 | 1,162 | 2020 | Kotabaru District –<br>South Kalimantan                                 | Certified |
|   |      | Bebunga                              | 2011 |       |      |   | Certified |
|   |      | KKPA Sungai Cengal                   | 2014 |       |      |   | Certified |
| Sukamandang<br>PT Kridatama<br>Lancar                   | 2011 | Sukamandang                          | 2011 |       |      | Seruyan and East<br>Kotawaringin Distri<br>ct – Central<br>Kalimantan   | Certified |
|   |      | Sapiri                               | 2011 |       |      |   | Certified |
|   |      | Barasdanum                           | 2011 |       |      |   | Certified |
|   |      | Kuala Kuayan                         | 2011 |       |      |   | Certified |
| Pondok Labu.<br>PT Paripurna<br>Swakarsa                | 2012 | Binturung                            | 2012 | 1,120 | 2020 | Kotabaru District –<br>South Kalimantan                                 | Certified |
|   |      | Pondok Labu                          | 2012 |       |      |   | Certified |
|   |      | Rampa                                | 2012 |       |      |   | Certified |
|   |      | Sesulung                             | 2012 |       |      |   | Certified |
| Selabak *)<br>PT Swadaya<br>Andhika                     | 2012 | Selabak                              | 2012 | 63    | 2020 | Kotabaru District –<br>South Kalimantan                                 | Certified |
|   |      | Randi                                | 2012 |       |      |   | Certified |
|   |      | Sangkoh                              | 2012 |       |      |   | Certified |
|   |      | Lanting                              | 2012 |       |      |   | Certified |
| Rantau.<br>PT Laguna<br>Mandiri                         | 2012 | Rantau                               | 2012 |       |      | Kotabaru District –<br>South Kalimantan                                 | Certified |
|   |      | Matalok                              | 2012 |       |      |   | Certified |
| Betung.<br>PT Laguna<br>Mandiri                         | 2014 | Betung                               | 2012 |       |      | Kotabaru District –<br>South Kalimantan                                 | Certified |
|   |      | Sekayu                               | 2012 |       |      |   | Certified |
| Ungkaya.<br>PT Tamaco<br>Graha Krida                    | 2012 | Ungkaya                              | 2012 |       |      | Morowali District –<br>Sulawesi Tengah                                  | Certified |
|   |      | Plasma TGK                           | 2015 |       |      |   | Certified |
| Ladang Panjang.<br>PT Bahari<br>Gembira Ria             | 2012 | Ladang Panjang                       | 2012 | 1,639 | 2020 | Muaro Jambi<br>District - Jambi   | Certified |
|   |      | Plasma BGR                           | 2020 |       |      |   | -         |
| Rantau Panjang.<br>PT Guthrie<br>Pecconina<br>Indonesia | 2012 | Rantau Panjang                       | 2012 | 4,133 | 2020 | Musi<br>Banyuasin District<br>– South Sumatera                          | Certified |
|   |      | Bumi Ayu                             | 2012 |       |      |   | Certified |
|   |      | Karang Ringin                        | 2012 |       |      |   | Certified |
|   |      | Napal                                | 2012 |       |      |   | Certified |
|   |      | Mangun Jaya                          | 2012 |       |      |   | Certified |
|   |      | Sungai Jernih Estate<br>and GPI KKPA | 2017 |       |      |   | -         |
| Blang Simpo.<br>PT Perkasa<br>Subur Sakti               | 2013 | Tamiang (PT PPP)                     | 2013 | 1,286 | 2020 | Aceh Tamiang and<br>East Aceh District –<br>Nanggroe Aceh<br>Darussalam | Certified |
|   |      | Batang Ara (PT PSK)                  | 2013 |       |      |   | Certified |
|   |      | Blang Simpo-01                       | 2013 |       |      |   | Certified |
|   |      | Blang Simpo-02                       | 2013 |       |      |   | Certified |
| MAS.<br>PT Mitra Austral<br>Sejahtera                   | 2020 | MAS 1                                | 2018 |       |      | Sanggau District<br>– West Kalimantan                                   | -         |
|   |      | MAS 1                                | 2018 |       |      |   | -         |
|   |      | MAS 1                                | 2018 |       |      |   | -         |
|   |      | Plasma MAS                           | 2020 |       |      |   | -         |
| Lembiru.  | 2014 | Lembiru                              | 2014 |       |      | Ketapang District –   | Certified |

|                          |      |  |      |  |  |                           |           |
|--------------------------|------|--|------|--|--|---------------------------|-----------|
| PT Sandika Nata<br>Palma |      | Awatan   | 2014 |  |  | West Kalimantan           | Certified |
|                          |      | Karya Palma                                    | 2018 |  |  |                           | -         |
|                          |      | KKPA SNP                                       | 2020 |  |  |                           | -         |
|                          |      | Pelanjau (PT BAL)                              | 2018 |  |  |                           | -         |
|                          |      | Sungai Putih (PT BAL)                          | 2018 |  |  |                           | -         |
|                          |      | Baturus (PT BAL)                               | 2018 |  |  |                           | -         |
|                          |      | KKPA BAL                                       | 2020 |  |  |                           | -         |
| MALAYSIA                 |      |  |      |  |  |                           |           |
| Sg Dingin<br>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 |  |  |                           | Certified |
| Chersonese<br>SOU 2      | 2011 | Chersonese                                     | 2011 |  |  | Kuala Kurau, Perak        | Certified |
|                          |      | Holyrood                                       | 2011 |  |  |                           | Certified |
|                          |      | Kalumpang                                      | 2011 |  |  |                           | Certified |
|                          |      | Tali Ayer                                      | 2011 |  |  |                           | Certified |
| Elphil<br>SOU 3          | 2011 | Kinta Kellas                                   | 2011 |  |  | Sg Siput, Perak           | Certified |
|                          |      | Elphil   | 2011 |  |  |                           | Certified |
|                          |      | Kamuning                                       | 2011 |  |  |                           | Certified |
| Flemington<br>SOU 4      | 2011 | Flemington                                     | 2011 |  |  | Teluk Intan, Perak        | Certified |
|                          |      | Bagan Datoh                                    | 2011 |  |  |                           | Certified |
|                          |      | Sabak Bernam                                   | 2011 |  |  |                           | Certified |
|                          |      | Sg Samak                                       | 2011 |  |  |                           | Certified |
| Seri Intan<br>SOU 5      | 2011 | Seri Intan (Main<br>Division)                  | 2011 |  |  | Teluk Intan, Perak        | Certified |
|                          |      | Sabrang  | 2011 |  |  |                           | Certified |
|                          |      | Sg Wangi                                       | 2011 |  |  |                           | Certified |
|                          |      | Sogomana (Main<br>Division)                    | 2011 |  |  |                           | Certified |
| Selaba<br>SOU 5          | 2011 | Seri Intan (Selaba<br>Division)                | 2011 |  |  | Teluk Intan, Perak        | Certified |
|                          |      | Sogomana<br>(Cashwood & Sg<br>Beruas Division) | 2011 |  |  |                           | Certified |
|                          |      | Bikam  | 2011 |  |  |                           | Certified |
|                          |      | Clumy  | 2011 |  |  |                           | Certified |
| Tennamaram<br>SOU 6      | 2011 | Tennamaram                                     | 2011 |  |  | Bestari Jaya,<br>Selangor | Certified |
|                          |      | Sungei Buloh                                   | 2011 |  |  |                           | Certified |
|                          |      | Bkt Talang                                     | 2011 |  |  |                           | Certified |
| Bkt Kerayong<br>SOU 7    | 2011 | Bkt Kerayong                                   | 2011 |  |  | Kapar, Selangor           | Certified |
|                          |      | Bkt Cherakah                                   | 2011 |  |  |                           | Certified |
|                          |      | Bkt Rajah                                      | 2011 |  |  |                           | Certified |
|                          |      | Bkt Lagong                                     | 2011 |  |  |                           | Certified |
|                          |      | Elmina   | 2011 |  |  |                           | Certified |
| East                     | 2010 | East   | 2010 |  |  | Carey Island,             | Certified |

|                        |      |                 |      |  |  |                               |           |
|------------------------|------|-----------------|------|--|--|-------------------------------|-----------|
| SOU 8                  |      | Dusun Durian    | 2010 |  |  | Selangor                      | 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 SOU 16         | 2011 | Bukit Pilah     | 2011 |  |  | Bahau, Negeri Sembilan        | Certified |
|                        |      | Kok Foh         | 2011 |  |  |                               | 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<br>SOU 22  | 2011 | Bukit Benut      | 2011 |  |  | Kluang, Johor           | Certified |
|                        |      | CEP Niyor        | 2011 |  |  |                         | Certified |
|                        |      | Lambak / Elaeis  | 2011 |  |  |                         | Certified |
| Ulu Remis<br>SOU 23    | 2011 | Pekan            | 2011 |  |  | Layang-layang,<br>Johor | Certified |
|                        |      | Sembrong         | 2011 |  |  |                         | Certified |
|                        |      | Tun Dr. Ismail   | 2011 |  |  |                         | Certified |
|                        |      | Ulu Remis        | 2011 |  |  |                         | Certified |
|                        |      | Bukit Badak      | 2011 |  |  |                         | Certified |
|                        |      | Cenas            | 2011 |  |  |                         | Certified |
| Hadapan<br>SOU 24      | 2011 | CEP Rengam       | 2011 |  |  | Layang-layang,<br>Johor | Certified |
|                        |      | Kulai            | 2011 |  |  |                         | Certified |
|                        |      | Layang           | 2011 |  |  |                         | Certified |
|                        |      | Seri Pulai       | 2011 |  |  |                         | Certified |
| Sandakan Bay<br>SOU 26 | 2008 | Tun Tan Siew Sin | 2008 |  |  | Sandakan, Sabah         | Certified |
|                        |      | Tunku            | 2008 |  |  |                         | Certified |
|                        |      | Tigowis          | 2008 |  |  |                         | Certified |
|                        |      | Sentosa          | 2008 |  |  |                         | Certified |
|                        |      | Saguliud         | 2008 |  |  |                         | Certified |
| Melalap<br>SOU 27      | 2011 | Melalap          | 2011 |  |  | Tenom, Sabah            | Certified |
|                        |      | Sapong           | 2011 |  |  |                         | Certified |
| Binuang<br>SOU 28      | 2009 | Tingayu          | 2009 |  |  | Kunak, Sabah            | Certified |
|                        |      | Sungang          | 2009 |  |  |                         | Certified |
|                        |      | Jelata Bumi      | 2009 |  |  |                         | Certified |
|                        |      | Binuang          | 2009 |  |  |                         | Certified |
| Giram<br>SOU 29        | 2009 | Mostyn           | 2009 |  |  | Kunak, Sabah            | Certified |
|                        |      | Giram            | 2009 |  |  |                         | Certified |
| Merotai<br>SOU 30      | 2009 | Imam             | 2009 |  |  | Tawau, Sabah            | Certified |
|                        |      | Merotai          | 2009 |  |  |                         | Certified |
|                        |      | Table            | 2009 |  |  |                         | Certified |
|                        |      | Tiger            | 2009 |  |  |                         | Certified |
| Lavang<br>SOU 31       | 2011 | Belian           | 2011 |  |  | Bintulu, Serawak        | Certified |
|                        |      | Kelida           | 2011 |  |  |                         | Certified |
|                        |      | Lavang           | 2011 |  |  |                         | Certified |
|                        |      | Lavang (SE)      | 2011 |  |  |                         | Certified |
|                        |      | Rasan            | 2011 |  |  |                         | Certified |
| Rajawali<br>SOU 32     | 2011 | Rajawali         | 2011 |  |  | Bintulu, Serawak        | Certified |
|                        |      | Samudera         | 2011 |  |  |                         | Certified |
|                        |      | Semarak          | 2011 |  |  |                         | Certified |
|                        |      | Bayu             | 2011 |  |  |                         | Certified |
| Derawan<br>SOU 33      | 2011 | Takau            | 2011 |  |  | Bintulu, Serawak        | Certified |
|                        |      | Damai            | 2011 |  |  |                         | Certified |
|                        |      | Derawan          | 2011 |  |  |                         | Certified |
|                        |      | Sahua            | 2011 |  |  |                         | Certified |
| Pekaka                 | 2011 | Chartquest       | 2011 |  |  | Bintulu, Serawak        | Certified |

|                                 |      |      |                             |      |  |  |                                    |              |
|---------------------------------|------|------|-----------------------------|------|--|--|------------------------------------|--------------|
| SOU 34                          |      |      | Dulang                      | 2011 |  |  |                                    | Certified    |
|                                 |      |      | Peroh                       | 2011 |  |  |                                    | Certified    |
|                                 |      |      | Pekaka                      | 2011 |  |  |                                    | Certified    |
|                                 |      |      | Ruai                        | 2011 |  |  |                                    | Certified    |
| LIBERIA                         |      |      |                             |      |  |  |                                    |              |
| Grand Cape Mount                | Cape | 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 |
| P & G<br>(New Britain Palm Oil) |      |      |                             |      |  |  |                                    |              |
| Poliamba                        | 2012 |      | Kara                        | 2012 |  |  | Keviang, 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, Slomon 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                       | 2013 |  |  |                                    | Certified    |

|  |            |      |                     |      |  |                  |           |
|--|------------|------|---------------------|------|--|------------------|-----------|
|  |            |      | (smallholders)      |      |  |                  |           |
|  |            |      | Saiho               | 2013 |  |                  | Certified |
|  |            |      | (smallholders)      |      |  |                  |           |
|  |            |      | Aeka                | 2013 |  |                  | Certified |
|  |            |      | (smallholders)      |      |  |                  |           |
|  |            |      | Ilimo               | 2013 |  |                  | Certified |
|  |            |      | (smallholders)      |      |  |                  |           |
|  | 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          | 2010 |  |                  | Certified |
|  |            |      | (smallholders)      |      |  |                  |           |
|  |            |      | Morobe VOP          | 2010 |  |                  | Certified |
|  |            |      | (smallholders)      |      |  |                  |           |
|  | 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 |
|  | • Mosa     | 2008 | Bebere              | 2008 |  | West New Britain | Certified |
|  | • Kumbango |      | Kumbango            | 2008 |  |                  | Certified |
|  | • Kapiura  |      | Togulo              | 2008 |  |                  | Certified |
|  | • Namumdo  |      | Dami                | 2008 |  |                  | Certified |
|  | • Waraston |      | Waisisi             | 2008 |  |                  | Certified |
|  |            |      | Kautu               | 2008 |  |                  | Certified |
|  |            |      | Karaus              | 2008 |  |                  | Certified |
|  |            |      | 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 Sdn 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 Sdn Bhd targets to undergo RSPO Certification by end 2017. RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.</p> <p>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> |  |      |  |  |           |

|              |  |
|--------------|--|
| <b>2.0</b>   | <b>ASSESSMENT PROCESS</b>  |
| <b>2.1</b>   | <b>Assessment Team</b>   |
| <b>ASA-2</b> | <ol style="list-style-type: none"> <li><b>Leonada (Lead Auditor)</b>, Bachelor of Agricultural Cultivation Department of Agriculture, Faculty of Agriculture, Department of Plant Breeding and Seed Technology, Bogor Agricultural University. Having experience of more than five years working as a plantation operations staff and Sustainability in the company private Indonesian oil palm plantations and is currently working on independent certification bodies as auditor. Training have been followed are: Auditor Training Indonesian Sustainable Palm Oil (ISPO), awareness of RSPO, ISO 17021; 2011, ISO 17065; 2012, ISO 19011; 2011, Lead Auditor ISO 9001; 2008, ISO 14001; 2005, Training Management Development Program Agronomy, training analysis base solution for operation, training Pest Control Plant Diseases and Weeds Integrated Management (IPM), training Use of Pesticides Limited, Training Management of Waste Pesticides and Fertilizers, training, mediation and conflict resolution, OHS training General specialist and Auditor of OHS Management System. In this audit, he assess on BMP, Continuous Improvement, and SCCS aspect.</li> <li><b>Sandra Purba (Auditor)</b>, Indonesian. Bachelor of Forestry, majored in Forest Product Technology, North Sumatra University. Experienced in industrial forest company, coal mining and oil palm plantations company for 6 (six) years as EHS and Sustainability Assistant. Have certified as General OHS Expert, attend and passed the several trainings of management system (OHS, environment and quality management), training of waste management, GHG vericator and validator training, conflict resolution and mapping training. Have been successfully passed the Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, RSPO lead auditor training course and auditor of RSPO Next. Involve in many audit activities of similar scheme (ISPO) since April 2013 covering the Legal Aspect, Environmental aspect, Social Aspect, Health and Safety Aspect, conservation and Worker Welfare. In this audit she's assessing chemicals management, IPM, transparency, social and labour aspect.</li> <li><b>Ebnu Holdoon Shawal (Auditor)</b>. Malaysian citizen (Fluent in Local Language) Graduated with Bachelor of Civil Engineering from University Tenaga Nasional in Malaysia. He has been completed the ISO 9001: 2008 QMS Lead assessor course for RABQSA – QM 785 (Exemplar Global) certified. He has an experience regarding the safety, health and environmental standard for construction works as an engineer for 1 year. He has gone for various RSPO audit since 2015. During this audit he has been assigned to verify the Transparencies, HCV, GHG and Environmental aspect.</li> <li><b>Yap Chin Hung (Auditor)</b> Malaysian citizen (Fluent in Local Language) Graduate from University of Malaya with a Bachelor of Engineering (Honours) Degree in Manufacturing Engineering. He is a member of the Institute of Engineers, Malaysia. He had consulted and trained clients from various industries such as chemical, metal fabrication, engineering, electronics, manufacturing, fabrications, plastics, construction and trading in setting up and implementing the Management Systems based on ISO 9001, ISO 14001, ISO 13485, ISO 2200, HACCP, GMP, FSC and OHSAS 18001. Along his service as ISO consultant, he has assist more than 100 companies to obtain the ISO certification from various Certification Body. Yap is also the associate auditor for QE Certification, UK helping in carrying out 3rd party certification audit for ISO 9001, ISO 14001, and ISO 22000 &amp; OHSAS 18001. During this audit he has been assigned to verify the Legal, and OHS aspect.</li> </ol> |
| <b>2.2</b>   | <b>Assessment Methodology, Assessment Process and Locations of Assessment</b>  |
| <b>2.2.1</b> | <b>Figure of person days to implement assessment</b>   |
| <b>ASA-2</b> | Number of auditors : 4 auditors<br>Number of days for <b>ASA-2</b> at site : 4 days<br>Number of working days for <b>ASA-2</b> at site : 16 Working days   |
| <b>2.2.2</b> | <b>Assessment Process</b>  |
| <b>ASA-2</b> | The assessment was conducted by measuring the sufficiency of implementation and consistency of the SOU 11 – Sime Darby Plantations to the requirements of Malaysian National Interpretation of the RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO MYNI, March 2015 and Supply Chain Requirement for CPO Mill 2014). The assessment was conducted in three methods: (1) document review, aiming at observe the sufficiency of types or substances from required documents; (2) interview with management and stakeholders, aiming at obtaining more detailed information and information cross check; and (3) field observation, aiming at observe directly the sufficiency of  |

implementation on site.

Number of units in this certification activity is 5 (five) estates (Kerdau Estate, Jentar Estate, Sungai Mai Estate, Mentakab Estate & Chenor Estate), which supply the raw material (FFB) to 1 (one) palm oil mill (Kerdau POM). In conducting the assessment, the team of auditors used the  $0.8\sqrt{y}$  formula to determine the management units sampling to be focused on and also considered the issues raised by stakeholder. Based on this formula, the team of auditors determined that the sampling locations are Kerdau Palm Oil Mill and 2 (two) estates (Jentar Estate & Chenor Estate).

Some opportunities for improvement as the results of ASA-2 had also delivered by the MUTU auditors to the management unit and the results are the subject will be verified at the next assessment phase.

Improvement of findings from main assesment findings were observed by auditors at this ASA-2. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU International).

The assessment program please find Appendix 2. The assessment program please find Appendix 2.

|       |  |
|-------|--|
| 2.2.3 | <b>Locations of Assessment</b>   |
| ASA-2 | <p><b>Kerdau POM</b></p> <ol style="list-style-type: none"> <li><b>Housing complex.</b> Observation and interview regarding to employee facility</li> <li><b>Effluent treatment pond.</b> Observation of wastewater management, employment and OHS aspect</li> <li><b>Workshop.</b> Observation and interview regarding to OSH and employment aspect</li> <li><b>Schedule waste store.</b> Observation and interview regarding to waste management</li> <li><b>Weighbridge.</b> Observation FFB receive and SCCS procedure implementation</li> <li><b>Boiler and engine room.</b> Observation and interview regarding to OSH and employment aspect</li> <li><b>Sterilizer.</b> Observation and interview regarding to OSH and employment aspect</li> </ol> <p><b>Chenor Estate</b></p> <ol style="list-style-type: none"> <li><b>Housing.</b> Observation and interview regarding to employee facility</li> <li><b>Pesticides store and fertilizer store.</b> Observation and interview regarding to chemicals handling, OSH and wastes management</li> <li><b>Workshop.</b> Observation and interview regarding to OSH and employment aspect</li> <li><b>Schedule waste store.</b> Observation and interview regarding to waste management</li> <li><b>Harvesting activity block P02D.</b> Observation and interview workers welfare and safety aspects.</li> <li><b>FFB loading block P02D.</b> Observation FFB transportations and safety aspects.</li> <li><b>Tyto Alba box block 17I.</b> Observation integrated pest management procedure implementations</li> <li><b>Beneficial plant block 18E.</b> Observation integrated pest management procedure implementations</li> <li><b>EFB application block 18E.</b> Observation recycling nutrient procedure implemantation</li> <li><b>Replanting Area block 17I.</b> Observation slopes planting area and planting procedure implementations</li> <li><b>Legal boundary.</b> Observation of availability and maintenance of boundary poles and border.</li> <li><b>HCV area.</b> Observation management of HCV area</li> </ol> <p><b>Jentar Estate</b></p> <ol style="list-style-type: none"> <li><b>Housing.</b> Observation and interview regarding to employee facility</li> <li><b>Pesticides store and fertilizer store.</b> Observation and interview regarding to chemicals handling, OSH and wastes management</li> <li><b>Workshop.</b> Observation and interview regarding to OSH and employment aspect</li> <li><b>Schedule waste store.</b> Observation and interview regarding to waste management</li> <li><b>Clinic.</b> Observation and interview regarding to infectious waste</li> <li><b>Creche.</b> Observation and interview regaring to employment aspect, facility and job description</li> <li><b>Landfill.</b> Observation regarding to domestic waste management.</li> </ol> |

27. **Harvesting activity block 88JH.** Observation and interview workers welfare and safety aspects.
28. **Tyto Alba box block 88JH.** Observation integrated pest management procedure implementations
29. **EFB application block 2017B.** Observation recycling nutrient procedure implementation
30. **Beneficial plant block 2017B.** Observation integrated pest management procedure implementations
31. **Replanting Area block 2017B.** Observation slopes planting area and planting procedure implementations
32. **Spraying activity block 15E.** Observation and interview workers welfare, environment and safety aspects
33. **Legal boundary.** Observation of availability and maintenance of boundary poles and border.
34. **HCV area.** Observation management of HCV area

**Interview with external and internal stakeholders (Workers) on field observation**

1. Kerdau Mill: 1 weighbridge operator, Processing operator 2 foreigners (Indonesian) and 1 local worker
2. Chenor Estate: 1 Indonesian worker, 1 Bangladeshe worker, 1 Malaysian (local) workers, 1 Indian worker, 1 Nepalese worker
3. Jentar Estate: 1 Indonesian worker, 3 Indian worker., 1 Nepalese worker
4. Contractors of FFB Transportation
5. Sime Darby Foreign Workers Representative (3 workers)
6. Local Teacher of SJKC Sg Jerik
7. Store keeper (2 workers)
8. Creche officer (2 workers)

|              |  |
|--------------|--|
| <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-2</b> | <p>Consultation of stakeholders for SOU 11, Sime Darby Plantation Sdn Bhd was held by:</p> <ol style="list-style-type: none"> <li>1. Public Notification on Mutu certification website on 16 April 2018.</li> <li>2. Letter sent to related agencies and NGO in Malaysia, dated 21 April 2018</li> <li>3. Interview of local contractor, teachers, governments institution and communities representative of Sg Jerik in Kerdau POM, Chenor estate and Jentar estate, held on 2 May, 3 May and 4 May 2018</li> <li>4. Internal stakeholders representatives (worker union and gender committee and local/foreign workers) , held during field visit 2-4 April 2018</li> </ol> <p>Numbers of input from stakeholders were verified by auditors through field observation and document verification.</p> |
| <b>2.3.2</b> | <b>Stakeholder contacted</b>   |
|              | <b><i>Please find appendix 1</i></b>   |
| <b>2.4</b>   | <b>Determining Next Assessment</b>   |
|              | The next ASA – 2 will be carry out on April to June 2019   |

**3.0. ASSESSMENT FINDINGS**
**3.1. Summary of Assessment Report of the RSPO Certification**

MUTUAGUNG LESTARI has conducted an assessment of Kerdau POM, SOU 11 – Sime Darby Plantation Sdn Bhd operation consisting of one (1) mill and five (5) oil palm estates.

During the assessment, there were no Nonconformity assigned against Major Compliance Indicator(s) and one (1) nonconformities assigned against Minor Compliance, and no nonconformance against supply chain requirement for CPO and two (2) opportunity for improvements identified.

Further explanation of the non-conformities raised and corrective actions taken by the certification unit are provided in section 3.5.

MUTUAGUNG LESTARI found that Kerdau POM, SOU11 – Sime Darby Plantation Sdn Bhd complied with the requirements of RSPO Principles & Criteria and National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, MYIWG .

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</b>                                     | <b>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>  |  |
| <b>1.1.1, 1.1.2</b>                            | <p>Sime Darby Plantation (SDP) maintains a general procedure for receiving and responding to requests for information from stakeholders as per their Estate Quality Management System (EQMS) Standard Operation Manual (SOM) Procedure for External Communication issued on 1 November 2008. The procedure states that the manager is responsible to receive all external communication from external interested parties, to review it and if found to be authentic, to respond to it. The procedure states that the manager or assistant will assign a reference number, log in the date of receipt, customer's name and address and the nature of communication or complaint, and any communication with the stakeholder should be documented. Timeframes of providing feedback is within 2 weeks for requests for direct feedback and within one week for requests pertaining to investigation.</p> <p>The updated stakeholders list are available in all respective unit such as in Jentar Estate, Kerdau POM and Chenor Estate, consist of suppliers/contractors, local communities and other interested parties (government agencies, schools, hospitals, police), meeting and consultation to stakeholders are held in yearly basis, for i.e. the latest meeting in Kerdau POM held on latest held on 17 April 2018, on 17 April 2018 in Jentar Estate and on 23 April 2018 in Chenor Estate.</p> |  |
|  | <b>Status: Comply</b>  |  |
| <b>1.2</b>                                     | <b>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.</b>   |  |
|  | <p>Stated in the document of procedure for external communication, clause 6.6: all request to and from the media are to be directed to the head, corporate communication dept. The mill management can liaise directly with the media only upon receipt of written notification from the head of communication dept.</p> <p>Clause 6.7 stated that the SDP implemented an open mill/estate policy, whereby the mill communicate to external interested parties about its significant QHSE aspects and others (social aspect, legal, labour aspect), has been adopted by mill and estate. All visit/educational tours by external interested parties to the mill/estates are arranged by</p>  |  |

|  |                       |  |
|--|-----------------------|--|
| communication Dept., or after aproval from head office are obtained. During these visit mill management arranges for displays to be available to better explain the processes and document in the mill and estate and provide the visitor with all requested information.  |                       |  |
|  | <b>Status: Comply</b> |  |
| <b>1.3</b>   |                       |  |
| <b>Growers and millers commit to ethical conduct in all business operations and transactions.</b>  |                       |  |
| <p>The company has a documented Code of Business Conduct (COBC) in the form of a booklet which lists the core values for ethical conduct, including integrity, respect and responsibility, entrepreneurship, and success. The document also defines specific working standards pertaining to: avoiding Conflicts of Interests, guarding Against Bribery and Corruption, gifts, entertainment and travel, dealing with counterparts and business partners, dealings with government authorities, political parties and international organizations, and etc.</p> <p>The COBC are displayed in company's website and linked to a complaint form, email addresses of contact persons to whom complainants can lodge complaints about breaches of the ethical conduct policy. During the field visit sighted that the COBC has been displayed in the notice board in strategies location.</p>  |                       |  |
|  | <b>Status: Comply</b> |  |
| <b>PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS</b>  |                       |  |
| <b>2.1</b>   |                       |  |
| <b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>  |                       |  |
| <p>Scheduled waste disposal and notification record audited and found compliance with legal and regulations. Consideration to improve the legal compliance evaluation accuracy. <b># OFI</b></p> <p>A Legal Register covering the applicable local and international laws and regulations is available at the mill and estates. The identified legislations were regarding to safety and health, environmental management, pollution management, chemical handling, usage &amp; storage, schedule waste management, employment, building, etc.</p> <p>Relevant required licensing and document such as MPOB license, DOE license, competence driver license, DOSH Certificate of fitness, etc observed.</p> <p>Based on the site assessment, interviews and evidence checking at the mill estate, there were evidences of compliance with the relevant laws, regulations, local and International laws:</p> <ul style="list-style-type: none"> <li>a) Steam boiler observed with valid certificate of fitness</li> <li>b) Boundary noise monitoring performed and within permissible limit.</li> <li>c) CHRA conducted as per requirement and relevant suggestions implemented.</li> <li>d) Audiometric test performed as per requirement and appropriate actions observed.</li> <li>e) Mefical surveillance test performed.</li> <li>f) Proper scheduled management practice observed.</li> <li>g) Air emission monitoring performed.</li> <li>h) Safety Data Sheet availble at the point of use.</li> </ul> <p>There were no cases of any violation or actions imposed by relevant authorities.</p> <p>Evaluation of compliance performed and found compliance with relevant requirements.</p> <p>Yearly review of legal compliance observed. Specific personnel appointed for legal and other requirement person in charge. Tracking of law changes system defined.</p> <p>Work permit of foreign workers sampled during the audit:</p> <ul style="list-style-type: none"> <li>- Kerdau mill: 25 workers from Indonesia, for i.e.: Suryadi, passport number: AT615414 valid from 7 Mar 2016-7 Mar 2021, permit number PD8264271 (multiple entry visa) valid until 2 June 2018</li> <li>- Jentar : for i.e. on behalf of Rakibul Khan (Indian), passport no.: K7619188 valid from 17 April 2013 – 16 April 2023, permit no.: PD9174009 valid until 13 Nov 2018</li> <li>- Chenor: 144 workers from Indonesia, India, Bangladesh and Nepal, for i.e.on behalf of Randheer Singh (Indian), passport no. S0565479 valid from 4 April 2018 – 3 April 2028, permit no. PD7955106 valid until 28 May 2018</li> </ul> |                       |  |
|  | <b>Status: OFI</b>    |  |

**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.**

Relevant documents showing legal ownership such as land title, land use agreement, etc available. The original copies are maintained by the Corporate Head office.

During field visit, few boundary markers area sampled. Sighted boundary marker mapping observed with all available boundary markers identified.

The estate is adjoining to private smallholder estate separated by trenches and identified by boundary markers. The estates is maintaining a estate map with locations of boundary stones and GPS references.

No land right dispute observed for the POM and estates.

**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.**

The factory and estates land use observed in relevant legal documents. No land dispute observed as no other user right affected.

**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, 3.1.2**

The business plans are available on budget with period of 5 years which was evaluated and review in every years such as January 2018. The business plans are include land area statement, planting materials, fresh fruit bunches (FFB) yield trends, oil extraction rate (OER) trends, cost per tonne of crude palm oil (CPO) trends, forecast prices, financial indicators, replanting, etc.

**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**

The certificate holder has maintained the SOP of all operations and management unit in Sime Darby Plantations by Estate Quality Management System (EQMS) for Oil Palm Estate and Mill Quality Management System (MQMS) with compliance to international standard of organization. The SOP documented including all the estate and mill operations such as Estate Upkeep, estate operational activities, census, manuring, and water management. The SOP and Standard Operating Manual were kept at the mill and estate for referral in any cases and has been made into bilingual (English and Malay). There are related training towards the SOP has been made available and evidence sighted as per signature and attendant list. Based on field observation in Chenor and Jentar Estate known that the workers have understood the procedures and can demonstrated a good work practices accordingly.

**4.1.2, 4.1.3**

Records for operations activity has been monitored and being updated and the internal control procedure has been done by the respected Sustainability team Of Plantation Sustainable Quality Management on the each estate related to sustainability courses and the SOP related to operation has been handled by the Manager and team of each estate and mill. Example of internal control are MA Report No. SOU 11/KDM/01/17-18 dated in 26 – 27 September 2017, Management review at Oktober 2017. There also available document of salient points of the P&D Visit at Chenor Estate dated 20 April 2018. The certificate holder had keep track the number and revision of each SOP by referring to on top of

the manual on each pages. For any changes in certification unit SOP and Policy, the circulated email has been forwarded to all the management unit and the personal in charge from PSQM will be doing internal audit for verification.

#### 4.1.4 Major

Third Party FFB was made available at the records of Kerdau POM FFB receiving. There are two, consist of Sri Kerdau Commodities (Temerloh, Pahang Darul Makmur) and Golden Horse Plantation (Bera, Pahang Darul Makmur). The SOP for third party FFB sourcing describe at Standard Operating Procedure for Sustainability Supply Chain and Traceability issued on February 2018. Based on field visit was observed that the FFB from own estate and outsider crop plantation was separately in loading ramp area.

|                       |
|-----------------------|
| <b>Status: Comply</b> |
|-----------------------|

### 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

The estates are referencing to "Sime Darby Agricultural Reference Manual – Oil Palm Planting" as part of good agriculture practices. The manual consists of all plantation operation activities, such as planting material, new planting, replanting, palm replacement and chemical controls over pest and disease. The estates conduct regular trainings to field workers and this was evidence through training records. Aside the field Staff, executive and Mandor regularly check the worker's performance in the field and this is always counter check by estate manager. "Sime Card / Positive Intervention Culture" is being used as part of improve work attitude.

#### 4.2.2, 4.2.3

Records of fertilizer inputs are maintained in manuring application programme as per recommendation from The Agronomist. Records of fertilizer usage per tonne of FFB production is evident in Monitoring Fertilizer Use Per MT/FFB. The fertilizer recommendation are based on the leaf sampling such as plant analysis test report for leaf sampling No. P466/2016 Sime Darby Research SDN BHD, dated 19 September 2016 for fertilizing period of 2017/2018. For soil sampling available on document: Soil analysis test report dated 20 Oktober 2014 (conducted for every 5 years).

#### 4.2.4

Certificate holder has nutrient recycling strategies, such as EFB and palm residues from replanting. The strategies are implemented and monitored well as found at field visit in Chenor and Jentar Estate. Based on field observation in Chenor Estate at replanting area is found palm residues and EFB are use for nutrient recycling.

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| <b>Status: Comply</b> |
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### 4.3

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

#### 4.3.1, 4.3.2, 4.3.3, 4.3.6

All estate in SOU 11 have Semi Detail Soil Maps scale 1:20,000, prepared by Research & Development Precision Agriculture Unit dated January 2017. Based on these document, it was found that most soil types are moderately deep to deep yellowish brown, brown or reddish sandy clay soils and dominated by rolling slope class (12 – 24 %). There was no significant marginal soils identified and no peatland. Most of the existing land is dominated by rolling slope class (12 – 24 %).

To maintain the slopes area, the certificate holder has set the procedure such through the terracing, EFB application, good fertilizer application and planting cover crop to minimize the soil erosion as found at field visits in Chenor and Jentar Estate. Based on field observation in Chenor Estate and Jentar Estate also found that the roads are in good condition according to a road maintenance programme.

#### 4.3.4 & 4.3.5

Based on document review of Semi Detail Soil Maps 2017, interview with management representative and field observation to estate, known that there are no pet soil types at the estate indicated

**Status: Comply**
**4.4**
**Practices maintain the quality and availability of surface and ground water.**
**4.4.1**

Based on the observation at Sime Darby Kerdu Mill, the management unit had processed the water by their own water treatment plant. Sighted the water sources for the mill is water catchment are extracted to the mill storage and the flow process are :

Water catchment → water retention pond → Clarifier at the mill → Sand Filter → Main Tanks storage → boiler process

The water management plan of Kerdu Mill → identification and management of wastewaters for FY 2017/2018 that include :

- i) Location – processing stations
- ii) Wastewater produced – clarification condensate
- iii) Treatment – containment method – Phase 1, phase 2, phase 3
- iv) Reuse/ recycle / disposal method – watercourse / monsoon drain
- v) The certification of completion – prepared on dated 6<sup>th</sup> July 2017 and verified by mill manager
- vi) Sighted the location of the wastewater produced and location – processing stations, boiler, laboratory, process buildings, workshop, FFB ramp , linesite area and office – washrooms

The company had send the water analysis test report date received : 2<sup>nd</sup> April 2018, date tested 3<sup>rd</sup> April 2018

Lab code : C- W – IE – 201804-001507 , water sample raw water , PH 5.6, Turbidity 5.1 – no AI

- Water sample – after treatment water – 5.6 PH and 0.7 NTU turbidity
- Water sample domestic water - Ph 5.5, NTU 0.6
- Water sample reserve pond – PH 5.0 , NTU - , AI 0,036

The water sample had been recorded and submit to Sime Darby laboratory R&D center Carey island. Sighted also the microbiology analysis test report for water dated 19/2 /2018 :

- Raw water ND <2 , Total coliform NC < 2
- After treatment NDD < 2
- Domestic water ND < 2

**4.4.2**

The company has Reserve / River Buffer Zone and Slope Protection procedure (SPQMS Appendix 14 dated on 01/01/2010). Water management among others is conducted through protection of water courses and wetlands, including maintaining and restoring appropriate river buffer zone or before replanting along the natural waterways within the estate. Based on interview with management representative, there are no changes to the procedures, still the same as the previous audit activities.

Based on field observation at Block F02B water catchment area at Chenor Estate, sighted a proper bund made available at the Chenor estate and signage of no swimming, no fishing and no spraying at the catchment area. The company had made an initiative to plant the water catchment area with the forest trees since 2009.

**4.4.3 and 4.4.4.**

The mill had using the conventional pond treatment process to treat the mill effluent. Sighted from the documentation and field observation, the mill treatment process are as followed :

Sighted the impact to local stakeholders – effluent water test analysis :

- i. R&D effluent treatment plant test report latest dated 14<sup>th</sup> march 2018 – 14 samples received on 08/2/2018 dated 17<sup>th</sup> March 2018 –

- ii. Sighted the samplings on effluent test analysis report SDP KKS Kerdau that comprise 12 effluent pond and 1 discharge pond :
- iii. Mixing pond , anaerobic pond no.1 , no.2 , no. 3 no. 4, no 5, no.6,
- iv. Aerobic pond 1, pond 2, pond 3, pond 4, pond 5, pond 6 – final discharge :
- v. That include sample reference : PH, T. Alk, VFA , BOD , TS, SS, VSS, TN, AN, O&G all in mg/l

Sighted the type of samples, (palm oil mill effluent) watercourse discharge, the type of specifications parameters and standard quality. The waster discharge to water courses has not surpassed the legal limit which is BOD 100. Sighted also sample made on 12/2/2018 - BOD 17, 20 /2/2018 – BOD 22, 12/1/2018 BOD 22. Sighted the DOE License number – 004379 for Sime Darby Plantation Berhad Kilang Sawit Kerdau dated 1<sup>st</sup> July 2017 until 30<sup>th</sup> June 2018 on palm oil effluent on Alur air (water courses) and compost that include all the capacity of mill (60 tonnes / hour)

Sighted on the license requirement on the mill which are :

- vii) BOD 3 days 30 degrees , < 100 mg/l
- viii) Suspended solid and , 400 mg/l
- ix) Suspended oil and grease : < 50 mg /l
- x) Ammoniacal nitrogen < 150mg/l
- xi) Total nitrogen < 200mg/l
- xii) PH not more that 9 and 5.0
- xiii) Temperature not more than 45 C

**4.4.3 Status: Comply**

### 4.5

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

#### 4.5.1, 4.5.2

The company are implementing early detection system to control the pest and disease infestation, such as regularly conduct census and daily visual monitoring. Sighted the document of Sime Darby Agricultural Reference Manual which was issued on 1st July 2011, IPM techniques applied in all estates which is adopting a calendar baiting approach with rat baiting campaigns carried out once every 6 months to suppress rat attacks, whether or not there is visible sign of rat damage, acceptable percentage threshold is <20%. Additional census is only carried out when there is rat damage above the threshold level of 5%. Bagworm/ nettle caterpillar control is carried out according to the company's SOP as per their SDP Agriculture Reference Manual issued 1 July 2011. The SOP specifies the steps for monitoring and surveillance include alert (initial detection of signs of leaves being eaten).

Sighted the IPM records in sampled estate, such as:

- Rat fresh damage census period of March 2018 in Chenor Estate, field of 2012 B (50.33 Ha), the number of attacks 7.53%. Rat baiting record for 2nd campaign FY2017 / 2018 (Jan-March 2018), status is on going due to the acceptance threshold has not reached yet.
- Records of rat baiting summary 2nd campaign (FY2017/2018) in Jentar Estate can be shown , in zone A (field of 2016A, 2016B, 2016C, 2011C and 2011B), 417.95 Ha. For i.e. round 4, held on April 2018, has been reach the acceptance threshold (19.03% in 2016B, 19.20% in 2016C, 19.30% in D4 2011C).

Census of ganoderma are conducted once a year, report for FY2016/2017 in Chenor estate and Jentar Estate, the percentage of ganoderma attacks is between 5.06% - 11.65%, a cypermethrin application is performed to suppress the infestation. There is no bagworm/caterpillar and oryctes infestation on the Chenor and Jentar estate, it also observed by auditor during the field visit.

Biological control is used to reduce pest and disease attacks, namely the utilization of the owl's natural enemies to control rat and to plant beneficial plants to reduce caterpillar. Sighted the BOB census sumary in Chenor Estate for periode of August 2017 (FY2017/2018), total boxes intalled 218, total occupancies 154, for i.e. in field of 02D (55.75 Ha), 16 boxes, occupancy 12 box. Latest BOB census in Jentar Estate held on Sept 2017, total box installed 123 box, occupied 57

(percentage occupancy 46%), ratio installation per Ha is 15.64%. Field observations was done to Field 17I Chenor Estate and field of 88CH in Jentar estate, seen BOB installed and active. As well sighted the beneficial plant along the road for i.e. in field of 18E Chenor Estate and 2017B Jentar Estate.

There is no excessive use of chemicals, the application is within the budget set by the company. There is no use of chemicals 1A 1B WHO classification. Records are showed to auditor. For i.e usage of Cypermethrin in Chenor estate FY2016/2017 is 1200 L and FY2017/2018 is 880 L.

Records of training are sighted in sampled unit, among others: tat baiting training in Chenor estate on 28 April 2018, 11 participants and training of rat baiting on Jentar Estate held on 18 April 2018, field of 2016A, 15 attendants.

**Status: Comply**

#### 4.6

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

##### 4.6.1

Justification of all chemicals used by SOU11 is contained in a document of oil palm planting section 16 (weed control), describing weed classification, herbicide recommendation and dosage (nursery, immature, mature, selective weeding, circle and path spraying), for ie glyphosate are used to control *Imperata cylindrica*, dosage: 4 L / Ha for selective weeding, 6 L / Ha for immature planting. The company has Safe Use of Chemicals handling, was available in Pictorial Safety Standard (PSS) Chapter 8 regarding to Pesticide Handling.

##### 4.6.2, 4.6.3

Records of pesticide usage per hectare and per tonnage can be shown to the auditor, which describe total pesticide by L/Ton, L/Ha and a.i per hectare and per ton, sighted the record from July 2017 – April 2018 in sampled estate.

There is no prophylactic use of pesticides. The company are implementing early detection system to control the pest and disease infestation, such as regularly conduct census and daily visual monitoring. Biological control is used to reduce pest and disease attacks, namely the utilization of the owl's natural enemies to control rat and beneficial plants to reduce caterpillar. Field observations was done to Field 17I Chenor Estate and field of 88CH in Jentar estate, seen BOB installed and active. As well sighted the beneficial plant along the road for i.e. in field of 18E Chenor Estate and 2017B Jentar Estate.

Observed the record of chemical usages since FY2015/2016, FY2016/2017 and FY2017/2018, verified that there is a reduction in use for i.e Average a.i/ha in Chenor for Mar 2018 is 0.855L and Apr 2018 0.470L, meanwhile in Jentar for Mar 2018 amount of 0.62L and Apr 2018 is 0.45L.

##### 4.6.4, 4.6.5, 4.6.7, 4.6.8, 4.6.9

The company do not use chemicals class 1A 1B WHO classification and Stockholm or Rotterdam Conventions pesticides and do not use paraquat. Based on the list, the types of chemicals used include glyphosate, metsulfurin methyl, fluroxypyr, sodium chlorate and triclopyr. Based on field observations to chemical storage at Chenor Estate, there is no stock of paraquat stored.

The company has SOP of chemical safety management (SD/SDP/PSQM(ESH)/202-OH4 date issued 26 Feb 2015, describes chemicals safety handling including for transportation of chemicals, storage of chemicals, handling of chemicals (shall be done based on MSDS or any relevant SOP), disposal of chemicals wastes and training (according to national requirements). As well, there is a CHRA document published by Haji Shaari Chin JKKP HIE 127 / 171-2 (124) October 2015 which describes the aspects of health and safety in the use of chemicals including the appropriate PPE that must be used. All applicators has been trained well and can demonstrate the application of chemicals in safely manners as observed in field of 15E Jentar Estate. Records of training sighted such as in Chenor estate (training of chemical & spraying safe operating procedure) held on 22 Feb 2018, 10 participants and spraying technique training by MyCorp in Jentar Estate held on 6 Feb 2018, attended by 28 spraying operator. PPE are provided according to he HIRADC and CHRA and has been considered the MSDS and precaution attached in the packaging. The facility for washing after work and space to keep PPE already provided in storages complex. Based on interview to premix foreman and storage keeper

mentioned that pesticide operator are obligue to washing and keep their PPE in facility provided. There is no aerial application

**4.6.6**

The company had developed and SOP for the whole Sime Darby Management unit including SOU Kerdau which document title chemical safety management – document ID SD/SDP/PSQM (ESH) / 202-OH4. The document made stated comprising including all the operation in Sime Darby Unit including chemical and pesticides handling. Sighted the managemet requirement and procedure of chemical handling :

- Selection of cheimicals
- Assessment of chemical hazards
- Approval of chemicals
- Selection of chemical supplier
- Transportation of chemical
- Receiving chemicals
- Storage of chemicals –
  - i) chemicals should be stored in a secured and well ventilated space to which only authorized access is permitted and the container should be preferably be place on skids or on a platform
  - ii) chemical storage facilities should be designed minimized fire hazard and prevent leakage in the events of spill and the storage area should be bunded
- Handling chemical
- Disposal of chemical wastes
- Training on regulatory requirements
- Maintenance of equipment.

All the pesticides and storage had been kept in ventilated and proper storage [stacked and separated as per SOP requirement] for all 2 sampling estates, Chenor Estate, Jentar Estate and Kerdau mill.

**4.6.10**

The company had developed an SOP regarding disposal waste material as per document sighted, document title Scheduled Wastes Hazardous Waste management dated 26<sup>th</sup> February 2015 as operational control procedure 53 pages SD/SDP/PSQM(ESH) 203-EN1. Sighted also the training has been done dated 26<sup>th</sup> April 2016 attended by 6 persons at Chenor meeting room. The company had showed the evidence of implementation of scheduled waste as per regulation of DOE. Sighted the consignment note for disposal of waste material and had been properly disposed dated 1<sup>st</sup> may 2018 by registered collector L. Balani – NBJ 6551 at cenviro recycling and recovery sdn bhd at Ladang Tanah Merah Bukit Pelandok [registered collection waste disposal area :

- i) SW 305 – 3 pallet 18 drums to]
- ii) SW 408 – 1 pallet 2 55 drums of contaminated soil and debris
- iii) SW 409 – 15 pallet drum 8 nos. 13 – document number 0114898
- iv) SW 410 – rags plastics, paper 1 pallet , 2 55 gallon drum

Jentar Estate had documented the disposal of scheduled waste to Kualiti Alam sdn bhd [registered collector of DOE, license no. 002706] in Negeri Sembilan Malaysia.

**4.6.11, 4.6.12**

Chemical store, mixing area and scheduled waste store visited and found all in proper condition.

All relevant staff including storekeeper interviewed and found understand on chemical and waste handling.

List of sprayers available for spraying activity.

Medical surveillance performed for all sprayers according to legal requirement.

Medical surveillance result showed no sprayers been listed under "Un-Fit" category. Medical result communicated with workers. Interviewed with sprayer performed and found no sprayer has indication of skin disease and itches. Cholinesterase test was not included into medical checkup, according to Chemical Health Risk Assessment, cholinesterase test was not required for medical surveillance. Annual medical surveillance performed for chemical handler according to OHS (USSCHH) Reg 2000 and found all within permissible limit.

Policy for preventing pregnant and breastfeeding woman from spraying and chemical handling observed and approved by Estate Manager and communicated thru briefing.

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| <b>Status: Comply</b> |
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#### 4.7

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

Occupation Safety and Health Policy observed. Policy well communicated through out the organization. Relevant safety operating procedure (SOP) observed with coverage of overall mill and estate operation process.

Basic Occupational Health & Safety Management System established for mill and estates. OSH Manual and relevant SOPs developed as documentation of OSH management system. Good design of OSH management system observed.

Occupational health and safety plan observed for mill and estates. Progress of health and safety plan monitored and recorded. All planned program performed according to planned schedule. Good implementation of safety & health programme observed which involvement of total staff in the training. Relevant work place inspection performed regularly.

Relevant type of test such as audiogram test, medical surveillance, CHRA performed according to legal requirement.

HIRADC procedure developed with proper criteria attached for risk assessment at mill & estates. All mill and estates activities covered for HIRADC study. Relevant action proposed for identified hazard.

Several operation controls defined with relevant procedures. Overall implementation of operation controls were at satisfactory level.

Sufficient and suitable PPE had been distributed to workers. PPE issuance record observed. Relevant PPE training provided to estates staff and workers. PPE usage assessed during the field observation and good practice observed.

Safety & Health Committee established for mill and estates. The establishment of Safety & Health Committee observed and in line with legal requirement. Safety & Health meeting conducted at least on quarter yearly basis and comply with legal requirement. Safety and health related issue discussed during the meeting and proper action plan observed for outstanding issue.

Emergency Response Procedure observed with description of emergency situation handling for estates. Accident and emergency procedures had been written and briefed to staff, workers, contractors and visitors. Good understanding level observed among the workers. Emergency preparedness and response procedure available in english and bahasa malaysia. Relevant information also available in 2 language and displayed on the notice board. Interviewed few workers in the kernel plant, boiler and sterilization area and found they are clear on emergency response procedure.

No accident reported for year 2017 at mill. However, 4 cases (chenor) and 2 cases (Jentar) accident reported for year 2017. Submission of accident summary record (JKKP8) to JKKP observed. Accident recorded in LTA term and clearly presented during the audit

Fire drill training conducted at mill and estates for improving of staff and workers awareness on emergency handling. Functionality of firefighting system assessed during the mill observation. Good condition maintained. Sufficient first aider and first aid box observed along the site observation.

Medical insurance provided to all workers. Insurance agreement observed for all workers. Field observation performed and found clinic facility available. Evidence of insurance claim observed. Contract workers also covered by accident

insurance policy. SOCSO contribution for local worker meanwhile Foreign Worker Compensation Scheme Certificate of Insurance for foreign workers.

**Status: Comply**

#### 4.8

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

##### 4.8.1, 4.8.2

Sighted the training program of Kerdau, Chenor Estate and Jentar Estate Mill FY2017/2018 for all level (manager, assistant, field spv, mandore, driver, skill workers, harvester, sprayer, general workers, foreign workers, OSH coordinator, ERT/EPR team and contractors). The kinds of training planned such as: HIRARC, OSH committee function and responsibility, mixing training, ESH policy, harvesting operation & quality, chemical & spraying safe operating procedure, first aid training, safe driving technique, scheduled waste management, ISCC, gender, RSPO training, environmental responsibility & biodiversity, fire fighting, workshop safe operating procedure, EPR, 5s.

Observed that all sampled unit has been maintain the records of training for each staff and workers (both local and foreigners). There is no smallholders scheme in Kerdau POM and its supply bases. Sighted the minute and attendance list of training such as first aid training held on 22 Feb 2018, 4 participant from Kerdau POM as well minute of chemical handling training in Kerdau POM attend by 8 workers including store keeper and laborant, held on 15 November 2017, training of chemical & spraying safe operating procedure held on 22 Feb 2018, 10 participants in Chenor estate and spraying technique training by MyCorp in Jentar Estate has been held on 6 Feb 2018, attended by 28 spraying operator.

**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 SIA and EAI are available and updated accordingly. EAI evaluation is complete covering the whole estate activities. Sighted the impact evaluation form for Sime Darby Plantation Sdn Bhd for Kerdau Estate and Master List EMS /01/5.4.3 related to Environment Aspect and Impact Identification, review on 2018 and verified by Mill manager and for the estate the EAI had been reviewed on the same year 2018 and prepared by the assistant manager. 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 Chenor and Jentar 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 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 Chenor and Jentar estate and had establish the Pollution Preventive Management Plan 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 Chenor estate that include frequency extent of impact, duration of impact, cost of remedial action, and potential compliance to environmental regulations. The environment improvement plan FY 17/18 had been made into :

- Environmental issue → Mitigating measures → action by → time frame
- Water pollution → Desludging work for ETP aerobic pond and refurbishment on existing monsoon drain oil trap → Action by Asistant Manager and time frame shifted December 2017. Sighted the environmental management plan / programmed for year 2017/2018 :
- Objective target duration → Action Steps → resource required → date → tracking date for example :Manage domestic waste asper SPMS appendix 9 → prepare schedule of domestic waste collection → person in charge

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## 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

Sime Darby Plantation SOU Kerdau had conducted a HCV assessment which carried out on 2009 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. Based on the report is known that total of 7.82 ha of HCV area identified in SOU Kerdau which only comprises HCV 4 area, i.e. a water catchment covering 7.82 Ha at block P02B which is harvested for water catchment and emergency usage at the Chenor estate. In Spite of that the HCV report also covering Jentar estate which have 59.0 ha of HCV 4 Bukit Kiab Area and 0.0002 ha of cemetery area [HCV 6] at Jah hut cemetery. The report also includes a list of common wildlife identified in the area of SOU Kerdau including their IUCN and WCA 2010 conservation status. All species of animals identified were listed as least concern and there is no RTE species was identified.

### 5.2.2

There was no rare, threatened or endangered (RTE) species was identified only was found the HCV 4.1 as water catchment area and slope more than 45 degree con. The management of SOU 11 Kerdau had prepared HCV in the action plan in year of 2017/2018, the document informing the scope, objectives, programme, time frame, Personnel in Charge and remark/record. Based on field visit on HCV area at block P09B Chenor Estate, showed that the company was installed sign board for prohibition of hunting, fishing, burning and the company had made a protection of HCV area by bund as per protection water catchment area. Sighted the consultation and exercise at Chenor Estate meeting room

dated 1<sup>st</sup> March 2016 to the clerk, operator and handled by PSQM department. Sighted the HCV re assessment for Pahang Zone SOU at Chenor estate = HCV 4 7.82 ha.

Sighted from the report that the report will comprise of all SOU Kerdau, Sg Mai Esatet, Chenor Estate, Kerdau Estate, Jentar Estate, Mentakab Estate that comprise the river/reserve/ stream buffer / water bodies → possible threats to riverbanks erosion, sedimentation, eutrophication of aquatic environments and vegetation overgrowth due to fertilizer applications, interruption on aquatic biological health, degradation of catchment area. Sighted the management and monitoring of HCV that include awareness and education for workers, monitoring of water sampling results, ensure no agrochemical activities are carried out at bordering water bodies, and cover any bare soil with planting of vetiver grasses, groundcovers to reduce soil erosion.

### 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 or buffer zone.

### 5.2.4

There was no RTE identified, only any water catchment area in Block P05 A. The company has management Plan for HCV monitoring in related estate. Sighted the program to educate the workers and staff dated 1<sup>st</sup> March 2016 at Chenor estate (meeting room) attended by 8 personnel the HCV assessor to office operator. As per 2018, the training of HCV will be conducted as per program and planning for the FY 2017/2018

### 5.2.5

There was no found HCV set-asides in identification process was done on 2009 & re-assessment 2016. Only comprises HCV 4 area, i.e. a water catchment covering 7.82 Ha at Chenor Estate and 59.0 HCV 4 at Bukit Kiab Jentar Estate which is harvested for domestic use at the estate and mill's housing complex and preservation of 25 degrees area.

**Status: Comply**

## 5.3

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

### 5.3.1

The company had produced a list of pollution and sources of it recorded in waste management plan FY 2017/2018 in the mill and estate. This list included the scheduled waste (SW) which has been updated on March 2018 in E-SWIS System of DOE and non Scheduled Waste :

- i) SW 102 – waste of lead acid batteries in whole crushed form – 0.000
- ii) SW 110 – Spent electrical and electronic parts – 0.02 balance – generated – 0.001
- iii) SW 3015 – Spent lubricant Oil – 0.000, balanced 0.21 9
- iv) SW 306 – Spent hydraulic oil – 0.000
- v) SW 322 – waste of non halogenated organic solvents – 0.00
- vi) SW 324 – spent heXana chemical – 0.00
- vii) SW 409 – Disposed containers, bags, equipment contaminated with chemical
- viii) SW 410 – rags plastic, papers or filters contaminated with scheduled waste
- ix) SW 429 – Chemical that discarded on / off specification

Sighted the lastst consignment note had been made available by the unit : Kualiti Khidmat Alam on scheduled waste dated 2<sup>nd</sup> January 2018 for SW 322 Hexane IPA – 2/1/2018

The company had also listed don the potential pollution and the pollution source which concerns :

- Oils lubricants, grease, fuels, solvents and paints

- Solid waste, waste water
- Septic tank, sewage leakage,
- Open burning of domestic waste
- Agrochemical spillage
- Oils lubricant grease fuels
- Air pollution from transportation
- Water pollution from effluent
- Air pollution from emission transportation of FFB

### 5.3.2

Sighted the inventory chemical/ Lubricant had been stored on site: Hydraulic 460, Omala 320 (Gearbox Oil), ISOPROPANOL (FFA test) at the mill. The container store and scheduled waste has been kept on site : Sighted the scheduled waste item code :

1. SW 410 : Spent Filter and rags
2. SW 409: Disposed containers/ contaminated container.
3. SW 429 – isopropanol and hexane

Sighted the list of inventory note for disposal of the scheduled waste through Kualiti Alam Sdn Bhd [disposal area in Ladang Tanah Merah] :

- SW 409 – 90 Tonnes – at schedule waste store = 90, 1st march 2018, 88 20<sup>th</sup> march 2018 , 98, 2<sup>nd</sup> April 2018, 30<sup>th</sup> April 2018.
- SW 103 – spent battery – quantity generated 1
- SW 410 – rags and spent filter – quantity generated : 1<sup>st</sup> march 2018 = 7, 20<sup>th</sup> March 2018 = 8, 2<sup>nd</sup> April 2018 = 6, 20<sup>th</sup> April 2018 = 7 – total =28
- SW 410 = cotton rags – SW 410 5 tonnes, 20<sup>th</sup> march 2018 – 4 , 2/4/2018 - 6 tonnes , 30<sup>th</sup> 4 2018 = 5tonnes – total accumulation = 20 tonnes
- SW 305 = black oil/spent = 17 tonnes, 20<sup>th</sup> march 2018 -20tonnes, 2<sup>nd</sup> April 2018 -15 tonnes, 30<sup>th</sup> April 2018 18 tonnes = total 70 tonnes
- SW 110 – used bulb = schedule waste store

Sighted the scheduled waste had been collected by the registered transporter and the consignment note for SW dated 9<sup>th</sup> January 2018 which include spent hydraulic oil SW 306 1 pallet of hydraulic oil Into Kualiti Alam Sdn Bhd in Tanah Merah in A3 division Bukit Pelandok – document number 0007652:

- SW 305 – spent lubricant oil = 0.2 Metric tonne
- SW 324 – waste pf halogenated / unhalogenated = 0.102 MT
- SW102 = waste of lead acid batteries = 0.02 MT
- SW 409 = disposed container - 0.408 MT
- SW 410 = rags plastic , papers, filters contaminated with SW = 0.015 MT

### 5.3.3

Sighted the identification and management wastewater for Financial year 2017/2018 :

- 1) Location → wastewater produced → treatment / containment method → reuse reduce recycle method
- 2) Chemical mixing area → Water spillage from chemical mixing → water sump → recycled for chemical mixing
- 3) Sprayer PPE washing area → cleaning water mixed with chemical → drains → water sump → recycled for chemical mixing

4) Washrooms → cleaning water → septic tank → supernatant to drains sludge collected by licensed collector, Pollution preventive management plan ( 2017/2018) –

- i) Workshop → oils lubricant, grease, fuels , → action taken : containment via buns ,and proper flooring spillage kits , oil traps → disposal as scheduled waste
- ii) Agrochemical spillage → spillage sump and absorption trench
- iii) Genset → oils lubricants, grease/ fuels → contained and proper flooring / spillage → disposed as scheduled waste.

Sighted the pollution source – specific concerns, means of mitigation, means of monitoring and action plan, person in charge and status of the management.

- e.g : workshop → oils lubricants, grease, fuels , solvents and paint → containment via bunds and proper flooring , spillage kits, oil traps, disposal as scheduled waste → monitor on site inspection by executives and staff regularly → on going status

Sighted the environmental management plan and pollution management plan by Kerdau Mill that utilize the EFB compost and sprayed the Effluent form Pond no 6 anaerobic into the EFB Compost. However during field observation on Kerdau Mill, Jentar Estate and Chenor estate, it was observed that :

- i) 3 pieces of 55 empty drums founded nearby workshop at Kerdau Mill
- ii) 1 pieces of pesticide container found at field P02B Chenor Estate
- iii) 3 pieces of container paint found at scrap yard iron in Jentar estate

Based on the above evidence, it was concluded that the management unit has not following the SOP of the waste management and disposal plan appropriately. **See NCR No 2018.1**

**Minor  
5.3.3**

**Status: NCR No 2018.1**

#### **5.4**

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

Sime Darby Kerdau Palm Oil Mill had used fossil fuel and use of renewable energy optimized. The palm Kernel Shell and fibre had been utilized as a boiler usage for the mill operation. Sighted Kerdau Palm Oil Mill renewable usage monitoring shell use per ton FFB from Month July 2017 until April 2018 which are :

- Shell Used (MT) = 1160.35, 1488.43, 1137.07, 1574.52, 1589.24, 1006.23, 1438.27, 227.14, 2003.45, 1979.95
- FFB Production (MT) = 22249.53, 21773.37, 21238.276, 20012.513, 21442.99, 20550.33, 19105.81, 17,144.55, 27490.43, 23406.12
- Shell Used / ton FFB = 0.05, 0.07, 0.05, 0.08, 0.07, 0.08, 0.05, 0.01, 0.07, 0.08.
- Fibre Used / ton FFB = 0.40, 0.40, 0.4, 0.4, 0.4, 0.4, 0.4, 0.4, 0.4, 0.4
- Electricity used per ton FFB = 20.63, 20.80, 21.47, 22.06, 22.38, 27.21, 23.14, 23.34, 16.79, 22.63

Sighted the Diesel used per ton FFB =

Month July 2017 to Apr 2018 : 0.69, 0.81, 0.90, 0.87, 1.11, 1.06, 2.61, 1.26, 0.11, 0.13,

Total Usage of water usage for Kerdau Mill (m3) for January 2017 – December 2018: 18616, 28174, 37957, 44442, 43646, 37003, 47542, 36999, 17111, 35884, 40128, 44100.

Sighted the downwards trend on the usage of FFB from July 2017 – April 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 & 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. Based on the field verification, the company had replanting the estate using the chipping and felling method and non fire replanting usage method as per contract record of felling and chipping and Jentar and Chenor Estate.

**Status: Comply**

**5.6**

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

**5.6.1**

Sime Darby Plantations SOU 11 Kerdu mill had an analysis of aspect impact assessment from the activity and record the mitigation plan from the impact for the mill :

- Dust emission from
- 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
- Smoke from prime mover

**5.6.2**

Sighted a document of plan to reduce the 'Green House Gas' for year 2017/2018 for Kedau Mill and Chenor and Jentar Estate . There is a document listed down the activities in the Jentar and Chenor estate that contribute to green house 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

**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 version 3.0.1 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 |
|-----------------------|-----------------------------|
| CPO                   | 1.26                        |
| PK                    | 1.26                        |

| Extraction | %    |
|------------|------|
| OER        | 19.1 |
| KER        | 4.93 |

| Production    | ton/year   |
|---------------|------------|
| FFB Processed | 234,989.41 |
| CPO Produced  | 44,884.56  |

| Land Use                    | ha       |
|-----------------------------|----------|
| OP planted area             | 16313.54 |
| OP Planted on peat          | 0        |
| Conservation (forested)     | 0        |
| Conservation (non-forested) | 0        |

**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                           | 120,128.13         | 9.79                  | 250.62             | 9.7                   | -                     | -                     | 120,378.75         | 19.49                 |
| CO <sub>2</sub> emissions from fertilizer | 11830.91           | 0.96                  | 20.75              | 0.8                   | -                     | -                     | 11,851.66          | 1.76                  |
| N <sub>2</sub> O emissions                | 9173.23            | 0.74                  | 13.1               | 0.51                  | -                     | -                     | 9,186.33           | 1.25                  |
| Fuel consumption                          | 1231.97            | 0.1                   | 2.64               | 0.10                  | -                     | -                     | 1,234.61           | 0.2                   |
| Peat Oxidation                            | 0                  | 0                     | 0                  | 0                     | -                     | -                     | 0.00               | 0                     |
| Sinks                                     |                    |                       |                    |                       |                       |                       | 0.00               | 0                     |
| Crop sequestration                        | -112,611.6         | -9.18                 | -237.55            | -9.19                 | -                     | -                     | 112,849.15         | -18.37                |
| Conservation Sequestration                | 0                  | 0                     |                    |                       | -                     | -                     | 0.00               | 0                     |
| Total                                     | 29752.74           | 2.42                  | 49.56              | 1.92                  |                       | -                     | 29,802.30          | 4.34                  |

**Summary of Mill Emissions and Credits**

|                              | tCO <sub>2</sub> e | tCO <sub>2</sub> e/tFFB |
|------------------------------|--------------------|-------------------------|
| Emissions                    |                    |                         |
| POME                         | 34,406.67          | 0.15                    |
| Fuel consumption             | 601.5              | 0                       |
| Grid Electricity Utilisation | 562.82             | 0                       |
| Credits                      | 0                  | 0                       |
| Export of Grid Electricity   | 0                  | 0                       |
| Sales of PKS                 | 0                  | 0                       |
| Sales of EFB                 | 0                  | 0                       |
| Total                        | 35570.99           | 0.15                    |

**Palm oil Mill Effluent (POME) Treatment**

|                               |         |
|-------------------------------|---------|
| Divert to compost             | 2.32 %  |
| Divert to anaerobic digestion | 97.78 % |

**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.**

**Indicator 6.1.1**

The Certificate Holder has document of Social Impact Assessment Report. The early Social Impact Assessment (SIA) was conducted on 2016 dated 11-16<sup>th</sup> January 2016 – for SOU 11 Kerdu the scope covered estate of Kerdu, Sungai Mai, Jentar, Mentakab, Chenor and Kerdu POM. The Stakeholder Meeting with employee in each estate, school teacher and the representation of local people has been conducted for gathering the data. There was also on 11 till 16 January 2016, Plantation Sustainability and Sustainability Management (PSQM) of Sime Darby was carry out the latest Social Impact Assessment. Based on the SIA conducted, the report had covered all the issues being raised by the stakeholders including :

- Housing condition and living improvement ,
- Contractors and suppliers form Jentar estate
- Working condition issues raised by the workers
- Local communities village surrounding estate
- The all aspect of SIA had been done throughout all the estate including Mentakab estate, Jentar estate, Kerdu estate, Sg Mai estate , and Chenor estate.

**Indicator 6.1.2**

The results of the stakeholder meeting are documented in the Social Management plan and all of the issues are listed and resolution are documented with the Persons in Charge is stated. Their was express their views with consultative process. There was shown the stakeholder meeting record, consist of:

Sighted the SIA report for SOU 11 Kerdu that include Chenor Estate sighted the profile of 172 Male , 18 female – Malaysian families =187 family

Based on the report – sighted good practices and findings of Chenor estate such as :

- i) Management emphasize strongly on safety and health
- ii) Overall relationship between the workers and management are good. Foreign workers able to adapt with local community.
- iii) Payment procedures to suppliers are in place.

More appreciation on gender committee, clean structured housing complex which created good living environment to estate community

Based on the SIA lot of parties had been interviewed and taken care into account the participatory such as :

- i) Workers union
- ii) Contractors suppliers
- iii) Teacher of SMK Kerdu
- iv) Balai BOMBA dan Penyelamat Temerloh
- v) Klinik Kesihatan Kerdu
- vi) Tok batin – Tok Ampat Jawantankuasa Kampung Baru Seri Kerdu,
- vii) Worker management Unit
- viii) Tok batin orang asli kampung berduk
- ix) Kampung Gajah Mati, Perkampungan orang asli kampung Sungai Leleh
- x) SJKT Lanchang, mentakab, balai polis lanchang, Klinik Jeyaram
- xi) Pengerusi JKPP Kampung Paya SOK - Tok Mohd Yusof bin Mat
- xii) Tabika kemas – teacher

**Indicator 6.1.3**

There was shown Action Plan for year 2016/2017 of Social Impact Assessment in all estate of SOU 11 Kerdau. The Plan to mitigate the negative and positive impacts has been developed and the strategies to resolve the issues are documented. The Certificate Holder had improved of living standards and increase of health, education facilities and cultural and religious values for their workers. There was available Social management plan based on the SIA that been conducted. The Persons in Charge was stated in the timetable and has been updated on annually plan. The latest plan of 2016 / 2017 in each Estate. There was shown attendant list of participant on discussion process with employee from each estate, school teacher and local people in each estate. The documented record to outline plan and mitigate had been made by the management: dated 17<sup>th</sup> April 2018 – issued on, action plan, status and PIC, and remarks. Sighted the Social action plan has been done on FY 17/18 and issues form smallholder had been taken into account that include :

- social issues
- Mitigation measures
- monitoring – January 2017 – June 2018
- Person in charge

**Indicator 6.1.4**

The Certificate Holder has Management Plan On Social Impact Assessment in each estates. There was shown the evidence of meeting with stakeholders on 12 November 2016 as participate by related party in Mentakap Estate. The Mentakab Estate has review of plan for year of 2016/2017. Sighted also the other findings based on interview with stakeholder including the respond by management such as :

- i) Contractors/ suppliers – no issues from contractors
- ii) Felda Jengka 1 manager = no issues with management
- iii) Assistant Manager Felda Ulu Jempol – no issues with management
- iv) Perkampungan orang asli Sungai Jempol – interview with tok Batin Abu -ketua kampung orang asli 100% semak beri traits – no issues with management
- v) Balai polis Sungai Jerik – head of Sungai Jerik Police station - any writtem request shall be forwarded to ketua polis daerah ibu pejabat polis

**Indicator 6.1.5**

Until ASA-01 the SOU 11 Kerdau did not has smallholder scheme.

|                        |  |
|------------------------|--|
| <b>Status : Comply</b> |  |
|------------------------|--|

**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, 6.2.2, 6.2.3**

The management unit has Procedure For External Communication (Issued on 01/11/2008), has been socialized to relate parties (stakeholders) and written in bahasa (Melayu Language). The procedure was explained that there was no different way in information access for all stakeholders. The updated stakeholders list are available in all respective unit such as in Jentar Estate, Kerdau POM and Chenor Estate, consist of suppliers/contractors, local communities and other interested parties (government agencies, schools, hospitals, police), meeting and consultation to stakeholders are held in yearly basis, for i.e. the latest meeting in Kerdau POM held on latest held on 17 April 2018, on 17 April 2018 in Jentar Estate and on 23 April 2018 in Chenor Estate. Based on public consultation to stakeholders stated that there is aspiration of Sg Jerik communities related to rent of school bus, which has been discussed by both parties during stakeholder meeting, the Chenor Estate management unit need to improve the communication and respond to Sg Jerik community's related to this issue. # OFI

The responsible person and the job description was explained in Mill/Estate Manager Decision Letter for the responsible person for communication and consultation with the local communities and other interested parties.

|                       |  |
|-----------------------|--|
| <b>Status: Comply</b> |  |
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**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, 6.3.2**

The Sime Darby Plantation has Flowchart and Procedure Handling Social Issues and also has Procedure for External and Internal Communication. Explained that the complaint will be addressed within two weeks of the date receipt for communication requiring direct feedback and within one week to complete the investigation (for communication requiring investigation). The company plantation has Group Policies and Authorities (GPA. No. 85), this policy covers the oversight and responsibilities, reporting process, protection to whistleblowers and confidentiality. There was also available Sime Darby Agriculture Charter on Point 4 Corporate Integrity Commitment sub point 4.1 Protect Ethical Standards (III) explained that Providing an internal mechanism for reporting and investigating any claims of dishonesty, bribery or corruption, and outlining how whistleblowers are protected from negative repercussions. The complaint will process through to the RSPO if needed.

Based in interview with stakeholder such as local contractor and school teachers and workers stated that they have been aware related to complaint mechanism.

Neither internal nor external complaint submitted to Kerdu Mill are recorded in a complaint logbook which informs date receipt, complaint description, complainant sign, date of response, description of response, status and sign of executive. Based on NUPW minute of meeting in Jentar and Chenor Estate known that there was no employment complaint/grievance submitted to management.

**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.**

There is no new planting and new expansion. The Sime Darby Plantations has Social Policy that explain on Point 3 : To ensure that any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their view through their own representative institution.

The land of SoU 11 Kerdu was not earn from compensation process. However the company land are a leased land by Pahang Province and land title available. The original copies are maintained by the Corporate Head office.

**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**

Definition of living wage in the country based on minimum wages order 2016, issued by Attorney Generals Chambers, for Malaysia Peninsula as much as RM 1000/month (RM38.46/day for 6 working days per week). Provided the provisions of harvester, harvesting kangianies and loaders in MAPA/NUPW collective agreement for workers and company, in the article 6 stated that the each cutter/carrier shall be paid for the satisfactory performance of the duties.

The company has paid the workers salary in accordance with applicable regulation, can be shown the payment slip for all workers in all respective unit sampled (Kerdu POM, Jentar Estate and Chenor Estate), for i.e. payslip of April 2018 which informs : workers description, fix income (basic pay and shift allowance), unfix income (FWDOR Wages, price bonus, normal days overtime, FWDOR overtime, shift allowance FWDOR), defray expenses (phone reimbursement for foreign workers, adjustment of wages, insurance reimbursement), deduction (normal advances and NUPW fee). Random checks to payslip (both local and foreigners) are done, as well cross-check by interview to workers, and they told that salary has been paid in accordance with regulation, including OT payment.

**6.5.2**

The pay and conditions of employment are detailed in the direct agreement/contract both for locals and foreign workers, and also in the MAPA/NUPW agreement. Sighted the offer of employment document for local workers which written in english, describes: salary, probationary period, medical report and other facility and document of letter of employment for foreign worker, describes : validity (3 years and may be extended on a yearly basis up to maximum 10 years if approved

by Malaysian Immigration), signed by both employer and employee, probationary period, work location, mutation/promotion, salary (based on MAPA/NUPW), work hour, medical, housing and its facility, insurance scheme for foreign workers (SSPA), permit/visa (cost on employer), transport allowance, religion holiday allowance (RM100), allowance for first arrival (RM200), allowance of basic need for the first two months, allowance for mobile phone, annual leaving, work equipments and OSH. Based on interview with foreign workers in Chenor and Jentar line-site (Indian and Bangladeshi) as well in Kerdau POM (Indonesian) known that they has been aware regarding to the contract, the copies has been given and keep by them.

**6.5.3, 6.5.4**

The SOU11 has been provided sufficient and adequate facility to the workers, there is no discrimination found to both local and foreign workers as observed during field visit to workers line-site in Jentar and Chenor Estate. The facility provided such as housing, mosque, electricity, water clean, clinic, creche, employee hall. There was "kedai runcit" in all respective unit which located in line-site to provide the basic need of workers.

|                       |
|-----------------------|
| <b>Status: Comply</b> |
|-----------------------|

**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, 6.6.2**

Stated in Social Policy dated January 2015 which states that "The company shall respect the rights of all personnel to form and join trade unions of their choice and to bargain collectively."

Based on interview with Management Representative, confirms that the company are member of MAPA and its workers (local and foreign) are freely to be or not as members of the NUPW (National Union Plantation Workers), its consisten with interview result with workers in mill and estates. In the notice board at respective workplace has been displayed regarding to the company's policy on freedom of ascociation, such as in Jentar' storages notice board and Chenor' workers line-site.

NUPW representative are presence in the respective unit, meeting are done if needed in Kerdau POM, latest meeting was held on 25 April 2018 in Kerdau POM which attended by 10 participant and latest meeting in Jentar held on Jan 2018.

|                       |
|-----------------------|
| <b>Status: Comply</b> |
|-----------------------|

**6.7**

**Children are not employed or exploited.**

Sighted the child protection policy, approved by Managing Director on Jan 2015, SDP is an advocate for the safety and well-being of children, as well in recruitment SOP WMU/LR-SOPP/JAN2016/r1 which minimum age is 18 years old. Based on verification on employee master list for mill and estate and field visit found that there is no children employed in SOU11, it also confirmed during the field observation in estate and mill.

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|-----------------------|
| <b>Status: Comply</b> |
|-----------------------|

**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, 6.8.2**

Equal opportunities policy stated in Social Policy, jan 2015: The company committed to provide the fair treatment in the process of recruitment, promotion, rules and conditions of employment, based on race, nation, caste, citizenship, gender, physical form, sexual orientation, political orientation, religion and age. The policy made public at relevant stakeholders and being displayed at the office mill/estates.

Based on document verification, field observation and interview to estates and mill sighted that the SOU11 has implementing the policy, no found any discrimination based on race, nation, caste, citizenship, gender, physical form, sexual orientation, political orientation, religion and age.

**6.8.3**

Sighted the SOP of employee recruitment No. Document WMU / LR-SOPP / JAN2016 / r1, in the document describes the steps of recruitment of foreigners labor for each country, such as Bangladesh, India, Nepal and Indonesia. There is no discrimination found to both local and foreign workers as observed during field visit to workers line-site in Jentar and Chenor Estate.

**Status: Comply**

## 6.9

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

### 6.9.1, 6.9.2, 6.9.3

A gender policy which approved by Managing Director on Jan 2015 displayed in mill/estates office as well in the strategic location such as in creche, storages and line-site. In those document mentioned that the company will comply with applicable regulations, through: preventing sexual harassment and other violence, provide specific procedures and mechanisms, provide adequate training, ensuring the participation of women in decision taking, establish the gender committee, and to disseminate a policy of continuously. Prohibition of sexual harassment and other forms of violence policy describes in social & humanity management policy, approved by Managing Director on Jan 2015.

A social policy on Jan 2015 which mentioned that the SDP committed to adhering the principles: all employees should be treated fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and/or age has been socialized by displayed in the notice board such as estate office, storage and mill office.

Specific complaints and grievance procedures to address gender-based issues outlined in the Gender Committee Handbook. There is also a specific procedure (in the form of a flowchart) in both English and Malay namely Sexual Harassment Procedure which outlines the basic framework for handling of sexual harassment complaints, as well a written guideline in Bahasa Malaysia titled, "*Tatacara Aduan Gangguan Seksual*" which specifies the framework for handling of sexual harassment complaints and the need to maintain the confidentiality of the complainant. The gender committee has been set-out in all respective unit FY 2017/2018, the inaugural decree of committee board can be shown to the auditor.

Training and socialization regarding to gender committee and its programme has been done to workers. Based on interview with creche guard told that they has been aware regarding to the gender and reproductive aspect including the specific grievance mechanism. There is no issues, complaint and grievance submitted since 2016.

**Status: Comply**

## 6.10

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

### 6.10.1 & 6.10.2

The FFB price based on standard from Malaysia Palm Oil Board (MPOB). There was showed FFB price list update till March 2018. There was showed FFB price list update till April 2018 and observation at weight bridge was showed that FFB price was put in the front window of the weight bridge area. The Kerdau POM received outside FFB from two outsider supplier, consist of Sri Kerdau Commodities (Temerloh, Pahang Darul Makmur) and Golden Horse Plantation (Bera, Pahang Darul Makmur). Sighted the pricing of FFB been displayed at the mill reception weighbridge and the pricing of FFB from MPOB dated 1<sup>st</sup> March 2018 for until 24<sup>th</sup> October 2017 including region per % :

- i) Utara 31.00 B : 30.20
- ii) Selatan 31.50 B : 30.20
- iii) Tengah 31.00 B : 31.00
- iv) Timur 31.00 B : 30.20
- v) Sabah 27.50 B : 26.30
- vi) Sarawak 26.70 B : 26.70

### 6.10.3

There was observed of document contract between Kerdau Contract between mill and contractors – sighted the contract between SDP and agreement on the transportation of CPO for Sime Darby Plantation Berhad Peninsular Malaysia Oil Mill dated 19<sup>th</sup> December 2017 that include all the terms and references :

- i) Scope of services
- ii) Sustainability and traceability of product
- iii) Payment of fee
- iv) Obligation and undertakings of the transporter
- v) Key Performance Index
- vi) Risk of the product
- vii) Breakdown accident spillage delivery order
- viii) Short weight

The document contract has been explained several point, consist of: Health and safety (Personnel Protective Used/PPE) on Payment process, etc. 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. Golden Horse Plantations Bhd – agreement no ; P/P/ 0118/ FFB 01229L dated 1<sup>st</sup> January 2018 until 31<sup>st</sup> December 2018 –

- i) Bakti Mas Bina Sdn Bhd agreement 1<sup>st</sup> March 2018 – 31<sup>st</sup> December 2018
- ii) Sri Kerdau Commodities Sdn Bhd – company 382125-P : 1<sup>st</sup> January 2018
- iii) Pro Island enterprise – dated 1<sup>st</sup> February 2018 until 31<sup>st</sup> December 2018

#### 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 showed the sample of Invoice from Bakti Mas (Local Transporter) to Sime Darby Plantation-Chenor Estate, dated 02 April 2017 and payment evidence by the Sime Darby Head Office on 08 April 2018

**Status: Comply**

#### 6.11

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

##### 6.11.1 and 6.11.2

The company had contribute few corporate social responsibility to the stakeholders and local people surrounding the estate and mill. Sighted the CSR had been provided and request from the stakeholders had been granted as per details dated 1<sup>st</sup> July 2017 :

- i) Permission for the Lorries to use the estate dated 20<sup>th</sup> April 2018 and approved by the manager.
- ii) Sighted approval for the estate to use for activity merentas desa SJKC Sg Jerik dated 19<sup>th</sup> April 2018 approved by Manager
- iii) Sighted the approval letter for cutting grass at field SJKC Sg Jerik – dated 10<sup>th</sup> May 2017
- iv) Sighted the application of using field and enter the estate dated 11 January 2017 by Persatuan Belia Melayu Sg Jerik and approved by the assistant Manager of the estate

Flood program dated 1<sup>st</sup> February 2017 – kampung kerdau kampung ketam – deliver the help to local community during flood season at Sime Darby Plantation Ladang Jentar, Balai Polis Kerdau, and local community of Kampung Ketam. Based on the interview with local community and stakeholders' consultation, the company had contributed on social responsibility of the local people and request had been attended adequately.

**Status: Comply**

#### 6.12

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

##### 6.12.1, 6.12.2, 6.12.3

No found any forced and trafficking labour. The company's policy as mentioned in the employee recruitment procedure No.: WMU/LR-SOPP/JAN2016/r1 is to prohibit any of forced and trafficking labours, describes that the recruitment of foreigners workers from each country such as Bangladesh, India, Nepal and Indonesia is through application of calling visa to ensure all the foreign workers being recruited legally by simedarby. Passport and work-permit can be shown to auditor for all foreigners, for example:

- Kerdau mill: 25 workers from Indonesia, for i.e.: Suryadi, passport number: AT615414 valid from 7 Mar 2016-7 Mar 2021, permit number PD8264271 (multiple entry visa) valid until 2 June 2018
- Jentar : for i.e. on behalf of Rakibul Khan (Indian), passport no.: K7619188 valid from 17 April 2013 – 16 April 2023, permit no.: PD9174009 valid until 13 Nov 2018
- Chenor: 144 workers from Indonesia, India, Bangladesh and Nepal, for i.e. on behalf of Randheer Singh (Indian), passport no. S0565479 valid from 4 April 2018 – 3 April 2028, permit no. PD7955106 valid until 28 May 2018.

All workers both local and foreign are bound by contract and/or job offer letter, which has been signed by employee and employer.

All foreign workers has been agreed to keep their passport on employer office for safety reason, the agreement of this are available for each workers, in the agreement stated that its freely/not forced and can be taken at anytime for official business, emergency and annual leaving. Confirmed during the interview to random foreign workers, told that they are agreed to keep passport on office, they are freely to take the document for formal and emergency business.

There is no substitution of contracts, interview with random foreign workers (from Indonesia, Nepal, Bangladesh and India) mentioned that at the time of job offers in their origin countries has been describes the types of jobs, location and company. Recruitment and interviews by legally agents are also accompanied by company representatives.

|                       |  |
|-----------------------|--|
| <b>Status: Comply</b> |  |
|-----------------------|--|

### 6.13

#### **Growers and millers respect human rights**

Social and Humanity Management Policy observed which approved by Datuk Franki Anthony Dass on Jan 2015.

Briefing of policy performed on annually basis.

Along the audit and site observation, no case of human right violation reported at the moment.

|                       |  |
|-----------------------|--|
| <b>Status: Comply</b> |  |
|-----------------------|--|

### **PRINCIPLE #7 Responsible development of new plantings**

#### 7.1

**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.**

##### **Indicator 7.1.1, 7.1.2 & 7.1.3**

Until ASA2, the certificate holder was not extend for new plantation area, there was only any replanting program was conducted since 2016.

|                       |  |
|-----------------------|--|
| <b>Status: Comply</b> |  |
|-----------------------|--|

#### 7.2

**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.**

##### **Indicator 7.2.1; 7.2.2**

Until ASA 2, the certificate holder was not extend for new plantation area, there was only any replanting program was conducted since 2016

|                       |  |
|-----------------------|--|
| <b>Status: Comply</b> |  |
|-----------------------|--|

#### 7.3

**New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.**

**Indicator 7.3.1**

To ensure that no new plantings in primary forest or HCV areas since November 2005, the Certificate Holder with RSPO membership number has submission the disclosure of liability and LUCA on 2014 to RSPO Compensation. Based on the summary obtained information that the SOU 11 Kerdau does not new planting area after 2005.

Until ASA2, the certificate holder was not extend for new plantation area, there was only any replanting program was conducted since 2016.

**Indicator 7.3.2; 7.3.3; 7.3.4; 7.3.5**

Until ASA2, the certificate holder was not extend for new plantation area, there was only any replanting program was conducted since 2016.

Documents HCV, management and monitoring could be seen at indicator 5.2.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

**7.4**

**Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.**

**Indicator 7.4.1; 7.4.2**

Until ASA2, the certificate holder was not extend for new plantation area, there was only any replanting program was conducted since 2016.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

**7.5**

**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.**

**Indicator 7.5.1**

Until ASA-2, there was no new planting in area of SOU 11 Kerdau. There was any replanting in Sungai Mai Estate and Mentakab Estate since 2016.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

**7.6**

**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.**

**Indicator 7.6.1, 7.6.2, 7.6.3, 7.6.4, 7.6.5 & 7.6.6**

Until ASA-2, there was no new planting in area of SOU 11 Kerdau. There was any replanting in Sungai Mai Estate and Mentakab Estate since 2016.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

**7.7**

**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.**

**Indicator 7.7.1; 7.7.2**

Until ASA2, the certificate holder was not extend for new plantation area, there was only any replanting program was conducted since 2016

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

**7.8**

**New plantation developments are designed to minimise net greenhouse gas emissions.**

**Indicator 7.8.1; 7.8.2**

Until ASA2, the certificate holder was not extend for new plantation area, there was only any replanting program was conducted since 2016.

|  |                       |  |
|--|-----------------------|--|
|  | <b>Status: Comply</b> |  |
|--|-----------------------|--|

**PRINCIPLE #8 Commitment to continuous improvement in key areas of activity**

**8.1**

**Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.**

Certificate holder has the action plan for continual improvement, such through a best agricultural practices by referencing to "Sime Darby Agricultural Reference Manual – Oil Palm Planting" as part of good agriculture practices. The manual consists of all plantation operation activities, such as planting material, replanting, palm replacement and chemical controls over pest and disease, planting cover crop, good terracing, improve the FFB application and good fertilizer application. The implementations are monitored and evaluates as shown on MA Report No. SOU 11/KDM/01/17-18 dated in 26 – 27 September 2017, management review at Oktober 2017. There also available document of salient points of the P&D Visit at Chenor Estate dated 20 April 2018 and RSPO Internal Audit on 27 March 2018.

**Status: Comply**

### 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      | <p>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.</p> <p>Question: Does the organization take legal ownership and physically handles RSPO Certified Sustainable oil palm products at their premises or through the outsourcers?</p> <p>The Organization take legal ownership and physically handles RSPO Certified Sustainable oil palm products. The organization is also using CPO transporter contractor: Sime Darby Plantation Berhad (647766-V) Agreement on the Transportation of CPO/PK for Sime Darby Plantation Berhad's Peninsular Malaysia oil mills dated 19 December 2017.</p> |
|            | <b>Status: Comply</b>  |
| 5.1.2      | <p>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.</p> <p>Question: Is the organization buying from RSPO licensed traders who pass the certification number of the product manufacturer and the applicable supply chain model?</p> <p>CH does not buy from any RSPO licensed traders.</p>   |
|            | <b>Status: Comply</b>  |
| 5.1.3      | <p>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.</p> <p>Question: Is the site level or its parent company a member of RSPO and registered on RSPO IT platform?</p> <p>The parent company are member of RSPO:</p> <ul style="list-style-type: none"> <li>- Number of RSPO membership: 1-0008-04-000-00, 6 September 2004.</li> <li>- RSPO IT Platform: RSPO_PO1000000295</li> </ul>   |
|            | <b>Status: Comply</b>  |
| 5.1.4      | <p>Processing aids do not need to be included within an organization's scope of certification.</p> <p>Question: Is the site level or its parent had a processing aids?</p> <p>Parent company or site has no processing aids.</p>   |
|            | <b>Status: Comply</b>  |
| <b>5.2</b> | <b>Supply chain model</b>  |
| 5.2.1      | <p>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 -&gt; Segregated -&gt; Mass Balance.</p> <p>Question: Has the organization applied the Supply Chain Model correctly?</p> <p>The organization will apply Mass Balance Supply Chain Model.</p>  |

|              |   |
|--------------|---|
|              | <b>Status: Comply</b>   |
| <b>5.2.2</b> | 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?   |
|              | The organization has applied Mass Balance Supply Chain Model only   |
|              | <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> |
|              | CH has documented procedure: Standard Operating Procedure for Sustainability Supply Chain and Traceability issued on February 2018. The procedures established and covering all elements of the supply chain model requirements, records and reports of compliance with supply chain requirements including training records. The procedures also identified role of implementation responsibility persons that trained. SCCS Training held at 26 March 2018 and 26 January 2018.   |
|              | <b>Status: Comply</b>   |
| <b>5.3.2</b> | The site shall have a written procedure to conduct annual internal audit  |
|              | Question :<br>Documented annual internal audit procedures established and covering all provisions : <ul style="list-style-type: none"> <li>5) 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>   |
|              | The Procedure to conduct annual internal audit are describe at Standard Operating Procedure for Sustainability Supply Chain and Traceability issued on February 2018. Internal audit conducted in accordance to internal audit procedure (SD/SDP/PSQM/IAP) to determine whether the mill conforms to the requirements in the RSPO SCCS and the RSPO market communications and claims documents and effectively implements and maintains the standard requirements. The last internal audit held in 28 March 2018 by PSQM.   |
|              | <b>Status: Comply</b>   |
| <b>5.4</b>   | <b>Purchasing and goods in</b>  |
| <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  |
|              | Question :<br>All RSPO product information is provided by suppliers in accordance with : <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> </ul>  |

- A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);
- The quantity of the products delivered;
- Any related transport documentation;
- Supply Chain certificate number of the seller;
- A unique identification number
- 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).
- 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.
- A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website ([www.rspo.org](http://www.rspo.org)) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.
- 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.

The information for RSPO certified products is available and show in Despatch documents. The information such as:

- The name and address of the buyer;
- The name and address of the seller;
- The loading or shipment / delivery date;
  - a. The date on which the documents were issued;
  - b. A description of the product, including the applicable supply chain model (Mass Balance)
  - c. The quantity of the products delivered;
  - d. Any related transport documentation;
  - e. certificate number of the seller;
  - f. etc.

Shipping Announcements and Confirmations on the RSPO IT platform for periods Period of 7 July 2017 to 6 July 2018

| Date             | Buyer   | Volume (Ton)  |
|------------------|---|---------------|
| 21 July 2017     | Sime Darby Plantation Bhd – Jomalina Refinery | 300           |
| 21 July 2017     | Sime Darby Plantation Bhd – Jomalina Refinery | 400           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 9 November 2017  | Crediy allocation (book & claim)              | 1,500         |
| 9 November 2017  | Crediy allocation (book & claim)              | 1,500         |
| 12 December 2017 | Crediy allocation (book & claim)              | 5,000         |
| <b>Total</b>     |   | <b>10,200</b> |

**Status: Comply**

#### 5.4.2

The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents

Question :

Has the organization established mechanism in place for handling non-conforming oil palm products and/or documents?

The Procedure/mechanism of handling non conforming products are describe in Standard Operating Procedure for Sustainability Supply Chain and Traceability issued on February 2018. Non conforming products where there is contaminations of RSPO certified materials during receiving, processing, storage and despatch. The Volume of downgraded material are

|  |                               |
|--|-------------------------------|
| recorded accordingly.  |                               |
|  | <b>Status: Comply</b>         |
| <b>5.5</b>   | <b>Outsourcing activities</b> |
| <b>5.5.1</b><br>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.  |                               |
| <b>Question : Are the outsourcers RSPO certified?</b><br>There is an operation outsource activities to a independent contractor for CPO/PK transporter: Sime Darby Plantation Berhad (647766-V) Agreement on the Transportation of CPO for Sime Darby Plantation Berhad's Peninsular Malaysia oil mills dated 19 December 2017.  |                               |
|  | <b>Status: Comply</b>         |
| <b>5.5.2</b><br>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: <ol style="list-style-type: none"> <li>The site has legal ownership of all input material to be included in outsourced processes;</li> <li>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>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> </ol> |                               |
| <b>Question : Has the site established outsourcing procedures, agreement and keeps legal ownership of the products during the outsourcing</b><br>CH has an operation outsource activities to a independent contractor for CPO/PK transporter: Sime Darby Plantation Berhad (647766-V) Agreement on the Transportation of CPO for Sime Darby Plantation Berhad's Peninsular Malaysia oil mills dated 19 December 2017.<br><br>Procedure of outsourced contractor are describe in Standard Operating Procedure for Sustainability Supply Chain and Traceability issued on February 2018. Mill shall ensure that outsourced activities directly linked to handling of IP certified CPO and PK for storage and transportation. The mill shall inform in advance the outsourced contractors if audit is deemed necessary by certification bodies and ensure that the contractors engaged providerelevant acces for the CBs to their respective operations, system etc.  |                               |
|  | <b>Status: Comply</b>         |
| <b>5.5.3</b><br>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><br>CH has record the name and contract details of contractor used for handling of RSPO certified oil palm products. The record describe in Sime Darby Plantation Berhad (647766-V) Agreement on the Transportation of CPO for Sime Darby Plantation Berhad's Peninsular Malaysia oil mills dated 19 December 2017.   |                               |
|  | <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  |                                     |
| Question : Has MUTU informed about any new outsourcers?   |                                     |
| Since the General chain of custody requirements for the supply chain is applied in 2018, the CH has contractors for CPO transporter is Jasa Bumi Logistics SDN BHD (Company No. 1044114-K) describe in Sime Darby Plantation Berhad (647766-V) Agreement on the Transportation of CPO for Sime Darby Plantation Berhad's Peninsular Malaysia oil mills dated 19 December 2017. At ASA 2.1, there is no new contractor used for the processing or physical handling of RSPO certified oil palm products.   |                                     |
|   | <b>Status: Comply</b>               |
| <b>5.6</b>  | <b>Sales and goods out</b>          |
| <b>5.6.1</b><br>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  |                                     |
| Question :<br>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> <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> |                                     |
| The information for RSPO certified products is available and show in Despatch documents. The information such as: <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; <ul style="list-style-type: none"> <li>a. The date on which the documents were issued;</li> <li>b. A description of the product, including the applicable supply chain model (Mass Balance)</li> <li>c. The quantity of the products delivered;</li> <li>d. Any related transport documentation;</li> <li>e. certificate number of the seller;</li> <li>f. etc.</li> </ul> </li> </ul>   |                                     |
|   | <b>Status: Comply</b>               |
| <b>5.7</b>  | <b>Registration of transactions</b> |
| <b>5.7.1</b><br>Supply chain actors who: <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>   |                                     |
| Question :<br>Has the organization registered their transactions in the RSPO IT platform? (mills, traders, crushers and refineries only)  |                                     |

All Transactions are registered in RSPO IT platform.

**Status: Comply**

### 5.7.2

The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:

- 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.
- 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.
- Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.
- Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.

Question :

Did the organization correctly perform the applicable actions on RSPO IT Platform?

Transactions are registered in RSPO IT platform as for periods Period of 7 July 2017 to 6 July 2018:

| Date             | Buyer   | Volume (Ton)  |
|------------------|---|---------------|
| 21 July 2017     | Sime Darby Plantation Bhd – Jomalina Refinery | 300           |
| 21 July 2017     | Sime Darby Plantation Bhd – Jomalina Refinery | 400           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250           |
| 9 November 2017  | Crediy allocation (book & claim)              | 1,500         |
| 9 November 2017  | Crediy allocation (book & claim)              | 1,500         |
| 12 December 2017 | Crediy allocation (book & claim)              | 5,000         |
| <b>Total</b>     |   | <b>10,200</b> |

**Status: Comply**

### 5.8

**Training**

#### 5.8.1

The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff

Question :

Has the organization established RSPO training plan?

RSPO SCCS training Plan annually every years and describe in Standard Operating Procedure for Sustainability Supply Chain and Traceability issued on February 2018.

**Status: Comply**

#### 5.8.2

Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed

Question :

Has the organization Delivered Effective RSPO training?

Evidence of training shown in RSPO Supply Chain Training held at 26 March 2018 and 26 January 2018. Based on interview

at weighbridge station is known that the operators has understand the RSPO supply chain procedures.

**Status: Comply**

## 5.9 Record keeping

### 5.9.1

The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements

Question :

All records are accurate, complete, up-to-date and accessible?

CH has maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements. Thoose ara describe in Module E CPO Mills - Mass Balance Requirements.

**Status: Comply**

### 5.9.2

Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock

Question :

All records are kept for minimum two years and comply with legal and regulatory requirements?

The retention times for all records and reports are keep in minimum 2 years.

**Status: Comply**

### 5.9.3

The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.

Question :

For all palm oil / palm kernel oil volumes purchased (input) and claimed (output) records kept over a period of twelve (12) months.?

The estimate volume of palm oil / palm kernel oil content in the RSPO certified oil palm product for period of 7 July 2017 to 6 July 2018 :

| Products | Tonnes/year |   |
|----------|-------------|---|
|          | Estimate    | Actual<br>*(period 7 July 2017 – 30 April 2018) |
| CSPO     | 42,962      | 32,456.06                                       |
| CSPK     | 10,825      | 8,149.31  |

Record of all palm oil / palm kernel oil volumes purchased (input) and claimed (output) for period of 7 July 2017 to 6 July 2018:

| Period    | FFB Received |               | CSPO      |            |                   | CSPK     |            |                   |
|-----------|--------------|---------------|-----------|------------|-------------------|----------|------------|-------------------|
|           | RSPO         | Non Certified | Produced  | Dispatched | Sold as Certified | Produced | Dispatched | Sold as Certified |
| July-Sept | 52,463.73    | 12,587.50     | 9,938.61  | 7,439.95   | 2,200             | 2,848.96 | 0          | 0                 |
| Oct- Dec  | 55,826.11    | 6,238.82      | 10,864.74 | 7,955.51   | 0                 | 2,500.75 | 0          | 0                 |
| Jan-Mar   | 44,564.41    | 15,599.68     | 8,621.00  | 8,146.97   | 0                 | 2,370.83 | 0          | 0                 |
| April     | 15,150.95    | 8,146.73      | 3,031.71  | 5,038.50   | 0                 | 428.77   | 0          | 0                 |

**Status: Comply**

## 5.10 Conversion factors

### 5.10.1

|  |                          |
|--|--------------------------|
| Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); RSPO Rules for Physical Transition of Oleochemicals and its Derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries |                          |
| Question :<br>Conversion rates applied accurately?   |                          |
| Conversion rate applied to provide a reliable estimate for the amount of certified palm product output available from total FFB input. The conversion rate determine based on monthly productions report and ensure accuracy against actual performance average.   |                          |
|  | <b>Status: Comply</b>    |
| 5.10.2<br>Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.   |                          |
| Question :<br>Conversion rates periodically updated?   |                          |
| Conversion rate is determine based on monthly productions report monthly (Oil extraction rate and Kernel extraction rate)  |                          |
|  | <b>Status: Comply</b>    |
| <b>5.11</b>  | <b>Claims</b>            |
| 5.11.1<br>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.  |                          |
| Question :<br>Any communication to any stakeholder group / customers issued in accordance with RSPO Rules on Market Communications and Claims?   |                          |
| The site make claims regarding the use of or support of RSPO certified oil palm products only.   |                          |
|  | <b>Status: Comply</b>    |
| <b>5.12</b>  | <b>Complaints</b>        |
| 5.12.1<br>The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.   |                          |
| Question :<br>Documented procedures for stakeholders complaints established?   |                          |
| Procedures for stakeholders complaints established in form of Standard Operating Procedure for Sustainability Supply Chain and Traceability issued on February 2018. Mill shall handle the complaints in accordance to procedure for external communication in PSQM SOM sub section 5.5 appendix 5.5.3.2. The stakeholders complaints can came from internal or external interested party.   |                          |
|  | <b>Status:</b>           |
| <b>5.13</b>  | <b>Management review</b> |
| 5.13.1<br>The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken  |                          |
| Question :<br>Management reviews performed annually at planned intervals?  |                          |
| Management review performed annually, for example review held at 4 April 2018 attended by 10 persons.  |                          |

|   |                       |
|---|-----------------------|
|   | <b>Status:</b>        |
| <b>5.13.2</b><br>The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul> |                       |
| <b>Question :</b><br>Has all input required above has been included in the management review?   |                       |
| Management review annually held at 4 April 2018 attended by 10 persons. Recommendations for improvement from preventive and corrective action has been taken  |                       |
|   | <b>Status: Comply</b> |
| <b>5.13.3</b><br>The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>  |                       |
| <b>Question :</b><br>Has all output required above has been included in the management review?  |                       |
| Management review held at 4 April 2018 included improvement of the effectiveness of the management system and its processes and resource needs.   |                       |
|   | <b>Status: Comply</b> |

**3.2.2 (Module E) CPO Mills – Mass Balance Requirements**

| Clause   |   | (Module E) CPO Mills - Mass Balance Requirements      |  |
|--|---|---|--|
| E.1  |   | Definition  |  |
| E.1.1  |   |   |  |
| 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.   |   |   |  |
| Kerdau Palm Oil Mill has applied mass balance module because there were five own estate was supplied of FFB certified to Kerdau POM (Kerdau, Jentar, Sungai Mai, Mentakab & Chenor) and Until ASA 2.2, there were also two outsider crop plantation was supplied of FFB un certified (Sri Commodities and Golden Horse Plantation). The Kerdau 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 (RSPO non-certified). Certified FFB will be processed and claimed as certified CPO and PKO. |   |   |  |
|  |   | Status: Comply  |  |
| E.2  |   | Explanation   |  |
| E.2.1  |   |   |  |
| The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. 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.   |   |   |  |
| Tonage product certified are describe at the report (basic info 1.8.1) :   |   |   |  |
|  |   | Period of 7 July 2016 to 6 July 2017<br>(tonnes/year) |  |
| Products   | Estimate                                      | Actual<br>*(period 7 July 2017 – 30 April 2018)       |  |
| CSPO   | 42,962  | 32,456.06   |  |
| CSPK   | 10,825  | 8,149.31  |  |
| Estimate product certified CPO and PK for period 7 Juli 2018 to 6 July 2019 describe at basic info 1.8.3   |   |   |  |
|  |   | 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).   |   |   |  |
| • RSPO IT Platform member registration number: RSPO_PO1000000295.  |   |   |  |
| • Certified CPO sold to each buyer period of 7 July 2017 to 6 July 2018  |   |   |  |
| Date   | Buyer   | Volume (Ton)  |  |
| 21 July 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 300   |  |
| 21 July 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 400   |  |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250   |  |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250   |  |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250   |  |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250   |  |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250   |  |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250   |  |
| 29 August 2017   | Sime Darby Plantation Bhd – Jomalina Refinery | 250   |  |

|                  |                                  |        |
|------------------|----------------------------------|--------|
| 9 November 2017  | Crediy allocation (book & claim) | 1,500  |
| 9 November 2017  | Crediy allocation (book & claim) | 1,500  |
| 12 December 2017 | Crediy allocation (book & claim) | 5,000  |
| Total            |                                  | 10,200 |

- Certified Palm Kernel sold to each buyer period of 7 July 2017 to 6 July 2018 : 0 ton

|     |                       |
|-----|-----------------------|
|     | 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.

CH has work procedure as guideline to ensure the implementation for the entire required elements that describe in Standard Operating Procedure for Sustainability Supply Chain and Traceability issued on February 2018. These procedure is Standard Operating Procedure for Sustainable Supply Chain and Traceability. 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.

Based on an field observation and interview with staff in weighbridge that indicated the personal in charge was understood the mechanism to handle of supply chain system. The personnel in charge of weight bridge can demonstrate of separate between FFB from own estate (Sime Darby) and the FFB from outsider crop plantation.

|  |                |
|--|----------------|
|  | Status: Comply |
|--|----------------|

E.3.2

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

Standard Operating Procedure for receiving and processing certified and non-certified FFBs are describe in Sustainability Supply Chain and Traceability issued on February 2018.

|  |                |
|--|----------------|
|  | 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.

- Certified and non-certified FFB received period of July 2017 to April 2018

| Month          | FFB            |               |           |
|----------------|----------------|---------------|-----------|
|                | RSPO Certified | Non Certified | Total     |
| July 2017      | 17883.62       | 4,165.25      | 22,048.87 |
| August 2017    | 17,226.46      | 4,217.88      | 21,444.34 |
| September 2017 | 17,353.65      | 4,204.37      | 21,558.02 |
| October 2017   | 17,841.83      | 2,149.14      | 19,990.97 |
| November 2017  | 19,432.74      | 1,796.07      | 21,228.81 |
| December 2017  | 18,551.54      | 2,293.61      | 20,845.15 |
| January 2018   | 16,527.90      | 2,279.93      | 18,807.83 |
| February 2018  | 11,458.65      | 2,082.34      | 13,540.99 |
| Maret 2018     | 16,577.86      | 11,237.41     | 27,815.27 |

|   |   |               |   |  |                   |          |            |                   |
|---|---|---------------|---|--|-------------------|----------|------------|-------------------|
| April 2018  |   | 15,150.95     | 8,146.73  | 23,297.68  |                   |          |            |                   |
|   |   | 168,005.20    | 42,572.73   | 210,577.93   |                   |          |            |                   |
|   | Status: Comply  |               |   |  |                   |          |            |                   |
| E.4.2   |   |               |   |  |                   |          |            |                   |
| The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.   |   |               |   |  |                   |          |            |                   |
| Tonage product certified:   |   |               |   |  |                   |          |            |                   |
| Products  | Period of 7 July 2016 to 6 July 2017<br>(tonnes/year) |               | Period of 7 July 2017 to 6 July 2018<br>(tonnes/year) |  |                   |          |            |                   |
|   | Estimate  | Actual        | Estimate  | Actual<br>*(period 7 July 2017<br>– 30 April 2018) |                   |          |            |                   |
| CSPO  | 40,943  | 37,386.25     | 42,962  | 32,456.06  |                   |          |            |                   |
| CSPK  | 10,377  | 9,237.00      | 10,825  | 8,149.31   |                   |          |            |                   |
| E.4.2   | 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. (i.e. product can be sold before it is in stock.) |   |               |   |  |                   |          |            |                   |
| The balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. The site deliver Mass Balance sales from a positive stock:   |   |               |   |  |                   |          |            |                   |
| Period  | FFB Received  |               | CSPO  |  | CSPK              |          |            |                   |
|   | RSPO  | Non Certified | Produced  | Dispatched   | Sold as Certified | Produced | Dispatched | Sold as Certified |
| July-Sept   | 52,463.73   | 12,587.50     | 9,938.61  | 7,439.95   | 2,200             | 2,848.96 | 0          | 0                 |
| Oct- Dec  | 55,826.11   | 6,238.82      | 10,864.74   | 7,955.51   | 0                 | 2,500.75 | 0          | 0                 |
| Jan-Mar   | 44,564.41   | 15,599.68     | 8,621.00  | 8,146.97   | 0                 | 2,370.83 | 0          | 0                 |
| April   | 15,150.95   | 8,146.73      | 3,031.71  | 5,038.50   | 0                 | 428.77   | 0          | 0                 |
|   | Status: Comply  |               |   |  |                   |          |            |                   |

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

|                |  |              |
|----------------|--|--------------|
| <b>1.</b>      | <b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>   | <b>X or√</b> |
| <b>ASA 1.2</b> | The Kerdau POM – SOU 11 (Sime Darby Plantation) has had approval / permit the use of the certificate with the number Certificate Registry : <b>MUTU-RSPO/094</b> by PT Mutuagung Lestari | ✓            |
|                | <b>Status: Comply</b>  |              |
| <b>2.</b>      | <b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>   | <b>X or√</b> |
| <b>ASA 1.2</b> | The Kerdau POM – SOU 11 (Sime Darby Plantation) has had approval / permit the use of the certificate with the number Certificate Registry : <b>MUTU-RSPO/094</b> by PT Mutuagung Lestari | ✓            |
|                | <b>Status: Comply</b>  |              |
| <b>3.</b>      | <b>Implementation of Certificate and Logo is not used on product</b>   | <b>X or√</b> |
| <b>ASA 1.2</b> | The Kerdau POM – SOU 11 (Sime Darby Plantation) has had approval / permit the use of the certificate with the number Certificate Registry : <b>MUTU-RSPO/094</b> by PT Mutuagung Lestari | ✓            |
|                | <b>Status: Comply</b>  |              |
| <b>4.</b>      | <b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>  | <b>X or√</b> |
| <b>ASA 1.2</b> | The Kerdau POM – SOU 11 (Sime Darby Plantation) has had approval / permit the use of the certificate with the number Certificate Registry : <b>MUTU-RSPO/094</b> by PT Mutuagung Lestari | ✓            |
|                | <b>Status: Comply</b>  |              |

### 3.4. Summary of RSPO Partial Certification.

Compliance of the uncertified management units of Sime Darby Plantation Sdn 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 Sdn 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 Sdn Bhd are 34 in Malaysia, 25 in Indonesia and 1 in Liberia. Sime Darby Plantation Sdn Bhd has informed the Time Bound Plan progress through representative's office in Indonesia. MUTU has considered that Sime Darby Plantation Sdn Bhd is comply with the RSPO requirement for Time Bound Plan. The Time Bound Plan was revised and declared by the Sime Darby Plantation Sdn 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 Sdn 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

| 2.1 Un-Certified Units or Holdings |   |   |
|------------------------------------|---|---|
| Section                            | Requirement   | Concerns to Discuss, if any   |
| 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><br/>Companies are already doing internal audits. There are internal audit reports for each company.</p> <p><b>Auditor Verification:</b><br/>Internal Audit report available for uncertified management unit for example PT Sandika Natapalma – Karya Palma Estate on 10 February 2017.</p>   |
| 2.2.2                              | 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><br/>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><br/>Sime Darby Plantation Sdn 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 RSPO and according to the CB's correspondence with RSPO Remediation and Compensation.</p> |

|       |   |   |
|-------|---|---|
| 2.2.3 | 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><br/>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.<br/>RSPO NPP process has been completed in 2011. Internal assessment against the draft Liberia NI has been completed and closing of gaps is in progress.<br/>*Note: RSPO NPP Announcements for SDP can be found at <a href="http://www.rspo.org/certification/new-planting-procedures/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> |
| 2.2.4 | 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><br/>Sime Darby (Liberia) Plantation Inc.<br/>Status: Box G - Close for Monitoring<br/>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><br/>PT Mitra Austral Sejahtera (Sime Darby Sdn Bhd)<br/>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><br/>Auditor has verified the supporting evidence of above the company statement.<br/>There are land conflict in :<br/> <ul style="list-style-type: none"> <li>PT Mitra Austral Sejahtera, this issue are remain being resolved with RSPO dispute settlement facilities</li> </ul> PT Bina Sains Cemerlang, this issue was raise on 22 April 2017 and still being process to resolve.</p>                                 |
| 2.2.5 | Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.  | <p><b>Company Group/Holding Statement:</b><br/>No stakeholder comments or complaints received.</p> <p><b>Auditor Verification:</b><br/>Auditor has verified the supporting evidence of above the company statement. There are no labour dispute in company unit.</p>  |
| 2.2.6 | Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.  | <p><b>Company Group/Holding Statement:</b><br/>None noted. No stakeholder comments or complaints received.</p> <p><b>Auditor Verification:</b></p>  |

|  |  |   |
|--|--|---|
|  |  | Auditor has verified the supporting evidence of above the company statement. There is any legal non-compliance for PT Budidaya Agro Lestari waiting for land title process. |
|--|--|---|

**3.5. Identification of Findings, Opportunity for Improvement and Noteworthy Positive Components.**
**3.5.1. Identification of Findings, Corrective Actions and Observations at ASA-1.1**

|   |  |                 |                   |
|---|--|-----------------|-------------------|
| NCR No.   | : 2017. 01   | Issued by       | : Mahas Maliyapan |
| Date Issued   | : 29 April 2017  | Time Limit      | : ASA-02          |
| NC Grade  | : Minor  | Date of Closing | : 4 May 2018      |
| Standard Ref. & Requirement   | 2.1.3<br>A mechanism for ensuring compliance shall be implemented. |                 |                   |
| Non-Conformance Description & Evidence observed (filled by auditor)   |  |                 |                   |
| Sighted in page 5 of the foreign worker's contract agreement a clause on "Foreign Workers Compensation Scheme" will be facilitate by the company. However, during audit period, there is no demonstrable evidence that Foreign Worker Compensation Scheme Certificate of Insurance renewed for 2017/18. There is no mechanism available to ensure the workers compensation being monitor regularly. (Sungai Mai Estate) |  |                 |                   |
| Root Cause Analysis (filled by organization audited):   |  |                 |                   |
| The updating of insurance is carried out by the support department from HQ (Foreign Workers Dept.) They make use of the MYEG system, which can cause certain delays during the renewal process.   |  |                 |                   |
| Corrective Action (filled by organization audited):   |  |                 |                   |
| The OU has issued reminders and followed up with the department concerned, to ensure all our workers have said insurance.   |  |                 |                   |
| Preventive Action (filled by organization audited):   |  |                 |                   |
| The OU will continue to follow up with the Foreign Workers Department, and have established a list that is updated periodically to ensure there is no lapse in obtaining the insurance for these foreign workers. Moving forward, HQ will provide the access link to the respective OU's. The OU's responsible to extract the insurance by their own.   |  |                 |                   |
| Assessor Evaluation and Conclusion (filled by auditor):   |  |                 |                   |
| During the site verification, list of foreign worker's insurance observed. No delay of insurance renewal observed. Hence the auditor concluded that the Minor NCR 2.1.3 is closed   |  |                 |                   |
| Verified by   | : Yap Chin Hung  |                 |                   |

|   |  |                 |                   |
|---|--|-----------------|-------------------|
| NCR No.   | : 2017. 02   | Issued by       | : Mahas Maliyapan |
| Date Issued   | : 29 April 2017  | Time Limit      | : ASA-02          |
| NC Grade  | : Minor  | Date of Closing | : 4 May 2018      |
| Standard Ref. & Requirement   | 4.4.3<br>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations |                 |                   |
| Non-Conformance Description & Evidence observed (filled by auditor) |  |                 |                   |

D.O.E annual license renewal [ref: 004379 – 60 MT/hr] in accordance that expires on 30/06/2017. The final discharge only to Sungai Jentar for 696m<sup>3</sup>/day. BOD should not be more than 100mg/l and land application is not applicable. During the mill visit, sighted the effluent produced by mill is being sprayed onto shredded EFB at composting area, however, since 2015 the DOE license is not permitting for composting process (**Kerdau POM**)

**Root Cause Analysis** (*filled by organization audited*):

Mill always include the water course and compost for the POME final discharge in the renewal application of DOE's license since before 2015. There was no any formal rejection of our application from DOE and due to that, mill though our license is include the POME discharge to composting plant and mill also overlooked on that. During the routine visit of DOE's officer to the mill, they also acknowledge that our mill is using POME for our composting plant and this strengthen our 'believe' that there was no issue on that.

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

Mill had start to communicate with DOE (licensing department) pertaining this issue and they will check the mistake and to rectify it.

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

Mill need to check and scrutinize the DOE license after each renewal for fast action and to get response and explanation from DOE on any mistake if any.

**Assessor Evaluation and Conclusion** (*filled by auditor*):

Based on the document observation at Kerdau Mill, sighted the latest DOE license (License no. 004379) validity from 1<sup>st</sup> July 2017 until 30<sup>th</sup> June 2018 for the effluent discharge that permitted the POME to be discharged into water courses and EFB composting. Based on the effluent result verification on final discharge, it was noted that results of BOD discharge are below 100 mg/l. Hence the auditor concluded that the Minor NCR 4.4.3 is closed.

**Verified by** : Ebnu Holdoon

|  |   |  |                 |   |                   |
|--|---|--|-----------------|---|-------------------|
| NCR No.  | : | 2017. 03   | Issued by       | : | Oktovianus Rusmin |
| Date Issued  | : | 29 April 2017  | Time Limit      | : | ASA-02            |
| NC Grade   | : | Minor  | Date of Closing | : | 4 May 2018        |
| Standard Ref. & Requirement  | : | 6.1.4<br>The plans shall be reviewed as a minimum once every two years and updated as necessary includes the participation of affected parties |                 |   |                   |
| Non-Conformance Description & Evidence observed (filled by auditor)  |   |  |                 |   |                   |
| Based on the document verification in <b>Sungai Mai Estate</b> , there is no evidence of plan to mitigate the social impact has been evaluated with the affected parties |   |  |                 |   |                   |
| Root Cause Analysis (filled by organization audited):  |   |  |                 |   |                   |
| All the issues highlighted by the stakeholder has been rectify by the estate management. However the evidence was not documented.  |   |  |                 |   |                   |

|   |                |
|---|----------------|
| <b>Corrective Action</b> <i>(filled by organization audited)</i> :<br>The person in charge will update the Social Impact Action Plan and kept the document as evidence on mitigate the social issues.   |                |
| <b>Preventive Action</b> <i>(filled by organization audited)</i> :<br>During the internal audit, the auditor will focused on the SIA issues and consider to raise as Major NC if the documents or evidence not available.   |                |
| <b>Assessor Evaluation and Conclusion</b> <i>(filled by auditor)</i> :<br>The management unit of Sungai Mai Estate had prepared a management plan on social impact assessment for year 2017/2018 that include all the areas of concerns, action plan , status, person in charge and completion date as necessary of affected parties. Hence the auditor concluded that the Minor NCR 6.1.4 is closed. |                |
| <b>Verified by</b>  | : Ebnu Holdoon |

### 3.5.3. Identification of Findings, Corrective Actions and Observations at ASA-2

|   |   |   |                 |   |              |
|---|---|---|-----------------|---|--------------|
| NCR No.   | : | 2018. 01  | Issued by       | : | Ebnu Holdoon |
| Date Issued   | : | 5 <sup>th</sup> May 2018  | Time Limit      | : | ASA - 3      |
| NC Grade  | : | Minor   | Date of Closing | : |              |
| Standard Ref. & Requirement   | : | 5.3.3<br>A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. |                 |   |              |
| Non-Conformance Description & Evidence observed (filled by auditor)   |   |   |                 |   |              |
| <p>The management unit had identified the chemical container, lubricant drums and empty paints container as hazardous waste. The company SOP (SD/SDP/PSQM(EHS)/203-EN1) had briefly explain the disposal method of hazardous waste. The waste shall be disposed to scheduled waste store. However, several lapses found during field observation at mill and estate:</p> <ul style="list-style-type: none"><li>• 3 pieces of empty drums were observed nearby workshop at Kerdau Mill</li><li>• 1 pieces of herbicide container was observed at field P02B Chenor Estate</li><li>• 3 pieces of container paint were observed at scrap yard iron in Jentar estate</li></ul> <p>Based on above evidence, it was observed that the waste management plan was not consistently implemented.</p> |   |   |                 |   |              |
| Root Cause Analysis (filled by organization audited):   |   |   |                 |   |              |
| Corrective Action (filled by organization audited):   |   |   |                 |   |              |
| Preventive Action (filled by organization audited):   |   |   |                 |   |              |
| Assessor Evaluation and Conclusion (filled by auditor):   |   |   |                 |   |              |
| Verified by   | : |   |                 |   |              |

**3.5.4. Opportunity for Improvement at ASA-2**

| No | Ref. Std. | Description   |
|----|-----------|---|
| 1  | 2.1.1     | Consideration to improve the legal compliance evaluation accuracy.                                |
| 2  | 6.2.2     | Improve the communication and respond to Sg Jerik Community's aspiration regarding to school bus. |
|    |           |   |



**3.5.5. Noteworthy Positive Components at ASA-1 Assessment**

| No | Description  |
|----|--|
| 1  | Company has commitment to implement the principle of sustainable palm oil management.  |
| 2  | Has Achieved RSPO certificate in 2011.   |
| 3  | Has Achieved MSPO certificate in 2017  |
| 4  | Positive interview outputs from field workers in regard to OHS implementation and the commitment from management towards worker' welfare is well regarded.                               |
| 5  | There is no any traces of labour discrimination for both local and foreigners as seen many employees of the company are long serving and comfortable with the management administrative. |
| 6  | Tree planting program conducted at land area (160 Hectares), which slope > 25 degree.  |

**3.6. Summary of Arising Issues from Public, Management and Auditor Response**

| Public Issues<br>(Institution/ NGO/Community)   | Auditor Verification   |
|---|--|
| <p><b>Gender Committee of Sime Darby Kerdu</b></p> <p>There is a feedback from gender committee chairman of Kerdu mill 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 for a year for the committee to run the activities in the mill for RM 200.00 per year. The Gender Committee in the estate had been involve in activities and such as cooking activity that involve women staff and the workers such as pudding made, and few sport activities . There is also meeting among them to discuss the request from women workers and staff, 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 Kerdu Mill, Chenur Estate and Jentar Estate.</p> |
| <p><b>Contractors of FFB Transportation</b></p> <p>2 Local contractors had been interviewed during the audit. 1 is local contractor for the electricity and one for the FFB transportation to Kerdu Mill. The method of payment will be done by banking online and payment been made monthly basis based on the contract available and invoice. Sighted no complain 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 Foreign Workers Representative</b></p> <p>3 workers representative had been interviewed. 1 Indian worker, 1 Indonesian workers and 1 Bangladeshi workers had been interviewed. All of them had expressed a good feeling towards the management and satisfied the way management treat them fairly in the estate. The company also had provide a van to go the nearest town and given them a proper housing area to stay during works in the estate.</p>  | <p>Sime Darby Management will keep a good relation with the foreign workers representative</p>   |

| Public Issues<br>(Institution/ NGO/Community)  | Auditor Verification  |
|--|---|
| <b>Local Teacher of SJKC Sg Jerik</b><br><br>Local teacher had been interviewed. The school had 164 students and 26 teachers in the school. Good cooperation between the teachers and Sime Darby Chenor estate, as the teacher requested for using the road for sports day and approved by the manager. No dispute sighted and good relationship with the school teacher and the teacher request had been attended accordingly.  | Sime Darby Management will keep a good relation with the school of SK Sg Jerik  |
| <b>Representative of Sg Jerik</b><br><br>The head of Local community had attended the stakeholder consultation. Sighted a good feedback and management had cooperated with the local community. They also had invite the management to cooperate with them during gotong royong activities, carnival on temple and helping them during the carnival. There is one request related to school bus to SMK Jengka 2 by the representative however the request had been addressed by the estate manager of Chenor Estate. | Sime Darby Management will keep a good relation with the local community of Sungai Jerik and will respond more of to their request appropriately. |
| There was no feed-back received from NGO and External Stakeholders   | No issues raised  |

|     |   |
|-----|---|
| 4.0 | <b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY</b>  |
| 4.1 | <b>Formal Sign-off of Assessment Findings</b>   |
|     | <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>Signed on behalf of:</p> <div style="display: flex; justify-content: space-between; align-items: flex-end; padding-top: 50px;"> <div style="text-align: center;"> <p>SOU 11<br/>Sime Darby Plantation Sdn Bhd<br/>Chairman</p>  <p>(TENGGU AMRI BIN TUAN ISMAIL)<br/>Monday, 14 May 2018</p> </div> <div style="text-align: center;"> <p>Mutuagung Lestari<br/><br/>Lead Auditor</p>  <p>Leonada<br/>Monday, 14 May 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  | Malaysian Nature Society (MNS) Kuala Lumpur  | Malaysia | <a href="mailto:mns@mns.org.my">mns@mns.org.my</a>                         | e-Mail                | 23 April 2018   |          | ✓  |
| 2  | SUHAKAM - National Human Rights Society - Persatuan Kebangsaan Hak Asasi Manusia   | Malaysia | <a href="mailto:humanrights@suhakam.org.my">humanrights@suhakam.org.my</a> | e-Mail                | 23 April 2018   |          | ✓  |
| 3  | Environmental Protection Society Malaysia (EPSM)   | Malaysia | <a href="mailto:epsm@epsm.org.my">epsm@epsm.org.my</a>                     | e-Mail                | 23 April 2018   |          | ✓  |
| 4  | United Nations Development Programme - UNDP Malaysia   | Malaysia | <a href="mailto:registry.my@undp.org">registry.my@undp.org</a>             | e Mail                | 23 April 2018   |          | ✓  |
| 7  | Gender Committee of Sime Darby Kerdu   | Malaysia |  | Interview             | 3 May 2018      | ✓        |    |
| 8  | Contractors of FFB Transportation  | Malaysia |  | Interview             | 4 May 2018      | ✓        |    |
| 9  | Sime Darby Foreign Workers Representative (3 workers)  | Malaysia |  | Interview             | 2-4 May 2018    | ✓        |    |
| 10 | Local Teacher of SJKC Sg Jerik   | Malaysia |  | Interview             | 3 May 2018      | ✓        |    |
| 11 | Processing operator<br>- 2 foreigners (Indonesian)<br>- 1 local workers  | Malaysia |  | Interview             | 2 May 2018      | ✓        |    |
| 12 | Chenor Estate: 1 Indonesian worker, 1 Bangladesh worker, 1 Malaysia (local) workers, 1 India worker, 1 Nepal worker<br><br>Jentar Estate: 1 Indonesian worker, 3 India worker., 1 Nepal worker<br><br>Store keeper (2 workers) | Malaysia |  | Interview             | 2-4 May 2018    | ✓        |    |

|  |                            |  |  |  |  |  |  |
|--|----------------------------|--|--|--|--|--|--|
|  | Creche officer (2 workers) |  |  |  |  |  |  |
|--|----------------------------|--|--|--|--|--|--|

**Appendix 2. Assessment Program**

| DATE                          |                 | 01 – 05 May 2018   |                                   |
|-------------------------------|-----------------|--|-----------------------------------|
| PLANNED TIME                  | ACTUAL DURATION | PROCESSES / CLAUSES TO BE AUDITED  | AUDITOR                           |
| <b>Tuesday, 01 May 2018</b>   |                 |  |                                   |
| 09.00 - 11.00                 | 09.00 - 11.00   | <b>Jakarta – Kuala Lumpur</b>  | • LEO / SDP                       |
| 12.00 – 16.00                 | 12.00 – 16.00   | <b>Travelling from KL to Kerdau POM</b>  | • All Auditor                     |
| <b>Wednesday, 02 May 2018</b> |                 |  |                                   |
| 08.00 – 09.00                 | 08.00 – 09.00   | <b>Opening meeting</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>   | All Auditor                       |
| 09.00 – 12.00                 | 09.00 – 12.00   | <b>Document Audit and Field visit to <u>Kerdau Palm Oil Mill</u></b> <ul style="list-style-type: none"> <li>- Supply Chain verification (FFB Receiving, Weighbridge)</li> <li>- 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> </ul> <b>Interview &amp; FGD with Worker's Union, Gender Committee, Local Contractor, Local Communities, Jabatan.</b> | • LEO<br>• YCH / SDP<br><br>• EHS |
| 12.00 – 14.00                 | 12.00 – 14.00   | <b>Break Break and Lunch</b>   |                                   |
| 14.0 – 17.00                  | 15.0 – 17.00    | <b>Documents Review</b> <ul style="list-style-type: none"> <li>- Review of previous (Initial assessment) findings</li> <li>- Verification of Basic Information Mill and Estate</li> <li>- Confirmation of Time Bound Plan</li> <li>- Review of Partial Certification</li> <li>- Verification of stakeholder consultation result and field visit.</li> <li>- Document review and completing audit checklist.</li> </ul>   | All Auditor                       |
| <b>Thursday, 03 May 2018</b>  |                 |  |                                   |
| 08.00 - 12.00                 | 08.00 - 12.00   | <b>Document Audit and Field Visit to <u>Chenor</u></b> <ul style="list-style-type: none"> <li>- Agronomy (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Area (Water management, etc.); Environmental, Occupational Health &amp; Safety Aspect (PPE Used in Harvest, Manure &amp; Pesticide Application) and Worker Welfare</li> </ul>  | • LEO                             |

| DATE                  |                 | 01 – 05 May 2018   |   |
|-----------------------|-----------------|--|---|
| PLANNED TIME          | ACTUAL DURATION | PROCESSES / CLAUSES TO BE AUDITED  | AUDITOR   |
|                       |                 | <ul style="list-style-type: none"><li>- Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area); Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave)</li><li>- Worker’s Facilities Aspect (Housing, Day-care, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) &amp; (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li></ul>  | <ul style="list-style-type: none"><li>• YCH</li><li>• EHS / SDP</li></ul> |
| 12.00 – 14.00         | 12.00 – 14.00   | BREAK  |   |
| 14.00 – 17.00         | 14.00 – 17.00   | <ul style="list-style-type: none"><li>• Continue Field Observation and field observation clarification</li><li>• Document review &amp; Follow-up and Clarification of Field Observation</li></ul>  | All Auditor   |
| Friday, 04 May 2018   |                 |  |   |
| 08.00 – 10.30         | 08.00 – 10.30   | <b>Document Audit and Field Visit to Jentar</b> <ul style="list-style-type: none"><li>- Agronomy (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application, Peat Area (Water management, etc.); Environmental, Occupational Health &amp; Safety Aspect (PPE Used in Harvest, Manure &amp; Pesticide Application) and Worker Welfare</li><li>- Conservation Aspect (Inspection of HCV Identified Area, Riparian/Waterways Zone, Reservoir, Forest Area); Legal Demarcation Aspect (Inspection of Legal Boundary Stones, Community Buffer Area/Enclave)</li><li>- Worker’s Facilities Aspect (Housing, Day-care, Sports Facilities, Employees Meeting Hall, Sanitary Facilities) &amp; (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</li></ul> | • LEO   |
| 10.30 – 12.00         | 10.30 – 12.00   |  | <ul style="list-style-type: none"><li>• YCH</li><li>• EHS / SDP</li></ul> |
| 12.00 – 13.00         | 12.00 – 13.00   | LUNCH BREAK  |   |
| 13.00 – 15.30         | 13.00 – 15.30   | <ul style="list-style-type: none"><li>• Continue Field Observation and field observation clarification</li><li>• Document review &amp; Follow-up and Clarification of Field Observation</li></ul>  | All Auditor   |
| 15.30 – 17.30         | 15.30 – 17.30   |  |   |
| Saturday, 05 May 2018 |                 |  |   |

