



SIRIM QAS INTERNATIONAL SDN. BHD.
Building 4, SIRIM Complex, No. 1, Persiaran Dato' Menteri,
Section 2, 40700 Shah Alam, Selangor, Malaysia

File Ref. : ES10170018

RSPO PUBLIC SUMMARY REPORT

CLIENT : SIME DARBY PLANTATION SDN BHD – SOU 28 BINUANG

PARENT COMPANY : SIME DARBY PLANTATION SDN BHD

RSPO MEMBERSHIP No.: 1-0008-04-000-00

LOCATION OF THE CERTIFICATION UNIT (MILL AND THE SUPPLY BASE):
(In the case of multisite certification, list additional sites in attachments) :

Certification Unit	Mill / Estate	Location		
		Latitude	Longitude	Address
BINUANG Strategic Operating Unit (SOU 28)	Binuang Oil Mill	4° 42' 15" N	118° 03' 37" E	91207 Kunak, Sabah, Malaysia
	Binuang Estate	4° 25' N	118° 26' E	91207 Kunak, Sabah, Malaysia
	Sungang Estate	4° 39' N	118° 07' E	91207 Kunak, Sabah, Malaysia
	Tingkayu Estate	4° 24' N	118° 30' E	91207 Kunak, Sabah, Malaysia
	Jeleta Bumi Estate	4° 40' 30" N	118° 15' 10" E	91207 Kunak, Sabah, Malaysia

MAP : See Attachment 1

AUDIT DATE : 16 - 19 May 2017

DURATION : 16 auditor days

TYPE OF AUDIT : Annual Surveillance Audit

Recertification Audit

STANDARD : RSPO PRINCIPLE & CRITERIA MYNI 2014, AND RSPO SUPPLY CHAIN CERTIFICATION STANDARD 2014

SCOPE OF CERTIFICATION: Production of Sustainable Crude Palm Oil and Palm Kernel Using the Identity Preserved Supply Chain Model

VALIDITY OF RSPO CERTIFICATE : 13/7/2015-12/7/2020

The following attachments form part of this report:

Non-conformity Report(s)

List of additional site(s)

Report by Audit Team Leader

Name : MOHD ZULFAKAR KAMARUZAMAN

Signature :

Date : 25 August 2017

Acknowledgement by Client's Representative

SIME DARBY PLANTATION (SABAH) SDN. BHD.
BINUANG ESTATE

Name :

Signature :

(MOHD SAFIRUS BIN HAILANI)
Senior Manager

Date :

25/08/2017

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SUMMARY OF AUDITS

Stage 2 Audit					
On-site audit date	:	6 - 9 April 2015	No. of auditor days :	16 Auditor Days	
Audit team	:	Hazani Othman (LA), Valence Shem, Mohamed Hidhir Zainal Abidin, Hj. Mohd Norddin Abd. Jalil.			
No. of major NCR	:	18	Indicator: 1.1.1, 2.1, 2.1.1, 3.1,4.1,4.1.2, 4.4, 4.4.1, 4.6, 4.7, 4.7.1, 4.8.1, 5.1, 5.3, 6.2, 6.4, 6.5.2, 6.6, 6.7.1, 6.8.1, 6.9 and 8.1.	Closing date : 25/4/15	
No. of minor NCR	:	7	Indicator : 2.1.4, 4.2, 4.3, 4.5, 5.1.2, 5.2.3 and 6.8.2		
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers	Suppliers
		x		x	X
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
		x			
Supply base sampled	:	Binuang Estate, Sungang Estate and Tingkayu Estate			

Annual Surveillance Audit 1					
On-site audit date	:	3-6 May 2016	No. of auditor days :	16 Auditor Days	
Audit team	:	Mohd Zulfakar Kamaruzaman (LA) , Mohd Razman Salim, Jagathesan a/l Suppiah, Selvasingam T. Kandiah, Ruzita Abd Gani			
No. of major NCR	:	3	Indicator: 2.1.1, 4.7.3 and 5.2.2	Closing date : 1/7/16	
No. of minor NCR	:	3	Indicator : 4.1.2, 4.5.2 and 4.8.2		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers	Suppliers
		x		x	X
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
		x			
Supply base sampled	:	Binuang Estate and Jeleta Bumi Estate			
Changes since the last audit	:	No changes.			

Annual Surveillance Audit 2					
On-site audit date	:	16-19 May 2017	No. of auditor days :	16 Auditor Days	
Audit team	:	Mohd Zulfakar Kamaruzaman (LA), Rahayu Zulkifli, Hazani Othman, Jagathesan a/l Suppiah			
No. of major NCR	:	3	Indicator: 2.1.1, 4.7.2 ,4.8.1	Closing date : 18/7/2017	
No. of minor NCR	:	5	Indicator :4.1.3, 4.4.3, 5.3.3, 6.2.3, 6.5.3		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers	Suppliers
		X		X	X
		Contract workers	NGOs	Govt. agency	Independent growers
				X	
		Indigenous people	Contractor	Others (Please specify)	
		X			
Supply base sampled	:	Tingkayu Estate and Sungang Estate			
Changes since the last audit	:	No Changes			

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Annual Surveillance Audit 3

On-site audit date :		No. of auditor days :	
Audit team :			
No. of major NCR :		Closing date :	
No. of minor NCR :			
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers
	Contract workers	NGOs	Govt. agency
	Indigenous people	Contractor	Others (Please specify)
Supply base sampled :			
Changes since the last audit :			

Annual Surveillance Audit 4

On-site audit date :		No. of auditor days :	
Audit team :			
No. of major NCR :		Indicator:	Closing date :
No. of minor NCR :		Indicator :	
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers
	Contract workers	NGOs	Govt. agency
	Indigenous people	Contractors	Others (Please specify)
Supply base sampled :			
Changes since the last audit :			

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SUMMARY OF INFORMATION

TYPE OF AUDIT	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period		May 2016 – April 2017	May 2017-April 2018		
Certified Area (Ha)		11,703.91	11,703.91		
Production Area(Ha)		10,007.54	9,791.99		
HCV Area (Ha)		753.915 (638.25 is area >25 planted but cannot harvested)	753.915 (638.25 is area >25 planted but cannot harvested)		
Certified FFB Processed (MT)		173,290.90	169,284.65		
Production of Certified CPO (MT)		41,589.82	38,935.47		
Production of Certified PK (MT)		8,317.96	8,464.23		
REMARKS			Changes in production area due to adjustment made after re survey and exclusion the reserve buffer zone.		

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1.0 AUDIT PROCESS

1.1 Certification Body

SIRIM QAS International Sdn. Bhd. is the leading certification, inspection and testing body in Malaysia. SIRIM QAS International provides a comprehensive range of certification, inspection and testing services which are carried out in accordance with internationally and nationally recognised standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS) and the International Automotive Task Force (IATF). SIRIM QAS International is a partner of IQNet, a network currently comprising of leading certification bodies in Europe, North and South America, East Asia and Australia.

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International was approved by the RSPO as a RSPO certification body on 21 March 2008 and accredited by ASI on 27 September 2014.

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Mohd Zulfakar Kamaruzaman	Lead Auditor / Good Agricultural Practices (GAP),	Holds a B. Sc. In Forestry from University Putra Malaysia. He had more than 4 years of working experience in the oil palm operation.
Rahayu Zulkifli	Auditor / Social	Holds a Degree in LLB (Hon). She was a practicing lawyer before joining WWF-Malaysia and RSPO as a Dispute Settlement Facility Manager. She is now working as a freelance RSPO auditor.
Jagathesan a/l Suppiah	Auditor / Occupational Health & Safety, environmental related to mill and plantation	Holds a Bachelor of Chemical Science & Minor in Management (Hons). He had carried out audits for ISO 9001, ISO 14001, OHSAS 18001 and GMP/FDA regulations for the past 15 years.
Hazani Othman	Auditor, Conservation Scopes, Environment Related to Plantation and Supply Chain	Holds a Bachelor of Forestry Science and Diploma in Forestry, from the Universiti Putra Malaysia. He is a lead auditor for ISO 14001 and RSPO P&C

1.3 Audit methodology

The audit covered the Binuang palm oil mill and two of its supply base. The sampling of the number of the supply base was using the formula of $0.8\sqrt{y}$. The two supply base covered during the audit are Tingkayu Estate and Sungang Estate. The audit included on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder Consultation

SIRIM QAS International had initiated the stakeholder consultation by announcing the invitation in the SIRIM QAS International's websites. There was no comment received for this Certification Unit.

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1.5 Audit plan : Refer to Attachment 2

1.6 Date of next audit : The next surveillance audit will be conducted within 12 months but not sooner than 9 months from this audit.

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

The Sime Darby Plantation Sdn Bhd - SOU 28 Binuang is a certification unit which consisted of Binuang Oil Mill, Binuang Estate, Sungang Estate, Tingkayu Estate and Jeleta Bumi Estate. Located in Kunak, Sabah, East Malaysia, the palm oil mill has a capacity of 40 mt/hr.

2.2 Description of the Supply Base (including the planting profile)

The FFB sourced from company owned estates that are certified and a small proportion from third party suppliers. Details of the FFB contribution from each source to the Binuang Palm Oil Mill were as follow:

Table 1: Actual FFB production by the supply base for the period from May 2016 to April 2017

Estates	FFB Contribution	
	Tonnes	Percentage (%)
Binuang	46,127.83	31
Sungang	27,181.37	19
Tingkayu	39,259.75	27
Jeleta Bumi	33,820.86	23
Grand Total	146,389.81	100

Table 2: Projected FFB production by supply base for the next reporting period (May 2017- April 2018)

Estates	FFB Contribution	
	Tonnes	Percentage (%)
Binuang	54,950.00	32
Sungang	26,194.84	15
Tingkayu	47,101.13	28
Jeleta Bumi	42,756.10	25
Grand Total	171,002.07	100

Table 3: Actual FFB received and CPO & PK dispatch by Binuang POM for the last reporting period (May 2016-April 2017)

	Total (MT)
FFB brought forward	187,408.00
FFB Received	146,389.81
FFB Processed	146,465.31
Certified FFB	146,389.81
CPO Production	33,559.85
PK Production	6,703.11
CPO delivered as Identity Preserved	8,389.04
CPO delivered as non-RSPO certified	25,037.59
PK delivered as Identity Preserved	0
PK delivered as non-RSPO certified	6,667.83

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Table 4: Projected FFB received and CPO & PK dispatch by Binuang POM of the next reporting period (May 2017- April 2018)

	Total (MT)
Certified FFB Received	171,002.07
FFB Processed	171,002.07
CPO Production	38,935.47
PK Production	8,464.23
CPO delivered as Identity Preserved	38,935.47
PK delivered as Identity Preserved	8,464.23

Table 5 Planted and certified area of Binuang CU

Estate	Planted (ha)	Certified (ha)
Binuang	2,673.02	3,271.08
Sungang	1,959.62	2,786.41
Tingkeyu	2,387.70	2,546.98
Jeleta Bumi	2,771.65	3,099.44
Total	9,791.99	11,703.91

Table 6: Planting profile for Binuang Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1991	1 st	Mature	57.36	2.15
2002	2 nd	Mature	311.77	11.66
2005	2 nd	Mature	307.41	11.50
2007	2 nd	Mature	483.83	18.10
2009	2 nd	Mature	465.96	17.43
2010	2 nd	Mature	183.42	6.86
2011	2 nd	Mature	106.95	4.00
2012	2 nd	Mature	143.51	5.37
2013	2 nd	Mature	142.58	5.33
2014	2 nd	Mature	165.28	6.18
2015	2 nd	Immature	151.01	5.65
2016	2 nd	Immature	153.94	5.76
Total			2,673.02	100

Table 7: Planting profile for Sungang Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1994	1 st	Mature	687.79	35.10
2002	1 st	Mature	237.72	12.13
2011	2 nd	Mature	177.27	9.05
2012	2 nd	Mature	113.16	5.77
2013	2 nd	Mature	143.00	7.30
2014	2 nd	Immature	222.83	11.37
2015	2 nd	Immature	198.65	10.14
2016	2 nd	Immature	179.20	9.14
Total			1,959.62	100

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Table 8: Planting profile for Tingkayu Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2003	2 nd	Mature	162.05	6.79
2004	2 nd	Mature	123.49	5.17
2005	2 nd	Mature	351.95	14.74
2007	2 nd	Mature	627.92	26.30
2009	2 nd	Mature	238.93	10.00
2010	2 nd	Mature	241.61	10.12
2014	2 nd	Mature	206.14	8.63
2015	2 nd	Mature	235.85	9.88
2016	2 nd	Immature	199.76	8.37
Total			2,387.70	100

Table 9: Planting profile for Jeleta Bumi Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1993	1 st Generation	Mature	298.55	10.77
1994	1 st Generation	Mature	682.23	24.62
1995	1 st Generation	Mature	1095.96	39.54
2002	1 st Generation	Mature	9.45	0.34
2014	2 nd Generation	Immature	270.48	9.76
2015	2 nd Generation	Immature	205.94	7.43
2017	2 nd Generation	Immature	209.04	7.54
Total			2,771.65	100

2.3 Organizational Information/Contact Person(s)

The details of the contact person is as shown below:

Name	:	Mohd Safirus Hailani
Position	:	Manager, Binuang Estate
Address	:	Ladang Binuang, P.O Box 130, 91207 Kunak, Sabah, Malaysia.
Phone no.	:	+6089-855197
Fax no.	:	+6089-855190
Email	:	ldq.binuang@simedarby.com

3.0 AUDIT FINDINGS

3.1 Changes to certified products in accordance to the production of the previous year

There was no changes regarding to certified products.

3.2 Time bound plans including changes and reasons for the changes see below:

	Yes	No	If yes, state reasons/justifications
- acquisitions/disposals	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
- emergence/re-emergence of land disputes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
- labour conflicts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____

The time bound plan for Sime Darby Plantation Sdn Bhd, which was updated in December 2016 is

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provided in Attachment 7 of this report.

3.3 Overall comment in terms of acceptance or non-acceptance on the changes in the time-bound plan (including details of non-adherence or the conditions justifying a time-bound plan have changed)
There is no changes to the time-bound plan.

3.4 All associated smallholders (including scheme smallholders) where their fruit supply is included , by the mill, are audited within 3 years from when their fruit was first included in the mill certification.

Yes

No

If no, please state reasons N/A as there is no associated smallholders supplying FFB to the CU.

3.5 Any new acquisition which has replaced primary forests or HCV areas

Yes

No

3.6 Other changes (e.g. organizational structure, new contact person, addresses, etc.)
No Changes.

3.7 Status of previous non-conformities *

Closed

Not closed

* If not closed, minor non conformity will be upgraded to major non conformity

3.8. Complaint received from stakeholder (if any)

There were some stakeholders interviewed during the conduct of this audit. These include workers, contractors and suppliers. In general, all the interviewed stakeholders had given positive feedback on the CU.

4.0 DETAILS OF NON-CONFORMITY REPORT

4.1 For P&C (Details checklist refer to Attachment 3) :

Total no. of minor NCR(s) (details refer to Attachment 4) List : 5 (HO-02 2017, RZ 03 2017), HO-03 2017, JS 02 2017, RZ 01 2017, RZ 02 2017

Total no. of major NCR(s) (details refer to Attachment 4) List : 3 HO-01 2017, MZK 01 2017, JS 01 2017

4.2 For SC (Details checklist refer to Attachment 5) :

Total no. of minor NCR(s) List : 0

Total no. of major NCR(s) List : 0

5.0 AUDIT CONCLUSION

The audit team concludes that the organisation has established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to achieve agreed criterion & requirements.

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6.0 RECOMMENDATION



No NCR recorded. Recommended to continue certification.



Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit.

Note: Minor NCRs raised in the audit which are not addressed in the subsequent audit shall be upgraded to major NCRs.



Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.



Recommended to continue certification.



Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s)..... have not been satisfactorily closed out within 60 days of the audit. Recommended for suspension of the certificate.

Note: Major NCRs which are not addressed within a further 60 days shall result in the certificate being withdrawn.

10. **IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN ON MAJOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED, ACCEPTED AND VERIFIED AND ALL CORRECTIVE ACTIONS PLANS PROVIDED ON MINOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED AND ACCEPTED. RECOMMENDED FOR CONTINUATION OF RSPO P & C CERTIFICATION.**

Audit Team Leader :

MOHD ZULFAKAR
KAMARUZAMAN



18/7/2017

(Name)

(Signature)

(Date)

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4. Audit Criteria:

- RSPO P&C MYNI: 2014
- RSPO Supply Chain Certification Standard, 2014
- Company's audit criteria including Company's Manual/Procedures

5. Audit Team

- a) Audit Team Leader : Mohd Zulfakar Kamaruzaman
b) Auditor : Rahayu Zulkifli
Jagathesan a/l Suppiah
Hazani Othman

6. Audit Method

Site audits including observation of practices, interviews with interested parties (employees, nearby population, etc.), documentation evaluation and evaluation of records.

7. Audit Findings

Audit findings shall be classified as major and/or minor. Major non conformities shall be addressed within 60 days or else the certificate shall be suspended. If the major non conformities are still not addressed within another 60 days, the certificate shall be terminated. Recurrence of major non-conformities on the same issues shall be recommended for immediate suspension. Minor non-conformities shall be upgraded to major non-conformities if the corrective actions taken are not satisfactorily and effective.

For minor non conformities raised in the surveillance audit, corrective action plans shall be submitted within 60 days. Verification of implementation of corrective actions will be carried out during the next audit. If corrective action plans to address the minor non-conformity(ies) are not submitted within 60 days, the RSPO certificate will be recommended for suspension. If corrective action plans are not submitted within a further 60 days, the RSPO certificate will be recommended for termination.

8. Confidentiality Requirements

SIRIM QAS International shall not disclose any information concerning the company regarding all matters arising or coming to its attention with the conduct of the programme, which is of confidential in nature other than information, which is in the public domain. In the event that there be any legal requirements for disclosing any information concerning the organization, SIRIM QAS International shall inform the organization of the information to be disclosed.

9. Working Language : English and Bahasa Malaysia

10. Reporting

- a) Language : English
b) Format : Verbal and written
c) Expected date of issue : Tentative date of issue of report not more than 30 days after the closure of the major NCR.
d) Distribution list : Client file

11. Facilities Required

- a) Room for discussion
b) Relevant document and record
c) Personnel protective equipment if required
d) Photocopy and printing facilities
e) A guide for each auditor

12. Audit Programme Details: As shown below:

Time	Activities / areas to be visited				
8.30 – 9.00 am	<p><u>Opening meeting at Binuang Palm Oil Mill</u> Lead Auditor to introduce audit team member, brief on audit objectives, scope, methodology, criteria and programmes</p> <p>Organization Representative to brief on the following :</p> <ol style="list-style-type: none"> 1) RSPO implementation at Binuang SOU (i.e. mill & supply base) including changes 2) Time bound plan for Sime Darby 3) Significant changes on organization activities, machinery, supply bases capacity etc. 				Top mgmt & Committee Member
	Zulfakar (GAP)	Rahayu (Social)	Hazani (HCV and Environment)	Jagathesan (Environment and Safety)	
9.00 – 1.00 pm	<p style="text-align: center;"><u>Sungang Estate</u></p> <p>Coverage of assessment: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Commitment to longterm economic and financial viability • Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application • Chemical store/fertilizer • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. • Interview with workers, committee and contractors • Training and skill development programmes • Continuous improvement 	<p style="text-align: center;"><u>Tingkayu Estate</u></p> <p>Coverage of assessment: P1, P2, P4, P6, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Interview workers, Contractors, gender committee, local communities and stakeholders • Check payslip, Contract Agreement • Check Sundry Shop • Continuous improvement 	<p style="text-align: center;"><u>Tingkayu Estate</u></p> <p>Coverage of assessment: P1, P4, P5, P7, P8</p> <ul style="list-style-type: none"> • Environmental management – witness activities at site • Waste & chemical management • Premix Area. • Interview with workers, committee and contractors • Facilities at workplace • Training and skill development programmes • Land titles user rights • Inspection of protected sites with HCV attributes • Forested area, plantation boundary, Neighbouring land use. • Riparian Zone • Continuous improvement 	<p style="text-align: center;"><u>Binuang POM</u></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <p>Laws and regulations</p> <p>Environmental management – witness activities at site</p> <p>Waste & chemical management</p> <p>Interview with workers , safety committee and contractors</p> <p>Facilities at workplace</p> <p>Occupational safety & health practice – witness activities at site</p> <p>Interview with workers , safety committee and contractors</p> <p>Training and skill development programmes</p> <p>Continuous improvement</p>	Guide(s) for each assessor
1.00 – 2.00 pm	Break				
2.00 – 5.00 pm	Continue assessment				Guide(s) for each assessor

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Day 2: 17 May 2017 (Wednesday)					
Activities /areas to be visited	Zulfakar (GAP)	Rahayu (Social)	Hazani (HCV and Environment)	Jagathesan (Environment and Safety)	
9.00 – 1.00 pm	<p align="center"><u>Sungang Estate</u></p> <p>Coverage of assessment: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> Laws and regulations Commitment to longterm economic and financial viability Good Agricultural Practice-witness activities at site (weeding/ spraying, etc) EFB mulching, POME application Chemical store/fertilizer Plantation on hilly/swampy area IPM implementation, training and safe use of agro-chemicals. Interview with workers, committee and contractors Training and skill development programmes Continuous improvement 	<p align="center"><u>Tingkayu Estate</u></p> <p>Coverage of assessment: P1, P2, P4, P6, P7, P8</p> <ul style="list-style-type: none"> Laws and regulations Social Impact Assessment (SIA), management plan & implementation Complaints and grievances Consultation with relevant government agencies Interview workers, Contractors, gender committee, local communities and stakeholders Check payslip, Contract Agreement Check Sundry Shop Continuous improvement 	<p align="center"><u>Tingkayu Estate</u></p> <p>Coverage of assessment: P1, P4, P5, P7, P8</p> <ul style="list-style-type: none"> Environmental management – witness activities at site Waste & chemical management Premix Area. Interview with workers, committee and contractors Facilities at workplace Training and skill development programmes Land titles user rights Inspection of protected sites with HCV attributes Forested area, plantation boundary, Neighbouring land use. Riparian Zone Continuous improvement 	<p align="center"><u>Binuang POM</u></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <p>Laws and regulations</p> <p>Environmental management – witness activities at site</p> <p>Waste & chemical management</p> <p>Interview with workers , safety committee and contractors</p> <p>Facilities at workplace</p> <p>Occupational safety & health practice – witness activities at site</p> <p>Interview with workers , safety committee and contractors</p> <p>Training and skill development programmes</p> <p>Continuous improvement</p>	Guide(s) for each assessor
1.00 – 2.00 pm	Break				
2.00 – 5.00 pm	Continue assessment	Evening go to Sungang Estate	Evening go to Sungang Estate	Continue assessment	Guide(s) for each assessor

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Day 3: 18 May 2017 (Thursday)					
Activities /areas to be visited	Zulfakar (GAP)	Rahayu (Social)	Hazani (HCV and Environment)	Jagathesan (Safety)	
9.00 – 1.00 pm	<p style="text-align: center;"><u>Tingkayu Estate</u></p> <p>Coverage of assessment: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Commitment to longterm economic and financial viability • Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application • Chemical store/fertilizer • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. • Interview with workers, committee and contractors • Training and skill development programmes • Continuous improvement 	<p style="text-align: center;"><u>Sungang Estate</u></p> <p>Coverage of assessment: P1, P2, P4, P6, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Interview workers, Contractors, gender committee, local communities and stakeholders • Check payslip, Contract Agreement • Check Sundry Shop • Continuous improvement 	<p style="text-align: center;"><u>Sungang Estate</u></p> <p>Coverage of assessment: P1, P4, P5, P7, P8</p> <ul style="list-style-type: none"> • Environmental management – witness activities at site • Waste & chemical management • Premix Area. • Interview with workers, committee and contractors • Facilities at workplace • Training and skill development programmes • Land titles user rights • Inspection of protected sites with HCV attributes • Forested area, plantation boundary, Neighbouring land use. • Riparian Zone • Continuous improvement 	<p style="text-align: center;"><u>Tingkayu Estate</u></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <p>Laws and regulations</p> <p>Facilities at workplace</p> <p>Occupational safety & health practice – witness activities at site</p> <p>Interview with workers , safety committee and contractors</p> <p>Training and skill development programmes</p> <p>Continuous improvement</p>	Guide(s) for each assessor
1.00 – 2.00 pm	Break				
2.00 – 5.00 pm	Continue assessment	Continue assessment		Continue assessment	Guide(s) for each assessor

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Day 4: 19 May 2017 (Friday)					
Activities /areas to be visited	Zulfakar	Rahayu	Hazani	Jagathesan	
8.30 – 1.00 pm	<p style="text-align: center;"><u>Tingkeyu Estate</u></p> <p>Coverage of assessment: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Commitment to longterm economic and financial viability • Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application • Chemical store/fertilizer • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. • Interview with workers, committee and contractors • Training and skill development programmes • Continuous improvement 	<p style="text-align: center;"><u>Binuang POM</u></p> <p>Coverage of assessment: P1, P2, P4, P6, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Interview workers, Contractors, gender committee, local communities and stakeholders • Check payslip, Contract Agreement • Check Sundry Shop • Continuous improvement 	<p style="text-align: center;"><u>Binuang POM</u></p> <p>Site visit and assessment on Supply Chain Implementation including the Model used</p> <ul style="list-style-type: none"> • General Chain of Custody System Requirements for the supply chain • Documented procedures • Purchasing and goods in • Outsourcing activity • Sales and goods out • Processing • Records keeping • Registration • Training • Claims 	<p style="text-align: center;"><u>Sungang Estate</u></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Facilities at workplace • Occupational safety & health practice – witness activities at site • Interview with workers , safety committee and contractors • Training and skill development programmes • Continuous improvement 	Guide(s) for each assessor
1.00–2.00 pm	Break				
2.00 – 4.00 pm	<ul style="list-style-type: none"> • Continue assessment on unfinished area • Verification on outstanding issues • Audit Team discussion, preparation on audit findings and issuance of NCR (if any) 				
4.00 – 5.00 pm	<p>☐ Closing meeting</p>				Top management & Committee member

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Attachment 3

RSPO P&C AUDIT CHECKLIST AND FINDINGS

Principle 1: COMMITMENT TO TRANSPARENCY

Clause	Indicators	Comply Yes/No	Findings
C 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 upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. Major Compliance	YES	SOU 28 Binuang continued to implement the communication procedure as had been described and established for estates and mill. At the point of audit, there was no request for information from the stakeholders. Sungang Estate and Tingkayu Estate management documents relating to environment, social and legal issues, were made available to the public except for those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. Furthermore SDPSB continued to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances were available through SDPSB website at http://plantation.simedarby.com
	1.1.2 Records of requests for information and responses shall be maintained. Major Compliance	YES	Binuang POM, Tingkayu and Sungang Estate had identified personnel responsible for handling of complaints and records of communication were identified and maintained. The internal communication was kept in the 'Buku aduan/Buku Laporan Kerosakan rumah dan lain-lain'. For, external communication records of minutes of meetings held were maintained.
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	1.2.1 Land titles/user rights (Criterion 2.2);	YES	Information relating to land titles are available at the SDPSB website at http://plantation.simedarby.com . The auditor had verified the land titles for SOU 28 and confirmed that SDPSB owned the SOU.
	Occupational health and safety plans (Criterion 4.7);	YES	<u>Tingkayu and Sungang Estate</u> Safety & Health Management Policy dated January 2015 endorsed by the Managing Director was reviewed. The Environmental, Safety, Health Program for FY2016 was reviewed on 2 nd Jan 2017. The program approved by the Estate Manager included the detail activities with timeline, the frequency, PIC and remarks. <u>Binuang POM</u> Environmental, Safety, Health Program for FY 2016 was reviewed on 3 rd Jan 2017. The programme approved by the Mill Manager included the detail activities with timeline, the frequency, PIC and remarks. The implementation of Environmental, Safety, Health Program for 2016 was reviewed by the audit team and found that the implementation of the programme noted to be satisfactory. All planned programs were completed.
	Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8)	YES	Social Impact Assessment for the SOU 28 Binuang was carried out between 22 July 2013 to 27 July 2013. The SIA report was dated September 2013. For Environmental aspect:ESH Management System Manual was available. The plan also includes Pollution Prevention Plan – Action Plan and Time Frames have been established and the status of the action taken is being monitored.

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		HCV documentation summary (Criteria 5.2 and 7.3);	YES	HCV documentation summary was made available at Binuang Estate and Jeleta Bumi Estate.
		Pollution prevention and reduction plans (Criterion 5.6);	YES	Environmental Improvement Plan 2016 / 2017 was established in July 2016. The plan also includes Pollution Prevention Plan which defined the detail actions, and the timeline. The status of the actions taken was monitored.
		Details of complaints and grievances (Criterion 6.3);	YES	Details of complaints and grievances of the Binuang 28 SOU were properly recorded and made present during audit.
		Negotiation procedures (Criterion 6.4);	YES	Negotiation procedure for the SOU 28 Binuang is available. This document was made available and sighted during the audit. No land dispute observed.
		Continual improvement plans (Criterion 8.1);	YES	Sime Darby Plantation Sdn. Bhd. is committed to utilise the established system to regularly monitor and review their key activities at the mill and estates. Relevant action plans were initiated for continuous improvement in key areas of operations, environmental, safety & health and welfare of the workers as well as social contribution to the community. Details of the CU continual improvement plans were reported in indicator 8.1. The continuous improvement plans related to environment was established and updated accordingly.
		Public summary of certification assessment report;	YES	Public summary for RSPO certification assessment report can be assessed at the link below: http://www.sirim-qas.com.my/attachments/article/442/RSPO%20Audit%20Report-Binuang-Stg2%202015-Public%20Summary.pdf
		Human Rights Policy (Criterion 6.13).	YES	SDPSB has developed a Social & Humanity Management Policy in Jan 2015. The policy was signed by the SDPSB's Managing Director and was displayed on various notice boards at the mill and the estates offices. The policy states among other things, that the business is to be carried out with a sense of humanity, ensuring they are socially beneficial and do not infringe on basic human rights.
C 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.	1.3.1	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. Minor Compliance	YES	The SOU 28 Binuang is following the Sime Darby Plantations Sdn Bhd's Code of Business Conduct. It contains, among others, the following aspects of business conduct: Equal opportunity and non-discrimination, Criminal activities, Harassment and violence, Avoiding conflicts of interests, Guarding against bribery and corruption, Anti money laundering and anti terrorism financing, How to report a violation.

Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

Clause	Indicators		Comply Yes/No	Findings
C 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1	Evidence of compliance with relevant legal requirements shall be available. Major Compliance	NO	<u>Binuang POM</u> CU had continued to comply with legal requirements as per indicator. Guided by the established procedure, the annual evaluation of compliance was carried out concurrently with the review of legal register by PSQM. Among the legal included in the legal register were: a) Factories and Machinery Act 1967 (Notification, Certificate of Fitness and Inspection Regulation 1970, Steam Boiler & Unfired Pressure Vessel Regulation 1970, Safety Health

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				<p>and Welfare 1970, Noise Exposure Regulation 1989, Person In Charge Regulation 1970 etc.</p> <p>b) Occupational Safety and Health Act 1994 (NADOPOD Regulation 2004, Safety Health Committee Regulation 1996, USECHH Regulation 2004) etc.</p> <p>c) Environment Quality Act 1974 (Prescribed Premise (CPO) Regulations 1977, Clean Air Regulation 2014, Scheduled Wastes Regulation 2005 etc.</p> <p>d) Fire Services (Fire Service Act 1984 & Fire Certificate Regulation 2001)</p> <p>e) Housing and Amenities (Worker's Minimum Standard of Housing and Amenities Act 1990)</p> <p>f) Minimum Wages Order 2016</p> <p>g) Labour, EPF and SOCSO (Employment Act 1955, Employee Provident Fund Act 1991, Employees Social Security Act 1969.</p> <p>The mill had obtained license and permits as required by the law.</p> <p><u>Tingkayu & Sungang Estate - MPOB license</u>, Permit to purchase and store diesel from KPDNKK. At SOU 28 Binuang, foreign workers have valid work permits and passports. In general, the estates within the CU maintained their compliance with the applicable legal requirements. However, there was no evidence that the installation and operation of the genset has been approved by DOE, except 1 in Sunggang Estate. The Major NCR HO-01 was raised.</p>
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	YES	SOU Binuang have identified, documented and maintained their legal register with written information on legal requirements which related to their operation in the legal register. The Sime Darby headquarters, PSQM Department was responsible to track changes and the information was disseminated to all its plantations and Mill department.
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	YES	Both estates have a documented system to monitor and ensure compliance to the identified legal requirements. The mechanism was documented in EQMS (Estate Quality Management System) under Standard Operation Manual. There is evidence of compliance to legal requirements which has been evaluated on an annual basis. These compliances were also done by the Internal & External Audits, PA visits, RSPO Audits and by Preliminary Group Corporate Assurance Reports.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	PSQM department, which is based in Kuala Lumpur is responsible in tracking any changes to the Acts and Regulations. The updating of the legal register was carried out on a periodical basis. Any change in the legal register is communicated to the respective SOUs.
C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights	2.2.1	Documents showing legal ownership or lease, history of land tenure NCR land and the actual legal use of the land shall be available. Major Compliance	YES	All relevant land titles were observed at the Mill and Estates. There was no record of customary land tenure, recognized Native Customary Rights land on any of the above.
	2.2.2	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves. Minor Compliance	YES	For Tingkayu Estate and Sungang Estate, the boundaries were determined by way of boundary stones, security trenches, and planting of trees. The following were found during the visit to the boundaries of the sites. For Binuang Palm Oil Mill, since it is located within the Binuang Estate title, there was no specific boundary between the mill premises and Binuang Estate except for the actual location of the assets such as the mill, mill office, weighbridge, etc.

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	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 FPIC. Minor Compliance	YES	Based on interviews and records available, there is no evidence of any land dispute at Tingkayu estate, Sungang Estate, and Binuang Palm Oil Mill.
	2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes are implemented and accepted by the parties involved. Major Compliance	YES	Based on interviews and records available, there is no evidence of any land dispute at Tingkayu estate, Sungang Estate, and Binuang Palm Oil Mill.
	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. Minor Compliance	YES	Based on interviews and records available, there is no evidence of any land dispute at Tingkayu estate, Sungang Estate, and Binuang Palm Oil Mill.
	2.2.6	To avoid escalation of conflict, there shall be no evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations. Major Compliance	YES	Based on interviews and records available, there is no evidence of any land dispute at Tingkayu estate, Sungang Estate, and Binuang Palm Oil Mill. Maintenance of peace and order is being carried out by respective teams of auxiliary police, whose responsibility is to guard the safety of the Mill and Estates, protection of its employees, properties and company assets.
C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.	2.3.1	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights shall be developed through participatory mapping involving affected parties. Major Compliance	YES	Based on interviews and records available, there is no evidence of any land dispute at Tingkayu estate, Sungang Estate, and Binuang Palm Oil Mill.
	2.3.2	Copies of negotiated agreements detailing the process of FPIC shall be available and shall include: a) Evidence that a plan has been developed through consultation	YES	Based on interviews and records available, there is no evidence of any land dispute at Tingkayu estate, Sungang Estate, and Binuang Palm Oil Mill.

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		<p>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>		
	2.3.3	<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>	YES	Based on interviews and records available, there is no evidence of any land dispute at Tingkayu estate, Sungang Estate, and Binuang Palm Oil Mill.
	2.3.4	<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>	YES	Based on interviews and records available, there is no evidence of any land dispute at Tingkayu estate, Sungang Estate, and Binuang Palm Oil Mill.

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Principle 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY

Clause	Indicators	Comply Yes/No	Findings
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1 A business or management plan (min 3y) shall be documented that includes, where appropriate, a business case for scheme smallholders. Major Compliance	YES	Both estates continued to make commitment to long-term economic and financial viability. The annual budget projections for 2016/17 to 2020/2021 were sighted. The budget provisions covered activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO compliance, etc. The budget included projections on yield/ha, and total cost of production per ton & per ha.
	3.1.2 An annual replanting programme projected for a minimum of 5y with yearly review, shall be available. Minor Compliance	YES	The replanting programme for the next five years had been prepared as sighted in the Long Range Replanting Programme 2016/17 to 2036/37. This programme is reviewed once a year and is incorporated in their annual financial budget.

Principle 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS

Clause	Indicators	Comply Yes/No	Findings
C 4.1 Operating procedures are appropriately documented, consistently implemented and monitored	4.1.1 Standard Operating Procedures (SOPs) for estates and mills shall be documented. Major Compliance	YES	In Binuang CU, the SOPs for each of the process had continued to be implemented. Brief version of the SOPs were displayed at the appropriate locations. Copies of the documented SOPs were presented to the audit team. Generally, it was observed that activities being implemented involved safety and health, environmental, quality, employees, etc.
	4.1.2 A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	YES	Both estates monitored good agricultural practices as per SOPs by on-site visits, inspections and discussions with relevant personnel and by conducting Assessments and audits like Internal Audits, PA visits and by RSPO Audits.
	4.1.3 Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	NO	Generally, there were evidence of monitoring implemented by the estates and monitoring records were available i.e. pertaining to scheduled wastes management, emission from commercial vehicles and river water quality. Records of monitoring maintained available. However, noted, there were some non-compliance observed against SPMS, Appendix 7 of Standard Operation Procedure (SOP) pertaining results of river water analysis. Further, there were no evidence of actions taken pertaining those nonconformities.
	4.1.4 The mill shall record the origins of all third-party sourced FFB. Major Compliance	NA	Not applicable as the no fresh fruit bunches were sourced from third-party.
C 4.2 Practices maintain soil fertility at, or where possible improve soil	4.2.1 There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed	YES	Both Estates practised the maintenance of long-term soil fertility by annual application of fertilisers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB and compost application.

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fertility to, a level that ensures optimal and sustained yield.		to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance		Fertiliser application was carried out based on the recommendation made by the Agronomist from Sime Darby Research Sdn. Bhd.. Annual fertiliser recommendations was made based on annual foliar sampling. Fertiliser application program was monitored using records like program sheets.
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	YES	Fertiliser application program was monitored using records like program sheets, bin cards, field cost book, Fertiliser Application monitoring forms, work flow sheets in replants, etc. Records of programs and applications of fertilisers were made available to auditors. Review of the records revealed that the actual fertilisers applied in 2015/2016 was in line with the program.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	YES	From the Agronomist's report it was established that both estates carried out periodic foliar sampling for the nutrients N, P, K, Mg, Ca & B and the results formed the basis for the fertiliser recommendations to maintain and improve soil fertility.
	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. Minor Compliance	YES	Sungang and Tingkayu Estate had established a nutrient recycling strategy. Palm fronds were stacked in the fields to decompose and by EFB and compost application. The estates applied EFB at replants and compost in mature areas.
C 4.3 Practices minimise and control erosion and degradation of soils.	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance	YES	Based on the soil maps provided, there was no fragile/marginal soils in both estates visited.
	4.3.2	A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. Minor Compliance	YES	SDPSB had established strategy for planting on slopes, to minimise and control erosion and degradation of soils. 80% of Sungang Estate is flat and undulating. It has straight line planting with the balance on terrace planting. For Tingkayu Estate, 34% of it area planted are on terraces and 66% is flat area planting.
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	YES	During the field visit, it was noted that roads were well maintained in both Estates. Accessibility were made possible by regular maintenance guided by its road maintenance programmes. The program had been supported by adequate provisions of the budgets. Surface run off water from roads is directed into fields and drains with well cambered roads, road sided drains and silt pits. For road maintenance both estates had a motor grader and a backhoe each which were rented when needed from outsider. Tractors with back buckets and excavators were hired on contract basis as and when required. For resurfacing crusher run was purchased.
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance	YES	There were no peat soils in both audited estates.
	4.3.5	Drainability assessments where necessary will be conducted	YES	Not applicable as there were no peat soils in both estates.

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		prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance		
	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	YES	Not applicable as there were no fragile and problem soils in both estates.
C 4.4 Practices maintain the quality and availability of surface and ground water.	4.4.1	An implemented water management plan shall be in place. Minor Compliance	YES	Both estates implemented water management plans. Water Management Plan for 2016/2017 was sighted. At Sungang Estate the management plan was updated on 3/1/17 and the plan was included the contingency plan during dry spell/shortage, in case of water pollution and heavy flood. Actions on reducing the usage of fresh water such as the collection of rain water, awareness to workers and to improve underground piping system were implemented. At Tingkayu Estate the plan was updated on 1/7/16 and included the contingency plan during dry spell/shortage, in case of water pollution, heavy flood and rain harvesting to reduce usage of the treated water. Rainfall records based on rain gauge reading were available on site. Records of rainfall data for the last 10 years, to assist in the water management plans were sighted. For Binuang POM, the water management plan was updated on 31/7/16 and included the recycling of the processing water & condensate water, to use back water treated from POME to cleaning purpose at mill and hydrocyclone operation during water shortage, collection of rain water, Linesite water usage monitoring and contingency plan to cover dry spell/shortage.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones shall be demonstrated. Major Compliance	YES	Generally, Sungang Estate and Tingkayu Estate have continued to protect water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before replanting along all natural waterways within the estate. During site visit, observed the 20m buffer zone boundary for Sg. Sungang and Sg Tingkayu was identified with signboard erected along its rivers. The oil palm trees at the buffer zone were ring sprayed with white paint at the trunk to differentiate them with the other non-riparian zone oil palm trees. The boundary markers for the buffer zones were sufficient and maintained. This practice was in accordance with the Riparian Zones Management Guidelines (Sabah Water Resources Enactment (1998)).
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations. Minor Compliance	NO	Water Management Plan for 2016 / 2017 dated 31 st July, 2016 was available during the audit. The plan was approved by the Mill Manager. The plan included the contingency plan during water shortage, identification of waste water, Action Plan to reduce fresh water usage. The plan was reviewed and noted to be satisfactorily implemented. However, noted the following: i) 'Identification & Management of Waste Water' – Y2017 – requires the waste water produced from the 'Engine Room' to go through an 'Oil Trap' followed by the ETP before being used for Land Application, noted the waste water after the 'Oil Trap' was directed for Land Application, bypassing the ETP, through monsoon drain No : 2. ii) The contamination of wastewater with respect to BOD and O &G, going through monsoon drain no. 2 was unknown, as the last test was carried out in 2015. Therefore, Minor NCR JS 02 2017 was raised.
	4.4.4	Mill water/FFB shall be monitored. Minor Compliance	YES	Monitoring of water usage in mill was monitored accordingly. A slightly higher water usage noted, probably due to the proportionate reduction in volume of FFB being processed.

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C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.	4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance	YES	As for all SDPSB estates, both Sungang Estate and Tingkayu Estate had documented integrated pest management (IPM) system in place. The procedure is stipulated in the Agricultural Reference Manual (ARM) Section 15 Plant Protection. The IPM program among others includes pest management of rats, bagworms, nettle caterpillars, rhinoceros beetles and ganoderma. The IPM technique for rats includes rearing barn owls (<i>tyto alba</i>), bagworm control includes the planting of beneficial plants such as <i>Cassia cobanensis</i> , <i>Antigonan leptopus</i> and <i>Turnera sublata</i> and for rhino beetles is by using pheromone trap. Both estates have developed a Continual Improvement Plan IPM. The plan described on reducing rat attack by carrying out baiting on 6 month interval, to reduce Oryctes RB attack at replanting by constructing Close Ended Conservation Trench (CECT) and establish LCC to suppress RB breeding site, to control on Basal Stem Rot (BSR) by early census and removal of diseased palm and to control population of Bagworm and Nettle Caterpillar. Both estates carried out monthly detection and observation of leaf eating pests, rat damage and diseases like Ganoderma. These monitoring were carried by field staffs. When damaged/disease is observed, proper census is then carried out. Records showed no outbreak had been taken place in the previous year.
	4.5.2	Training of those involved in IPM implementation demonstrated. Minor Compliance	YES	Both estates had carried out training on all aspects of IPM implementation for staff and workers.
C 4.6 Pesticides are used in ways that do not endanger health or the environment	4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance	YES	A Written justification in Standard Operating Procedure (SOP) of all agrochemical was available in the Agricultural Reference Manual Section 15 and 16, SOP and in the Safety Pictorial Book prepared by Sime Darby Plantation Sdn Bhd. The use of selective products that are specific to the targeted pest, weed or disease were demonstrated in the Agricultural Reference Manual. The procedures also covered the use of PPE when handling the chemicals. The estates continued to use pesticides as per the SOPs.
	4.6.2	Records of pesticides use (incl. active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. Major Compliance	YES	Both estates had documented programs for spraying pesticides and for rat baiting. Pesticide application was implemented as programmed. Both units visited had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and Ai/Ha. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, field-cost books and in progress reports.
	4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with IPM plans. There shall be no prophylactic use of pesticides, except in specific situations identified in industry's Best Practice. Major Compliance	YES	As part of the IPM plans, management of both estates had established nectariferous beneficial plants (<i>Cassia cobanensis</i> , <i>Antigonan leptopus</i> and <i>Turnera sublata</i>) nurseries for continuous planting in order to attract natural predators and thus to reduce the use of insecticides against leaf eating pest. During the visit, it was observed that both estates had a number of beneficial plants ready for planting in the nurseries. Both estates had a plan called the Yield Enhancement and Continual Improvement Plan Reduce Herbicide and Pesticide Usage 2017. The plan was updated on 3/1/17 for Sungang Estate and on 3/7/16 for Tingkayu Estate. Further, the estates had documented programs for

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				<p>spraying pesticides and for rat baiting. Pesticide application was implemented only as and when required/programmed. The estates were committed to reduce the use of chemicals and now have implemented and will continue to only spray Circles (Strip) and noxious weeds. Soft weeds and <i>Nephrolepis bisserata</i> were maintained and encouraged in the inter rows. In flat areas of both estates stacked chipped palm materials were applied in Close Ended Conservation Trenches. This action not only conserve water for the replants but also minimise/prevent breeding of Rhinoceros Beetle thus reducing chemical control. EFB application in replants was applied in single layers and was not dumped in large amounts. This is to prevent breeding of Rhinoceros Beetles and hence minimise the use of pesticide. The same was carried out for compost application. However, in both estates prophylactic spraying using diluted cypermethrin for immature palms in zero burning of oil palm to oil palm replanting was carried out against rhinoceros attack as per SOP.</p>
4.6.4	<p>Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). Minor Compliance</p>	YES	<p>Both estates only used pesticides that are officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision in Section 53A of Pesticides Act 1974 (Act 149); and in accordance with USECHH Regulations (2000). There was no evidence of pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, had been used. The chemical store and chemical list indicated both estates had none of the chemicals. The use of paraquat is banned in all SDPSB estates. Most pesticides used were class III & class IV.</p>	
4.6.5	<p>Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly</p>	YES	<p>The estates had an SOP for use of PPE during working. All workers involved in pesticide application were provided with appropriate PPE and replaced when damaged. PPE issue and replacements records were verified by the auditors. It was also observed that PPE was used by workers working in the fields. The estates had a SOP for handling of chemical/pesticide. The employees involved in the chemical handling such as the storekeepers, sprayers, fertilizer and rat bait workers were trained in chemical handling and they understood the hazards of the chemicals and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to them through the MSDS/CSDS training. It was also noted that MSDS/CSDS are available at all sites during the audit.</p>	

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	observed, applied, and understood by workers. Major Compliance		
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. Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Reg. Major Compliance	YES	Pesticides were stored in accordance with the legal requirement. The chemical stores in both estates were observed to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as the Pesticides Act 1974 (Act 149) and Regulations. The stores were well secured and keys held by only the store keeper and attendant. Record of purchase, storage and used were maintained. All chemicals were segregated and fertilisers were stacked. Both stores were ventilated. Only authorised personnel were allowed to handle the chemicals. Relevant MSDS/SDS were available in the stores. Empty pesticides containers had been triple rinsed, holes and punched, and had been stored separately in the scheduled waste store prior disposal.
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	YES	Pesticide applications were guided by SDPSB's ARM, Pictorial Guide, CHRA and by MSDS supplied by the manufacturer.
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	YES	Aerial spraying was not practiced by both estates and there was no evidence to show that any had been carried out.
4.6.9	Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. Minor Compliance	YES	The staffs and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they understood the hazards involved and how the chemicals should be used in a safe manner.
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated. Minor Compliance	YES	Procedure on Scheduled Wastes Management has been established. Disposal of waste materials related to pesticide containers were carried out as per established procedures. Triple rinsing was continually implemented for empty pesticide containers. The rinsed containers were pierced and stored prior disposing. Records were maintained accordingly and disposal was through licensed contractor.

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	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, demonstrated. Major Compliance	YES	The CHRAs reviewed in September 2013 by a competent person. As per the CHRA recommendation, all sprayers, storekeepers and workers handling pesticides in both estates were sent for medical surveillance and the records presented to the auditors.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women Major Compliance	YES	The estates had issued Internal Office Memo stating "No work with pesticides shall be undertaken by pregnant or breast-feeding women". At both estates, the HA during the monthly medical check-up interview their women workers on the last menstrual period date. Pregnancy test was carried on doubtful cases. There was no evidence that work with pesticides was undertaken by pregnant or breast-feeding women. This was confirmed through interviews with workers. Monthly medical check-up for women sprayer was carried out at Sungang and Tingkayu Estate Clinic. Female sprayers, Pregnancy and Breast – Feeding status are being monitored. List of sprayers were maintained and monthly medical check-ups were conducted by the MA.
C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.	4.7.1	An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and monitored. Major Compliance	YES	Environment, Safety & Health Program for the CU has been established. The OHS management plan sighted addressed issues related to hazards and risks, legal register and its requirements for compliance, OSH awareness and training program, accident and emergency procedures, treatment of illness/injury during the job, use of PPE, OSH Committee meetings, etc. Generally, the ESH program noted to be satisfactory.
The occupational health and safety plan shall cover the following:	4.7.2	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	NO	It has been noted that even other relevant requirement was in place, on the audit on HIRARC, noted that at both estates the following were not addressed: i) The replanting activity section of the HIRARC does not identify nor assess the hazards associated with the 'Palm Planting' process. ii) The HIRARC established for activities carried out at the 'Small Palm', 'Replanting' and 'Nursery' area did not take into account 'Heat Stress' as an hazard and come up with appropriate controls to mitigate its effect. Therefore, Major NCR JS 01 2017 was raised.
	4.7.3	All workers involved in the operation is adequately trained in safe working practice. Adequate & appropriate protective eq shall be available to all workers at the place of work to cover all potentially haz ops, such as pesticide application, machine operations, and land prep, harvesting and, burning. Major Compliance	YES	It was evident that workers were provided with the necessary safe working practices. Appropriate PPEs have been identified through the HIRARC exercise and have been provided accordingly to the concerned workers. PPE issuance records were maintained. During visit to the field, noted that workers were using the issued PPE. Monitoring via Personal Protective Equipment Card – verified.

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	4.7.4	The responsible person shall be identified. There shall be records of meetings between the responsible person 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	YES	Safety & Health Management Policy dated January, 2015 endorsed by the Managing Director was available at the mill and estates. Safety & Health Committee was established. The appointment of the Chairman and Secretary has been done accordingly. Quarterly meeting related to Health and Safety are being carried out. Minutes of the meetings were reviewed and found to be adequately discussed all the required agenda.
	4.7.5	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. Minor Compliance	YES	<p>Accident and Emergency procedures were established as follow:</p> <ol style="list-style-type: none"> i. Emergency Preparedness Response Team was established with the Mill Manager as the Emergency Commander ii. SOM Appendix 5.5.3.3 Emergency Preparedness & Response Procedure was established which included the following: <ul style="list-style-type: none"> • Steps of Responses to an Environmental and OSH emergencies including Accident / Incident • Emergency Action Plan in the event of Fire. • Emergency Action Plan in the event of an Explosion • Emergency Action Plan in the event of Oil Spillage. • Emergency Action Plan in the event of Chemical Spillage <p>Drills were carried out accordingly. First Aid training were provided and the Competency Certificate from 'St John Ambulance' were reviewed. The First Aid kits at the mill were checked and found to be satisfactorily maintained.</p>
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	YES	The CU provides medical cares to all its workers with clinics established within the premises. For serious cases, the workers are referred to Hospital Kunak which is about 40 km from the CU. The 'Health Care Tingkayu' is managed by Tingkayu Estate which is within 4km away from Tingkayu and 10Km from Binuang estate. Ambulance service from Health Care Tingkayu (which services all the estates and mill in the to Hospital Kunak is available. CU continues to provide group insurance for all foreign workers as required under the Workmen Compensation Act 1992. Sighting of records and cross check with workers showed that they were covered with valid insurance policy. Local workers are covered by SOCSO.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	YES	<p><u>Binuang - POM</u></p> <p>Accident statistics were maintained and reviewed during the 'Health and Safety' committee meeting. This was evidence in the minutes of the meeting. The following information was reviewed regarding the Accident Statistic :</p> <p>2015 – Total no of accidents – 5 cases 2016 – Total no of accidents – 3 cases 2017 - to date – 0</p> <p>LTI statistic were monitored and as at 31 May 2017 the LTI was 225 042 days . JKPP 8 for 2016 was submitted to DOSH on 9th Jan 2017. 3 accidents were recorded for 2016.</p>

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				<p><u>Tingkayu Estate</u> Accident statistics were maintained and reviewed during the 'Health and Safety' committee meeting. This was evidence in the minutes of the meeting. The JKPP 8 for 2016 was submitted to DOSH on 13 Jan 2017. Noted that 26 accidents were recorded for 2016, with less than 4 days of medical leave. For 2017, 8 accidents were recorded.</p> <p><u>Sungang Estate</u> Accident statistics were maintained and reviewed during the 'Health and Safety' committee meeting. This was evidence in the minutes of the meeting. The JKPP 8 for 2016 was submitted to DOSH on 27 Jan 2017. Noted that 3 accidents were recorded for 2016. For 2017 to date – 0 accidents.</p>
C 4.8 All staff, workers, smallholders and contract workers are appropriately trained.	4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. Major Compliance	NO	<p>In general, no change in the RSPO requirements that requires re-training on relevant RSPO requirements to the personnel. Formal training programmes for 2016/2017 had covered aspects of the Safety and Health, with regular assessments of training needs.</p> <p>However, it was found that in Sungang and Tingkayu Estate</p> <ul style="list-style-type: none"> - There was no training plan cover GAP, Environmental and Social. - A formal / certified training to qualify 'First Aiders' has yet to be carried out. <p>Therefore, Major NCR MZK 01 2017 was raised.</p>
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	YES	<p>Samples of training records including attendance lists were sighted as follows:</p> <ol style="list-style-type: none"> i. HCV Training ii. Refresher Safety Training for Drivers iii. First Aid Training iv. RSPO & Gender Committee Training v. IPM Training HCV Training vi. Sprayer Training vii. Refresher First Aid viii. Harvesters and Loaders Training ix. SS Housekeeping x. OSH Committee Training xi. Sime Darby Policy Training xii. Process Control

Principle 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY

Clause	Indicators	Comply Yes/No	Findings
C 5.1 Aspects of plantation and mill management, including replanting, that have environmental	5.1.1 An environmental impact assessment (EIA) shall be documented. Major Compliance	YES	The CU has established its environmental aspects/impacts register associated with their activities. Environmental Aspect & Impact Evaluation has been registered and reviewed. Environmental aspect and impact (EAI) which covers from upstream activities such as FFB reception until downstream processes was sighted during the audit. Identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the most significant environmental receptors are the boiler stack emission which associated with air emission, palm oil mill effluent (POME) discharge (water) and land

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impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.				contamination which related to managing the schedule waste and also general waste. For the estate operation, all activities from harvesting, pest and disease, upkeep programme until delivery to mill were identified.
	5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person. Minor Compliance	YES	<p>Binuang POM Environmental Aspect and Impact Identification Form & Environmental Impact Evaluation Form used to identify the Aspect & Impact and take necessary action. The records were reviewed in Jan 2017 by the QA Conductor and approved by Mill Manager. At both estates, there were no changes to current practices observed. Nevertheless, the CU continued to implement and monitor its environmental action plans, which was developed to mitigate negative impact and improve its environmental performance. The plans specify the responsible persons. Among the related plans were:</p> <ul style="list-style-type: none"> • “Environmental Improvement Plan / Pollution Prevention Plan, FY 2016/17”, 1/6/16. • “Waste Management Action Plan 2016/2017”. <p>The plans generally included the control and monitoring of wastes, including scheduled wastes and domestic wastes, river water quality, buffer zone, slope area and replanting activities.</p>
	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. Minor Compliance	YES	The CU continued to implement environmental related plans, which has incorporated actions and monitoring that need to implement. The implementation of plans observed annually reviewed and updated by each supply bases. Pollution Identification Environmental improvement action plan' to monitor the effectiveness of the mitigation measures taken, are in place.
C 5.2 The status of rare, threatened or endangered species 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	5.2.1	Information shall be collated in a HCV assessment that includes both the planted area itself and relevant wider landscape-level considerations. Major Compliance	YES	The CU maintained its documented assessment of HCV, i.e. “HCV Re-Assessment for Strategic Operating Unit (SOU) Sabah Central – South Zone, by PSQM, Final Report (Ver. II), Jan. 2014”. The assessment covered the planted area itself and relevant wider landscape-level. The HCV assessment had identified 8 potential HCV in the Binuang CU which Cover area 753.915 Ha around the Binuang CU. The CU observed to maintain its identified HCVs.
	5.2.2	Where 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 an action plan. Major Compliance	YES	Relevant RTE had been included in the HCV action plan. Among measures identified include erection of signage “No Hunting” and awareness training. Noted refresher training on HCV including RTE was conducted on 25/3/17. The training was attended by the executive, staffs and workers. Picture, training material and attendance retained. Signage of no hunting observed to be maintained. In general, measures concerning RTE, had been implemented.
	5.2.3	There shall be a programme to	YES	Annual training programme was established, which included refresher training on HCV / RTE.

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they are maintained and/or enhanced.		regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted 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. Minor Compliance		The planned refresher training was conducted in March 2017, which was attended by the executives, staffs and workers from both estates. Picture, training material and attendance retained. The training included pertaining disciplinary measures should found violated company rules.
	5.2.4	Where an action 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 action plan. Minor Compliance 	YES	The CU continued to monitor the HCV area as stated in the action plan. Records of the forms were reviewed during the audit. It was also noted that signage pertaining to the identification and restriction of activities at buffer zone and left-over steep areas maintained and no activities inside the areas were evidence.
	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	NA	Not applicable. No HCVs set aside associated with right of local communities.
C 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	YES	Binuang CU has documented identification of all waste product and sources of pollution. The environmental management plan were established to mitigate applicable identified waste product and source of pollution.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	YES	Empty chemical containers were triple rinsed, punched with holes and disposed through approved licensed contractors.
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. Minor Compliance	NO	For the identified waste and pollutants, procedures and guidelines were established to guide the proper waste disposal and reduce pollution. Industrial @ mill process wastes were disposed as follows; EFB were sent for mulching in the field, while crop residue/biomass i.e. fiber and shell were used as fuel in the boiler. Effluent Treatment Plant in place with final discharge leading to land irrigation. In accordance with the license requirement, the monitoring of water and effluent discharge were carried out on monthly basis Sampling and analysis was carried out by the Sime Darby Research Sdn. Bhd - Tawau. Quarterly reports for final discharge were submitted to DOE

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				<p>as stipulated in the written approval and all the analysis within the regulatory Limit.</p> <p>Waste Identification Management Action Plan 2016/ 2017 was established. The storage, management and disposal of the following Schedule waste were reviewed, noted to be satisfactory.</p> <p>However, noted domestic wastes in Tingkayu Estate were not segregated prior to land-filled as per referred own requirement of "SPMS Appendix 9 Procedure for Handling of Domestic Waste". Thus, Minor NCR HO-03 is raised.</p>
C 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	YES	<p>A plan for improving the efficiency of the use of fossil fuels is in place incorporated into the Environmental Aspect and Impact activities report for 2016, identified in the following</p> <p>i) Environmental Aspect Identification Summary FY 2016 / 2017 reviewed accordingly.</p> <p>ii) Environmental Impact Evaluation Summary FY 2016 / 2017 reviewed accordingly.</p>
C 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 ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Major Compliance	YES	<p>SDPSB had a policy of no open burning. It was defined in the</p> <ol style="list-style-type: none"> 1. EQMS-SOP-Section B2 - Under felling/clearing & land preparation 2. Carbon Policy <p>As advocated, both estates practiced zero burning. In the 2014, 2015 and 2016 replants visited during the audit, it was evident that all palms were felled, shredded, windrowed left to decompose.</p>
	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 ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Minor Compliance	YES	As per SDPSB policy on zero burning during land preparation for replanting, both estate had adhered to this policy. There was no evidence of any burning.
C 5.6 Preamble Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluen.	YES	An assessment of identified polluting activities were conducted and monitored, including gaseous emissions, particulate / soot emissions and effluent. 'Pollution Identification Environmental improvement action plan' and Waste Identification Management Action Plan 2016/ 2017 established and used to identify the waste products and sources of pollution.
	5.6.2	Significant pollutants and GHG emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	YES	The estates had identified environmental aspect of GHG and had established and implemented action plan. The plan contained in "Continual Improvement Plan – Reduce GHG Emission, FY 2016/2017". Among actions were to periodical service of vehicles and gensets, regulate number of tractors during low crop season, "Safe Planet" campaign, which no electric supply for 1 hour and use of compost and EFB as option to reduce use of inorganic fertiliser. Evidence of implementation were observed, such as periodical service of vehicle and application of EFB and compost.
	5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant	YES	GHG emission calculation and monitoring at CU level through the PalmGHG Summary Report was available to the auditor. The latest PalmGHG report for Binuang CU was submitted to RSPO in April, 2017 via email.

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<p>also recognised that it is not always feasible or practical to reduce or minimise these emissions. Growers and millers commit to an implementation period until the end of Dec 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO. Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>		<p>pollutants and emissions from estate and mill operations, using appropriate tools. Minor Compliance</p>		
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Principle 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES BY GROWERS AND MILLERS

Clause	Indicators		Comply Yes/No	Findings
<p>C 6.1 Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and</p>	6.1.1	<p>A social impact assessment (SIA) including records of meetings shall be documented. Major Compliance</p>	YES	<p>The Social Impact Assessment (SIA) for SOU 28 Binuang was carried out from 22 July 2013 to 27 July 2013. It covered Binuang Oil Palm Mill, Tingkayu Estate, Sungang Estate, Binuang Estate and Jeleta Bumi Estate. Records of meetings including attendance lists were documented and were sighted during the audit.</p>
	6.1.2	<p>There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance</p>	YES	<p>Based on the records available, there was evidence that the assessment was done with the participation of affected parties, whose attendance was documented and sighted during the audit.</p>

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plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.	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, incl. responsibilities for implementation. Major Compliance	YES	Each unit within the SOU 28 Binuang mitigates negative social impacts and promote positive ones by calling for meetings with their respective stakeholders, documenting the discussions, and identifying persons in charge to address the issues. Issues that require followed up for further action were included in the respective site's specific SIA Action Plan. The Action Plan consists of areas of concern, action plan, person-in-charge, expected completion date and remarks.
	6.1.4	The plans shall be reviewed as a minimum once every 2y 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	YES	The SIA Action Plans were updated every year, or sooner, such as when issues arise and are discussed with the affected parties.
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes. Minor Compliance	NA	There is no smallholder schemes in SOU 28 Binuang.
C 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 documented. Major Compliance	YES	Consultation and communications procedures for SOU 28 Binuang was documented in the Standard Operating Manual dated 1 April 2008 entitled "Procedure for External Communications". This document was sighted during the audit.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	YES	Letter of appointments for the management official responsible for handling the social issues were available. Each appointment was for one year. Among the roles and responsibilities of the management official are to investigate complaints, counsel and advice on social issues, assist in carrying out programs or trainings on social issues.
	6.2.3	A list of stakeholders, records of all communication, incl. 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	NO	The list of stakeholders for SOU 28 Binuang was maintained by the respective sites. The stakeholders comprise of contractors, vendors, neighboring estates/smallholders, government agencies, etc. Records of communications were documented and filed. Records also showed actions taken in response to inputs from stakeholders, and that efforts were made to ensure understanding by affected parties. However, during the audit, it was noted that the stakeholder lists were incomplete. The following were noted: <ul style="list-style-type: none"> a. Tingkayu Estate: A neighbouring smallholder was not identified and included in the stakeholder list. b. Sungang Estate:Yap Lye Peng of Kebun Yap, a neighbouring smallholder, was not included in the stakeholder list. c. Binuang Palm Oil Mill: Jabatan Tenaga Kerja Kunak was not included in the list. Therefore Minor NCR RZ 02 2017 was raised.

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C 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistle-blowers, requested. Major Compliance	YES	The resolving disputes exists in the internal established procedure. When ensuring anonymity of complainants and whistleblowers, the Sime Darby Code of Business Conduct provides an avenue to direct the grievances to a Hotline number, toll-free numbers, email, fax, or letters to the Whistleblowing Unit at HQ.
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	YES	Documentary evidence was made available during the audit that disputes are being resolved and the outcome made available. For example, records of complaints raised by workers on various defects to the houses are documented, rectified and confirmed by the respective worker.
C 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	YES	The procedure for identifying legal, customary or user rights, and compensation process is documented. The procedures stipulate that ex-workers issues are to be handled by the Employee Relations, and the land issues by the Land Management Department of the Head Office. Both procedures stipulate the negotiation procedures, calculation and distribution of compensation to the affected parties.
	6.4.2	A procedure for calculating and distributing fair compensation 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 vs communal ownership of land. Minor Compliance	YES	In accordance with the Procedures for Handling Boundaries Disputes, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Sime Darby Head Office. The procedure stipulates for negotiation procedures to involve the respective estate management, Land Office, NGOs and the affected parties.
	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	YES	As of the date of the audit, no case of negotiation and payment of compensation has been carried out for verification.
C 6.5 Pay and conditions	6.5.1	Documentation of pay and conditions shall be available.	YES	For the SOU 28 Binnuang, documentation of pay is in the form of monthly pay slips. Conditions of pay were contained in the workers' respective employment contracts. Samples of the monthly pay

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for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages		Major Compliance		slips and employment contracts were made available and reviewed during the audit. Each pay slip included the name of employee, month of pay, income (basic, overtime, reimbursement, allowances), deductions (statutory such as EPF, SOCSO and non-statutory such as donation to mosque funds), net salary, annual leave and medical leave taken, etc. Interview with workers reveal that they understand the contents of the pay slips and seeks explanation from the office whenever they needed clarifications. Samples of pay slips were also sighted and verified that workers were being paid in accordance with the requirements stipulated under the Minimum Wages Order 2016 and Employment Act 1955.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance	YES	Contracts for local and Indonesian workers at Tingkayu Estate, Sungang Estate and Binuang Palm Oil Mill were sampled. The terms and conditions of employment were contained in the employment contracts which included the duration of employment, place of work, salary, working hours, medical benefits, accommodation, annual leave, sick leave, termination of service, and other benefits provided (housing, employment cost, etc). For contracts that were prepared in English, explanation and briefing were given to the workers prior to signing. This was further confirmed by the workers during interviews.
	6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible (not applicable to smallholders). Minor Compliance	NO	Housing was provided to all employees of Binuang Palm Oil Mill, Tingkayu Estate and Sungang Estate. Site visits were carried out to the workers' housing. The houses were generally in good conditions. Each houses has either 2 or 3 bedrooms, and furnished with bed and cupboard. All houses were provided with water and electricity supplies. Water is provided free of charge while electricity is subsidised. Water to workers' housing is provided in rotational basis, but the workers do not see this as inconvenience because of the availability of water storage tanks. Other facilities provided for the workers' children are creche and pre-school. Workers' children were given free transportation to HUMANA/Community Learning Centre/government schools. In addition, all workers were given RM100 each during the annual festive season, RM5 per month phone allowance, and each school-going children receive RM100 each year. A clinic which provides free medical treatment to all workers and their dependents is also available at Tingkayu Estate and Sungang Estate. A Visiting Medical Officer visits the clinic once a week to review cases, and provide guidance to the medical assistants where necessary. Other amenities available are mosque, community hall, playing field and grocery shops. There was no accumulation of domestic refuse. Workers interviewed confirmed that the houses and amenities provided were adequate, comfortable and requests for repairs are attended to in a timely manner. However, non-compliance detected against the Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) regarding housing checking weekly basis, hence Minor NCR RZ 01 2017 was raised.
	6.5.4	Growers and millers shall make demonstrable efforts to monitor and, improve workers' access to adequate, sufficient & affordable food. Minor Compliance	YES	Every workers and staffs gets a 5kg of rice bag and 5kg of cooking oil every two months. Access to adequate, sufficient and affordable food is also available via sundry shops near the workers' housing. Among the items sold include sugar, rice, flour, cooking oil, eggs, detergent and other daily necessities. The estates also allow third party vendors to sell vegetables, fish and other perishable items at the housing area. Prices at the sundry shops are properly labelled.

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C 6.6 The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	YES	Recognition of freedom of association is available in the Sime Darby Plantation Social Policy dated January 2015. The policy states that the company respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. This Social Policy is applicable throughout all operating units and is printed and translated in Bahasa Malaysia and displayed on notice boards.
	6.6.2	Minutes of meetings with main trade unions or workers representatives documented. Minor Compliance	YES	The Sabah Plantation Industrial Employee Union is the union that represents workers of SOU 28 Binuang. The minutes of meeting between SPIEU members and employers in February 2017 was documented and sighted during the audit. Union membership is open to both local and foreign workers. The meeting was attended by management representatives, SPIEU representative, teacher, hospital assistant, AP, linesite representative, etc.
C 6.7 Children are not employed or exploited.	6.7.1	There shall be doc. evidence that min. age requirements are met. Major Compliance	YES	There was no evidence that the estates and the mill employs anyone below the age of 18 years. This was verified by examining the master lists of workers. Interviews with workers and staffs, as well as observations made during field visits show that those employed are 18 years and above.
C 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 groups in the local env. shall be documented. Major Compliance	YES	The equal opportunities policy is contained within the Sime Darby Social Policy dated January 2015, which states that all employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. The Social Policy was displayed on notice boards in both Bahasa Malaysia and English.
	6.8.2	Evidence provided that employees and groups incl. local comm, women, and migrant workers have not been discriminated against. Major Compliance	YES	Apart from the Social Policy which states that all employees shall be treated equally, there is also no evidence that there has been any form of discrimination against any employee, or group of employees. Payment of wages/salaries, provision of housing and access to benefits and amenities is fair based on observation, review of pay checks, contracts of employment, and interviews of staff, local and foreign workers. Foreign workers are also given the same living standards and accommodations as local workers.
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance	YES	Based on interviews with the estates and mill management and documentation review recruitment selection, hiring and promotion are based on suitable job vacancies, experience, qualification/skill and medical fitness appropriate for the job.
C 6.9	6.9.1	A policy to prevent sexual and all	YES	The policy to prevent sexual and other forms of violence is contained in the Sime Darby Social

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There is no harassment or abuse in the work place, and reproductive rights are protected.		other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. Major Compliance		Policy dated January 2015. This policy was communicated to all levels of workforce through training held on 18 February 2017 entitled "RSPO P&C, RSPO Supply Chain Training & Gender Committee Training for SOU 28 Binuang". The topics cover, among other things, policy, functions of the Gender Committee, what are reproductive rights, and child protection. The training also briefed on how to lodge a complaint and to whom.
	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	YES	The policy to protect reproductive rights of women is contained in the Sime Darby Plantation Gender Policy. In addition, Gender Committees have been established at the Tingkayu Estate, Sungang Estate and Binuang Palm Oil Mill to implement and monitor the policy. The Gender Committee meetings and muster briefings are being used as an avenue to disseminate information to its members regarding reproductive rights. This is further confirmed during interviews held with female workers (sprayers, manurers) at Tingkayu Estate, Sungang Estate which showed their understanding of their reproductive rights. PSQM from HQ also conducted an RSPO Gender Training in February 2017 which also elaborated on reproductive rights of all, especially of women. This training was attended by 17 participants (men and women), comprising among others, Assistant Managers, Healthcare Assistant, QA Executives, Account and Administration Officer, Gender Committee representatives from the Binuang Oil Palm Mill, Tingkayu Estate and Sungang Estate.
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and comm to all levels of the workforce. Minor Compliance	YES	A grievance mechanism which respects anonymity and protects complainants is in place at SOU 28 Binuang, as per the Sime Darby Gender Committee Handbook 1 st Edition 2014. Employees were aware of the avenue and mechanism for lodging complaint. This was communicated to all staff during muster briefings and training.
C 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	6.10.1	Current and past prices paid for FFB shall be publicly available. Minor Compliance	YES	Not applicable because the Binuang Palm Oil Mill only receives FFB from its own supply within SOU 28 Binuang, and none from any FFB from third party suppliers.
	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. Major Compliance	YES	Not applicable because the Binuang Palm Oil Mill only receives FFB from its own supply within SOU 28 Binuang, and none from any FFB from third party suppliers.
	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	YES	Based on interviews conducted with suppliers/contractors, there was evidence that they understand their legal obligations under the contractual arrangements, that it is fair, legal and transparent.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	YES	Interview with the suppliers confirm that payments were made in a satisfactory and timely manner, i.e. within less than 1 month.

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C 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 comm. demonstrated. Minor Compliance	YES	Based on records, interviews and site verification, contributions made to local development were made based on the requests from the local communities, as the case may be.
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources allocated to improve smallholder productivity. Minor Compliance	YES	There is no smallholder scheme for SOU 28 Binuang.
C 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	YES	Based on interview with workers, reviewing the employment contracts, records of wages, overtime payment, and rest day payments, there is no evidence of any forms of forced or trafficked labour within SOU 28 Binuang. In addition, Sime Darby Plantation Sdn Bhd also adopts the Social and Humanity Management Policy dated January 2015 which included the commitment to safeguarding operations from employing forced labour. Foreign worker's passports were kept at the respective Mill and Estate offices for safekeeping, and written consent for passport to be surrendered was available and sighted. Workers were given a copy of their passports, with the original copies being kept at the Mill and Estate offices for safekeeping. Workers were informed that they can get back their passports should they need it to travel.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	YES	Based on interviews with foreign workers (kernel plant operator, lab assistants, harvesters, sprayers), all of them were aware of the types of work they would be doing before they arrived in Malaysia. The actual job undertaken was the same as what they were informed while they were at their home country in Indonesia. No contract substitution has therefore occurred.
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	YES	The SOU 28 Binuang adopts the Social Policy. Based on observations and interviews of foreign workers there is no evidence of contract substitution and no discriminatory practices against foreign workers. A post-arrival briefing is also given, in particular on the contents of their employment contracts, safety, benefits, etc.
C 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. Major Compliance	YES	The policy to respect human rights was documented in the Sime Darby Plantation's Social and Humanity Management Policy. This Policy states among others, that it will develop its businesses with a sense of humanity, ensuring that they are socially beneficial and do not infringe the basic human rights. This policy was displayed at the notice boards (muster ground, AP post, nursery) of the Tingkayu Estate, Sungang Estate and Binuang Palm Oil Mill. Communications of this policy was carried out during muster briefings and RSPO training in February 2017 for POM & Sungang estate and in January 2017 for Tingkayu.
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure	YES	There is a HUMANA school and Community Learning Centre located at Sungang Estate. These are dedicated for children of foreign workers who are not eligible to enroll into the Malaysian government school. HUMANA school is for children between 7 to 15 years, and the subjects taught include Bahasa Malaysia, Bahasa Indonesia, Science, Mathematics, and Civics. The CLC is for children aged 12 – 17 years where they are taught Religion, Bahasa Indonesia, Science, Mathematics, Computer, Culture, etc. All children of foreign workers in Binuang CU was sent into

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	these children access to education as a moral obligation. Minor Compliance		this School. Sungang Estate contributes to the general maintenance, security of the above schools, and provide accommodation for the teachers. Other provisions include water during camping activities, transport for the teachers to participate in school activities, meetings, etc.
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Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

SOU Binuang has no plan for any new planting and no new development of area was observed during the visit. Auditors has verified through www.globalforestwatch.com , GOOGLE Maps Data, Estate Maps and also through site visit that the CU has no new planting and no new development of area was observed, hence Principle 7 is not applicable.

Principle 8: COMMITMENT TO CONTINUOUS IMPROVEMENT IN KEY AREAS OF ACTIVITY

Clause	Indicators	Comply Yes/No	Findings
C 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.	8.1.1 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. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance		
	a) Reduction in use of pesticides(Criterion 4.6);	YES	The CCU is committed to minimise the usage of agrochemicals by implementing IPM with the increased in the planting of beneficial plants such as Tunera subulata, Cassia cobanensis, Nephrolepis bisserata and Antigonon leptopus. Blanket spraying was also not practiced by this CU. Soft grasses were maintained in the field. It had also been the practice that insecticides and rat baits were used only after a threshold level has been exceeded as per the Manual A.R.M and that no prophylactic use of such pesticides would be permitted. As mentioned in 4.5.1, during the visit it was observed a number of Beneficial Plants had been planted and both estates had plants ready for planting in the nurseries. During field visit in both Estates sighted that Antigonon leptopus and Tunera subulata were planted at nursery and ready to plant at the estate.
	b) Environmental impacts (Criteria 4.3, 5.1 and 5.2);	YES	An Aspect and Impact assessment were carried out and the significant environmental impacts were identified. Environmental Aspect Identification Summary FY 2016 / 2017 reviewed accordingly. Environmental Impact Evaluation Summary FY 2016 / 2017 reviewed accordingly. 'Pollution Identification Environmental improvement action plan' were established at each site and is being monitored.
	c) Waste reduction (Criterion 5.3);	YES	The CU continued to have documented and implemented waste management plan. i.e. "Waste Management Action Plan 2016/2017". No wastes chemicals were observed. However, scheduled

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				wastes, including empty agrochemical containers continued to be disposed as per applicable regulation. Domestic wastes continued disposed to landfill. Use of EFB and compost were implemented.
	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	YES	Continual Improvement Plan – Reduce GHG Emission, FY 2016/2017" is used to identify the waste products and sources of pollution – is in place and is being reviewed accordingly. Green House Gaseous – Potential sources were identified using Palm GHG Summary Report and reported to RSPO.
	e)	Social impacts (Criterion 6.1);	YES	Social impacts were constantly updated based on inputs received from stakeholder consultations/meetings. This was evidenced in the minutes of the following meetings, and the updated Action Plans. These stakeholder meetings include Gender Committee meetings, OSH meetings and meetings with external stakeholders.
	f)	Encourage optimising the yield of the supply base	YES	In order to optimise yields both estates were committed to implement best agricultural practices, inclusive of timely and proper fertiliser application; Improve on accessibility to maximise crop evacuation and expand in field mechanised collection of FFB. Water bodies and water conservation pits were constructed to conserve moisture.

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Attachment 4

Details of Non-conformities and Corrective Actions Taken for RSPO P&C MYNI 2014

P & C Indicator	Spec. Major/Minor	Detail Non-conformances	Corrective Action Taken by the CU and Verification by Auditors
Indicator 2.1.1	Major	<p>#NCR No : HO-01 2017</p> <p>Finding : The requirement pertaining Installation and operation of generator (Genset) not fulfilled.</p> <p>Objective evidence : In Tingkayu Estate and Sunggang Estate there are 4 and 3 genset respectively. However, there were no evidence that installation and operation of the genset has been notified / approved by DOE, except 1 in Sunggang Estate. Further, there was no evidence the conditions of approved genset has been fulfilled.</p>	<p>Corrective Action:</p> <ul style="list-style-type: none"> - Estate will communicate with DOE by sending an e-mail in seeking guidelines on how to obtain approval for gensets in the estate. - Estate will establish action plan for obtaining genset written approval from DOE which stating the process and timeline. - Estate will engage with consultant (Standard Electric Sdn Bhd) to assist in document preparation required for genset written approval. - Estate will get further approval from Sabah Regional Office for the incurred cost. - Estate will submit to DOE the application of written approval for genset assist by the appointed consultant. <p>Auditor Verification: Auditor has verify the email dated 1 June 17 from Estates to DOE and Reply by DOE on 5 June 17 to get "Kelulusan Bertulis". Both estates had appointed The Consultant/Contractor to get the necessary approval. Sighted appointment letter to Standard Electric Sdn Bhd dated 17 June 2017 and the action plan to get approval by September 2017. Status: Closed. The effectiveness of the corrective action plan will be verified during next audit</p>
Indicator 4.1.3	Minor	<p>#NCR No : HO-02 2017</p> <p>Finding: There were evidence of monitoring implemented. However, there were no evidence of actions taken pertaining nonconformities observed.</p> <p>Objective evidence: There were some nonconformities observed against SPMS, Appendix 7 of Standard Operation Procedure (SOP) pertaining results of river water analysis. However, no evidence of actions taken.</p> <p>#NCR No : RZ 03 2017</p> <p>Finding: Non-compliance with Sime Darby Plantation SOP on Water Quality Sampling which requires water quality sampling be taken on a monthly basis.</p> <p>Objective evidence: At Sungang Estate, drinking water quality sampling was taken on 20 February 2017, 4 May 2017 (not monthly basis).</p>	<p>#NCR No : HO-02 2017</p> <p>Corrective Action:</p> <ul style="list-style-type: none"> - The estate will request refreshment training on SOP & SPMS from Regional SQM Team related to water sampling manual reference & method to improve estate's staff & assistant manager knowledge. - The person in charge will fill up corrective /preventive action report form for any non-conforming results. - Completion date: August 2017 <p>Auditor Verification: Corrective action plan accepted Status: Open. The effectiveness of the corrective action plan will be verified during next audit</p> <p>#NCR No : RZ 03 2017</p> <p>Corrective Action: Estate will improve monitoring system by creating a proper schedule / programme for water sampling to avoid delay.</p>

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			<p>Completion date: June 2017 Auditor Verification: Corrective action plan accepted Status: Open. The effectiveness of the corrective action plan will be verified during next audit</p>
Indicator 4.4.3	Minor	<p>#NCR No : JS 02 2017 Finding: The process of monitoring and ensuring 'Mill waste water outlets' through the monsoon drain, are in compliance with national regulations is not effective. Objective evidence: At Binuang Oil Mill : iii) 'Identification & Management of Waste Water' – Y2017 – requires the waste water produced from the 'Engine Room' to go through an 'Oil Trap' followed by the ETP before being used for Land Application, noted the waste water after the 'Oil Trap' was directed for Land Application, bypassing the ETP, through monsoon drain No : 2. iv) The contamination of waste water with respect to BOD and O &G, going through monsoon drain No. 2 is not known, as the last test was carried out in 2015.</p>	<p>Corrective Action: - Mill Management to revise the Identification & Management of Waste Water. - Mill Management to set a cleaning schedule for all drains and oil traps. - To establish and labelling dedicated sampling points at mill's monsoon drain. The water sample from monsoon drain will be taken and sent to R&D lab for analysis for every 3 months. - Completion date: June 2017. Auditor Verification: Corrective action plan accepted Status: Open. The effectiveness of the corrective action plan will be verified during next audit</p>
Indicator 4.7.2	Major	<p>#NCR No : JS 01 2017 Finding: The process of carrying out Risk Assessment for perceived Hazards related to activities carried out, was not comprehensive. Objective evidence: At Tingkayu and Sungang Estate - The replanting activity section of the HIRARC established does not identify nor assess the hazards associated with the 'Palm Planting' process. - The HIRARC established for activities carried out at the 'Small Palm', 'Replanting' and 'Nursery' area did not take into account 'Heat Stress' as a hazard and come up with appropriate controls to mitigate its effect.</p>	<p>Corrective Action: HIRARC for Tingkayu Estate and Sungang Estate will be reviewed to include 'palm planting' process and to take account of 'Heat Stress' as a hazard for activities carried out at 'Small Palm', 'Replanting' and 'Nursery' area which also stating the appropriate control measure to mitigate its effect. Completion date: July 2017 Auditor Verification: Auditor has verified the revised HIRARC for Sungang & Tingkayu Estate. Status: Closed . The effectiveness of the correction will be verified during next audit</p>
Indicator 4.8.1	Major	<p>#NCR No : MZK 01 2017 Finding: There is no formal training programme to cover all relevant operations in Both Estates. Objective evidence: Sungang and Tingkayu Estate - There is no training plan cover GAP, Environmental and</p>	<p>Corrective Action: - The training plan for GAP, Environmental and social will be established separately. - Certified training to qualify First Aiders will be conducted which organized by KKS Binuang on June 2017. Sungang estate and Tingkayu Estate will send representatives to attend the training. Estate HA/MA will monitor the expiry of certified first aider.</p>

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		<p>Social.</p> <ul style="list-style-type: none"> - A formal / certified training to qualify 'First Aiders' is yet to be carried out. 	<ul style="list-style-type: none"> - Completion date: July 2017 <p>Auditor Verification: Auditor has received evidence of first aider training basic occupational First Aid, CPR & AED training by Borneo First Response Sdn Bhd in May 2017. Status: Closed . The effectiveness of the correction will be verified during next audit.</p>
Indicator 5.3.3	Minor	<p>#NCR No : HO-03 2017</p> <p>Finding: Implementation of domestic wastes disposal observed not fulfils the Indicator requirement.</p> <p>Objective evidence: Domestic wastes in Tingkayu Estate were not segregated prior to land-filled as per own requirement of "SPMS Appendix 9 Procedure for Handling of Domestic Waste".</p>	<p>Corrective Action:</p> <ul style="list-style-type: none"> i) Estate will conduct a briefing to the workers on how to handle domestic waste and include the 3R (Reduce, Reuse & Recycle) initiative. ii) The plan on the proper handling of domestic waste which include 3R initiative will be included in the estate's waste management action plan which updated on yearly basis. iii) Completion date: August 2017 <p>Auditor Verification: Corrective action plan accepted Status: Open The effectiveness of the corrective action plan will be verified during next audit</p>
Indicator 6.2.3	Minor	<p>#NCR No : RZ 02 2017</p> <p>Finding:</p> <ul style="list-style-type: none"> a) Tingkayu Estate: The stakeholder list dated 1 July 2016 is incomplete. b) Sungang Estate: The stakeholder list 2017 is incomplete. c) Binuang Palm Oil Mill: The stakeholder list 2017 is incomplete. <p>Objective evidence:</p> <ul style="list-style-type: none"> a) Tingkayu Estate: The stakeholder list dated 1 July 2016 is incomplete as it does not include a neighbouring smallholder. b) Sungang Estate: The stakeholder list 2017 is incomplete as it does not include a neighbouring smallholder. c) Binuang Palm Oil Mill: The stakeholder list 2017 is incomplete as it does not include the Kunak Labour Office. 	<p>Corrective Action:</p> <ul style="list-style-type: none"> • Estates and mill will update the stakeholder list. The updated stakeholder list will be verified by the estates and mill management. • Estates will establish stakeholder map which locate and identified the estate's neighbour. • Completion date: July 2017 <p>Auditor Verification: Corrective action plan accepted Status: Open The effectiveness of the corrective action plan will be verified during next audit</p>
Indicator 6.5.3	Minor	<p>#NCR No : RZ 01 2017</p> <p>Finding: Non-compliance with Section 23(2) of the Workers' Minimum Standards of Housing & Amenities Act 1990</p> <p>Objective evidence: At Tingkayu Estate, workers' housing inspection was not carried out on weekly basis.</p>	<p>Corrective Action: Estate Management will prepare schedule for weekly workers housing inspection for easy monitoring and the inspection report will be verified by the estate management. Completion date: July 2017</p> <p>Auditor Verification: Corrective action plan accepted Status: Open The effectiveness of the corrective action plan will be verified during next audit.</p>

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Attachment 5

RSPO Supply Chain at the Binuang POM – Identity Preserved Model – Module D

Item No	Requirement NOV 2014	Findings Standard Nov 2014
<p>D.1 D.1.1</p>	<p>Definition To verify :</p> <ul style="list-style-type: none"> a) volume and sources of certified FFB entering the mill b) implementation of any processing control c) volume sales of RSPO certified 	<p>The mill continued:</p> <ul style="list-style-type: none"> a) verified volume and sources of certified FFB received. b) implemented processing control. c) verified volume sales of RSPO certified. <p>Volume of FFB received and sales of RSPO certified (for the period of May 2016 - April 2017) are as below:</p> <p>FFB received = 146,389.81 mt CPO Production = 33,559.85 mt CPO sales = 8,389.04 mt. PK sales = 0 mt.</p>
<p>D 2 D.2.1</p>	<p>Explanation Estimate total tonnage of CPO and PK potentially produce in a year.</p>	<p>The mill continued to estimate total tonnage of CPO and PK potentially produced in a year. Next estimate total tonnage (for the period of May 2017- April 2018) of CPO and PK potentially produce are as below:</p> <p>CPO = 38,935.47 mt PK = 8464.23 mt</p>
<p>D. 2 D 2.2</p>	<p>Explanation 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 observed met registration and reporting requirements for supply chain through the RSPO supply chain managing organization (RSPO IT platform). Among the registration information were:</p> <p>Name: Binuang Oil Mill – Sime Darby. Country: Malaysia. Member ID: RSPO_PO1000000063. Member Category: Oil Mil. License: CB40239. Issued on: 28/7/16. Issued by: SIRIM QAS Intl. S/B. Start date: 13/8/16. End date: 12/7/17. Products: CPO & Palm Kernel Program: IP.</p>

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<p>D 3 D 3.1</p>	<p>Documented procedures 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>The Mill maintained complete and up to date of common group written procedure, i.e. "Sustainable Plantation Management System, Appendix 15, Standard Operating Procedure (SOP) for Sustainable Supply Chain And Traceability, Version 2, Issue 2, October 2016". No changes of procedure was observed, except updated list concerning of RSPO SCCS Module, which changed of module (i.e. of other mill, not this mill).</p> <p>Among content of document, is: (1) Clause 4.0 Responsibilities, (2) Clause 5.0 Control of Document & Records, (3) Clause 6.0 Delivery of FFB from the Estate (4) Clause 7.0 Receiving FFB at the Mill (5) Clause 8.0 Process Monitoring (6) 9.0 CPO and PK Despatch (7) Clause 10.0 Nonconforming Material / Product (8) Clause 12.0 Outsourced Contractor (9) Clause 13.0 Training (10) Clause 14.0 Reclassification of Mill's Supply Chain Model (11) Clause 15.0 Production Volume.</p> <p>The Head of Operating Unit maintained have overall responsibilities, i.e. the same previous Mill Manager. Noted the manager, which assisted by Assistant Manager and QA Executive were aware pertaining implementing of the procedure.</p>
<p>D 3.2</p>	<p>The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>See D 3.1.</p>
<p>D.4 D.4.1</p>	<p>Purchasing and goods in The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p>	<p>The mill continued implement IP model. No purchase of outside FFBs were observed. FFBs received noted had been verified and documented the tonnage. The total tonnage received noted also include verified diversion from own estate from another CU, i.e. Mosytn of Giram CU, which was 331.6.1 mt.</p>
<p>D 4.2</p>	<p>The site shall inform the CB immediately if there is a projected overproduction.</p>	<p>Based on records of FFB received and CPO & PK produced, there was no overproduction observed.</p>
<p>D.5 D.5.1</p>	<p>Record keeping 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>The mill continued record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p>
<p>D 6 D.6.1</p>	<p>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.</p>	<p>The mill continued implement IP model. No purchase or goods in from outside CU were observed. FFBs received noted had been verified and documented the tonnage. RSPO certified oil palm products were kept segregated including during transport and storage.</p>
<p>D.6.2</p>	<p>The objective is for 100 % segregated material to be reached.</p>	<p>Binuang POM does not accept any non-certified FFB. It was confirmed through summary of weighbridge ticket and interview with weighbridge operator. Therefore CPO and PK can be considered 100% segregated.</p>

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Attachment 6

Status of Non-conformities Previously Identified

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
Indicator 2.1.1	Major	<p>#NCR No : JS – 2016 -01</p> <p>1. The process for carrying out Exposure Monitoring at Binuang POM in a timely manner found not effective.</p> <p>(a) At Binuang POM – the Lab workers who handle n-Hexane (a schedule II chemical) – have not been subjected to exposure monitoring at work place for the past 5 years. The last exposure monitoring was carried out in April 2010.</p>	<p>Corrective actions:</p> <ul style="list-style-type: none"> - Appoint contractor to do the chemical exposure monitoring - Auditor has received Contract form No:4300330673 that Mill has appoint hygiene technician for chemical exposure monitoring named GLOBAL SAFE-T SDN BHD - Sighted appointment of contractor on date 26 May 2016 	<p>Auditor has Verified Baseline Chemical Exposure Monitoring Report – carried out by Global Safe – T Sdn. Bhd. Monitoring carried out on 16th June, 2016 and report dated 5th July, 2016 – Hexane, Isopropyl Alcohol and Chloroform were noted to be below the Permissible Exposure Limit.</p> <p>Status: Closed</p>
Indicator 4.1.2	Minor	<p>#NCR No : STK-1.2016</p> <p>Auditor found that:</p> <p>1. The recommendation for monthly health screening by estate nurses, first aider or VMO made in the CHRA (2013) for workers exposed to chemicals hazardous to health was not complied with.</p> <p>2. The 'Prosedur Operator Jentera Berat and lkrar Pemandu' was not complied with.</p> <p>3. The practice of reusing all water from washing of agrochemical containers, PPE and spraying equipment and spillage during chemical mixing was not reused.</p> <p>1. Jeleta Bumi Estate – Monthly health screening was not carried out for workers exposed to chemicals hazardous to health.</p> <p>2. Jeleta Bumi Estate – Wheel bolts/nuts were missing from Tractor No. SAB1754U and its hook lift trailer. Binuang Estate - Wheel bolts/nuts were missing from trailer No. TR23.</p> <p>3. Jeleta Bumi Estate – water from the sump for collecting water from washing of agrochemical containers, PPE and</p>	<p>Corrective actions:</p> <ul style="list-style-type: none"> - Estate HA to Established monthly screening scheduled for all workers exposed to chemicals as per CHRA recommendation. Monthly medical checkup (April 2016) for sprayer that miss out during the audit have been completed by the estate. - To conduct checking of bolts and nuts for all tractors and hook lifts and to include this checking into the Preventive Maintenance Program for vehicle. The operator responsible to carry out the checking, verify by foreman or staff and approve by Assistant in charge. - To review the design of mixing area by constructing proper roofing and sump that can accommodate spillage of chemical at certain circumstances. 	<p>1. Sighted the VMO records, last visit was made on 11/5/2017 (Sungang and Tingkayu Estate) and the VMO was regularly visit the estate by 2 weekly interval. It was also noted that, HA has established the monthly screening for Sprayer last carried out on 28 April 2017 and 20 March 2017.</p> <p>2. Sighted records for Checking bolt and Nuts in form 'Penjagaan Tractor' dated 24 Apr 17, 8 and 15 May 2017, the record was done by the Foreman and approve by the Assistant Manager.</p> <p>3. Sighted Design at mixing area at both estate has been channeled into sump to reused chemical back and has proper roofing and has wall.</p> <p>Status: Closed</p>

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		spraying equipment and spillage during chemical mixing was seen overflowing into a field drain.		
Indicator 4.5.2	Minor	#NCR No : STK-2.2016 Auditor found training of those involved in IPM implementation was not demonstrated. a) Binuang Estate – There were no records to show that training of those involved in IPM implementation was conducted.	Corrective actions: - To Identify those involved in IPM activities and retrain with relevant IPM-related trainings and keeping records - IPM training Plan has been established, The estate will strictly follow the plan as per requirement. Verification by auditor - Corrective action plan accepted.	Records showed that the latest IPM training was conducted as follow: - Sungang Estate - Rat Baiting on 14.02.2017 and IPM Training (Beneficial Plant Planting) on 5.04.2017. - Tingkayu Estate IPM Training and Rat Baiting Training was conducted on 18.10.2016. Status: Closed
Indicator 4.7.3	Major	#NCR No : STK-3.2016 Auditor found that: 1. The recommendation for use of dust mask, goggles and boots made in the CHRA (2013) for manuring operator was not complied with. 2. The recommendation for use of boots and sickle covers made in the HIRARC (2015/2016) for harvesters was not complied with. a) Binuang Estate – Workers applying Ammonium Chloride in Block 02C1 were seen not using dust mask, goggles and boots. b) Binuang Estate – Harvesters in Block 07B1 were seen not using boots and sickle covers for sickles	Corrective actions: - Binuang estate has provided all suitable PPE to Manuring gang and Harvester as Per CHRA recommendation. - to ensure complete PPE before commencement - Monitoring of PPE before work Verification by auditor - Auditor has received PPE Inspection form for Manuring Gang dated 9/5/16 - The training for use of PPE also has been conducted for Manuring Gang	Site visit showed that all workers were wearing the PPE provided by management. Auditor also has verified Sprayer Training in March 2017 and 7/4/2017 Harvesters and Loaders Training on 8 May 2017. Status: Closed
Indicator 4.8.2	Minor	#NCR No : JS – 2016 -02 Auditor found that the process of maintaining Training records found not effective.	Corrective actions: The management will establish Training Needs and Plan to all staffs and workers customized to estate's training and requirement. Verification by Auditor: Corrective action plan accepted	Sample of training has been verified by the auditor: Status: Closed
Indicator 5.2.2	Major	#NCR No : MRS 01 2016 Auditor found that appropriate measures that are expected to maintain and/or enhance RTE species was not addressed in the HCV action plan. i) Binuang Estate did not addressed on RTE species such as elephant and	Corrective actions: - RTE Species was included in HCV action Plan, estate will strictly follow the plan as per requirement. - Conduct Refresher training on HCV including RTE species. Verification by Auditor:	Relevant RTE had been included in the action plan. Planned refreshing HCV Training, including RTE was conducted on 25/3/17. The training attended by Executive, Staff and Workers. Picture, training material and attendance retained. Measures concerning RTE, had been implemented. Signage no hunting observed

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		<p>hornbill in the HCV action plan although management and workers have found the wildlife in the plantation area.</p>	<ul style="list-style-type: none"> - Auditor has received HCV action Plan stated about RTE species - Auditor also received records of Training named 'Taklimat HCV, Biodiversiti dan Pengurusan Bersepadu Perosak' conduct on date 16/5/2016 to all workers and staff. 	<p>maintained. Status: Closed</p>
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Attachment 7

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	SPO 550179	
2	Chersonese	Kuala Kurau, Perak	5 Oct '11	4 Oct '21	CU-RSPO-815148, SPO 590800	
3	Elphil	Sg Siput, Perak	18 Jun '11	17 Jun '21	SPO 550180	
4	Flemington	Teluk Intan, Perak	5 Oct '11	4 Oct '21	CU-RSPO-819144, SPO 590802	
5	Seri Intan	Teluk Intan, Perak	3 Mar '11	2 Mar '21	CU-RSPO-811218, RSPO 0015	
5	Selaba	Teluk Intan, Perak	3 Mar '11	2 Mar '21	CU-RSPO-819142, RSPO 0016	
5a	Sg Samak		3 Mar '11	NA	NA	Withdrawn. Ceased Operation.
6	Tennamaram	Bestari Jaya, Selangor	3 Mar '11	2 Mar '21	CU-RSPO-819143, RSPO 0014	
7	Bkt Kerayong	Kapar, Selangor	15 Apr '11	14 Apr '21	RSPO 550181	
8	East	Carey Island, Selangor	19 May '10	18 May '20	SPO 543543	
9	West	Carey Island, Selangor	19 May '10	18 May '20	SPO 543594	
9a	Sepang	Sepang, Selangor	19 May '10	NA	NA	Withdrawn. Ceased Operation.
10	Bukit Puteri	Raub, Pahang	7 Jul '16	6 Jul '21	CU-RSPO-815147, 18502206 001, 854 502 14020	
11	Kerdau	Temerloh, Pahang	7 Jul '16	6 Jul '21	CU-RSPO-819155, 18502207 001, 854 502 14019	
12	Jabor	Kuantan, Pahang	7 Jul '16	6 Jul '21	CU-RSPO-819156, RSPO 928288, 854 502 14049	
13	Labu	Nilai, Negeri Sembilan	30 Dec '11	29 Dec '16	CU-RSPO-819163, SGS-RSPO/PM/MY13/ 01284, 854 502 14039	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	

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15	Sua Betong	Port Dickson, Negeri Sembilan	18 Feb '14	17 Feb '19	SPO 600305, 824 502 16032	Sua Betong Oil Mill has been commissioned to replace Rantau Oil Mill.
16	Kok Foh	Bahau, Negeri Sembilan	7 Jul '16	6 Jul '21	CU-RSPO-819157, RSPO 928188, 824 502 16051	
17	Kempas	Jasin, Melaka	19 May '10	18 May '20	RSPO 005	
18	Diamond Jubilee	Jasin, Melaka	5 Oct '11	4 Oct '21	CU-RSPO-819146, RSPO 591224	
19	Pagoh	Muar, Johor	28 Jan '14	27 Jan '19	SPO 600305	Pagoh Oil Mill has been commissioned to replace Nordanal Oil Mill.
19a	Yong Peng	Yong Peng, Johor	20 Oct '10	19 Oct '15	SPO 550182	Withdrawn. Ceased Operation.
20	Chaah	Chaah, Johor	18 Nov '10	17 Nov '20	RSPO 548299	
21	Gunung Mas	Kluang, Johor	19 May '10	18 May '20	RSPO 901888	
22	Bukit Benut	Kluang, Johor	5 Oct '11	4 Oct '21	CU-RSPO-819147, RSPO 591229	
23	Ulu Remis	Layang-layang, Johor	11 Apr '16	10 Apr '21	SGS-RSPO/PM-00722, 824 502 16042	
24	Hadapan	Layang-layang, Johor	29 Mar '11	28 Mar '21	824 502 16040	
25	Segaliud	Sandakan, Sabah	20 May '10	19 May '15	SPO 547123	Withdrawn. Ceased operation.
26	Sandakan Bay	Sandakan, Sabah	1 Oct '08	30 Sep '18	SPO 537872	
27	Melalap	Tenom, Sabah	21 Jan '11	20 Jan '21	SPO 547124	
28	Binuang	Kunak, Sabah	16 Jan '09	12 Jul '20	RSPO 001	
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 May '10	NA	NA	Withdrawn. Ceased operation.
30b	Mostyn	Kunak Sabah	16 Jan '09	NA	NA	Withdrawn. Ceased operation.
31	Lavang	Bintulu, Sarawak	30 Dec '11	29 Dec '21	CU-RSPO-819166, MUTURSP0/053	
32	Rajawali	Bintulu, Sarawak	30 Dec '16	29 Dec '21	CU-RSPO-819167, RSPO 0020	
33	Derawan	Bintulu, Sarawak	30 Dec '11	29 Dec '21	CU-RSPO-819169, RSPO 0019	
34	Pekaka	Bintulu, Sarawak	30 Dec '11	29 Dec '21	CU-RSPO-815150, MUTURSP0/054	

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SDP- RSPO Certification Status for Indonesia Operations

NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	PT LAHAN TANI SAKTI	ALUR DUMAI	Bagan Sinembah/Tanh Putih, Pujud, Rokan Hilir, Riau	16 Jan '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		MUSTIKA OIL MILL		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	Pamakan 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 Sept '16	1 Sept '21	MUTU-RSPO/003	
7	PT BAHARI GEMBIRA RIA	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	Pamakan Selatan, Tanah Grogot, Kotabaru, Kalimantan Selatan	16-Mar-12	16-Mar-17	MUTU-RSPO/016	
10	PT BERSAMA SEJAHTERA SAKTI	GUNUNG ARU	Sebamban, Indonesia	5-Jul-11	5-Jul-16	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 OIL MILL		1 Apr '14	1 Apr '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 Sept '16	8 Sept '21	MUTU-RSPO/004	
18	PT BHUMIREKSA NUSA SEJATI	TELUK BAKAU	Pelangiran, Sg.Guntung, Indragiri Ilir, Riau	1 Dec '16	30 Nov '21	MUTU-RSPO/008	
19		MANDAH OIL MILL		1 Apr '14	1 Apr '19	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	

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24	PT SANDIKA NATAPALMA/PT BUDIDAYA AGRO LESTARI	LEMBIRU	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	3 Jul '14	2 Jul '19	MUTU-RSPO/044	
25	PT MITRAL AUSTRAL SEJAHTERA	MAS Mill	Desa Rahayu Kec. Parindu Kab.Sanggau, Kalimantan Barat	NA	NA	NA	Pending certification by RSPO EB.