

26 May 2023

Sime Darby Plantation Berhad

Main Tower, Level 3, Plantation Tower No.2, Jalan PJU 1A/7 Ara Damansara
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Attention: Rashyid Redza Anwarudin
Chief Sustainability Officer

Subject: RSPO Secretariat Decision pursuant to the Post-Verification Assessment Monitoring as follow up of the Independent Verification Assessment at Sime Darby Plantation Berhad's Operations in Malaysia.

Dear Sir,

With regards to the above subject, we would like to hereby communicate the RSPO Secretariat's final decision on the Post-Verification Assessment Monitoring as a follow up from the Independent Verification Assessment at Sime Darby Plantation Berhad's (SDPB) operations in Malaysia.

1. In early 2021, the RSPO Secretariat initiated an independent verification assessment to verify SDPB's compliance with RSPO Standards, especially Principle 6 on Respect for Workers' Rights and Conditions, and to verify if evidence exists to substantiate the allegations highlighted in the US CBP WRO within SDPB's operations, with reference to the RSPO Principles and Standards. The independent verification assessment was carried out unannounced and was conducted across SDPB's operations in Malaysia.
2. On 14 November 2022, the RSPO Secretariat issued a decision letter (as referred to the publication [here](#)) on the completion of RSPO Verification Assessment at Sime Darby Plantation Berhad. The verification assessment concluded some findings which also point to several other areas where further strengthening of SDPB's systems and processes is required. Upon completion of verification assessment, this was later transferred to Post-Verification Assessment monitoring by the RSPO Secretariat under Sub-Division Compliance.
3. Subsequently, the RSPO Secretariat conducted post-verification assessment monitoring activities between December 2022 to April 2023 through document exchanges using shared drive, emails, calls, virtual meetings, and lastly carried out a closing meeting physically at SDPB office, Selangor, Malaysia.

Based on post verification monitoring, the RSPO Secretariat concludes the following below:

- a. Sime Darby Plantation Berhad has been proactive and supportive to follow up on the action requests mentioned in the RSPO Decision letter.
- b. Overall, most of the actions taken have addressed the action plan request, however, the following below are some points highlighted for SDPB to continuously follow up on:
 - SDPB to maintain the training programme for Human Rights policies/procedures for all workers and conduct evaluation on a regular basis on the effectiveness of the implementation of those training programmes to ensure that all workers are fully aware and understand their contents.
 - SDPB to continue following up the on-going renewal process of Collective Bargaining Agreement (e.g. MAPA/NUPW and Sabah-SPIEU) which are now under negotiation.
 - Care should be taken for SDPB to formalise a documented guideline/SOP for the monitoring process of Foreign Workers recruitment agencies, which in practice, has been implemented.
 - SDPB to continue monitoring the implementation of the mechanism of reimbursement of recruitment fees (as per current flow process that has been developed).
 - SDPB to continue implementing the reimbursement programme to ensure all the identified former workers are to be paid, in particular for those that no longer work for SDPB.
 - SDPB to continue the ongoing regulation programme with the Sabah Immigration authority to complete the process up to the approval.

By this letter hence, the RSPO Secretariat is making a decision to close out this Post-Verification Assessment monitoring and will further inform the Certification Bodies and Accreditation Body for them to continue overseeing the above issues during upcoming and subsequent RSPO audits.

Thank you.



Joseph D'Cruz
Chief Executive Officer

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