

RSPO PRINCIPLE AND CRITERIA
1st Annual Surveillance Assessment
Public Summary Report

Sime Darby Plantation Sdn Bhd
Head Office: Level 3A, Main Block Plantation Tower, No. 2, Jalan P.J.U 1A/7 47301 Ara Damansara Selangor, Malaysia
Strategic Operating Unit (SOU 2) Chersonese Palm Oil Mill 34350 Kuala Kurau Bagan Serai, Perak, Malaysia

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Section 1: Scope of the Certification Assessment

1. Company Details			
RSPO Membership Number	1-0008-04-000-00	Date	Member since: 6 September 2004
Company Name	Sime Darby Plantation Sdn Bhd		
Address	Head Office: Level 3A, Main Block, Plantation Tower, No. 2, Jalan PJU 1A/7 47301 Ara Damansara, Selangor, Malaysia Certification Unit: Strategic Operating Unit (SOU 2) – Chersonese Palm Oil Mill 35350 Kuala Kurau, Bagan Serai, Perak, Malaysia		
Subsidiary of (if applicable)	N/A		
Contact Name	Mdm. Shylaja Devi Vasudevan Nair (Head, Sustainability Unit PSQM) Mr Zulaffandi Bin Samad (Mill Manager)		
Website	www.simedarby.com	E-mail	Shylaja.vasudedvean@simedarby.com kks.chersonese@simedarby.com
Telephone	+603-78484371 (Head Office) +605-8904729 (Mill)	Facsimile	+603-78484363 (Head Office) +605-8902762 (Mill)

2. Certification Information			
Certificate Number	RSPO 590800	Original Certificate Issued Date	05/10/2011
		Expiry Date	04/10/2021
Scope of Certification	Palm Oil and Palm Kernel Production from Chersonese Palm Oil Mill and Supply Base (Chersonese Estate, Holyrood Estate, Tali Ayer Estate & Kalumpong Estate)		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
Nil			

3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
Chersonese Palm Oil Mill (Capacity: 45 mt/hr)	Kilang Kelapa Sawit Chersonese 34350 Kuala Kurau, Perak	100° 27' 12"	4° 59' 24"
Chersonese Estate	Ladang Chersonese 34350 Kuala Kurau, Perak	100° 26' 53"	4°57' 52"
Holyrood Estate	Ladang Holyrood 34100 Selama, Perak	100° 40' 59.9"	5°10' 37"

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Tali Ayer Estate	Ladang Tali Ayer 34300 Bagan Serai, Perak	100° 31' 35"	5°04' 53"
Kalumpong Estate	Ladang Kalumpong/Byram 34300 Bagan Serai, Perak	100° 34' 08"	4° 57' 26"

4. Description of Supply Base

Estate	Mature (ha)	Immature (ha)	Total Planted (ha)	HCV (ha)	Infras & Other (ha)	Total Hectarage	% of Planted
Chersonese Estate	2,366.50	716.87	3,083.37	25.87	179.76	3,289.00	94.00
Holyrood Estate	1,024.20	227.07	1,251.27	12.19	69.66	1,333.12	93.86
Tali Ayer Estate	2,538.62	885.02	3,423.64	24.24	535.00	3,982.88	86.00
Kalumpong Estate	2,221.49	312.10	2,533.59	21.09	86.32	2,641.00	96.00
Total	8,150.81	2,141.06	10,291.87	83.39	870.74	11,246.00	91.50

5. Plantings & Cycle

Estate	Age (Years)					Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Estimated (June 16 – May 17)	Actual (June 16 – May 17)	Forecast (June 17- May 18)
Chersonese Estate	716.87	865.03	661.71	839.76	-	52,470.00	44,456.99	52,000.00
Holyrood Estate	227.07	638.86	244.51	140.83	-	22,434.00	16,194.05	22,113.60
Tali Ayer Estate	885.02	929.59	1,566.49	42.54	-	76,605.00	62,953.23	63,719.89
Kalumpong Estate	312.10	393.60	1,827.89	0.00	-	56,352.00	51,189.85	52,410.32
Total	2,141.06	2,827.08	4,300.6	1,023.13	-	207,861.00	174,794.12	190,243.81

6. Certified Tonnage of FFB (Own Certified Scope)

Estate	Tonnage / year		
	Estimated (June 16 – May 17)	Actual (June 16 – May 17)	Forecast (June 17- May 18)
Chersonese Estate	52,470.00	44,456.99	52,000.00
Holyrood Estate	22,434.00	16,194.05	22,113.60
Tali Ayer Estate	76,605.00	62,953.23	63,719.89
Kalumpong Estate	56,352.00	51,189.85	52,410.32
Total	207,861.00	174,794.12	190,243.81

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7. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable			
Independent FFB Supplier	Tonnage / year		
	Estimated (June 16 – May 17)	Actual (June 16 – May 17)	Forecast (June 17- May 18)
Not applicable.			

8. Certified Tonnage (Own Certified Scope)									
Mill	Estimated (June 16 – May 17)			Actual (June 16 – May 17)			Forecast (June 17- May 18)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Chersonese Palm Oil Mill	207,861	43,651	10,393	174,794.1 2	35,081.64	8798.02	190,243.8 1	40,426.81	10,463.41
Other adjacent estate	-	-	-	453.11	-	-	-	-	-
Total	207,861	43,651	10,393	175,247.2 3	35,081.64	8,798.02	190,243.8 1	40,426.81	10,463.41

Forecas OER/KER : 21.25%/5.5%

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
(ASI Accreditation Number: RSPO-ACC-19)
Unit 3, Level 10, Tower A
The Vertical Business Suites, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
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BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (RSPO-ACC-19) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia. BSI is accredited for RSPO Supply Chain Certification Systems (SCCS) and Principles & Criteria for Sustainable Palm Oil Production (P&C, Single Site & Group) certification Worldwide.

Assessment Methodology, Programme, Site Visits

This 1st Annual Surveillance Assessment was conducted from 14-16 June 2017. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates (Chersonese Estate & Tali Ayer Estate). A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

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

The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates (or smallholders) of its supply base. The estates sample were determined based on formula $N = 0.8\sqrt{y}$ where y is the number of estates while when applicable.

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

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

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All the previous nonconformities are remains closed. The assessment findings for the 1st Annual Surveillance Assessment are detailed in Section 3.3.

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

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

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

1. Assessment Program					
Name (Mill / Supply Base)	Year 1 (Recertification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Chersonese Palm Oil Mill	√	√	√	√	√
Chersonese Estate	-	√	-	√	-
Holyrood Estate	√	-	√	-	√
Tali Ayer Estate	-	√	-	√	-
Kalumpong Estate	√	-	√	-	√

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

Tentative Date of Next Visit: June 8, 2017 – June 10, 2018

Total No. of Mandays: 9 mandays

BSI Assessment Team:

Mohamed Hidhir Zainal Abidin – Lead Auditor

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

Hafriazhar Mohd Mokhtar – Team Member

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

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and estate best practices, legal issues, social issues, workers consultation, stakeholder consultation, environmental and occupational safety & health. He is fluent in Bahasa Malaysia and English languages.

Daniel Francis - Team Member

Daniel Francis is a fulltime employee with BSI Services Malaysia. He holds a Bachelor of Applied Science Degree in Food Science, graduated from Charles Sturt University, Australia. He has over 8 years of working experience in the oil and gas industry and 3 years in the food & beverage industry. He is an experienced auditor for several management system standards including ISO 9001, ISO 14001, OHSAS 18001 and Integrated Management System. He had completed the ISO 9001:2015 Lead Auditor Course and RSPO SCC Lead Auditor Course. He had been involved in the RSPO audits with various companies in Malaysia. During assessment, he covers the legal issues and occupational safety and health.

Accompanying Persons:

Section 3: Assessment Findings

3.1 Details of audit results

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

- Sime Darby Plantation Sdn Bhd Time Bound Plan
- RSPO P&C MY-NIWG 2014 Checklist
- RSPO Supply Chain Certification Checklist November 2014

3.2 Progress against Time Bound Plan

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

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

Due to the present mediation process, PT Mitra Austral Sejahtera TBP was revised to 2016 by Sime Darby pending on the resolution and mediation process which is acknowledged by RSPO. The final decision of issuing the certificate is under the CB that audited the PT MAS. BSI has contacted the CB and consultation was held. The CB that audited PT MAS accepted the revision of the TBP. BSI accepted the feedback from the CB that audited PT MAS as per the

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RSPO Certification System requirement “Where the Certification Body conducting the surveillance audit is different from that which first accepted the time-bound plan, the later Certification Body shall accept the appropriateness of the time-bound plan at the moment of first acceptance and shall only check continued appropriateness”. BSI understands that there are community issue still under negotiation through agreed process.

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

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

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

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

Time Bound Plan		
Requirement	Remarks	Compliance
Summary of the Time Bound Plan		
Does the plan include all subsidiaries, estates and mills?	The time bound plan includes all SOUs in Malaysia and Indonesia. Malaysia- Effectively 34 SOUs: Sg Samak and Jeleta Bumi, Yong Peng, Sepang, Mostyn and Segaliud POM has been closed down. Indonesia- Effectively 25 SOUs. For Liberia operations, a new mill is being set up and commissioned in Feb 2016. Preparation to undergo the RSPO Certification process is in progress and SDP targets to undergo RSPO Certification by end 2017.	Yes

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

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

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

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

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

During the 1st Annual Surveillance Assessment there was 1 (one) Minor nonconformity raised. The Chersonese Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1490713-201706-N1	Requirements Indicator 5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.	Minor
	Evidence of Nonconformity Chersonese Palm Oil Mill Used gloves and rags were sighted at the mill surrounding areas (eq. workshop, crude oil storage, diesel storage) during the site visit. Chersonese Estate Used empty chemical (pesticide) and lubricant containers were sighted at the Main division workshop surroundings (under trees and near frond stacks) during the site visit. Tali Ayer Estate Used empty lubricant drums were sighted behind the old fertilizer store during the site visit.	
	Statement of Nonconformity Waste management and disposal plan was not effectively implemented	
	Corrective Actions Short Term Measure All used chemical and lubricant container was collected and kept in the schedule waste store. To repair the bund for all waste store. Middle Term Measures 1. To give training to the workers on chemical handling and awareness. 2. Spot check to all building areas on weekly basis. 3. To plan and act according to linesite report and Work Place Inspection.	
	Long Term Measures 1. To install/add more warning signboard around property. 2. To create campaign awareness to the estate occupants and smallholder arounds the estate. 3. To engage with smallholders for any information regarding chemical handling. 4. To ensure all PK oil is sell or store it properly	

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	Assessment Conclusion Corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next audit.	
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Observation	
OBS #	Description

Positive Findings	
PF #	Description
1.	External stakeholders for the mill and estates shown positive feedbacks towards the company.
2.	The SOU 2 management unit has maintained good relationship with the local community and other stakeholders.
3	Allocation of capital expenditure budget for mill and estates showing the commitment of SOU2 towards continual improvement
4	Substitution of chemical used for bagworm treatment, Acephate

Issues raised by Stakeholders	
<p>Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Chersonese Palm Oil Mill Certification Unit's environmental and social performance, legal and any known dispute issues.</p> <p>Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. These have been incorporated into the assessment findings.</p> <p>Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix E.</p>	
IS #	Description
1	<p>Issues: Mill Staff - Risk of foreign workers employment – higher due to requirements of technical skills and knowledge specific to mill operations.</p> <p>Management Responses: Less than 30% of mill workers are foreigners. This always been monitored.</p> <p>Audit Team Findings: No further issue.</p>
2	<p>Issues: School headmaster: It was re-confirmed that the management always support school activities. The relationship is good.</p>

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	<p>Management Responses: Management assists wherever possible.</p> <p>Audit Team Findings: No further issue.</p>
3	<p>Issues: Worker Representative: It was highlighted that they are satisfied with the work condition and payment. The workers also highlighted that they are receiving free cooking oil and rice from the management once in two month.</p> <p>Management Responses: The management is continued to pay attention to the welfare, pay and condition.</p> <p>Audit Team Findings: No further issue.</p>
4	<p>Issues: Village representative (Kampung Nibong Hangus) - It was highlighted that the estate management allowed the road usage, job opportunity & use of facility and feel satisfied with them.</p> <p>Management Responses: The management will continue to maintain the good relationship with them.</p> <p>Audit Team Findings: There were no any issues that require further verification was highlighted.</p>

3.3.1 Status of Nonconformities Previously Identified and Observations

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1361165M1	<p>Requirements: Indicator 6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>Evidence of Nonconformity: <u>Chersonese Mill:</u> Worker’s extension contracts of employment sampled (0000108583 - signed on 21/11/2015, 0000088313 – signed on 22/2/2016 and 0000047879 signed on 6/5/2016) found that the extension contracts were still in old version where is daily rate is RM 37.50 which is not revised according to the latest Minimum Wage Order 2016 where it supposed to be RM 38.46/day. In additional, the management did not comply to the terms of worker’s extension contracts where it stated water and electricity is fully paid by company whereas in reality, the workers have to pay the full amount of electricity and amount where the water usage is exceeded the subsidized of 35 gallons per person by company.</p> <p>Furthermore, through interviewed with the workers, they were not aware of the new Minimum Wage Order 2016.</p>	Major

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	<p>Besides, the latest union subscription fee was RM 8.00 according to circular from MAPA/NUPW on September 2015. However, the workers were still deducting RM 11.00 for the subscription fee. Thus, the workers were additional charged RM 3.00 since September 2015.</p> <p><u>Holyrood Estate:</u> Worker’s extension contract of employment sampled (AS767269, AS7667268 and AR850743) found that the management did not comply to the terms of worker’s extension contracts where it stated water and electricity is fully paid by company whereas in reality, the workers have to pay the full amount of electricity and amount where the water usage is exceeded the subsidized of 35 gallons per person by company.</p> <p>Besides, the latest union subscription fee was RM 8.00 according to circular from MAPA/NUPW on September 2015. However, the management has subsidized the RM 3.00 to local workers under Insurance subsidized stated in pay slip but yet to subsidize for the foreign workers. Thus, the foreign workers were additional charged RM 3.00 since September 2015.</p> <p>In additional, the contract signed by AT500593, AE6836571 and AE6157880 was in old version where the public holiday given was only 12 days instead of 13 days.</p> <p><u>Kalumpong Estate:</u> Worker’s extension contract of employment sampled (AT 024968 and A 6963138) found that the management did not comply to the terms of worker’s extension contracts where it stated water and electricity is fully paid by company whereas in reality, the workers have to pay the full amount of electricity and amount where the water usage is exceeded the subsidized of 35 gallons per person by company. The extension contract has yet to revise where the pay written on the contract was RM 900.</p> <p>In addition, the sampled workers below did not subsidize with 5 kg of cooking oil and 5 kg of rice due to the reason of absenteeism for more than three working days. However, according to the contract, the workers will be subsidized every 2 months without any terms and conditions stated.</p> <ul style="list-style-type: none"> a) Passport No.: G5426272 (November 2015 – absent for 4 days on September and October 2015) b) Passport No.: AT033236 (November 2015 – absent for 3 days on September and October 2015) c) Passport No.: AT029921 (November 2015 – absent for 4 days on September and October 2015) <p>Statement of Nonconformity:</p> <ul style="list-style-type: none"> i) Worker’s extension contracts of employment was not revised according to Minimum Wage Order 2016. ii) Management has yet to comply with the terms in extension contract signed by the workers where it stated water and electricity bill shall fully paid by the company. iii) There is no any evidence of the communication with workers regarding new Minimum Wage Order 2016. iv) The management did not comply with the MAPA/NUPW agreement where the latest subscription fee to be deducted for the workers was only RM 8.00. 	
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	<p>v) The management did not subsidize cooking oil and rice to the workers according to the terms stated in the employment contract signed by the workers.</p> <p>Corrective Action:</p> <p>i) The workers extension contract will be revised and will be cascade down to workers on stages basis. Long term: Sime Darby Plantation (Human Resource) will monitor and will revised the workers contract as per new regulation. Others, Human Resource Department advise operation unit accordingly if any changes in regulation.</p> <p>ii) The new extension contract for workers will stated clearly on the water and electricity status. Long term: Sime Darby Plantation (Human Resource Department) will streamline the contract terms and condition accordingly throughout operation unit.</p> <p>iii) The management will communicate to the workers pertaining on the new Minimum Wage Order 2016. Long term: Operation Unit will get advised from SDP Human Resource to communicate with workers if there is any changes in the regulation .</p> <p>iv) The management will reimburse the fee back and the reimburse statement will be appear at next payslip. Long Term: The management will monitor and ensure the deduction as per current MAPA/NUPW fee.</p> <p>iv) The management will communicate to the workers pertaining on the subsidize cooking oil and rice. Long term: Sime Darby Plantation (Human Resource Department) will streamline the contract terms and condition accordingly throughout operation unit.</p> <p>List submitted evidence as follows:</p> <p>i) New version of employment contract and extension contract, EMP01/2016/01 & EMP02/2016/01 with new updated terms and conditions with sample of contracts complete with workers acknowledgement and acceptance.</p> <p>ii) Reimbursement of NUPW/MAPA was verified in the payslip.</p> <p>Verified all submitted evidences and found to be sufficient. Thus, the major NC was close out on 29/9/16</p> <p>Assessment Conclusion: The Major NC remained closed during the on-site visit as evidence (refer indicator 6.5.2 in the report) without any recurrence of issues. The corrective action confirmed to be implemented effectively.</p>	
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Non-Conformity		
NCR #	Description	Category (Major / Minor)
1361165M2	Requirements: Indicator 7.1.1	Major

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	<p>An independent social and environmental impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected stakeholders, shall be documented.</p>	
	<p>Evidence of Nonconformity: No evidence to show that the new plating plot (2014A and 2014B) incorporated in the new HCV assessment.</p>	
	<p>Statement of Nonconformity: SEIA was not prepared for the new planting area.</p>	
	<p>Corrective Action: Provide internal Social Impact Assessment (Refer requirement of SEIA). EAI & EIE for P14A & P14B. Estate will identified all areas subjected to the NPP 2015 requirements. Long Term: Sime Darby Plantation will conduct SEIA assessment for new replanting area to suit the new NPP 2015 requirement. Finalized HCV assessment version 2 dated September 2016 checked and found to be sufficient. Thus, the major NC was close out on 29/9/16</p>	
	<p>Assessment Conclusion: The Major NC remained closed during the on-site visit as evidence without any recurrence of issues. The corrective action confirmed to be implemented effectively</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1361165M3	<p>Requirements: Indicator 7.3.2 A comprehensive HCV assessment, including stakeholder consultation, shall be conducted prior to any conversion or new planting. This shall include a land use change analysis to determine changes to the vegetation since November 2005. This analysis shall be used, with proxies, to indicate changes to HCV status.</p> <p>Evidence of Nonconformity: No evidence to show that the new plating plot (2014A and 2014B) incorporated in the new HCV assessment.</p> <p>Statement of Nonconformity: HCV assessment was not compressively conducted.</p> <p>Corrective Action: HCV:PSQM - SEP Unit will provide further justification and information as addendum in the HCV report. LUC: Estate will get PSQM - SEPU and Precision Agriculture Unit from R&D Department regarding the Land Use Change analysis. Land use change of HCV areas (if any) will be notified to the assessor for the report to be updated. Long term: Sime Darby Plantation will ensure all new planting area need to be assessed as per new NPP 2015 accordingly Finalized HCV assessment version 2 dated September 2016 including land use change analysis found to be sufficient. Thus, the major NC was close out on 29/9/16</p> <p>Assessment Conclusion: The Major NC remained closed during the on-site visit as evidence without any recurrence of issues. The corrective action confirmed to be implemented effectively</p>	Major

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1361165M4	<p>Requirements Indicator 7.8.1 The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development shall be identified and estimated.</p>	Major
	<p>Evidence of Nonconformity: Carbon stock assessment was not carried out for the new planting area 2014A and 2014B</p>	
	<p>Statement of Nonconformity: Carbon stock of the proposed development area was not identified and estimated.</p>	
	<p>Corrective Action: Estate will use default value of Carbon Stock as part of the carbon stock assessment. R&D shall carried out carbon stock assessment prior to oil palm planting. Long Term: Sime Darby Plantation will conduct the assessment for new planting area to suit the new NPP 2015 requirement. Verified carbon stock assessment incorporated HCV assessment version 2 dated September 2016 and found to be sufficient. Thus, the major NC was close out on 29/9/16</p>	
	<p>Assessment Conclusion: The Major NC remained closed during the on-site visit as evidence without any recurrence of issues. The corrective action confirmed to be implemented effectively.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1361165N1	<p>Requirements: Indicator 6.2.3 A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained</p>	Minor
	<p>Evidence of Nonconformity: Chersonese Mill: The management has maintained a list of stakeholders which included government bodies, local communities, internal representatives and transporters. However, they did not include suppliers/vendors and contractors into the list.</p>	
	<p>Statement of Nonconformity: Stakeholder's list was incomplete.</p>	
	<p>Corrective Action: Mill Management will include vendors/suppliers & contract into new stakeholder list. Long term: The management will monitor and ensure all stakeholder will update accordingly</p>	
	<p>Corrective action plan is accepted.</p>	

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	<p>Assessment Conclusion: The corrective action for Minor NC raised confirmed to be implemented effectively as evidence (refer indicator 6.2.3 in the report) where no recurrence found during the on-site assessment in ASA 1_1. Minor NC closed satisfactorily on 16/6/2017.</p>	
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Non-Conformity		
NCR #	Description	Category (Major / Minor)
1361165N2	<p>Requirements: Indicator 2.1.4 A system for tracking any changes in the law shall be implemented.</p> <p>Evidence of Nonconformity: Legal and other requirement register did not include the latest version of : i) Minimum Wages Order 2016 ii) Person In Charge Regulation (amendment) 2014</p> <p>Statement of Nonconformity: A system for tracking any changes in the law was not effectively implemented.</p> <p>Corrective Action: Mill Management will include Minimum Wage Order 2016 & Person In Charge Regulation (amendment) 2014 into updated Legal Requirement Register. Long term: The management will liaise with PSQM on the updating LORR. Others, the management will monitor and ensure comply with regulation Corrective action plan is accepted.</p> <p>Assessment Conclusion: Sighted objective evidence: 1. LORR reviewed on 02/06/2017 for Chersonese Palm Oil Mill. 2. LORR reviewed on 06/01/2017 for Chersonese Estate. 3. LORR reviewed on 06/01/2017 for Tali Ayer Estate.</p> <p>Verified that the LORR has included the Minimum Wage Order 2016 and Person-In-Charge under Regulation 2014, reviewed and approved. Corrective action was effectively implemented and the minor NC was closed on 16/6/17</p>	Minor

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1361165N3	<p>Requirements: Indicator 7.1.2 Appropriate management planning and operational procedures shall be developed and implemented to avoid or mitigate identified potential negative impacts.</p> <p>Evidence of Nonconformity: No evidence of SEIA and management plan to include the new planting area (2014A and 2014B)</p> <p>Statement of Nonconformity:</p>	Minor

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	Appropriate management planning and operational procedures has not been developed.	
	Corrective Action: Establish management plan based on internal SEIA. Management plan will be monitored and verified on a yearly basis. Long Term: The operation unit will prepare appropriate management planning as per recommendation by SEIA report.	
	Assessment Conclusion: The corrective action for Minor NC raised confirmed to be implemented effectively. Verified management plan dated 16/5/17. Minor NC closed satisfactorily on 16/6/2017.	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1361165N4	Requirements: Indicator 7.8.2 There shall be a plan to minimise net GHG emissions which takes into account avoidance of land areas with high carbon stocks and/or sequestration options	Minor
	Evidence of Nonconformity: There was no plan to minimise net GHG emissions established for the new planting area 2014A and 2014B	
	Statement of Nonconformity: Plan to minimize GHG emission was not planned effectively	
	Corrective Action: GHG value is based on estate value emission. Management plan is based on Sime Darby's division wide carbon reduction strategy as attached. GHG value submitted to RSPO on yearly basis. Long Term: The operation unit will prepare appropriate management planning as per recommendation by SEIA report.	
	Assessment Conclusion: The corrective action for Minor NC raised confirmed to be implemented effectively. Verified plan for GHG reduction for 2017. Minor NC closed satisfactorily on 16/6/2017.	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1361165N5	Requirements: Indicator 6.10.3 Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.	Minor
	Evidence of Nonconformity: Kalumpong Estate: Contractors' agreements were found expired and yet the relevant services such as grass cutting for nursery and replanting as well as	

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<p>linesite are still continue in the estate. Following contracts were verified in Kalumpang Estate: a. Contract no: E162/03/2016; Validity: 1st July 2015 – 30th June 2016 b. Company No.: PG0209113-P; Validity: 1st July 2015 – 30th June 2016</p>	
<p>Statement of Nonconformity: Contractor’s agreement was expired.</p>	
<p>Corrective Action: Estate Management will revised new contract for grass cutting contractor. Long term: The operation unit will monitor the validity of contract and ensure all contract is valid.</p>	
<p>Assessment Conclusion: The corrective action for Minor NC raised confirmed to be implemented effectively as evidence (refer indicator 6.10.3 in the report) where no recurrence found during the on-site assessment in ASA 1_1. Minor NC closed satisfactorily on 16/6/2017.</p>	

Observation	
OBS #	Description

3.3.2 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
05/2009	Minor	15/9/2011	Closed out on 11/9/2012
06/2009	Minor	15/9/2011	Closed out on 11/9/2012
A775875/1	Major	13/9/12	Closed out on 9/11/12
A775875/2	Minor	13/9/12	Closed out on 17/7/13
A775875/3	Minor	13/9/12	Upgraded to Major during ASA2 (ref: 944707M0) Closed out on 10/9/13
A775875/4	Minor	13/9/12	Closed out on 17/7/13
944707M0	Major	20/7/13	Closed out on 10/9/13
944707M1	Major	20/7/13	Closed out on 10/9/13
944707N2	Minor	20/7/14	Closed out on 12/8/14
1085571M1	Major	15/8/14	Closed out on 6/10/14
1085571M2	Major	15/8/14	Closed out on 6/10/14
1085571M3	Major	15/8/14	Closed out on 6/10/14
1085571M4	Major	15/8/14	Closed out on 6/10/14
1085571N1	Minor	15/8/14	Closed out on 6/8/15
1085571N2	Minor	15/8/14	Closed out on 6/8/15
1223222M1 – 4.6.11	Major	6/8/2015	Closed on 4/9/15
1223222N1 – 4.1.3	Minor	6/8/2015	Closed out on 29/7/16
1361165M1 - 6.5.2	Major	29/7/16	Closed out on 29/9/16
1361165M2 - 7.1.1	Major	29/7/16	Closed out on 29/9/16
1361165M3 - 7.3.2	Major	29/7/16	Closed out on 29/9/16
1361165M4 - 7.8.1	Major	29/7/16	Closed out on 29/9/16
1361165N1 - 6.2.3	Minor	29/7/16	Closed out on 16/06/2017
1361165N2 - 2.1.4	Minor	29/7/16	Closed out on 16/06/2017
1361165N3 - 7.1.2	Minor	29/7/16	Closed out on 16/06/2017
1361165N4 - 7.8.2	Minor	29/7/16	Closed out on 16/06/2017

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1361165N5 - 6.10.3	Minor	29/7/16	Closed out on 16/06/2017
1490713-201706-N1	Minor	16/6/2017	"Open"

Assessment Conclusion and Recommendation:

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

Acknowledgement of Assessment Findings	Report Prepared by
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Company name: Sime Darby Plantation Sdn Bhd Chersonese Palm Oil Mill (SOU 2)	Company name: BSI Services Malaysia Sdn Bhd
Title: Chersonese Palm Oil Mill Manager	Title: Lead Auditor
Signature: 	Signature: 
Date: (ZULAFFANDI SAMAD) MILL MANAGER	Date: 21/11/2017

Appendix A: Summary of Findings

Criterion / Indicator	Assessment Findings	Compliance
Principle 1: Commitment to Transparency		

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 1.1: Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.			
1.1.1	There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Adequate information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Requests for information from the Regulatory Department such as DOSH, MPOB, DOE visiting log book were attended accordingly. Mill and estate assistant at each operating unit responsible on providing & updating the information to relevant stakeholder.	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	Records of stakeholder requesting information recorded in the visitor's book and well maintained. Mill and estate assistant at each operating unit responsible on maintaining the records of request. No pending or outstanding responses from relevant authority recorded during on site assessment at each visited operating units.	Complied
Criterion 1.2: Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			

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Criterion / Indicator	Assessment Findings	Compliance
<p>1.2.1</p> <p>Publicly available documents shall include, but are not necessary limited to:</p> <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; • Human Rights Policy (Criterion 6.13). <p>- Major compliance –</p>	<p>There was no restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. Sime Darby Plantations Sdn Bhd continued to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans was made available at all operating units. Procedure for complaints and grievances were available through Sime Darby Plantations Sdn Bhd website and http://www.simedarbyplantation.com/Sustainability.aspx</p> <p>Among the documents that were made available for viewing are:</p> <ul style="list-style-type: none"> • Good Agricultural Practices • Social Enhancement • Sustainability Management Programmes • Complaint and Grievances procedure. • Environmental Conservation <p>These documents highlight current Sime Darby Plantations Sdn Bhd practices and their continual improvement plans. Besides the above document Sime Darby Plantations Sdn Bhd policy on the followings are also available at the same website:</p> <ol style="list-style-type: none"> 1) Social 2) Quality 3) Food Safety 4) Occupational Safety & Health 5) Environment & Biodiversity 6) Slope Protection and Buffer Zone 7) Lean Six Sigma 8) Gender <p>In addition to the website, the policies were also displayed at various locations including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view.</p>	<p>Complied</p>
<p>Criteria 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.</p>		
<p>1.3.1</p> <p>There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.</p> <p>-Minor compliance</p>	<p>Sime Darby plantation has established policy on code of ethical conduct and integrity which covers all operations in the plantation operation. Training has been conducted to the workers on 27/6/2016. Interviewed with employees reveal that they are aware of the policy.</p> <p>Furthermore, annual integrity audit by the Group Corporate Assurance Department (GCAD) was conducted with no serious issue related to integrity of all operations and transactions found.</p>	<p>Complied</p>
<p>Principle 2: Compliance with applicable laws and regulations</p>		
<p>Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.</p>		

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<p>2.1.1</p>	<p>Evidence of compliance with relevant legal requirements shall be available. - Major compliance -</p>	<p>SOU2 had continued to comply with the legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and PSQM sustainability team. SOU2 had obtained and renewed license and permits as required by the law.</p> <p>Sample of licenses or permit viewed were:</p> <p><u>Chersonese Palm Oil Mill</u></p> <ol style="list-style-type: none"> 1. MPOB license: 533667104000 (validity period 01/11/2016 - 31/10/2017) for 192,000 MT. 2. Diesel Permit #A034807, ref KPDNKK.PBR.003.SK (P/D) 020/2008 (23/03/2017 – 22/03/2018) Quantity: 8,100 liter. 3. Energy commission license no: 2017/00139; serial no: 19790 (validity period 12/01/2017 – 11/01/2018) for 2799.9 kW installation capacity. 4. DOE Licence: JPKKS 004229 (validity period 1/7/2017 - 30/6/2018) for 45 MT/hr and method of POME discharge is water course and land application with BOD limit of 50 ppm. 5. Electrical Charge-man A0, PJ-T-4-B-0241-2007. 6. Steam Boiler and Steam Engine Driver JKJ 18 – PK/12/EIS/01/19 (1st Grade) 7. Certificate of Fitness for Steam Boiler (JKT15-Pin. 5/87 PMD-PK 28091) – PMD 8698 (valid till 03/01/2018). 8. Competent Person in CePSWaM – 861110-91-5055 (CePSWaM/01289 - 07/10/2016). 9. Competent Person in CEPPOMETS – 861110-91-5055 (13/12/2016 – 18/12/2016). <p><u>Chersonese Estate</u></p> <ol style="list-style-type: none"> 1. MPOB license: 532370011000 (validity period 01/09/2016 - 31/08/2017). 2. Diesel Permit #A034668, ref KPDNKK.PBR.003/SK(P/D) 037/2008 (21/12/2016 – 20/12/2017) Quantity: 9,000 liter. 3. Certificate of Fitness for Unfired Pressure Vessels (JKT15-Pin. 1/87 PMT-PK 57214) – PK PMT 563 (valid till 26/07/2017). 4. DOA Permit to Purchase of Acephate Quantity: 500kg; Ref#: PK/ACEP(GL)/17/016 (validity period 13/04/2017 – 03/05/2017). <p><u>Tali Ayer Estate</u></p> <ol style="list-style-type: none"> 1. MPOB license: 508238502000 (validity period 01/02/2017 - 31/01/2018). 2. Diesel Permit #A025192, ref KPDNKK.PBR.003.SK (P/D) 079/2008 (29/06/2016 – 28/06/2017) Quantity: 10,000 liter. 3. Certificate of Fitness for Unfired Pressure Vessels (JKT15-Pin. 1/87 PMT-PK 56985) – PK PMT 512 (valid till 12/08/2017). 4. DOA Permit to Purchase of Acephate Quantity: 357kg; Ref#: PK/ACEP(GL)/17/020 (validity period 	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	22/05/2017 – 11/06/2017	
2.1.2	<p>A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -</p> <p>SOU2 had documented the Legal & Other Requirements Register (LORR) covering all the necessary regulatory requirements. List of applicable legal and other requirements was made available during the assessment.</p> <p>CPOM – Chersonese Palm Oil Mill LORR FY 2016/2017. CE – Chersonese Estate LORR FY 2016/2017. TAE – Tali Ayer Estate LORR FY 2016/2017.</p> <p>Documented procedure has been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.</p>	Complied
2.1.3	<p>A mechanism for ensuring compliance shall be implemented. - Minor compliance -</p> <p>Evaluation of the legal requirements and compliance status with legal requirement are monitored by the operating units.</p> <p>CPOM - Latest review was done on 02/06/2017. CE - Latest review was done on 06/01/2017. TAE - Latest review was done on 05/06/2017.</p>	Complied
2.1.4	<p>A system for tracking any changes in the law shall be implemented. - Minor compliance -</p> <p>Tracking system to identify changes in the relevant regulations is available through the head office, website information and is communicated from the Group Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operation. Tracking system on any changes in the law had been well implemented.</p>	Complied
<p>Criterion 2.2: The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p>		
2.2.1	<p>Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -</p> <p>Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land was made available. Verified sample of land titles at visited estates:</p> <p><u>Chersonese Estate</u> 65 land titles, land use type: agriculture, freehold for total of 3,289.00 Ha under Sime Darby Plantation Sdn Bhd. Sample land title : i) Grant# 27335, lot# 3227 for 411.3623 Ha under Mukim Kuala Kurau ii) Grant# 24286, lot# 4966 for 435.11 Ha under Mukim Kuala Kurau</p> <p><u>Tali Ayer Estate</u> Sample of land title checked: i)Grant# 149611, lot# 10068 for 229.4218 ha under Mukim Bagan Serai ii)Grant# 150037, lot# 840 for 180.8942 ha under Mukim Bagan Serai</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	During the visit on site, the legal boundaries are clearly demarcated and visibly maintained at the area adjacent to the village, adjacent estate & small holder for both visited estate. For example at Chersonese Estate, boundary with smallholder farm (Kg Kedai 2) was verified at field 98.	Complied
2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	No land dispute and this were further verified with the related stakeholder during stakeholder interview. Noted that Sime Darby did not acquire land from landowners, but leased it directly from the government.	Complied
2.2.4 There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. -Major compliance	There is no land dispute in the SOU 2 at the time of audit. The land belongs to Sime Darby with further verification of document and stakeholder interview	Complied
2.2.5 For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	There is no land dispute in the SOU 2 at the time of audit. The land belongs to Sime Darby with further verification of document and stakeholder interview	Complied
2.2.6 To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	There is no land dispute in the SOU 2 at the time of audit. The land belongs to Sime Darby with further verification of document and stakeholder interview	Complied
Criterion 2.3: Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.		
2.3.1 Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). - Major compliance -	There is no land dispute in the SOU 2 at the time of audit. The land belongs to Sime Darby with further verification of document and stakeholder interview.	Complied

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<p>2.3.2</p> <p>Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>- Minor compliance -</p>	<p>There is no land dispute in the SOU 2 at the time of audit. The land belongs to Sime Darby with further verification of document and stakeholder interview.</p>	<p>Complied</p>
<p>2.3.3</p> <p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>-Minor compliance</p>	<p>There is no land dispute in the SOU 2 at the time of audit. The land belongs to Sime Darby with further verification of document and stakeholder interview.</p>	<p>Complied</p>
<p>2.3.4</p> <p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>-Major compliance</p>	<p>There is no land dispute in the SOU 2 at the time of audit. The land belongs to Sime Darby with further verification of document and stakeholder interview.</p>	<p>Complied</p>
<p>Principle 3: Commitment to long-term economic and financial viability</p>		
<p>Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.</p>		
<p>3.1.1</p> <p>A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.</p> <p>- Major compliance -</p>	<p>Annual business plan for SOU2 in the form of annual budget and the projection for 5 years prepared as guidance for future planning. The business plan contains FFB yield, CPO, OER, and KER, OPEX, CAPEX etc. Allocation for plant and machinery replacement such as pump, gearbox and cages were included in the yearly budget.</p> <p>For example at Chersonese Estate, allocation of budget for heightening the motorable bund for 6 km, wide 4ft Up keep and maintenance – Turbomizer P65 (wider area coverage for chemical sprayer) Tractor (new Holland) TS6 110 - for FFB evacuation</p>	<p>Complied</p>

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<p>3.1.2</p> <p>An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -</p>	<p>SOU2 estates have long range replanting programme for 10 year from 2015-2025 and reviewed yearly.</p> <p><u>Chersonese Estate</u> FY17/18: 184.64 ha (field 2005C: 45.64 ha, field 2007CB: 139.01 ha) Reason for replanting – high salinity area, low yield</p> <p><u>Tali Ayer Estate</u> FY 16/17: 189.53 ha (field 92 -3.09 ha, field 95 – 38.96 ha, field 96 – 147.48 ha) FY17/18 : No replanting programme Latest progress, field 96 replanting start in 2017.</p>	<p>Complied</p>
<p>Principle 4: Use of appropriate best practices by growers and millers</p>		
<p>Criterion 4.1: Operating procedures are appropriately documented, consistently implemented and monitored.</p>		
<p>4.1.1</p> <p>Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -</p>	<p>SOU2 has continued to use the documented SOPs for Palm Oil Mill and the Estates. Palm Mill holds two SOPs: Sustainability Plantation Management System (MQMS/SOM/08 v.1 dated 1/11/2008) includes mill SOP and Mill Quality Management Manual v.1 2008/MQMS/QMM/08 as a guidance document to operate the mill. Estates have a separate SOP (Sime Darby SOP issued 2/1/2008 and Agricultural reference Manual) covers land preparation, planting material, upkeep, harvesting, transport etc. Noted updated procedure under SOP for water analysis and RSPO SCCS procedure:</p> <p>i)SPMS, Appendix 7: SOP for water quality monitoring, issue:2 dated 1/6/16.</p> <p>SOP for sampling guideline</p> <p>ii)Water and Wastewater Sampling Guideline, issue:1 dated 1/6/16.</p> <p>iii) RSPO Supply Chain Certification Standard and Traceability for handling certified and non-certified FFB under Appendix 15, version:2, issue: 2 dated October 2016</p>	<p>Complied</p>
<p>4.1.2</p> <p>A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -</p>	<p>External Mill Advisor and a Planting Advisor inspect and report on the operations on annual basis. There were other audits by PSQM and GCAD to ensure compliance against company policy and procedure with regards to operation, finance as well as safety, health and welfare requirements.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
4.1.3 Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	Mill Advisor's latest visit under Plantation Advisory & Mechanization Department was done on 15-16/5/2017. Refer to report No.: CSM/02/16-17). Report includes monitoring of all activities in the mill covering the OER & KER performance, process losses, mill throughput (maintenance, downtime), product quality and compliance monitoring. Agronomist visit report dated 18/8/16 by Principle Agronomist II. Coverage of report [potential water deficit, palm nutritional status, yield gap analysis, manuring history 2015/2016, agro-management review, salinity management and nutrient deficiency] was incorporated in the report for further action.	Complied
4.1.4 The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -	No third party FFB purchased by the mill.	Complied
Criterion 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 There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -	Good agriculture practices which follows the group agriculture manual contains Standard Operating Procedures to ensure soil fertility is managed to a level that ensures optimal and sustained yield.	Complied
4.2.2 Records of fertiliser inputs shall be maintained. - Minor compliance -	Fertilizer application follows the recommendation from the R&D department. Refer to agronomist report (latest visit by R&D 17-18/5/16). Fertilizer recommendation for FY16/17 as follows for Chersonese Estate : Programme (July 2016, Aug to Sept 2016, Dec 2016, Feb 2017 to Mar 2017). The last programme has deferred until June 2017. Feb 2017 to June 2017: AC (24%N), MOP (60% K ₂ O) – BriaH. Actual application : 2012A – 71.35 Ha (425 bags/ 50 kgs to date application: 21.25 mt) <u>Tali Ayer Estate</u> Fertilizer recommendation based on agronomist report dated 19-20 December 2016 by Principle Agronomist II. Programme for Jan 17 to Aug 17 was made available. January to March 2017 actual application. AC (24%N) programme Field 2007, 117 ha (722 bag/50 kg per bag/36.10 mt)	Complied
4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	Sime Darby Seeds and Agriculture Services Sdn Bhd prepare the annual fertilizer recommendation. Leaf analysis result which shows the nutrient level was used as guidance for the fertilizer recommendation. Frequency for soil sampling is 5 years once and leaf sampling is schedule annually. The last soil sampling report, S32/2015 dated 5/3/15 and leaf sampling was taken on Apr 2016 concurrently during the last agronomist visit. This will be used for the basis of fertilizer recommendation FY16/17	Complied

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4.2.4 A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	A nutrient recycling has been continuously applied for the use of Empty Fruit Bunches (EFB) and compost for the estates. <u>Chersonese Estate</u> EFB application only applied to selected field at the estate, OP2001C. The current recommendation for EFB application is 40 mt/ha @ 250 kg/palm/yr. <u>Tali Ayer Estate</u> EFB and composting application only applied to selected field at the estate. Compost applied only at specific field 06/1 and 06/2 based on recommendation. The current recommendation for EFB application is 25 mt/ha @ 180 kg/palm/yr at filed 2016A and 2017B.	Complied
Criterion 4.3: Practices minimise and control erosion and degradation of soils.		
4.3.1 Maps of any fragile soils shall be available. - Major compliance -	Soil series map available for the estates <u>Chersonese Estate</u> Refer to map dated March 2015 by R&D – PRA Precision Agriculture Unit (AJZ). Majority of soil series – Sabrang (40.17%), Briah (22.83%), Perepat (15.64%) <u>Tali Ayer Estate</u> Refer to map dated June 2015 by R&D – PRA Precision Agriculture Unit (NHS). Majority of soil series – Sedu (35.19%), Briah (29.59%), Jawa (24.25%) No fragile soil within SOU2 estates.	Complied
4.3.2 A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	Most of the area in SOU 2 area flat and low lying area. The directive for planting terraces in accordance with SDPSB policy where slope >10° need to establish with cover crops such as muccuna and soft grasses and ferns.	Complied
4.3.3 A road maintenance programme shall be in place. - Minor compliance -	Road maintenance programme : FY2016/2017 is available for the estates. For example, Chersonese Estate programmes available such as grading and compacting: Aug – Oct 2016 [total completed for field 10A, 11A and 11B – 249.63 ha] Resurfacing: Mar – May 2016 [total completed for field 05C, 12A, 12B, 13D and 13E – 288.56 ha	Complied
4.3.4 Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited.	Complied
4.3.5 Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited. Thus, this indicator is not applicable	Not applicable

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Criterion / Indicator	Assessment Findings	Compliance
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There is no peat soil or soil categorised as problematic or fragile soil at all estates visited. Thus, this indicator is not applicable
Criterion 4.4: Practices maintain the quality and availability of surface and ground water.		

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<p>4.4.1</p>	<p>An implemented water management plan shall be in place. - Minor compliance -</p>	<p><u>CPOM</u> Sighted an implemented plan established as Chersonese Palm Oil Mill Water Management & Reduction Plans: Contingency Plan during water crisis 2016/2017.</p> <ol style="list-style-type: none"> 1. Water shortage/dry spell: <ol style="list-style-type: none"> i. Consume water supply from Lembaga Air Perak (LAP) ii. Educate mill employees to conserve water iii. Revise demand and supply conditions iv. Monitor/coordinate water supply situation v. Purchase water from LAP & store into concrete sump/overhead tanks 2. Severe water pollution: <ol style="list-style-type: none"> i. Perform water supply from LAP ii. Reusing/recycling water iii. Reusing/recycling water <p>The Rainfall monitoring records SOU2 Chersonese Palm Oil Mill was made available. The data shows an average rainfall from January 2016 till December 2016 at 251.09 mm.</p> <p><u>CE</u> Sighted an implemented plan established as Water Contingency Action Plan FY 2016/2017 and Water Reduction Plan FY2016/2017 SOU2 Chersonese Estate included the normal water usage mainly for process, cleaning & etc.</p> <p>Drought season:-</p> <ol style="list-style-type: none"> 1. Fill drains with water from waterways/water catchment area. 2. Used rain-harvesting tank. 3. Buy water from JBA. <p>Flood:-</p> <ol style="list-style-type: none"> 1. Desilting drain on regular basis. 2. Deepening and widening drains. 3. Shift OP seedling to secure area. <p>The Rainfall monitoring records SOU2 Chersonese Estate was made available. The data shows an average rainfall from January 2016 till December 2016 at 167.54mm.</p> <p><u>TAE</u> Sighted an implemented plan established as Water Management Program for 2016/2017 SOU2 Tali Ayer Estate included the normal water usage mainly for process, cleaning & etc.</p> <p>Water shortage/dry spell:</p> <ol style="list-style-type: none"> 1. Purchase water from Lembaga Air Perak. <p>Water Management Program:-</p> <ol style="list-style-type: none"> 1. Reduce water usage in chemical activity. 2. Reduce water for tractor wash. 3. Reduce water usage in housing complex. 	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance												
	<p>The Rainfall monitoring records SOU2 Tali Ayer Estate was made available. The data shows an average rainfall from January 2016 till December 2016 at 200.57mm.</p>													
<p>4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. - Major compliance -</p>	<p>Documented as a Guidelines on River Reserve Management (Management of River Reserve in Sime Darby Plantation; dated April 2014). Buffer zones established as following:</p> <table border="1" data-bbox="651 607 1289 792"> <thead> <tr> <th>River width</th> <th>Buffer zone</th> </tr> </thead> <tbody> <tr> <td>> 40 meters</td> <td>50 meters</td> </tr> <tr> <td>20 to 40 meters</td> <td>40 meters</td> </tr> <tr> <td>10 to 20 meters</td> <td>20 meters</td> </tr> <tr> <td>5 to 10 meters</td> <td>10 meters</td> </tr> <tr> <td>< 5 meters</td> <td>5 meters</td> </tr> </tbody> </table> <p>Monitoring based on Sustainable Plantation Management System Appendix 7 Standard Operation Procedure (SOP) for taking water samples from streams/ivers, version 1, year 2008, issue no. 1, dated 1/11/2008.</p> <p>The water sampling exercise for river samples as well as water for domestic usage requirements need to be carried out on quarterly basis (January, April, July and October) as following:</p> <p>CE - Chersonese Estate tide gate water monitoring before & after records: Report no. IE659/2017 dated 09/06/17 by Sime Darby Research Sdn. Bhd. Report shown result does not conform with Class IIA/IIB of NWQS for natural waterways. However, an investigation has been initiated and arrangement for a re-sampling and analysis are on-going.</p> <p>Sighted the inter-office mail ref PSQM/WQM0616 dated 01/06/2016, SPMS appendix 7 (issue date 01/11/2008) and Operational Control procedure for water monitoring (issue date 26/02/2015). Result of the investigation to be verified during the next surveillance.</p> <p>TAE – Tali Ayer Estate tide gate water monitoring before & after records: Report no. IE662/2017 dated 13/06/17 by Sime Darby Research Sdn. Bhd. Report shown result was in compliance against the standard tested.</p>	River width	Buffer zone	> 40 meters	50 meters	20 to 40 meters	40 meters	10 to 20 meters	20 meters	5 to 10 meters	10 meters	< 5 meters	5 meters	<p>Complied</p>
River width	Buffer zone													
> 40 meters	50 meters													
20 to 40 meters	40 meters													
10 to 20 meters	20 meters													
5 to 10 meters	10 meters													
< 5 meters	5 meters													

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Criterion / Indicator		Assessment Findings	Compliance
4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -	<p>Palm Oil Mill Effluent (POME) treated through anaerobic pond treatment system where the licensed limit for final discharge BOD allowed by DOE was 5000mg/l through land application. Regular monitoring was conducted by the mill by taking the sample of waste water in final discharge point on monthly basis and water at the upstream, midstream and downstream of the river on quarterly basis.</p> <p>Sampled effluent monitoring records: Monthly Effluent Analysis Test Report no. EP280/2017 dated 19/04/2017 by Sime Darby Research Sdn. Bhd.; parameter monitored:- pH, Total Alkalinity, VFA, BOD, COD, TS, SS, VSS, TN, AN, O&G.</p> <p>Samples were taken from each point of treatment in the system consist of raw pond, acid ponds, digester tanks and final pond before field application. BOD limit for final discharge <5000mg/L were met as well as all parameters that were within allowable limit.</p>	Complied
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	<p>Chersonese mill monitored the water consumption on monthly basis for both its source of water supply from Lembaga Air Perak (LAP) (boiler) and treated raw water (process).</p> <p>Total water consumed for the period from June 2016 to May 2017 was 1.08m3/MT FFB processed</p>	Complied
<p>Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.</p>			
4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	<p>SOU 2 continued to implement IPM and as documented in Agriculture Reference Manual. The estates continue to implement biological control for the oil palm pest in the plantation such as leaf eating pest and rat. IPM techniques applied at the estates include monitoring of pest numbers and the use of triggers for initiation of control measures. IPM plan as advocated in Section 15, part 4 of ARM, ratio of 6:2:2 (cassia: antigonan: tunera). Beneficial plant establishment were measured based on decameter. Target ration per ha is 2 dm. To date progress is 1.6 dm compared to target of 2 dm.</p> <p>Biological and chemical control (rat damage) is still implementing using warfarin and BOB. At Chersonese estate, BOB occupancy for Mar 2017 is 71% and for Tali Ayer Estate is 48%.</p>	Complied
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	<p>IPM training is given by the Agronomist and plantation executives with qualification in agriculture. Interview with the barn owl occupancy census team confirm their understanding of the Sime Darby SOP in Agricultural Reference Manual v.1 Section 15 on census.</p> <p>Latest IPM training conducted at SOU2 : IPM training – 19/5/17 (Chersonese Estate) Trunk Injector training – 12/5/17 (Tali Ayer Estate)</p>	Complied
<p>Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment</p>			

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<p>4.6.1</p> <p>Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available.</p> <p>- Major compliance -</p>	<p>The written justification in Standard Operating Procedure (SOP) of all agrochemical are available the Agricultural Reference Manual (ARM), SOP and in the Safety Pictorial Book prepared by Sime Darby Plantation Sdn Bhd. Refer to Sime Darby Agricultural Reference Manual, issue:1 version:3 dated 1/7/2011. Selected products are specific to the target pest, weed and disease. Some of recommended pesticides are:</p> <p>Immature planting (sample)</p> <ul style="list-style-type: none"> - General weeds : Glyphosate - Legume & broad leave : Metsulfuron Methyl - Stenochlaena palustris : Sodium chlorate <p>Mature planting</p> <ul style="list-style-type: none"> - VOPs : glyphosate & sodium chlorate <p>The selection is also evaluated by the agronomist during his visit to the estate.</p>	<p>Complied</p>																										
<p>4.6.2</p> <p>Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided.</p> <p>- Major compliance -</p>	<p>Records of pesticides use (including active ingredients used and their LD 50, area treated, amount of a.i. applied per ha and number of applications) had been maintained and kept by the estate. Type of agrochemical use – metsulforon methyl, cypermethrin, glufosinate ammonium, acephate, warfarin, sodium chlorate, glyphosate, triclopyr butocy ethyl ester). For example, summary of Ai/ha at Chersonese Estate as per below:</p> <p><u>July 16 – May 17:</u></p> <table border="1" data-bbox="651 1274 1289 1872"> <thead> <tr> <th>Month</th> <th>Ai/Ha</th> </tr> </thead> <tbody> <tr><td>July 2016</td><td>1.7</td></tr> <tr><td>August 2016</td><td>1.4</td></tr> <tr><td>September 2016</td><td>1.4</td></tr> <tr><td>October 2016</td><td>1.2</td></tr> <tr><td>November 2016</td><td>1.2</td></tr> <tr><td>December 2016</td><td>1.3</td></tr> <tr><td>January 2017</td><td>1.5</td></tr> <tr><td>February 2017</td><td>1.5</td></tr> <tr><td>March 2017</td><td>1.4</td></tr> <tr><td>April 2017</td><td>1.5</td></tr> <tr><td>May 2017</td><td>1.2</td></tr> <tr><td>Average</td><td>1.4</td></tr> </tbody> </table>	Month	Ai/Ha	July 2016	1.7	August 2016	1.4	September 2016	1.4	October 2016	1.2	November 2016	1.2	December 2016	1.3	January 2017	1.5	February 2017	1.5	March 2017	1.4	April 2017	1.5	May 2017	1.2	Average	1.4	<p>Complied</p>
Month	Ai/Ha																											
July 2016	1.7																											
August 2016	1.4																											
September 2016	1.4																											
October 2016	1.2																											
November 2016	1.2																											
December 2016	1.3																											
January 2017	1.5																											
February 2017	1.5																											
March 2017	1.4																											
April 2017	1.5																											
May 2017	1.2																											
Average	1.4																											

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4.6.3 Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in Sime Darby Plantation Agriculture Reference Manual Section 16.5. The implementation in the field is consistent with the Agriculture Reference Manual Section 16.5	Complied
4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -	Based on chemical register, 25/4/17 there was no pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are used. Only class III and IV chemical used at Chersonese Estate.	Complied
4.6.5 Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -	Pesticide operators given training on the safe handling and application of the pesticides. Suitable personal protective equipments and application equipment provided to the operators. For Chersonese Estate, turbo mizer was used due to suitability of flat area. All precautions attached to the products explained to operators and understood by them. This was noted during the interview with workers.	Complied
4.6.6 Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During visit it was noted that all the remaining pesticides are kept in the store and securely locked and comply with regulation.	Complied
4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in Sime Darby Plantation Agriculture Reference Manual Section 16.5. The implementation in the field is consistent with the Agriculture Reference Manual Section 16.5	Complied
4.6.8 Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -	No aerial spray at SOU2	Complied

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4.6.9	Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	No associated smallholders at SOU2. Employees demonstrate knowledge and skills on pesticide handling. MSDS/SDS was displayed in local Bahasa Malaysia language at the agrochemical store for each chemical stored as well as the use of safety pictorial poster for the easy understanding of the agrochemical handlers
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Disposal method of all identified waste was already included in the pollution prevention plan where the site visit confirmed that the practice of reduce, reuse and recycle of materials has been implemented throughout the company within mill and estates. Proper disposal of waste material are carried out as per the company procedures. The procedures are fully understood by workers and managers. Workers interview reveal that they are aware of the zero burning policy including domestic waste are not allowed to be burned. Management of waste material disposal such as Use oil, Hydraulic oil, empty chemical container Clinical waste as in accordance with scheduled waste and domestic waste regulations and guidelines.
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	<p><u>CPOM</u> Last medical check-up was conducted from 10/04/2017 to 13/04/2017 by DOSH Registered doctor No.: JKKP IH 127/171-1(309) for 21 workers. All workers found to be fit for work.</p> <p><u>CE</u> Last medical check-up was conducted on 21/01/2017 by DOSH Registered doctor No.: JKKP IH 127/171-1(309) for 36 workers. All workers found to be fit for work.</p> <p><u>TAE</u> Last medical check-up was conducted on 12-13/06/2017 (Sprayers – Tali Ayer Division) for 30 workers and 14/06/2017 (Sprayers – Sg Krian Division) for 10 workers by DOSH Registered doctor No.: JKKP IH 127/171-1(309). The medical reports are still in-progress and reports to be verified during the next audit.</p>
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	The female workers confirmed knowledge of the policy of transfer to alternative duties if wished to continue working when pregnancy was confirmed or breast-feeding.
<p>Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:</p>		

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<p>4.7.1</p>	<p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -</p>	<p>SOU2 has maintained an approved Health and Safety Policy dated January 2015 that is displayed prominently on notice boards in English. The policy also has been explained to all workers including foreign workers who does not read or speaks English.</p> <p><u>Annual & Baseline Audiometric Testing</u></p> <p>CPOM – Annual & Baseline audiometric testing completed on 15/10/2016 by Earwright Services & Consultants Sdn Bhd, HQ/08/DOC/00/491. Total of 71 workers were sent for the annual testing. Results found that a total of 08 workers are with hearing impairment and 02 workers are with standard threshold shift.</p> <p><u>Boundary Noise Monitoring</u></p> <p>CPOM – The Boundary Noise Exposure Monitoring was conducted on 18/06/2010 by Earwright Services & Consultants Sdn Bhd, JKKP HIE 127/5/3-1(NO134). Results were found to be within the recommended limit of 65.0dB (A) for day time and 55.0dB (A) for night time.</p> <p><u>Additional Noise Monitoring</u></p> <p>CPOM – The Additional Noise Exposure Monitoring was conducted on 22/09/2016 by Earwright Services & Consultants Sdn Bhd, JKKP HIE 127/5/3-1(NO134). This monitoring was done to update the noise zoning for the mill after installation of new machinery. The result shows there was no significant change in the noise zoning. Positive noise monitoring will be further verified in the next assessment.</p> <p><u>Chemical Health Risk Assessment (CHRA)</u></p> <p>CPOM - CHRA conducted on 30/07/2015 & 07/08/2015 by registered assessor JKKP HIE 127/171-2(124). Based on the CHRA, a total of 07 findings/recommendations reported.</p> <p>CE - CHRA conducted on 27/04/2017 by registered assessor JKKP HIE 127/171-2(124). Based on the CHRA, a total of 04 findings/recommendations reported.</p> <p>TAE - CHRA conducted on 27/04/2017 by registered assessor JKKP HIE 127/171-2(124). Based on the CHRA, a total of 03 findings/recommendations reported.</p> <p>The action plan was established through the recommendation from the assessor.</p> <p><u>Chemical Exposure Monitoring</u></p> <p>CPOM - The personal and area chemical exposure monitoring ref: Ncl/13/1003 & Ncl/13/1004 was conducted on 05/01/2013 by JKKP KPE 127/171-3/1(199) for the laboratory and workshop was observed. The chemical exposure monitoring carried out at SOU2, n-Hexane exposure level to the personnel and area was below the PEL listed in Schedule I.</p> <p><u>LEV inspection and testing</u></p> <p>CPOM - LEV inspection and testing was conducted on 17/02/2017 by registered assessor JKKP HIE 127/171-3/2(173). The LEV systems installed met the minimum</p>	<p>Complied</p>
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	<p>required face velocity and duct transport velocity along the ducting and hoods.</p> <p><u>Contractors Management</u> CPOM - Permit to Work (PTW) has been implemented for internal and external works involving confined space, hot work, working at height, LOTO and etc. Monitoring of PTW for confined space entry, permit issuance and cancellation are effectively implemented.</p>	
4.7.2	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. - Major compliance -</p> <p>SOU2 had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. Appropriate control measure has been determined and revised in the HIRARC register.</p> <p>CPOM - HIRARC was reviewed on 10/05/2017 and approved by the Manager. Mill activities was identified and risk assessed with respect to FFB grading and sorting, FFB sterilization, kernel and oil extraction, oil clarification, maintenance activities at the workshop, working in confined space, working at height and hot work activities.</p> <p>At the estates, among the HIRARC carried out covered activities like chemical mixing and spraying, chemical storage, harvesting and FFB collection and vehicle maintenance.</p> <p>CE - HIRARC was reviewed on 01/06/2017 and approved by the Manager. Revision done for road contractor activities including transporting, concreting/bitumen premix, apply crusher run, cementing and finishing road.</p> <p>TAE - HIRARC was reviewed on 05/01/2017 and approved by the Manager. Revision done after the accident review for general works (workshop) for loading heavy items and harvesting (sharpening of sickle).</p>	Complied

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<p>4.7.3</p> <p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>- Minor compliance -</p>	<p>Awareness and training program had been carried out. All workers involved had been adequately trained in safe working practices. The objective was to ensure all workers involved have been adequately trained in understanding MSDS, safe working practices and the correct use of PPE.</p> <ol style="list-style-type: none"> 1. Training Needs Plan KKS Chersonese (2016-2017) was established and approved. 2. OSH Management Plan 2016/2017 SOU2 Chersonese Estate was established and approved. 3. Environment, Safety & Health Program Tali Ayer Estate FY2016/2017 was established and approved. <p>Suitable PPE has been provided to the workers based on the information in the MSDS and CHRA assessor's recommendation.</p> <p>List of Personal Protective Equipment (PPE) Provided – identifies the type of PPE for the respective activities.</p> <ol style="list-style-type: none"> i. Boiler/Engine operator – Safety Helmet, Semi leather Hand Glove, Cotton Gloves, Safety Shoes, Safety Vest and Ear Muff. ii. Field workers (sprayer, manure & harvester) – N95 respirator, anti-mist goggles, wellington boots, apron and sickle cover. <p>The chemical store was found to be adequately organized, properly labelled, secured and person in charge understands the OSH procedures. MSDS was placed at the chemical stores and is available. The person in charge understands the information written in MSDS. Evidence of training is explained further under criterion 4.8.</p>	<p>Complied</p>

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<p>4.7.4</p> <p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. - Major compliance -</p>	<p>SOU2 OSH policy is well briefed to all workers. Interview with workers reveal that they understand the policy and the importance of safety at work.</p> <p><u>CPOM</u></p> <p>OSH/ESH meeting conducted on quarterly basis and last meeting conducted on 11/05/2017 attended by 24 persons.</p> <p>The work place inspection conducted on 14/04/2017 and review of accident record was discussed during the OSH meeting. No any unresolved safety and health issues noted.</p> <p><u>OSH Committee Members for 2016/2018</u></p> <p>Chairman – Tuan Zulaffandi Bin Samad (appointment letter dated 01/06/2016). Appointment letters for other OSH committee members dated 01/06/2016.</p> <p>OSH/EHS meeting: 11/05/2017, 11/02/2017, 12/11/2016 and 12/08/2016.</p> <p><u>CE</u></p> <p>OSH/ESH meeting conducted on quarterly basis and last meeting conducted on 24/03/2017 attended by 25 persons.</p> <p>The work place inspection conducted on 21/03/2017 and review of accident record was discussed during the OSH meeting. No any unresolved safety and health issues noted.</p> <p><u>OSH Committee Members for 2017</u></p> <p>Chairman – Tuan Thomas Alwa Edison (appointment letter dated 01/03/2017). Appointment letters for other OSH committee members dated 01/04/2017.</p> <p>OSH/EHS meeting: 24/03/2017, 20/12/2016, 26/09/2016 and 24/06/2016.</p> <p><u>TAE</u></p> <p>OSH/ESH meeting conducted on quarterly basis and last meeting conducted on 15/05/2017 attended by 29 persons.</p> <p>The work place inspection conducted on 5/05/2017 and review of accident record was discussed during the OSH meeting. No any unresolved safety and health issues noted.</p> <p><u>OSH Committee Members for 2017</u></p> <p>Chairman – Tuan Johamdan Bin Joni (appointment letter dated 01/01/2017). Appointment letters for other OSH committee members dated 01/02/2016.</p> <p>OSH/EHS meeting: 05/05/2017, 17/02/2017, 18/11/2016 and 19/08/2016.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.5</p> <p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>- Minor compliance -</p>	<p>Accident and emergency procedures have been communicated to employees, contractors and visitors.</p> <ol style="list-style-type: none"> 1. CPOM – Fire evacuation drill was last conducted on 09/02/2017 to test the state of readiness during emergency situation. 2. CE – Fire evacuation drill was last conducted on 28/03/2017 to test the state of readiness during emergency situation. 3. TAE – Fire evacuation drill was last conducted on 12/10/2016 to test the state of readiness during emergency situation. <p>Accident and emergency procedures are in Bahasa Malaysia and this is understood by the responsible workers, staff or executives involved in the operation. Good understanding level observed among the workers.</p> <ol style="list-style-type: none"> 1. Training for First Aid is conducted in annually. Sufficient first aiders trained. 2. First aid equipment is available at worksites. During the site visit there is evident that First Aid Box is available at the relevant area with sufficient contents and in good condition. 3. Fire extinguisher (ABC Powder) assessed during the site observation are available and within the expiry date. 4. Portable emergency eye wash facility available at chemical store and laboratory. Both are in good working condition. <p>Quarterly review on accident cases carried out during OSH quarterly meeting.</p> <p><u>CPOM</u></p> <p>02 accidents reported. JKPP 6 was sent to DOSH on 02/05/2017. JKPP 8 was sent to DOSH on 26/01/2017.</p> <p>DOSH visits (17/04/2017) been recorded in the DOSH log book and comments highlighted by DOSH was noted and action taken accordingly.</p> <p><u>CE</u></p> <p>01 accident reported. JKPP 6 was sent to DOSH on 13/06/2017. JKPP 8 was sent to DOSH on 12/01/2017.</p> <p>DOSH visits (27/07/2016) been recorded in the DOSH log book and comments highlighted by DOSH was noted and action taken accordingly.</p> <p><u>TAE</u></p> <p>05 accidents reported. JKPP 8 was sent to DOSH on 05/01/2017.</p> <p>DOSH visits (27/04/2017) been recorded in the DOSH log book and comments highlighted by DOSH was noted and action taken accordingly.</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance																					
<p>4.7.6</p> <p>All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -</p>	<p>Medical care is provided to all the employees. Reviewed on workers profile records found that all workers are covered by the accident insurances.</p> <p>Malaysian workers are covered by SOCSO or Perkeso (Pertubuhan Keselamatan Sosial). Refer to form 8A, "Jadual Caruman" for April 2017.</p> <p>Foreign workers are covered by Foreign Workers Compensation Scheme Certificate of Insurance.</p> <table border="1" data-bbox="651 667 1289 1167"> <thead> <tr> <th>Insurance</th> <th>Period</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>RHB Insurance (MW148975)</td> <td>20/06/2017 – 19/06/2018</td> <td>CPOM</td> </tr> <tr> <td>RHB Insurance (MW135978)</td> <td>17/04/2017 – 16/04/2018</td> <td>CPOM</td> </tr> <tr> <td>RHB Insurance (FW194188)</td> <td>21/09/2016 – 20/09/2017</td> <td>CE</td> </tr> <tr> <td>RHB Insurance (FW194190)</td> <td>21/09/2016 – 20/09/2017</td> <td>CE</td> </tr> <tr> <td>RHB Insurance (FW192229)</td> <td>22/09/2016 – 21/09/2017</td> <td>TAE</td> </tr> <tr> <td>RHB Insurance (FW189192)</td> <td>21/08/2016 – 20/08/2017</td> <td>TAE</td> </tr> </tbody> </table>	Insurance	Period	Remark	RHB Insurance (MW148975)	20/06/2017 – 19/06/2018	CPOM	RHB Insurance (MW135978)	17/04/2017 – 16/04/2018	CPOM	RHB Insurance (FW194188)	21/09/2016 – 20/09/2017	CE	RHB Insurance (FW194190)	21/09/2016 – 20/09/2017	CE	RHB Insurance (FW192229)	22/09/2016 – 21/09/2017	TAE	RHB Insurance (FW189192)	21/08/2016 – 20/08/2017	TAE	<p>Complied</p>
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<p>4.7.7</p> <p>Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -</p>	<p>Accident records are found to be updated. All records on Lost Time Accident (LTA) metrics are maintained.</p> <p>Samples of accident statistic as shown below :</p> <table border="1" data-bbox="651 1323 1246 1630"> <thead> <tr> <th>Year to-date</th> <th>CPOM</th> <th>CE</th> <th>TAE</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>2 (LTA 9)</td> <td>2 (LTA 42)</td> <td>1 (LTA 11)</td> </tr> <tr> <td>2016</td> <td>2 (LTA 21)</td> <td>1 (LTA 8)</td> <td>5 (LTA 66)</td> </tr> </tbody> </table> <p>*LTA is equivalent to lost man days (MC)</p> <p>PSQM Northern Zone Team has implementation the "Torn Prick Buster" and "Pole Stopper" training program for workers to reduce the LTA/LTI for Tali Ayer estate.</p>	Year to-date	CPOM	CE	TAE	2015	2 (LTA 9)	2 (LTA 42)	1 (LTA 11)	2016	2 (LTA 21)	1 (LTA 8)	5 (LTA 66)	<p>Complied</p>									
Year to-date	CPOM	CE	TAE																				
2015	2 (LTA 9)	2 (LTA 42)	1 (LTA 11)																				
2016	2 (LTA 21)	1 (LTA 8)	5 (LTA 66)																				
<p>Criterion 4.8: All staff, workers, smallholders and contract workers are appropriately trained.</p>																							

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<p>4.8.1</p> <p>A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.</p> <p>- Major compliance -</p>	<p>SOU2 has established an annual training program that covers all aspects of the RSPO Principles and Criteria.</p> <p>Training Needs Plan KKS Chersonese (2016-2017). Implementation is still on-going. 29 training needs/requirements – Training Plan FY2016/2017 identified for various categories of operating units.</p> <p>OSH Management Plan 2016/2017 SOU2 Chersonese Estate. Implementation is still on-going. 13 training needs/requirements – Training Plan FY2016/2017 identified for various categories of operating units.</p> <p>Environment, Safety & Health Program Tali Ayer Estate FY2016/2017. Implementation is still on-going. 15 training needs/requirements – Training Schedule 2016/2017 identified for various categories of operating units.</p>	<p>Complied</p>

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<p>4.8.2 Records of training for each employee shall be maintained. - Minor compliance -</p>	<p>Training records for employees available and maintained at the office. Records are verified on a sampling basis which covers all aspect of training and RSPO P&C requirement. Samples of training record as follows:</p> <p><u>CPOM</u></p> <table border="1" data-bbox="651 566 1289 958"> <thead> <tr> <th>Date</th> <th>Training</th> <th>Trainer</th> </tr> </thead> <tbody> <tr> <td>07/06/2016</td> <td>Scheduled Waste Training</td> <td>Mohd Naim Hanafi</td> </tr> <tr> <td>04/01/2016</td> <td>Road Safety Training</td> <td>PSQM</td> </tr> <tr> <td>02/12/2016</td> <td>Ergonomic Training</td> <td>Detrain Consultancy</td> </tr> <tr> <td>21/11/2016</td> <td>TPM Assessment/Training</td> <td>Mohd Shafril</td> </tr> <tr> <td>08/07/2016</td> <td>Chemical Handling Training</td> <td>Khor (NALCO)</td> </tr> </tbody> </table> <p><u>CE</u></p> <table border="1" data-bbox="651 1005 1289 1413"> <thead> <tr> <th>Date</th> <th>Training</th> <th>Trainer</th> </tr> </thead> <tbody> <tr> <td>10/06/2017</td> <td>First Aid Training</td> <td>Ismail Hj Yahya</td> </tr> <tr> <td>07/06/2017</td> <td>Scheduled Waste Training</td> <td>Mohd Naim Hanafi</td> </tr> <tr> <td>13/02/2017</td> <td>COBC Training</td> <td>PSQM</td> </tr> <tr> <td>30/12/2016</td> <td>PPE Briefing Training</td> <td>Kuganeswaran</td> </tr> <tr> <td>03/10/2016</td> <td>Manuring Operation & Safety</td> <td>Kuganeswaran</td> </tr> <tr> <td>08/08/2016</td> <td>Accident Investigation Training</td> <td>Zuraini Othman</td> </tr> </tbody> </table> <p><u>TAE</u></p> <table border="1" data-bbox="651 1460 1289 1973"> <thead> <tr> <th>Date</th> <th>Training</th> <th>Trainer</th> </tr> </thead> <tbody> <tr> <td>12/05/2017</td> <td>Trunk Injection, PPE and Acephate Mixing Training</td> <td>Siti Hajah (R&D)</td> </tr> <tr> <td>22/03/2017</td> <td>Training Alion-Bayer</td> <td>Tn Johamdan</td> </tr> <tr> <td>27/10/2016</td> <td>TAE-Harvesting Training (Fronds stacking)</td> <td>Kenneth Sreedhavan</td> </tr> <tr> <td>06/07/2017</td> <td>Fertilizer Training</td> <td>PSQM</td> </tr> <tr> <td>29/03/2016</td> <td>E-SWIS and Scheduled Waste Training</td> <td>Intan Arnieza</td> </tr> <tr> <td>23/4/2017</td> <td>"Torn Prick Buster" and "Pole Stopper" Training</td> <td>PSQM</td> </tr> </tbody> </table>	Date	Training	Trainer	07/06/2016	Scheduled Waste Training	Mohd Naim Hanafi	04/01/2016	Road Safety Training	PSQM	02/12/2016	Ergonomic Training	Detrain Consultancy	21/11/2016	TPM Assessment/Training	Mohd Shafril	08/07/2016	Chemical Handling Training	Khor (NALCO)	Date	Training	Trainer	10/06/2017	First Aid Training	Ismail Hj Yahya	07/06/2017	Scheduled Waste Training	Mohd Naim Hanafi	13/02/2017	COBC Training	PSQM	30/12/2016	PPE Briefing Training	Kuganeswaran	03/10/2016	Manuring Operation & Safety	Kuganeswaran	08/08/2016	Accident Investigation Training	Zuraini Othman	Date	Training	Trainer	12/05/2017	Trunk Injection, PPE and Acephate Mixing Training	Siti Hajah (R&D)	22/03/2017	Training Alion-Bayer	Tn Johamdan	27/10/2016	TAE-Harvesting Training (Fronds stacking)	Kenneth Sreedhavan	06/07/2017	Fertilizer Training	PSQM	29/03/2016	E-SWIS and Scheduled Waste Training	Intan Arnieza	23/4/2017	"Torn Prick Buster" and "Pole Stopper" Training	PSQM	<p>Complied</p>
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Criterion 5.1: Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.			
5.1.1	An environmental impact assessment (EIA) shall be documented. - Major compliance -	SOU2 Plans and impact assessments relating to environmental impacts based on documents as following: <ul style="list-style-type: none"> • Appendix 5.4.1b - Environmental Aspect and Impact Evaluation Procedure, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009; Register • Appendix 5.4.1c - Environmental Aspect and Impact Identification form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009; MR-01/EAI • Appendix 5.4.1d - Environmental Impacts Evaluation form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009; MR-02/EIE 	Complied

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<p>5.1.2</p> <p>Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons.</p> <p>- Minor compliance -</p>	<p>There is no change of current practices required to mitigate negative effects based on identified impacts for both the mill and estates.</p> <p>However the mill and estates have conducted periodical review on the aspects and impacts identified and evaluated as registered.</p> <p>The mill and estates has continuously implemented its annual programs that were established as part of its individual Pollution Prevention Plan. Managers and assistant managers of mill and estates were identified as person-in-charge of the programs which were established upon review of the aspect and impact register. It was observed that the reviewing and updating on the registers were done annually if there's no any new activity within respective sites.</p> <p>Review of aspect and impact register were done as following:</p> <p><u>CPOM</u> Environmental Aspect Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated on 01/07/2016. Neither any change to current operation nor new activity identified by the mill other than normal mill operation including weighbridge operation, process, maintenance, water and waste water treatment.</p> <p><u>CE</u> Environmental Aspect Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated on 01/07/2016. No any changes identified to the environmental aspects and impacts.</p> <p><u>TAE</u> Environmental Aspect Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated on 02/08/2016. No any changes identified to the environmental aspects and impacts.</p>	<p>Complied</p>

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5.1.3	<p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>- Minor compliance -</p>	<p>CPOM</p> <p>Monitoring plan was established based on DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling.</p> <p>Based on Sustainable Plantation Management System Appendix 10 Procedure for Mill Environmental Performance version 1, year 2008, issue no. 1, dated 1 October 2008. Uses the Mill Environmental Performance Review (Form A) Mill environmental monitoring records available/sighted:</p> <ul style="list-style-type: none"> • Online scheduled waste inventory & consignment (file ref. no. A31/152/000/039; Inventory no. 0802A6214032152017) – updated as of 29/05/17 where the quantity and storage period were within allowable limit. 	Complied
<p>Criterion 5.2: The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>			
5.2.1	<p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).</p> <p>- Major compliance -</p>	<p>Re-visited HCV was conducted by Sustainability Department (Social & Environment Projects Unit) on September 2016 attended representatives from local government agencies, local communities, service providers, and neighbouring estates. The review mechanism had appropriately involved stakeholders such as the sustainability team. Total 83.39 ha of HCV area identified inside SOU2. The exercise has taken into consideration all aspects of environmentally sensitive areas such as ponds, streams, wildlife boundaries and was documented. As per the monitoring plan, the identified HCV, conservation areas/environmentally sensitive areas i.e. bund along the stretches of river/straits which passes bordering through the estate continuously monitored and maintained.</p>	Complied
5.2.2	<p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.</p> <p>- Major compliance -</p>	<p>Regular patrols within the operating unit estates were carried out and findings recorded by the respective Estate executives to monitor the Conservation / buffer zone areas. Mechanism for reporting the sightings of various types of wildlife, were found to have been in place. Monitoring and control of any illegal hunting, fishing or collecting activities was also implemented. Signage's that prohibit hunting, fishing and water polluting activities were verified on-site at the visited estates found to have been satisfactorily maintained.</p>	Complied
5.2.3	<p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.</p> <p>- Minor compliance -</p>	<p>The program to regularly educate the workforce and community about the status of these RTE species are also established with on-going consultation with the relevant authorities at the Bagan Serai District. There is evidence of commitment to discourage any illegal or inappropriate hunting, fishing or collecting activities via the signage erected around the affected areas which prohibit such activities.</p> <p>Latest of RTE/HCV training - 12/6/17 (Chersonese), 7/6/17 (Tali Ayer Estate)</p>	Complied

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5.2.4 Where a management plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. - Minor compliance -	<p>The HCV and Biodiversity around the estate were monitored and maintained by each respected estates. Enhancement of the river buffer zones are also being carried together with earth bund project at Estate. Habitat protection includes prevention of disturbance by workers through awareness campaigns and regular patrols of the area. Inspection of housing areas and interview of residents confirmed workers are aware of the company policy that prohibits illegal hunting.</p> <p>Bund monitoring along Sg Kurau – frequency twice per week (latest record on 5/6/17 [physical observation (bund condition, crack, collapse, subsidence, soil erosion, water gate etc)])</p> <p>Toolkit used for HCV monitoring and conservation area – latest 8/5/17: bund, river monitoring, DID bund, monkey island and animal sighting)</p>	Complied
5.2.5 Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. - Minor compliance -	It is verified that there has been no instance of HCV set-aside that conflicts with the rights of local communities at all visited estates. Thus negotiated agreement of such nature is not applicable.	Complied
Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.		

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Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.1</p> <p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>As per Sustainable Plantation Management System Appendix 9 Procedure for Handling of Domestic Waste version 1, year 2008, issue no. 1, dated 1 October 2008.</p> <p>Mill: type of waste – effluent, fibre/shell, EFB, boiler clinker, wash water, scrap metal, scheduled waste, boiler blowdown, hydro-cyclone wash water, methane gas.</p> <p>Estate: type of waste – scheduled waste – SW102, SW305, SW306, SW409, SW410, SW404 – workshop, clinic, SW store, store; domestic waste – rubbish & sewage – line-site, office, workshop, store, shop & recycle waste – empty container, scrap metal.</p> <p>Records on the usage and disposal were well recorded and documented. Appropriate secondary containment for the diesel skid tanks, chemical and scheduled waste storage areas was verified to be maintained accordingly.</p> <p><u>CPOM</u></p> <p>Scheduled waste for Chersonese Palm Oil Mill was through contractor Kumaran & Company Sdn Bhd. Sighted consignment:-</p> <ol style="list-style-type: none"> 1. 2017021109LNV7DW dated 07/02/17 for SW409. 2. 20170211084IZTON dated 07/02/17 for SW306. <p><u>CE</u></p> <p>Record of medical waste SW404 disposal shown latest disposal was done on 03/02/2017 through Klinik Tan Cheng Leng. Sighted letter by Dr Lim Hock Ghee dated 03/06/17.</p> <p>Scheduled waste disposal for SW409 was through contractor Dhakshinamoorthy Manufacturing Sdn Bhd. Sighted consignment #2017061411PUBEM9 dated 13/06/17.</p> <p>Scheduled waste disposal for SW305 was through contractor Nasdeem Venture Sdn Bhd. Sighted consignment #2017051009AFRJ40 dated 09/05/17.</p> <p>Scheduled waste disposal for SW410 was through contractor Alam Aliran Kualiti (M) Sdn Bhd. Sighted consignment #2016092817GYFDXU dated 28/09/16.</p> <p><u>TAE</u></p> <p>Record of medical waste SW404 disposal shown latest disposal was done on 20/04/2017 through Klinik Tan Cheng Leng. Sighted letter by Dr Lim Hock Ghee dated 18/04/17.</p> <p>Scheduled waste disposal for SW409 was through contractor Dhakshinamoorthy Manufacturing Sdn Bhd. Sighted ticket #22152 dated 13/06/17.</p> <p>Scheduled waste disposal for SW305 was through contractor Aliran Segar Sdn Bhd. Sighted consignment #AS86577 dated 13/06/17.</p>	<p>Complied</p>

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<p>5.3.2 All chemicals and their containers shall be disposed of responsibly. - Major compliance -</p>	<p>Based on policy to reduce, reuse and recycle, the management of used chemicals and containers were done in accordance Scheduled Waste regulations.</p> <p>For estates, the empty pesticides container were collected in scheduled waste store after being triple rinsing and punctured at the bottom of the container.</p> <p>Stores for scheduled waste were inspected at audited sites in mill and estates and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment.</p> <p>The mill and estates also have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor.</p>	<p>Complied</p>
<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -</p>	<p>Scheduled waste is managed well with designated storage area at the mill and each of the estates in accordance with the requirements of the Environmental Quality Act 1974 (Scheduled Wastes), Regulations, 2005. Disposal was through licensed collector.</p> <p>The company has continued managing scheduled waste stores at the mill and each of the estates. Agrochemical containers are triple rinsed and punctured to avoid any misuse.</p> <p>KKS Chersonese Waste Management Plan FYR 2016/2017 dated 01/07/2016 including scheduled waste, domestic waste and industrial waste sighted during the visit for the mill.</p> <p>Used gloves and rags were sighted at the mill surrounding areas (eq. workshop, crude oil storage, diesel storage) during the site visit.</p> <p>Waste Management Plan 2016/17 SOU2 Chersonese Estate dated 15/03/2017 including scheduled waste, industrial waste, domestic waste and clinical waste sighted during the visit for the estate.</p> <p>Used empty chemical (pesticide) and lubricant containers were sighted at the Main division workshop surroundings (under trees and near frond stacks) during the site visit.</p> <p>Tali Ayer Estate Waste Management Action Plan 2016/2017 dated 01/07/2016 including scheduled waste, domestic waste recycled waste and clinical waste sighted during the visit for the estate.</p> <p>Used empty lubricant drums were sighted behind the old fertilizer store during the site visit.</p> <p>This demonstrated that the waste management plan was not effectively implemented.</p>	<p>Minor nonconformance</p>

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Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimised.			
5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented at POM. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. Apart from use of diesel for electricity, palm fibre and shells were also used to generate electricity through steam turbine and boiler. The use of energy in palm oil mill and line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where Palm fibre and PK shells were used as renewable energy/fuel. Todate FY2016/2017 (July 2016 – May 2017) : 22.54 kWh/Mt	Complied
Criterion 5.5: Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.			
5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	Zero open burning policy as per SOP Section B2 - Felling/Land Clearing & Land Preparation dated November 2008. Management complying with the Malaysian environmental law –EQA and Regulations 1974. No open burning noted based on the records on the land clearing and felling for the replanting area 2017A and 2017B. Method of land clearing and preparation was used such as (felling & chipping, cambering/land forming and path construction). Seedlings were planted in April and May 2017.	Complied
5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	No use of fire for land preparation during replanting	Complied
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			

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Criterion / Indicator	Assessment Findings	Compliance																				
<p>5.6.1</p> <p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p> <p>- Major compliance -</p>	<p>As prescribed under "Jadual Pematuhan", license# 004229, air emission from boiler stack have to be monitored twice per year. Stack sampling result for 2016 :</p> <table border="1" data-bbox="667 495 1273 763"> <tr> <td>Date of monitoring</td> <td>Stack no.2 (PMD8698)</td> </tr> <tr> <td>9/8/16 (2nd half), report ref# L-PG-AC1608CSD-0250</td> <td>Solid particle – 0.3835 g/Nm³ at 12%CO₂</td> </tr> <tr> <td>1/2/16 (1st half), report ref# L-PG-AC1602CSD-0051</td> <td>Solid particle – 0.3087 g/Nm³ at 12%CO₂</td> </tr> </table> <table border="1" data-bbox="667 819 1273 1137"> <tr> <td>Date of monitoring</td> <td>Stack no.1 (PMD8697)</td> </tr> <tr> <td>7/12/16 (2nd half), report ref# L-PG-AC1612CSD-0160</td> <td>Solid particle – 0.3589 g/Nm³ at 12%CO₂</td> </tr> <tr> <td>16/5/16 (1st half), report ref# L-PG-AC1605CSD-0296</td> <td>Solid particle – 0.3706 g/Nm³ at 12%CO₂</td> </tr> </table> <p>* Stack emission limit @ 0.4 g/Nm³ until 4/6/19.</p> <p>Ambient air monitoring was done twice per year. Results of monitoring as per below:</p> <table border="1" data-bbox="667 1312 1273 1473"> <tr> <td>Date of monitoring</td> <td>Monitoring station</td> </tr> <tr> <td>8-9/8/16 (2nd half), report ref# L-PG-AC1608CSD-0249 dated 16/8/16</td> <td>A1, total suspended particulate (TSP): 39 vs 260 (Malaysian Ambient Air Quality Standard)</td> </tr> </table> <table border="1" data-bbox="667 1507 1273 1686"> <tr> <td>Date of monitoring</td> <td>Monitoring station</td> </tr> <tr> <td>1-2/2/16 (1st half), report ref# L-PG-AC1602CSD-0050 dated 3/2/16</td> <td>A1, total suspended particulate (TSP): 3960vs 260 (Malaysian Ambient Air Quality Standard)</td> </tr> </table> <p>Smoke emission was monitored using online system (CEMS-DIS) to DOE based on the transmitted data from boiler smoke density indicator and recorder. Emission result was found in compliance with the regulatory limit. Verified smoke density report for April and May 2017. Noted there were a few occasion of black smoke (>40% opacity) but only during boiler start-up.</p> <p>Verified certificate of calibration for stack no.1 and 2. Refer to certificate# 12243 (stack#1) valid until 9/8/17 and certificate# 12244 valid until 9/8/17.</p>	Date of monitoring	Stack no.2 (PMD8698)	9/8/16 (2 nd half), report ref# L-PG-AC1608CSD-0250	Solid particle – 0.3835 g/Nm ³ at 12%CO ₂	1/2/16 (1 st half), report ref# L-PG-AC1602CSD-0051	Solid particle – 0.3087 g/Nm ³ at 12%CO ₂	Date of monitoring	Stack no.1 (PMD8697)	7/12/16 (2 nd half), report ref# L-PG-AC1612CSD-0160	Solid particle – 0.3589 g/Nm ³ at 12%CO ₂	16/5/16 (1 st half), report ref# L-PG-AC1605CSD-0296	Solid particle – 0.3706 g/Nm ³ at 12%CO ₂	Date of monitoring	Monitoring station	8-9/8/16 (2 nd half), report ref# L-PG-AC1608CSD-0249 dated 16/8/16	A1, total suspended particulate (TSP): 39 vs 260 (Malaysian Ambient Air Quality Standard)	Date of monitoring	Monitoring station	1-2/2/16 (1 st half), report ref# L-PG-AC1602CSD-0050 dated 3/2/16	A1, total suspended particulate (TSP): 3960vs 260 (Malaysian Ambient Air Quality Standard)	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	For the estate, GHG emissions identified including CO _x , SO _x and NO _x from various sources including fossil fuel, chemical, peat oxidation, sinks, crop sequestration, fertilizer consumptions and sequestration in conservation area. For mill, GHG emission identified from POME, fuel consumption and grid electricity utilization. 5 years plan for GHG reduction (phase I, 20 mills (Malaysia) was sighted. Programme such as feed in tariff (FIT), flaring, CNG , CaP, Co-gen was included in the plan.	Complied
5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. - Minor compliance -	Monitoring and reporting of the significant pollutants to water, gaseous emissions to air and contamination on land are in place. Tools and systems used include the DOE online CEMS monitoring for air emissions, water quality at discharge points as per DID regulations and SW disposal were adhering to DOE requirements. Water samples were regularly taken every month and tested by mill environment officer in charge and analysed to ensure compliance to DOE requirements at final discharge points. The water samples were sent to Sime Darby R&D Laboratory for analysis. Records are maintained and verified on-site to have met the permissible regulatory limits. Quarterly reporting to DOE was also done and record documented. Monitoring of the GHG quantity was done through RSPO PalmGHG Calculator Version 3.0.1 is used and the management opted for full version was applied. The report prepared on 22 Jan 2017. These GHG calculations were done as per certification unit basics including 4 estate and mill. Summary emissions: <ul style="list-style-type: none"> a. Emission/ mt CPO= 1.24 tCO₂ e/mt CPO b. Emission/ mt PK= 1.24 tCO₂ e/mt PK Details of GHG calculation can be found under Appendix K: GHG Reporting Executive Summary.	Complied

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

Criterion 6.1:

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

6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	Latest SIA study for the whole region SOU 2 Chersonese was done on 14-17 June 2015 by Sustainability Strategy Unit, PSQM Department. The previous Baseline SIA study was done by PS-RSPO Unit, TQEM Department in 2009. Both studies involved the participation of relevant stakeholders such as local communities, workers representatives, smallholders, contractors, government bodies and etc.. Attendance list for the involvement of stakeholders was sighted.	Complied
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6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	The assessment conducted has involved the participation of internal and external stakeholders. Attendance list for the involvement of stakeholders was sighted. Review of the management plan also involved the affected stakeholders and meeting minutes was sighted where the meeting was conducted on April and May 2016. The last meeting for Chersonese POM was done on 21/6/2016. The next meeting will be done in July 2017. This will be further verified in the next assessment. Latest review in Chersonese Estate done through meeting on 16/5/2017 while in Tali Ayer Estate done on 15/12/2016.	Complied
6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	Social management & action plan has been developed based on recommendation from the SIA report which reviewed on yearly basis. The plan has incorporated with the issues, person responsible for the issue and the time frame to solve the issue.	Complied
6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. - Minor compliance -	The SIA action/management plan is reviewed annually. The last review was conducted on May 2016 for the mill with the participation of relevant stakeholders. Latest review in Chersonese Estate done through meeting on 16/5/2017 while in Tali Ayer Estate done on 15/12/2016.	Complied
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	There was no smallholder scheme within the certification units.	Not applicable
Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	SDPSB has established internal communication and external communication procedure in standard operation manual, version 1 and issue no.1 with issue date 1/11/2008 under sub section 5.5. The timeframe to feedback to the external communication is within 2 weeks of the date of receipt.	Complied
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Mill assistant manager has been appointed as person in charge of social issue for stakeholders for Chersonese mill. The letter was issued on 2/1/2017 by mill manager. For Chersonese Estate, Senior Assistant Manager has been appointed on 1/4/2017 due to retirement of the Estate Manager. For Tali Ayer Estate, Manager was appointed on 1/1/2017.	Complied

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6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -	The estate management has maintained a list of stakeholders which included contractors, suppliers, government bodies and local communities. The stakeholder list for mill has been updated with the inclusion of supplier and contractor such as for desludging activities. The latest stakeholder list was updated on 1/6/2017.	Complied
Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.			
6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -	SDPSB has established a SOP on handling social issues dated 1/11/2008. The person in charge for handing social issues are mill and estate's assistant. Complaint or request letters from internal or external stakeholders have been sighted. Those requests have been granted by the management and the evidence of acknowledgement by complainants is sighted. Grievances were recorded in the logbook by the internal workers. There are no any pending issues during the time of audit.	Complied
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance –	Letters from the management for the actions taken to the requests and complaints from stakeholders were sighted. All the issues had been rectified and solved. The stakeholders were satisfied with the action taken.	Complied
Criterion 6.4: Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.			
6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	SOP to identify legal and customary rights as well as people entitled to compensation has been established with titled "Handling Land Disputes" dated 1/11/2008. There have been no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders.	Complied
6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. - Minor compliance -	SOP as per indicator 6.4.1 above established as the procedure for handling land disputes to identify legal, customary rights and people entitled to compensation dated 01 Nov 2008 was sighted. Based on the consultation with stakeholders during the on-site vist, it was confirmed that there are no indigenous communities within or surrounding SOU 2 that holds legal or customary rights over the land.	Complied

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6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. - Major compliance -	Complied
Criterion 6.5: Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.		
6.5.1	Documentation of pay and conditions shall be available. - Major compliance - Workers contract and payment follow the MAPA/NUPW Agreement. Payslip and contract of mill workers and estate workers are as per the contract signed by them according to MAPA/NUPW agreement. The management has included basic pay, net pay, gross pay, deduction of salary, phone allowance, holiday pay and etc on the pay slip. Sampled workers' payslip earn more than RM 1000 for consecutive three months according to Minimum Wage Order 2016 from April to June 2017 as below: Chersonese Mill a) Employee No.: 043246 b) Employee No.: 047246 c) Employee No.: 051572 Chersonese Mill contractor's workers: a) Employee Passport No.: BC0308153 b) Employee Passport No.: BF0452819 Chersonese Estate a) Employee No.: 025994 b) Employee No.: 120989 c) Employee No.: 151538 d) Employee No.: 079035 e) Employee No.: 131545 Tali Ayer Estate a) Employee No.: 124618 b) Employee No.: 093932 They have made deduction on water, electricity bill, NUPW, insurance and etc. The workers were signed on the consent letter to for the approved deduction as stipulated in deduction permit grandted by Labour Department.	Complied

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6.5.2	<p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>- Major compliance -</p> <p>The contract agreement has been revised on 2015 which clearly stated that is in accordance with the MAPA / NUPW provisions. Interviews of staff and workers confirmed that they understood the terms and conditions of their contract of employment and received benefits accordingly.</p> <p>For Chersonese Estate: Sampled Work contract letter ref.: EMP01/INDO/2017/01 (For Indonesian Workers – Peninsular Malaysia & Sarawak) employee # 131538- (signed on 3/3/2017), 131545 (signed on 3/3/2017). Work contract letter ref.: EMP05/IND/2017/01 (For Indian/Sri Lankan/Nepalese/Non-Bangladeshi G2G Worker’s & Other Workers-Peninsular Malaysia & Sarawak) extension contracts of employment sample employee # 120989 (signed on 4/5/2017).</p> <p>For Tali Ayer Estate: Sampled Work contract letter ref.: EMP01/INDO/2017/01 (For Indonesian Workers – Peninsular Malaysia & Sarawak) employee # 124618 (signed on 26/8/2016). Sampled Letter of Employment Extension (EMP02/INDO/2017/01) employee # 093932 signed on 28/7/2016.</p>	Complied
6.5.3	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p>- Minor compliance –</p> <p>Mill and estates provide adequate housing, water supplies, medical, educational and welfare amenities in accordance with Workers’ Minimum Standard of Housing and Amenities Act 1990 (Act 446).</p>	Complied
6.5.4	<p>Growers and millers shall make demonstrable efforts to monitor and improve workers’ access to adequate, sufficient and affordable food.</p> <p>- Minor compliance –</p> <p>Accesses to food for the workers are considered adequately and sufficiently as the location of mill and estate was located near the federal road that connected to town. There also sundry shop within the estate and mill premise. Foods and goods price list was displayed during the time of audit and the price was considered reasonable as interviewed with the workers.</p>	Complied
<p>Criterion 6.6: The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>		
6.6.1	<p>A published statement in local languages recognising freedom of association shall be available.</p> <p>- Major compliance -</p> <p>SDPSB has implemented Social Policy dated January 2015 where the management is committed and respect the rights of all personnel to form and join trade unions of their choice and to bargain collectively. This policy has been explained by management to all employees including foreign workers. Interview conducted with workers confirmed they understand the company’s policy in recognizing freedom of association. The list of staff and workers who are the union members (AMESU and NUPW) sighted during on-site visit.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
6.6.2 Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	There was an internal NUPW and AMESU meeting with management (Chersonese Mill, Chersonese Estate and Tali Ayer Estate) on 21/7/2016, 15/5/2017 and 7/6/2017 respectively. Meeting minutes and attendance list were sighted and there was some issues raised related to workers during the meeting. The management has taken actions to mitigate the issues.	Complied
Criterion 6.7: Children are not employed or exploited.		
6.7.1 There shall be documentary evidence that minimum age requirements are met. - Major compliance -	SDPSB has implemented Social Policy, Child Protection Policy and Social & Humanity Management Policy dated January 2015 where the management does not condone forced labour or child labour. SOU 2 was complied with the minimum age requirement. No employees below the age of 18 which verified on the workers personnel file.	Complied
Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.		
6.8.1 A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	SDPSB has implemented Social Policy, Social & Humanity Management Policy dated January 2015 where the management is committed to treat all employees fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and/or age.	Complied
6.8.2 Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. - Major compliance -	Mill has recruited local communities, women, and foreign workers to work in the mill. All of them are given equal opportunity and treat fairly on the housing provided, job that has been offered, salary and etc. Foreign workers have been standardized the same benefits with local workers. Salary of local workers and foreign workers were based on MAPA/NUPW and Minimum Wage Order 2016 and no discrimination happened. Sampled contracts for local and different nationality as below: <ul style="list-style-type: none"> • Employee No.: 043246 (Malaysian) • Employee No.: 047246 (Malaysian) • Employee No.: 131538 (Indonesian) • Employee No.: 131545 (Indonesian) • Employee No.: 120989 (Bangladeshi) 	Complied
6.8.3 It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	There is no any discrimination based on religion, gender, nationality and etc. during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary and etc.	Complied
Criterion 6.9: There is no harassment or abuse in the work place, and reproductive rights are protected.		
6.9.1 Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	SDPSB has implemented Social Policy and Social & Humanity Management Policy dated January 2015 where the management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights..	Complied

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Criterion / Indicator	Assessment Findings	Compliance
6.9.2 A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	SDPSB has implemented Social Policy and Social & Humanity Management Policy dated January 2015 where the management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights based on the Gender Committee Handbook First Edition 2014. For example, relevant policy training conducted on 26 April 2017 in Chersonese Estate.	Complied
6.9.3 A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	The management has established a Gender Committee to resolve the issues related to women. The meeting (Mill, Chersonese estate, Tali Ayer estate) was conducted quarterly. The last meeting was conducted on 17/4/2017, 12/3/2017 and 12/5/2017 respectively. So far there is no issues related to gender issues such as sexual harassment, gender discrimination, etc. were highlighted during the meeting. The committees have organized several activities that involved women on the site.	Complied
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.		
6.10.1 Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	No FFB purchased from out-growers or smallholders as Chersonese POM only processed FFB from company owned estate only.	Complied
6.10.2 Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	No FFB purchased from out-growers or smallholders as Chersonese POM only processed FFB from company owned estate only.	Complied
6.10.3 Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Contract agreements signed between the management and the contractors were sighted. All the terms and conditions were stated in the contract. The contractors were understood the contract agreement. Sampled contract agreement as below: - KKS Chersonese Labour Agreement, between Sime Darby Plantation Sdn. Bhd., KKS Chersonese and Kejuruteraan Serting the contractor. Contract validity period from 1/1/2017 – 31/12/2017. - Contract form doc. no.: 4300377407; doc. date: 14/6/2017; Contract description: Supply labour for maintenance (May/June 17); Contractor: Kejuruteraan Serting Sdn. Bhd.; Vendor GST no.: 000520708096 - Contract form doc. no.: 4300371281; doc. date: 29/4/2017; Contract description: EFB Application, Transport, Road Grading & Backhoe Rental (April 17); Contractor: JS Asas Maju Enterprise; Vendor GST no.: 01596571648	Complied

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Criterion / Indicator	Assessment Findings	Compliance
6.10.4 Agreed payments shall be made in a timely manner. - Minor compliance -	According to the contract agreement, the payment shall be paid once a month normally after respect of work done in the preceding month on or before 7 th day of the following month where the payment was made by headquarter. Besides, Interview with contractors and workers confirmed payment is made promptly. Inspection to the "Grievance Book" and complaint form indicated no complaint was raised in relation to processing of the payment.	Complied
Criterion 6.11: Growers and millers contribute to local sustainable development where appropriate.		
6.11.1 Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	Chersonese Mill: Provide full guarantee letter for treatment of employee’s spouse in Taiping Medical Centre. Chersonese Estate: Herbicide spraying for SJKT Ladang Chersonese. Tali Ayer Estate: Rice & Oil contribution to workers every two months. Latest contribution on 17/5/2017.	Complied
6.11.2 Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	No smallholder scheme within the certification unit.	Not applicable
Criterion 6.12: No forms of forced or trafficked labour are used.		
6.12.1 There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	Workers, staff and stakeholder interview confirm that there is no any form of forced labour or trafficked labour in the operating units. All employees have employment contract and paid the agreed national minimum wages based on the interview with the workers.	Complied
6.12.2 Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	No contract substitution was noted. Based on sampled foreign (Indonesian) workers in Chersonese Estate (employee ID # 151538; Passport # B2094989) who signed the original (preliminary) contract in Indonesia on 22/8/2016 with Sime Darby’s appointed recruitment agency PT. Cipta Rezeki Utama (License # KEP.201/2012) without any substitution. The re-signing of the employment contract in Malaysia (employee # 131538) was done on 3/3/2017.	Complied
6.12.3 Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	Equal opportunity and non-discriminatory policy is implemented. No temporary workers. Migrant workers are treated equally as per the locals.	Complied
Criterion 6.13: Growers and millers respect human rights.		
6.13.1 A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	SDPSB has implemented Social & Humanity Management Policy dated January 2015 where the management believes in developing the business with a sense of humanity, while ensuring that they are socially beneficial and do not infringe on basic human rights. For example at Tali Ayer Estate, the management has conducted briefing of the policies on 12/05/2017. Attendance list of workers is sighted.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
6.13.2	Indicator not applicable for Peninsular Malaysia whereby the family of the foreign workers at the operating units are staying at their home country.	Not applicable
<p>Principle 7: Responsible development of new plantings Chersonese Palm Oil Mill and supply base has carried out new plantings within their certified area after 2010 specifically at new planting plot (2014A and 2014B).This was reported last year during recertification assesment. It was verified through the land statement, land title and planting history, there was no conversion or new planting occurred during this ASA1_1 visit.</p>		
<p>Principle 8: Commitment to continual improvement in key areas of activity</p>		
<p>Criterion 8.1: Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.</p>		
8.1.1	<p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides(Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); <ul style="list-style-type: none"> • Optimising the yield of the supply base. <p>- Major compliance -</p>	<p>Continual improvement plan has been implemented through KAIZEN and Lean Six-Sigma project.</p> <p>Occupational Safety and Health – safety hand rail at nut polishing drum.</p> <p>Yield performance – increase Premium Quality (PQ) oil production</p> <p>Process control and optimization – reduce oil loss and kernel loss</p> <p>Complied</p>

Appendix B: Approved Time Bound Plan

SDP- RSPO Certification Status for Malaysia Operations

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

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9a	Selangor	Selangor, Selangor	19 May '10	NA	NA	N.A
10	Bukit Puteri	Raub, Pahang	7 Jul '16	6-Jul-21	CU-RSPO-815147, 18502206 001, 824 502 14020	N.A
11	Kerdau	Temerloh, Pahang	7 Jul '16	6-Jul-21	CU-RSPO-819155, 18502207 001, 824 502 14019	N.A
12	Jabor	Kuantan, Pahang	7 Jul '16	6-Jul-21	CU-RSPO-819156, RSPO 928288, 824 502 16049	N.A
13	Labu	Nilai, Negeri Sembilan	30 Dec '11	29-Dec-16	CU-RSPO-819163, SGS-RSPO/PM/MY13/01284, 824 502 16039	Recertification of Labu POM is in progress. PalmTrace License is valid till end of March 2017 in the PalmTrace system.
14	Tanah Merah	Port Dickson, Negeri Sembilan	19 May '10	18-May-20	SPO 541905	
15	Sua Betong	Port Dickson, Negeri Sembilan	18/2/2014	17-Feb-19	SGS-RSPOPM-MY14/01364, 824 502 16032	Sua Betong Oil Mill has been commissioned to replace Rantau Oil Mill with Certificate No: CU- RSPO-819165, certification date: 30 Dec 2011.
16	Kok Foh	Bahau, Negeri Sembilan	7 Jul '16	6-Jul-21	CU-RSPO-819157, RSPO 928188, 824 502 16051	N.A
17	Kempas	Jasin, Melaka	19 May '10	18-May-20	RSPO 005	N.A
18	Diamond Jubilee	Jasin, Melaka	5 Oct '11	4-Oct-21	CU-RSPO-819146, RSPO 591224	N.A
19	Pagoh	Muar, Johor	28/1/2014	27-Jan-19	RSPO 600305	Pagoh Oil Mill has been commissioned to replace Nordanal Oil Mill with Certificate No: SPO 549297, certification date: 7 Jan 2011.
19a	Yong Peng	Yong Peng, Johor	20 Oct '10	19-Oct-15	RSPO 550182	N.A
20	Chaah	Chaah, Johor	18 Nov '10	17-Nov-20	RSPO 548299	N.A
21	Gunung Mas	Kluang, Johor	19 May '10	18-May-20	RSPO 901888	N.A
22	Bukit Benut	Kluang, Johor	5 Oct '11	4-Oct-21	CU-RSPO-819147, RSPO 591229	N.A

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23	Ulu Remis	Layang-layang, Johor	11 Apr '16	10-Apr-21	SGS-RSPO/PM-00722, 824 502 16042	N.A
24	Hadapan	Layang-layang, Johor	29 Mar '11	28-Mar-21	SGS-RSPO/PM-00715, 824 502 16040	N.A
25	Segaliud	Sandakan, Sabah	20 May '10	19-May-15	RSPO 547123	N.A
26	Sandakan Bay	Sandakan, Sabah	1 Oct '08	30-Sep-18	RSPO 537872	N.A
27	Melalap	Tenom, Sabah	21 Jan '11	20-Jan-21	RSPO 547124	N.A
28	Binuang	Kunak, Sabah	16 Jan '09	12-Jul-20	RSPO 001	N.A
29	Giram	Kunak Sabah	16 Jan '09	12-Jul-20	RSPO 002	
30	Merotai	Tawau, Sabah	16 Jan '09	12-Jul-20	RSPO 004	
30a	Jeleta Bumi	Kunak, Sabah	24/5/2010	NA	NA	N.A
30b	Mostyn	Kunak Sabah	16 Jan '09	NA	NA	N.A
31	Lavang	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819166, MUTU-RSPO/053	N.A
32	Rajawali	Bintulu, Sarawak	30 Dec '16	29-Dec-21	CU-RSPO-819167, RSPO 0020	N.A
33	Derawan	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819169, RSPO 0019	N.A
34	Pekaka	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-815150, MUTU-RSPO/054	N.A

Legends

Certification Withdrawal

NA - NOT APPLICABLE

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

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NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	PT LAHAN TANI SAKTI	ALUR DUMAI	Bagan Sinembah/Tanh Putih, Pujud, Rokan Hilir, Riau	16-Jan-12	16-Jan-17	MUTU-RSPO/011	
2	PT SAJANG HEULANG	ANGSANA MINI	Sebamban, Indonesia	6-Jul-11	6-Jul-16	MUTU-RSPO/006b	Mill closed down
3	PT SAJANG HEULANG	MUSTIKA	Sebamban, Indonesia	3-Jul-13	3-Jul-18	MUTU-RSPO/027	
4	PT LADANGRUMPUN SUBURUBADI	ANGSANA	Sebamban, Indonesia	9-Nov-16	8-Nov-21	MUTU-RSPO/006a	
5	PT LANGGENG MUARAMAKMUR	BEBUNGA	Pamukan Utara, Tanah Grogot, Kotabaru/Pasir, Kalimantan Selatan/Kalimantan Timur	16-Mar-12	16-Mar-17	MUTU-RSPO/014	
6	PT KRIDATAMA LANCAR	SUKAMANDANG	Seruyan Tengah, Sampit, Seruyan, Kalimantan Tengah	2-Sep-16	1-Sep-21	MUTU-RSPO/003	
7	PT BAHARI GEMBIRARIA	LADANG PANJANG	Kumpeh Ulu, Jambi, Muaro Jambi, Jambi	9-Jul-12	9-Jul-17	MUTU-RSPO/019	
8	PT TUNGGAL MITRA PLANTATIONS	MANGGALA	Riau, Indonesia	25-Nov-10	24-Nov-20	MUTU-RSPO/002	
9	PT PARIPURNA SWAKARSA	PONDOK LABU	Pamukan Selatan, Tanah Grogot, Kotabaru, Kalimantan Selatan	16-Mar-12	16-Mar-17	MUTU-RSPO/016	
10	PT BERSAMA SEJAHTERA SAKTI	GUNUNG ARU	Sebamban, Indonesia	21-Oct-16	20-Oct-21	MUTU-RSPO/005	
11	PT GUTHRIE PECCONINA	RANTAU PANJANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	16-Mar-12	16-Mar-17	MUTU-RSPO/017	

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12	PT LAGUNA MANDIRI	RANTAU	Sungai Durian, Kotabaru, Kalimantan Selatan	30-Dec-11	30-Dec-16	MUTU-RSPO/009	Recertification of Rantau POM is in progress. PalmTrace License is valid till end of Feb 2017 in the PalmTrace system.
13		BETUNG		1-April-14	1-April-19	MUTU-RSPO/035	
14	PT INDOTRUBA TENGAH	SEKUNYIR	Kalimantan Tengah, Indonesia	23-Nov-10	22-Nov-20	MUTU-RSPO/001	
15	PT SWADAYA ANDIKA	SELABAK	Sungai Durian, Kotabaru, Kalimantan Selatan	16-Mar-12	16-Mar-17	MUTU-RSPO/015	
16	PT BINA SAINS CEMERLANG	SG PINANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	11-Sep-12	11-Sep-17	MUTU-RSPO/020	
17	PT TEGUH SEMPURNA	PEMANTANG	Kuala Kuayan, Sampit, Kotawaringin Timur, Kalimantan Tengah	9-Sep-16	8-Sep-21	MUTU-RSPO/004	
18	PT BHUMIREKSA NUSA SEJATI	TELUK BAKAU	Pelangiran, Sg. Guntung, Indragiri Iilir, Riau	01-Dec-16	30-Nov-21	MUTU-RSPO/008	
19		MANDAH		1 April 2014	1 April 2019	MUTU-RSPO/036	
20	PT ANEKA INTIPERSADA	TELUK SIAK	Tualang, Perawang, Siak, Riau	8-Dec-16	7-Dec-21	MUTU-RSPO/007	
21	PT TAMACO GRAHA KRIDA	UNGKAYA	Witaponda, Kolonodale, Morowali, Sulawesi Tengah	10-Jul-12	10-Jul-17	MUTU-RSPO/018	
22	PT SIME INDO AGRO	BK AJONG	Kalimantan Barat, Indonesia	18-Jul-16	17-Jul-21	MUTU-RSPO/088	
23	PT PADANG PALMA PERMAI/PT PERKASA SUBUR SAKTI	BLANG SIMPO	Karang Baru, Kuala Simpang, Aceh Tamiang, Nangroe Aceh Darussalam	3-May-13	3-May-18	MUTU-RSPO/026	
24	PT SANDIKA NATAPALMA/PT	LEMBIRU	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	3-Jul-14	2-Jul-19	MUTU-RSPO/044	

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

Legends

Pending Certification by RSPO EB

Mill closed down

NA - NOT APPLICABLE

Appendix C: Certification Unit RSPO Certificate Details

Sime Darby Plantation Sdn Bhd
Strategic Operating Unit (SOU 2)
Chersonese Palm Oil Mill
34350 Kuala Kurau
Bagan Serai, Perak, Malaysia
RSPO membership number: 1-0008-04-000-00

BSI RSPO Certificate No. : RSPO 590800
Date of Initial Certificate Issued: 05/10/2011
Date of Expiry: 04/10/2021
Applicable Standards: RSPO P&C MYNI-2014; RSPO Supply Chain Certification Standard November 2014 Module D – CPO Mills: Identity Preserved)

Chersonese Palm Oil Mill and Supply Base					
Location Address	SOU 2 Management Unit (Chersonese Palm Oil Mill) 34350 Kuala Kurau, Bagan Serai, Selangor Malaysia				
GPS Location	100° 27' 12" E ; 4° 59' 24" N				
CPO Tonnage Total	40,426.81				
PK Tonnage Total	10,463.41				
CPO Claimed for Certification*	40,426.81				
PK Claimed for Certification *	10,463.41				
Own estates FFB Tonnage	190,243.81				
Scheme Smallholder FFB Tonnage	-				
Estates	Production Area		Other use (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (mt)
	Mature (ha)	Immature (ha)			
Chersonese Estate	2,366.5	716.87	205.63	3,289.00	52,000.00
Holyrood Estate	1,024.20	227.07	81.85	1,333.12	22,113.60
Tali Ayer Estate	2,538.62	885.02	559.24	3,982.88	63,719.89
Kalumpong Estate	2,221.49	312.10	107.41	2,641.00	52,410.32
TOTAL	8,150.81	2,141.06	954.13	11,246.00	190,243.81

Appendix D: Assessment Plan

Date	Time	Subjects	Mohd Hidhir	Daniel	Hafri
Tuesday 13/06/2017	PM	Audit team traveling to site	√	√	√
Wednesday 14/06/2017 Chersonese Palm Oil Mill	0830-0900	Opening Meeting: • Opening Presentation by Audit team leader. • Confirmation of assessment scope and finalize Audit plan, previous CAR verification • Verification on previous audit findings	√	√	√
	0900-1200	Chersonese Palm Oil Mill Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders etc.	√	√	√
	1200-1300	Lunch	√	√	√
	1300-1630	Chersonese Palm Oil Mill Visit to laboratory, weighbridge and palm product storage area. Document Review P1-P8: SOPs, Supply Chain for CPO mill, review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities	√	√	√
	1630-1700	Interim Closing briefing	√	√	√
Wednesday 22/03/2017 Chersonese Estate	0830-1200	Chersonese Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, ,etc.	√	√	-
	0900-1200	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	-	-	√
	1200-1300	Lunch	√	√	√
	1300-1630	Chersonese Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, TBP, CIP and implementation etc).	√	√	√

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Date	Time	Subjects	Mohd Hidhir	Daniel	Hafri
	1630-1700	Interim Closing briefing	√	√	√
Friday 16/06/2017 Tali Ayer Estate	0830-1300	Tali Ayer Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, etc.	√	√	√
	1300-1430	Lunch & Friday prayer	√	√	√
	1430-1630	Tali Ayer Estate Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, TBP, CIP and implementation etc).	√	√	√
	1630-1730	Prepare for closing meeting Closing meeting	√	√	√
	PM	Audit Team travelling back to KL	√	√	√

Appendix E: Stakeholders Contacted

<p>Internal Stakeholders</p> <p>Managers and Assistants Mill & Estate Male Mill Staff/Workers Female Mill Staff/Workers Foreign Worker Male and Female Estate workers Joint Consultative Committee Gender Committee representatives Workers Union Representatives Onsite NUPW representative/secretary AMESU Representative Hospital Assistant Creche Attendant</p>	<p>Local Communities</p> <p>Village Head, Kampung Kuala Gula Village Head, Kampung Nibong Hangus Village Head, Kampong Semang</p>
<p>Government Departments</p>	<p>Contractors and Suppliers</p> <p>General Supplier FFB Transport contractor Engineering & Civil work contractor</p>

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

Requirements	Compliance
D.1. Definition	
<p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p>	<p>Chersonese Palm Oil Mill only receives certified FFB. Therefore qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.</p>
D.2 Explanation	
<p>D.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.</p>
<p>D.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	<p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim). Palm trace ID for Chersonese mill is RSPO_PO1000000302</p> <p>Sample of shipping announcements and confirmations: i)CPO contract, S/C-PSD/1607/CPO0811 – TR-3b6d9d62-4696 (CPO), confirmation date 2/8/16 ii)CSPK contract, S/C-PSD/1611/PK1323 – TR-51ce7d68-d6c0 (PK), confirmation date 9/1/17</p>
D.3 Documented procedures	
<p>D.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site’s procedures for the implementation of this standard.</p>	<p>Latest written documented procedures for the chain of custody is with Identity Preserved (IP) model covering all the RSPO Supply Chain Certification Standard and Traceability for handling certified and non-certified FFB under Appendix 15, version:2, issue: 2 dated October 2016. This developed based on the RSPO SCCS 21 November 2014. The previous SOP was for SG. The mill manager has the responsibility to ensure implementation assisted by the on-site compliance executive. The IP model is used because only certified FFB from own supply base is received and processed at Chersonese Palm Oil Mill.</p> <p>The mill manager and assistant manager have awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.</p>

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<p>D.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>Chersonese Palm Oil mill has documented procedures (as per above in D 3.1) for the incoming FFB, processing and outgoing palm products (CPO and PK). The procedure covers receiving and processing certified and non-certified FFBs.</p>
<p>D.4 Purchasing and goods in</p>	
<p>D.4.1 The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p>	<p>Similar to last assessment daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. Records verified by internal and external audit. Chersonese mill have system to verify at the weighbridge. Sample of weighbridge ticket :</p> <p><u>SOU 1 (Somme Estate)</u> Code : E-150, date:12/4/17, WB ticket# 143394, Field 2013A and 2013B and (A crop), weight: 11.74 mt</p> <p><u>SOU 1 (Bukit Selarong Estate)</u> Code : E-156, date:4/11/17, WB ticket# 143284, 1999M (A crop), weight: 21.78 mt</p> <p><u>SOU 1 (Padang Buluh Estate)</u> Code : E-273, date 4/11/17, WB ticket# 143344, Field 2000L (B crop), weight 22.07 mt</p>
<p>D.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p>	<p>The facilities aware of this procedure and stated in the procedure.</p>
<p>D.5 Record keeping</p>	
<p>D.5.1 The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p>	<p>All the inventory records are maintained and updated on daily basis and monthly report shows monthly inventory. Computerized system in place. No PKO and Palm kernel meal at Chersonese Palm Oil mill. PK is sold to Sime Darby's Kernel Crushing Plant and also other 3rd party KCP . Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the FFB received. Records of certified FFB received verified during annual surveillance. Records verified by internal and external audit.</p> <p>Sample of CPO and PK contract and delivery records verified:</p> <p>i) Buyer : SDP Joma Contract reference: S/C-PSD/1607/CPO0811, quantity: 500 Mt Contract term: PORAM/MPOA-DSC Custom terms : RSPO CPO IP Shipment period: contract for July 2016</p> <p>WB ticket#008094, lorry:PLU7761, weight 40.51 Mt, , RSPO cert# RSPO 590800 date of delivery: 25/7/16</p> <p>ii) Buyer : SDP Nuri Contract reference: S/C-PSD/1611/PK1323, quantity: 350 Mt Contract term: PORAM/MPOA-DSC Custom terms : RSPO CPO IP Shipment period: contract for November 2016</p> <p>WB ticket#008353, lorry:BJX5088, weight 41.70 Mt, , RSPO cert# RSPO 590800 date of delivery: 9/11/16</p>

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D.6 Processing	
D.6.1 The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.	During this assessment it was confirmed that only certified source of FFB from own plantation is processed. This ensures that there is no possibility of mixing during processing. There is a possibility that the mill will receive Certified FFB from other Sime Darby's Certified Estate which was certified under SOU 1 RSPO550179 valid until 11/8/20. This will be further verified during next surveillance assessment if such cases occurred and observed. No non-certified FFB received.
D.6.2 The objective is for 100 % segregated material to be reached.	Processing and storage records can trace back to only certified segregated FFB and finish product (CPO and PK) through traceability records such as weighbridge records. This ensures that 100% segregated materials are reached.

Actual Tonnage Certified Palm Production 01 June 2016 – 31 May 2017 (ASA1 1)

Mill	Capacity & Supply Chain Model	CPO	PK
Chersonese Palm Oil Mill	45 mt/hr Identity Preserved (IP)	35,081.64	8,798.02

Actual Sales of Certified Palm Products – 01 June 2016 – 31 May 2017 (ASA1 1)

Mill	Certified CPO Sales	Certified PK Sales	Remarks
Chersonese Palm Oil Mill	19,550 mt (Physical sales)	8,500 mt (Physical sales)	Confirmed sales through PalmTrace

Actual Tonnages Sales of Certified Palm Products (Under Other Schemes) - 01 June 2016 – 31 May 2017 (ASA1 1)

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

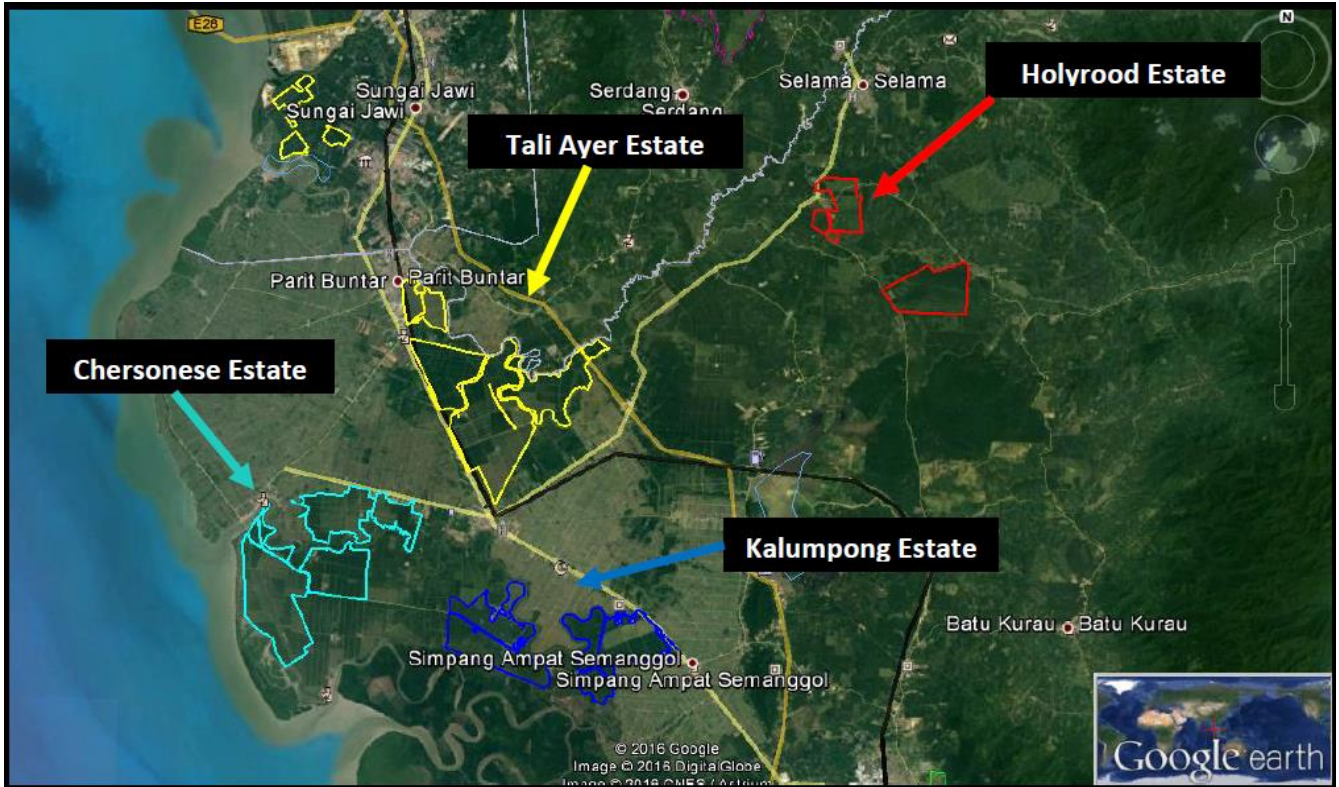
Actual Tonnages Sales of Conventional Palm Products - 01 June 2016 – 31 May 2017 (ASA1 1)

Mill	Certified CPO Sales	Certified PK Sales	Remarks
Chersonese Palm Oil Mill	15,531.64	298.02	n/a

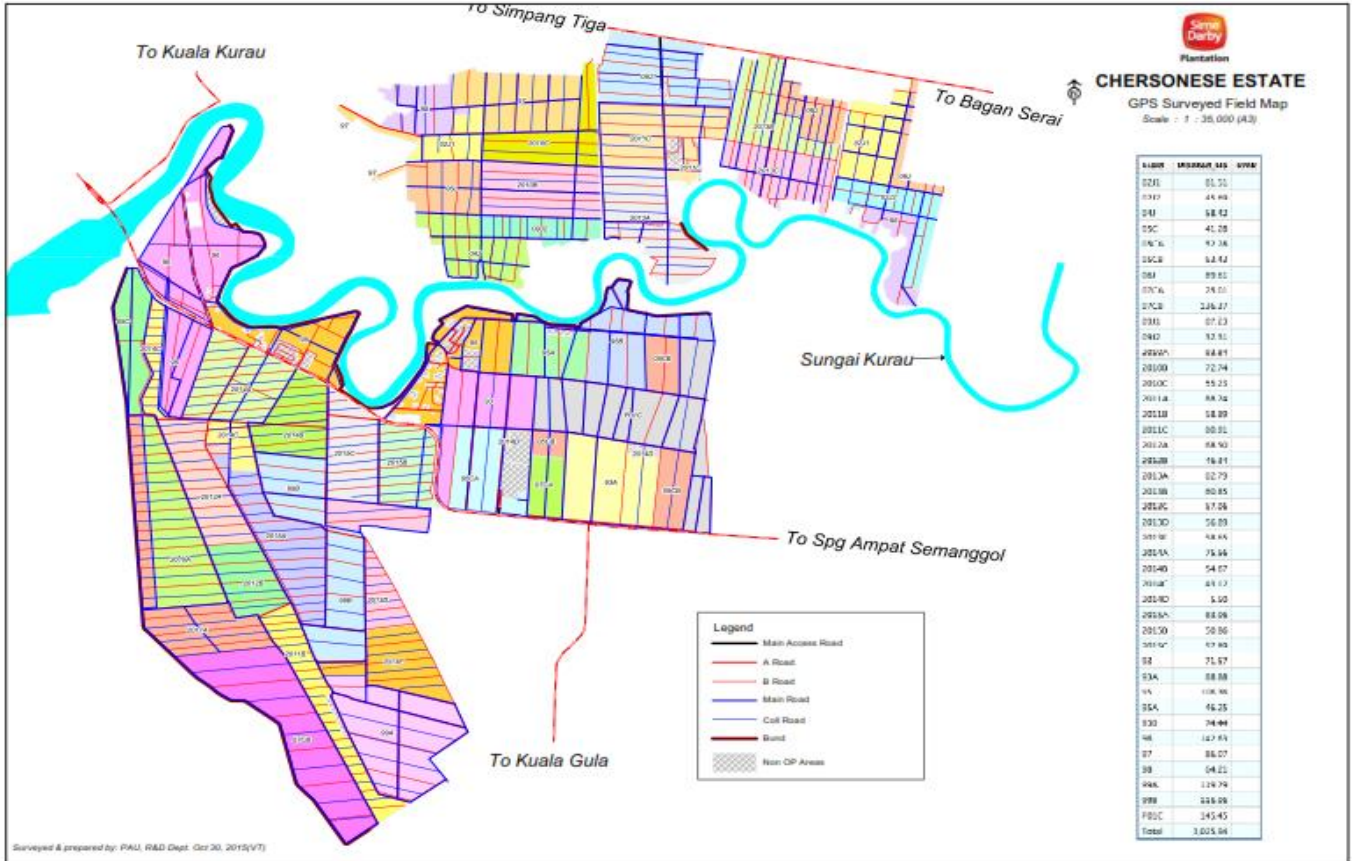
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Month	Certified Supply Base (from own certificate scope) (mt)							Total FFB/Month (mt)
	Chersonese Estate	Holyrood Estate	Tali Ayer Estate	Kalumpong Estate	Bkt Selarong	Pdg Buloh	Somme	
June 2016	3,550.02	0.00	4,390.60	3,683.16	0.00	0.00	0.00	11,623.78
July 2016	2,853.82	83.12	4,479.21	3,510.22	0.00	0.00	0.00	10,926.37
Aug 2016	2,659.61	0.00	4,967.99	3,980.64	0.00	0.00	0.00	11,608.24
Sept 2016	2,174.32	1,797.43	4,769.98	4,167.41	0.00	0.00	0.00	12,909.14
Oct 2016	2,325.87	1,709.36	3,692.96	3,114.46	0.00	0.00	0.00	10,842.65
Nov 2016	2,483.63	1,952.97	4,573.92	3,601.67	0.00	0.00	0.00	12,612.19
Dec 2016	2,726.75	1,863.79	4,860.76	3,659.17	0.00	0.00	0.00	13,110.47
Jan 2017	3,117.74	1,758.36	4,573.64	3,717.10	0.00	0.00	0.00	13,166.84
Feb 2017	4,351.18	1,590.10	5,537.78	4,133.14	0.00	0.00	0.00	15,612.2
Mar 2017	5,925.05	1,469.96	7,494.40	5,877.05	0.00	0.00	0.00	20,766.46
Apr 2017	6,308.97	2,156.88	6,974.11	6,099.10	162.69	22.07	268.35	21,992.17
May 2017	5,980.03	1,812.08	6,637.88	5,646.73	0.00	0.00	0.00	20,076.72
Total	44,456.99	16,194.05	62,953.23	51,189.85	162.69	22.07	268.35	175,247.23

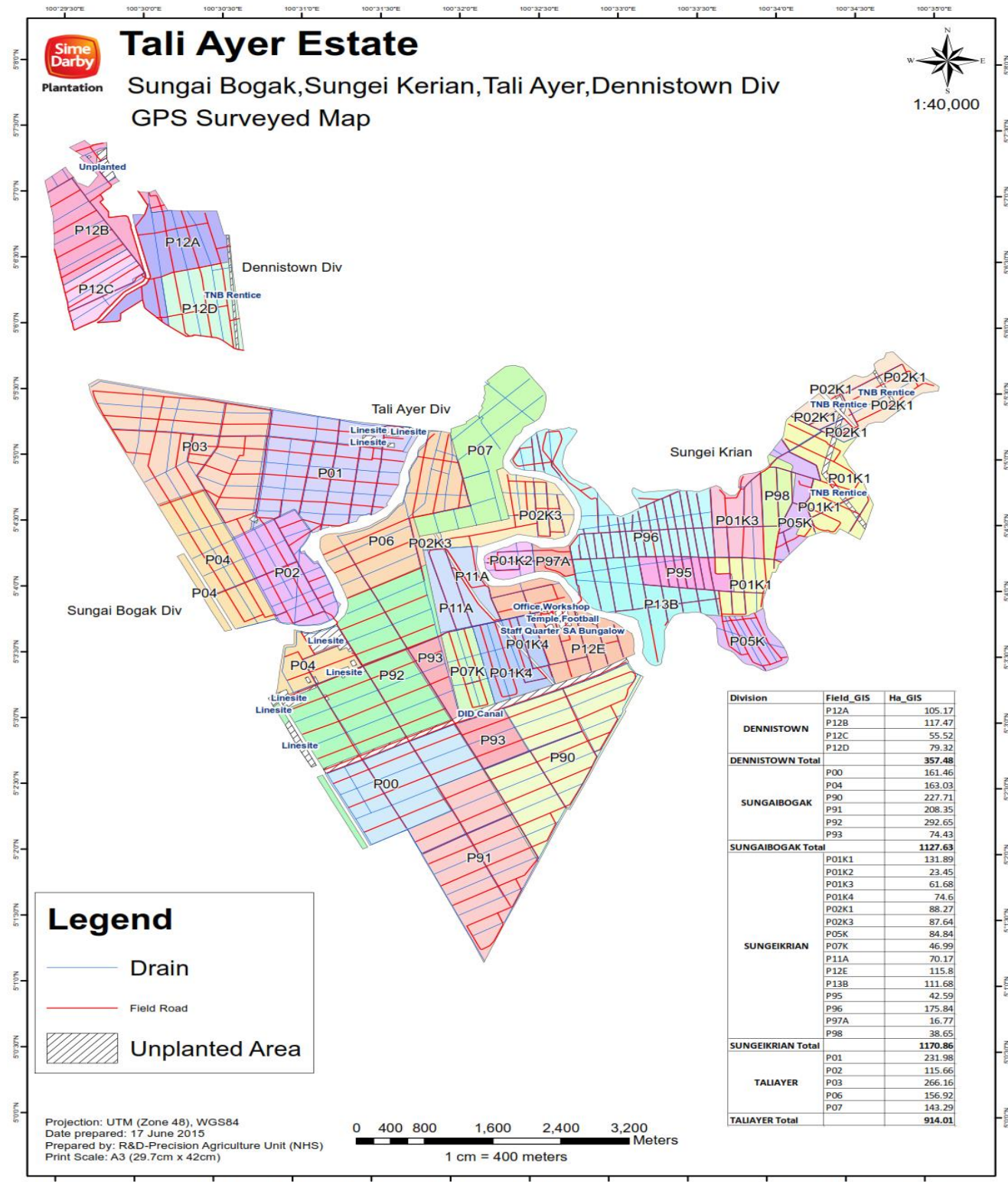
Appendix H: Location Map of Chersonese Palm Oil Mill Certification Unit and Supply bases



Appendix I : Chersonese Estate Field Map



Appendix J : Tali Ayer Estate Field Map



Appendix K: GHG Reporting Executive Summary

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

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

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

Emission per product	tCO ₂ e/tProduct
CPO	1.24
PKO	1.24

Extraction	%
OER	20.47
KER	5

Production	t/yr
FFB Process	144747.09
CPO Produced	30006.99
PKO Produced	7327.79

Land Use	Ha
OP Planted Area	15014.76
OP Planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	0
Total	15014.76

Summary of Field Emission and Sink

	Own Crop*		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB
Emission								
Land Conversion	92197.26	0.64	1119	0.66	0	0	93316.26	1.3
CO ₂ Emission from fertilizer	10200.03	0.07	113.03	0.06	0	0	10313.06	0.13
NO ₂ Emmision	10926.39	0.07	64.01	0.04	0	0	10990.4	0.11
Fuel Consumption	1958.43	0.01	12.5	0.01	0	0	1970.93	0.02
Peat Oxidation	0	0	0	0	0	0	0	0
Sink								
Crop Sequestration	-88372.88	-0.61	-1158.47	-0.64	0	0	-89531.4	-1.25
Conservation Sequestration	0	0	0	0	0	0	0	0
Total	26909.23	0.18	230.07	0.13	0	0		

*Note: Includes only own/group estates

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	18442.37	0.13
Fuel Consumption	64.03	0
Grid Electricity Utilisation	562	0
Credit		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
Total	19068.4	0.13

Summary of Kernel Crusher Emission and Credit (if applicable)

Emissions	tCO₂e
PK from own mill	9069.3
PK from other source	0
Fuel Consumptions	0
Total Crusher emissions	0

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	35
Divert to anaerobic diversion (%)	65

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

Appendix L: List of Abbreviations Used

AMESU	All Malaysia Estate Staff Union
AN	Ammoniacal Nitrogen
ASA	Annual Surveillance Assessment
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CIP	Continual Improvement Plan
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CPOM	Chersonese Palm Oil Mill
CE	Chersonese Estate
DOE	Department of Environment
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
EIA	Environmental Impact Assessment
EMS	Environmental Management System
ERP	Emergency Response Plan
FFB	Fresh Fruit Bunch
HCV	High Conservation Value
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
MAPA	Malayan Agricultural Producers Association
MPOA	Malaysian Palm Oil Association
MSDS	Material Safety Data Sheet
MSPO	Malaysian Sustainable Palm Oil
MY-NI	Malaysian National Interpretation
NGO	Non Governmental Organisation
NUPW	National Union of Plantation Workers
OSH	Occupational Safety & Health
O&G	Oil and Grease
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
PPE	Personal Protective Equipment
RED	Renewable Energy Directive
RSPO	P&C Roundtable on Sustainable Palm Oil Principle & Criteria
SCCS	Supply Chain Certification Standard
SDPSB	Sime Darby Plantation Sdn Bhd
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
SOU	Strategic Operating Unit
SS	Suspended Solids
TAE	Tali Ayer Estate
TS	Total Solids
VFA	Volatile Fatty Acids

BOB Barn Owl Box
COBC Code of Business Conduct
E-SWIS Electronic Scheduled Waste Inventory System
KKS Kilang Kelapa Sawit
LTI Lost Time Injury
PSQM Plantation Sustainability Quality Management
TPM Total Productivity Management