

## RSPO PRINCIPLES & CRITERIA CERTIFICATION REPORT

### Public Summary Information

<b>Project Number:</b>	MY 02584		
<b>RSPO Registered Parent Company:</b>	Keck Seng (M) Berhad	<b>RSPO membership #</b>	2-0094-08-000-00
<b>Certification Unit</b>	<b>Masai Palm Oil Mill</b>	<b>Country:</b>	Malaysia
<b>Scope:</b>	Production of CPO and CPKO at Masai Palm Oil Mill with capacity of 60MT/hour		
<b>Supply Chain Module:</b>	Module E: CPO Mills- Mass Balance		
<b>Mill Capacity</b>	60MT/hour	<b>Number of Estate</b>	8
<b>Certificate Number:</b>	<b>SGS-RSPO/PM-MY13/01084</b>	<b>Date of Issue:</b>	2 <sup>nd</sup> Jan 2013
		<b>Date of Expiry:</b>	1 <sup>st</sup> Jan 2018
<b>SGS Accreditation Code</b>	RSPO-ACC-010	<b>Date of accreditation:</b>	24 <sup>th</sup> May 2014
<b>Contacts Job Description:</b>	Mill Manager		
<b>Name:</b>	Mr. Teo Aik Chong		
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<b>Standard:</b>	<b>Malaysian National Interpretation 2014</b> <b>RSPO Supply Chain Certification Standard dated 21 November 2014</b>		
<b>Date of last report update</b>	11 FEB 2016.		

**End of Public Summary**

**BASIC EVALUATION INFORMATION**

<b>MAIN EVALUATION</b>			
<b>Evaluation Dates:</b>	10 - 13 October 2011		
<b>Team Leader/Team:</b>	Abdul Haye Semail		
<b>Affiliate Project Manager:</b>		<b>Date:</b>	
<b>Report approved by:</b>	Abdullah Din	<b>Date:</b>	20 Dec 2012
<b>Certification approved by:</b>	Kenny Looi	<b>Date:</b>	01 Jan 2013
<b>Database logged by:</b>	Othman Shahziela	<b>Date:</b>	01 Jan 2013
<b>SURVEILLANCE 1</b>			
<b>Evaluation Dates:</b>	2 – 4 December 2013		
<b>Team Leader/Team:</b>	James S. H. Ong		
<b>Affiliate Project Manager:</b>		<b>Date:</b>	
<b>Report reviewed &amp; approved by:</b>	Haye Semail	<b>Date:</b>	17 Dec 2013
<b>Certification approved by:</b>	Kenny Looi	<b>Date:</b>	18 Dec 2013
<b>Database logged by:</b>	Othman Shahziela	<b>Date:</b>	18 Dec 2013
<b>SURVEILLANCE 2</b>			
<b>Evaluation Dates:</b>	15 – 19 December 2014		
<b>Team Leader/Team:</b>	Haye Semail		
<b>Affiliate Project Manager:</b>		<b>Date:</b>	
<b>Report reviewed &amp; approved by:</b>	Abdullah Din	<b>Date:</b>	10 Feb 2015
<b>Certification approved by:</b>	Kenny Looi	<b>Date:</b>	11 Feb 2015
<b>Database logged by:</b>	Othman Shahziela	<b>Date:</b>	11 Feb 2015
<b>SURVEILLANCE 3</b>			
<b>Evaluation Dates:</b>	30 November – 2 December 2015		
<b>Team Leader/Team:</b>	Mr James S H Ong, Mr William Siow & Ms Hu Ning Shing		
<b>Affiliate Project Manager:</b>		<b>Date:</b>	
<b>Report reviewed &amp; approved by:</b>	Hoo Boon Han	<b>Date:</b>	12 Feb 16
<b>Certification approved by:</b>		<b>Date:</b>	
<b>Database logged by:</b>		<b>Date:</b>	
<b>SURVEILLANCE 4</b>			
<b>Evaluation Dates:</b>			
<b>Team Leader/Team:</b>			
<b>Affiliate Project Manager:</b>		<b>Date:</b>	
<b>Report reviewed &amp; approved by:</b>		<b>Date:</b>	
<b>Certification approved by:</b>		<b>Date:</b>	
<b>Database logged by:</b>		<b>Date:</b>	

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**SUMMARY**

From the website, [www.my.keckseng.com](http://www.my.keckseng.com), it is known that the company a public listed company on the Main Board of Bursa Malaysia Securities Berhad and one of its activities is an integrated palm oil producer. Its activities include the cultivation, harvesting and milling of oil palm to produce Crude Palm Oil. This serves as feedstock into their refinery to produce Palm Olein (cooking oil), Palm Stearin and Palm Kernel Oil. Other finished products include various specialty oils and fats which can be further processed by our customers to produce confectionary and chocolates

Keck Seng (M) Berhad is an ordinary member of the Roundtable on Sustainable Palm Oil (RSPO) and is committed to the sustainable practices of oil palm cultivation. The Group has also been committed to the certification system of RSPO and as a part of the commitment, the Group invited SGS (Malaysia) Sdn Bhd (SGS) to certify Keck Seng’s “Masai Palm Oil Mill” and its Fresh Fruit Bunch (FFB) supplying bases at Masai, Johore through a verification process.

The unit comprising the **Masai Palm Oil Mill** which has a **60 MT per hour** capacity and its supplying bases was eventually certified in 2 January 2013 after successfully going through the main assessment in 2011 and a close-out CAR audit in 2012.

Keck Seng (Malaysia) Berhad supplying estates are grouped under

- a) Keck Seng Oil Palm Estate ( comprise of the estates Sin Lian, Kota Tinggi, Lian Huap, Johor Masai Sungai Layang Estate and Sungai Serai Estate)
- b) Lim & Lim Estate
- c) Tong Hing and/or Langsat Estate

The Masai Palm Oil Mill also received FFB from smallholders around the area.

In 2012, the mill started to receive FFB from another RSPO certified plantation unit known as Kulim Bhd.

In 2015 , no FFB was received from the other RSPO certified plantation.

Due to the land proximity to Johore Bahru the capital of the state of Johor, there were numerous acquisitions of land for the state development. Some of these acquisitions are for:

- a) Petronas Gas pipeline
- b) SAJ water Reserves
- c) Senai-Desaru Highway
- d) Tanjung Langsat Industrial site
- e) TNB Rentice

As part of the integration, the crushing plant, Ragamo and the refinery, Supervitamins were separately RSPO Supply Chain certified in 2013.

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This is the report for the annual surveillance audit 03 which resulted in a total of **05 Major** and **03 Minor** raised. In addition, **16 Observations** were raised to ensure that in the next surveillance these will be looked into for compliance.

## LIST OF ABBREVIATION

Short Form	Meanings
BOD	Biological Oxygen Demand
CAR	Corrective Action Request
CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
DID	Department of Drainage and Irrigation, Malaysia
DOE	Department of Environment, Malaysia
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
EMS	Environmental Management System
EQA	Environmental Quality Act
ERT	Endangered, Rare and Threatened species
ESA	Environmentally Sensitive Area
FFA	Free Fatty Acids
FFB	Fresh Fruit Bunches
FR	Forest Reserve
Ha	Hectare
HCV	High Conservation Value
HDPE	High Density Polyethylene
IPM	Integrated Pest Management
ISO	International Organisation for Standardisation
IUCN	International Union for Conservation of Nature and Natural Resources
JCC	Joint Consultative Committee
JUPEM	Jabatan Ukur dan Pemetaan Malaysia (Department of Survey and Mapping Malaysia)
K	Potassium
KSOPE	Keck Seng Oil Palm Estates
kW	Kilowatt
M	Meter
Mg	Magnesium
Mm	Millimeter
Mt	Metric ton
MYNI	Malaysia National Interpretation
N	Nitrogen
NGO	Non Governmental Organisation
OA	Orang Asli (Indigenous People)
OER	Oil Extraction Rate
Org C	Organic Carbon
OSH	Occupational Safety & Health
P	Phosphate
P & C	Principles and Criteria
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
PT	Pejabat Tanah (Coding for Pahang Land Office)
SOP	Standard Operating Procedures
Sdn Bhd	Sendirian Berhad (Private Limited)
SEIA	Social and Environment Impact Assessment
Sg	Sungai
SGS	Societe Generale de Surveillance
SOP	Standard Operating Procedures
SPC	Senior Plantation Controller
USECHH	Use and Standards of Exposure of Chemicals Hazardous to Health
WHO	World Health Organisation
yr	Year

## 1. SCOPE OF CERTIFICATION ASSESSMENT

### 1.1 National Interpretation Used

The operations of the mill and their supply based of FFB were assessed against the **Roundtable on Sustainable Palm Oil (RSPO), Malaysian National Interpretation Task Force (MYNI-TF), National Interpretation of RSPO Principles and Criteria for Sustainable Palm Oil Production Endorsed by RSPO Board of Governors on 6 March 2015.**

### 1.2 Certification Scope

The scope of certification includes the production of **Masai Palm Oil Mill** and its supply base according to the standard of **National Interpretation of RSPO Principles and Criteria for Sustainable Palm Oil Production Endorsed by RSPO Board of Governors on 6 March 2015** and **RSPO Supply Chain Certification Standard dated 21 November 2014.**

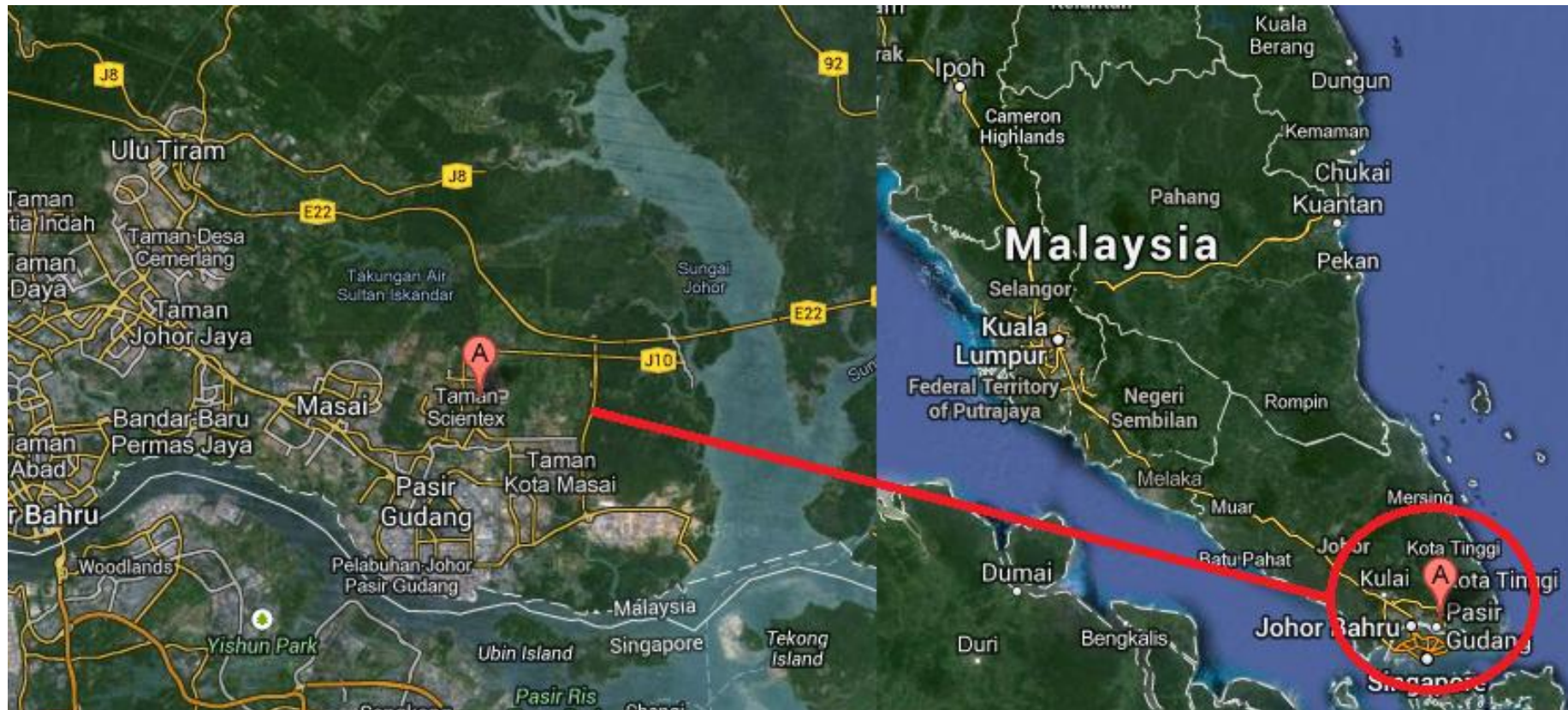
### 1.3 Location and Maps

**Masai Palm Oil Mill** is located in **Masai, East Johor Baru District, in State of Johor, Malaysia (Figure 1)**. More detailed information on the estates location and layouts is shown in **Figures 2**.

The GPS locations of the mill and estate are shown in **Table 1**.

**Table 1: Mill and Supply Base GPS Location**

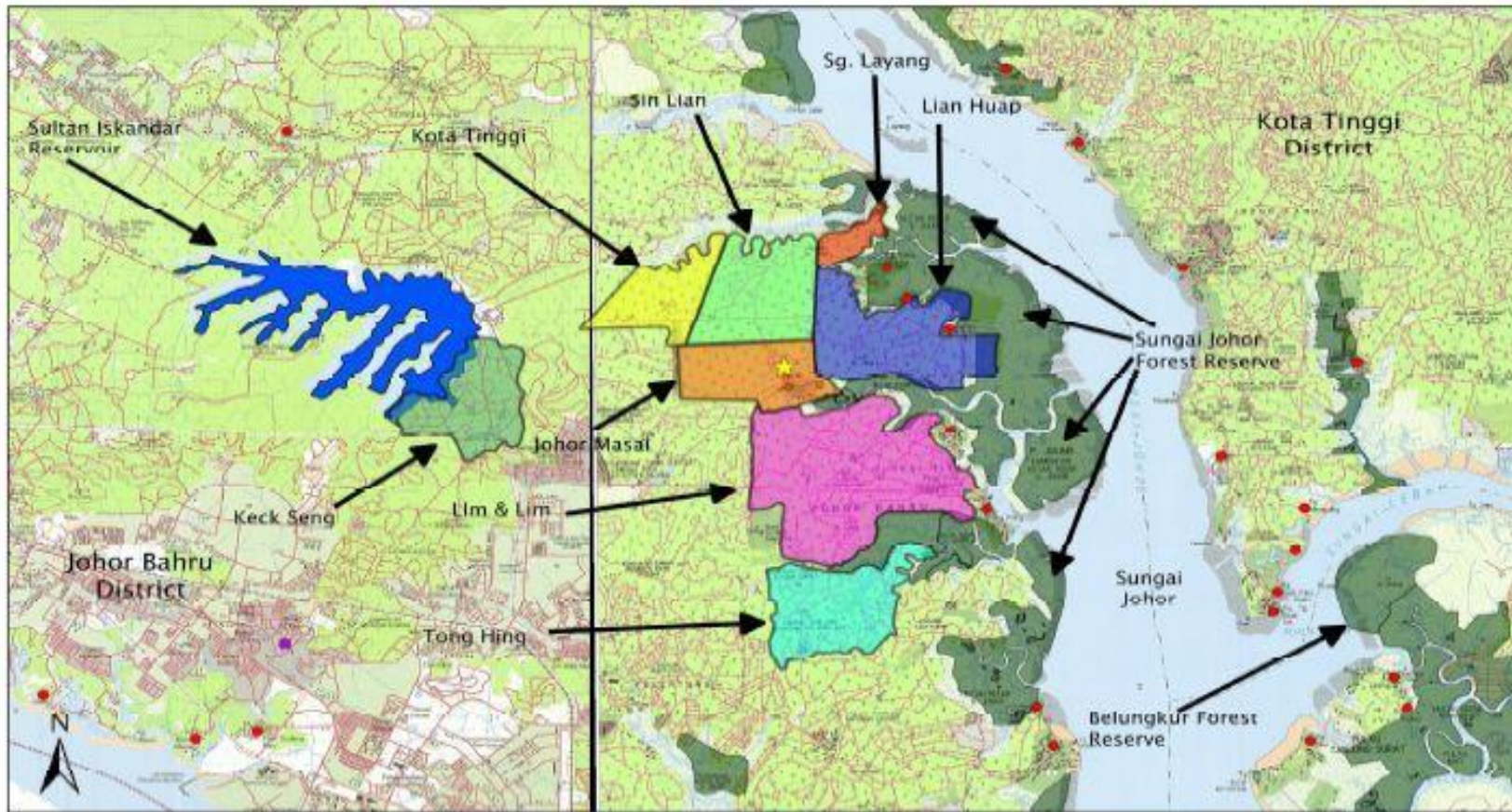
Mill/Supply Base	Latitude	Longitude
Masai Palm Oil Mill	N 01°32' 25.89"	E103°57'53.83"
Keck Seng Oil Palm Estate	N1°32'23.4"	E103° 54'86.3"
Tong Hing Estate	N1°29'45.0"	E103° 38'04.3"
Sungei Layang Estate	N1°34'18.9"	E103° 58'55.9"
Kota Tinggi Oil Palm Plantations Sdn. Bhd	N1°33'33.1"	E103° 56'7.52"
Sin Lian Oil Palm Plantations Sdn. Bhd.	N1°33'7.34"	E103° 57'39.5"
Lian Huap Oil Palm Plantations Sdn. Bhd.	N1°32'8.7"	E103° 57'5.20"
Johore (Masai) Plantations Sdn. Bhd.	N1°32'4.00"	E103° 57'8.26"
Lim & Lim Plantations Bhd.	N1°31'21.9"	E103° 59'39.2"

**Figure 1: Location Map for Masai Palm Oil Mill**

SGS services are rendered in accordance with the applicable SGS General Conditions of Service accessible at <http://www.sgs.com/en/Terms-and-Conditions.aspx>



Figure 2: Map for Supplying Estates and Mill location



Maps Of Keck Seng (M) Berhad, Plantation Division

#### 1.4 Description of Supply Base and Mill Processing Capacity

The FFB is sourced from **8 estates** which are directly managed by **Keck Seng (Malaysia) Berhad**. The budgeted crop yield from each estate is listed in **Table 2** below.

**Table 3** shows the processing data for Masai Palm Oil Mill .

**Table 2: Actual and Projected FFB from Supply Base (2015/2016)**

Estates	FFB (Tonnage)		
	Actual (2014)	Projected (2015)	Projected (2016)
Keck Seng Oil Palm Estate	7,112.48	6,890.15	6,950.00
Kota Tinggi Oil Palm Plantations Sdn. Bhd	6,133.41	6,156.14	6,250.00
Sin Lian Oil Palm Plantations Sdn. Bhd	8,542.29	7,985.42	8,900.00
Lian Huap Oil Palm Plantations Sdn. Bhd	11,247.98	11,034.90	12,200.00
Johore (Masai) Plantations Sdn. Bhd	9,154.68	9,737.54	10,050.00
Sungei Layang Estate	2170.13	2118.52	2100.00
Tong Hing Estate	10,775.88	10,772.95	12,128.00
Lim & Lim Plantations Bhd	11,195.38	10,846.17	9,418.00
Subtotal (own RSPO certified supply base)	<b>66,332.23</b>	<b>65,541.79</b>	<b>67,996.00</b>
<b>Certified FFB received from other RSPO certification scope</b>	0	0	0
Subtotal (other RSPO certified supply base)	0	0	0
<b>Total</b>	<b>66,332.23</b>	<b>65,541.79</b>	<b>67,996.00</b>

**Table 3: Actual and Projected Mill Processing Data**

Mill	Mill Production Figures (MT)					
	Actual (2014)		Projected (2015)		Estimate ( 2016 )	
	CPO	PK	CPO	PK	CPO	PK
RSPO certified production from own supplying estates	12,683.13	3,936.6	12,610.28	3,853.87	13,100	3,800
Total	12,683.13	3,936.6	12,610.28	3,853.87	13,100	3,800
	OER: 19.12 %	KER: 5.93 %	OER: 19.24%	KER: 5.88 %	OER: 19.25%	KER: 5.6%

### 1.5 Area of Plantation

The areas of supplying estates for this operating unit are listed in **Table 4**. Details of planted area (mature/immature), total land area, conservation, HCV and others are also listed.

**Table 4: Area Statement of the Supplying Estates**

Name of Estates	Mature	Immature	Conservation Area (Ha)	HCV Area (Ha)	Others	Total Titled Area (Ha)
Keck Seng Oil Palm Estate	332.34	0	14.97	0	4.10	351.41
Kota Tinggi Oil Palm Plantations Sdn. Bhd	250.79	0	1.88	0	2.02	254.69
Sin Lian Oil Palm Plantations Sdn. Bhd	350.46	0	0.00	0	5.25	355.71
Lian Huap Oil Palm Plantations Sdn. Bhd	449.39	0	8.62	0	6.81	464.82
Johore (Masai) Plantations Sdn. Bhd	375.65	0	6.18	0	22.84	404.67
Sungei		0		0		

Layang Estate	82.44		0.00		0.20	82.64
Tong Hing Estate	639.37	0	7.51	0	4.50	651.38
Lim & Lim Plantations Bhd	527.64	260.82	15.28	0	11.33	815.07
<b>Total</b>	<b>3,008.08</b>	<b>260.82</b>	<b>54.44</b>	<b>0</b>	<b>57.05</b>	<b>3,380.39</b>
Other: Include roads, linesite, bridges and any others facilities and amenities.						

### 1.6 Date of Planting and Cycle

The age profiles for all the estates are summarised in **Table 5** below.

**Table 5: Planting Age Profile for all Supply Base Estates**

Name of supplying estate	Planting Age (Ha)			
	Immature	age group >4 - 14 years	age group >14 - 25 years	age group >25 years
Keck Seng Oil Palm Estate	0	0	7.24	325.10
Kota Tinggi Oil Palm Plantations Sdn. Bhd	0	0	250.79	0
Sin Lian Oil Palm Plantations Sdn. Bhd	0	0	350.46	0
Lian Huap Oil Palm Plantations Sdn. Bhd	0	449.39	0	0
Johore (Masai) Plantations Sdn. Bhd	0	171.68	203.97	0
Sungei Layang Estate	0	82.44	0	0
Tong Hing Estate	0	0	20.20	619.17
Lim & Lim Plantations Bhd	260.82	350.87	2.62	174.15
<b>Total</b>	<b>260.82</b>	<b>1,054.38</b>	<b>835.28</b>	<b>1,118.42</b>

**1.7 Other Certification Held**

**Keck Seng Certification Unit** is also certified under **KOSHER, HALAL, HACCP, ISO9001:2008, GMP and MPOB: Code of Practice.**

## 1.8 Organizational Information and Contact Person

The company contact person details are as follows:

<b>Name:</b>	<b>Mr. Teo Aik Chong</b>
<b>Designation:</b>	Mill Manager
<b>Address:</b>	<b>Mill: Masai Palm Oil Mill</b> 9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia
<b>Contact No.:</b>	+607 255 1111
<b>Email address:</b>	<a href="mailto:teoac@keckseng.com">teoac@keckseng.com</a>

## 1.9 Time-bound Plan for Other Management Units

Keck Seng (Malaysia) Bhd is a member of RSPO and has been involved in the certification since 03/09/2008; the membership number with RSPO is RSPO is **2-0094-08-000-00**.

Keck Seng (Malaysia) Bhd owns and operates **1** mill and **8** oil palms estates, covering approximately **3,380.39** ha in Malaysia. As Keck Seng (Malaysia) Bhd has only one Management Unit, there is **no need to develop a time-bound plan**.

The SGS assessment team considers that Keck Seng (Malaysia) Bhd is on the right track which is reasonable and challenging, given the widespread geographic locations of its properties, the resources required and the numbers of smallholders involved.

## 2. ASSESSMENT PROCESS

### 2.1 Certification Body

SGS is the world's leading inspection, verification, testing and certification company. SGS is recognized as the global benchmark for quality and integrity. With more than 80,000 employees, SGS operates a network of over 1,800 offices and laboratories around the world.

The RSPO Programme is the SGS Group's RSPO Certification Programme internationally accredited by the **ASI** to carry out oil palm plantation and supply chain certification/verification and accreditation for global RSPO certification.

### 2.2 Assessment Methodology, Programme, Site Visits

The assessment was conducted in **3** audit days and involving **3** supply base estates and Masai Palm Oil Mill of Keck Seng (Malaysia) Bhd. The audit covers documentation review, internal procedures, management system, field inspection as well as identification of any significant issues for both environment or social issues. A sample of stakeholders was consulted during the assessment to get their feedback on the management doing.

The assessment was conducted based on random samples and therefore nonconformities may exist which have not been identified. The methodology for objective evidence collection included physical site inspection, observation of tasks and processes, interview with workers, families and stakeholders, documentation review and monitoring data.

The assessment program is included as shown in **Table 6** below.

**Table 6: Assessment Program**

Date	Location	Activities	
29/11/15 (Sunday)		Evening Flight KL – Senai	
30/11/2015 (Monday)	Masai Palm Oil Mill Office	Auditors travel to Masai Palm Oil Mill	
		Opening Meeting ( Keck Seng and SGS ) Presentation of Close CARs Audit scheduling	
		Mill Supply Chain - MB P& C <ul style="list-style-type: none"> <li>- Stakeholders and suppliers</li> <li>- Policies and monitoring</li> <li>- Compliance to Legal requirement</li> <li>- Budget and production</li> <li>- Management system &amp; SOP</li> <li>- 4.1.2 and 4.1.3</li> </ul> Environment <ul style="list-style-type: none"> <li>- Management of POME, EFB, RE</li> <li>- DOE compliances</li> <li>- Management of Waste and Plans</li> </ul> Social <ul style="list-style-type: none"> <li>- Policy and commitment</li> <li>- Worker pay, working Hours and o/time, night shift</li> <li>- ECC meeting</li> <li>- Interview FFB suppliers</li> </ul> Visit Palm Oil Mill, Methane Capture, Lab, POME, Waste Management, OSH & PPE, Housing	
		Lunch Break	
		'Continue document review P& C <ul style="list-style-type: none"> <li>- Good Milling Practices</li> <li>- OSH policy and Plan, HiRARC</li> <li>- PPE</li> <li>- Accident and OSH meetings</li> <li>- Audiometry test</li> <li>- Training (OSH and Operation )</li> </ul> Environment <ul style="list-style-type: none"> <li>- Management of POME , EFB, RE</li> <li>- DOE compliances</li> <li>- Management of Waste and Plans</li> </ul> Social <ul style="list-style-type: none"> <li>- Policy and commitment</li> <li>- Worker pay, working Hours and o/time , night shift</li> <li>- ECC meeting</li> <li>- Interview FFB suppliers</li> </ul> Continuos improvement plan	
		Presentation of Findings of Mill	
Travel back to Hotel			
1/12/2015 (Tuesday)	Kota Tinggi Estate Office	<b>Kota Tinggi Oil Palm Plantations Sdn. Bhd.</b>  -Field Opération – Spraying ,Manuring , Harvesting , PPE OSH , first aid kits etc -IPM & water management plan -Buffer zone / Riparian/ roads / erosion, GAP, HCV , No Hunting signages, Boundary stones -Zero-burning -Landfill & waste management	<b>Lian Huap Oil Palm Plantations Sdn. Bhd.</b>  Documentation and interview principle 6 <ul style="list-style-type: none"> <li>- SIA plans</li> <li>- response , request, complaints</li> <li>- Pay and condition</li> <li>- Contracts</li> <li>- Minimum wage</li> <li>- Contractors and commitment</li> <li>- Policies</li> <li>- Licences and permits</li> </ul>

			<ul style="list-style-type: none"> <li>- HA</li> <li>- Housing and Line site</li> <li>- review and monitoring records</li> </ul>
		Lunch Break	
		Document review – <ul style="list-style-type: none"> <li>-Waste disposal records SW, empty containers, recycling programme</li> <li>- Interview worker reps</li> </ul> Principle 4 - documentation and monitoring records , Census , <ul style="list-style-type: none"> <li>- Training on IPM</li> <li>- On chemical handling</li> <li>- OSH</li> <li>- Waste management</li> <li>-HiRARC, JKPP, Accident Insurance</li> </ul> Principle 5 <ul style="list-style-type: none"> <li>- Environmental plans</li> <li>- Waste management and Records</li> <li>-Housing and amenities</li> <li>- Water and electricity</li> </ul> Principle 6 <ul style="list-style-type: none"> <li>- Pay and condition</li> <li>- Contract</li> <li>- Interview</li> </ul>	as above  Principle 4 and 5
		Continuos improvement	
		Presentation of Findings of Estate 1	Presentation of Findings of Estate 2
		Travel back to Hotel	
2/12/2015 (Wednesday )	Kota Tinggi Estate Office	<b>Sungei Layang Estate</b>	
		<ul style="list-style-type: none"> <li>-Field Operation, Good Agricultural Practices, Interview workers, Environment &amp; --</li> <li>-Waste Management, replanting, PPEs,</li> <li>-Waste and Water Management</li> <li>-Storage facilities and Schedule waste</li> <li>-Documentation and monitoring records for all Principles 1-8</li> </ul>	
		Lunch	
		<ul style="list-style-type: none"> <li>-Document Review and Finalizing</li> <li>-Data updates, GHG, Continuos improvement plans</li> <li>-Preparation of Closing</li> <li>-Closing Meeting : Presentation of Finding summary and recommendation for Keck Seng (M) Bhd Certification Unit</li> <li>-Question &amp; Discussion</li> </ul>	
		Auditors leave for Senai Airport	

### 2.3 Qualification of Lead Assessor and Assessment Team

SGS Malaysia Sdn Bhd holds copies of educational qualifications, certificates and audit logs for each of the audit team members. SGS has evaluated the qualifications and experience of each audit team member and has registered the following designations for conducting RSPO Assessment. Summary of auditors' educational background and experience are listed in **Table 7** below.

**Table 7: Auditors Profile**

Evaluation Team	Notes
<b>Team Leader - GAP, OSH and</b>	James S H Ong, B. Agr. Sc is an agronomist by training. He has years experience in the agriculture sector in Malaysia having worked as Assistant



<b>Supply Chain</b>	Plantation Manager in a number of estates in Malaysia. He is well versed with agrochemical and fertiliser applications. Has undergone ISO 14000 and RSPO Lead Auditor training and has been involved in a number of audits on oil palm plantations since 2010.
<b>Auditor 1 – Legal Compliance, Environmental and Social</b>	William Siow, a graduate in Bachelor of Science, is an Auditor for Roundtable on Sustainable Palm Oil (RSPO). He has attended RSPO Lead Auditor training, ISO 14001 Lead Auditor training, RSPO endorsed HCV training, RSPO Supply Chain Lead Auditor training, certified mediator and etc. He had more than 6 years of experiences in plantation sustainability certification schemes. Experienced in auditing on environmental, social, GAP and OHSAS implementation in palm oil industries.
<b>Auditor 2 – Compliance, Environmental and Social</b>	Ms Hu Ning Shing is a trainee auditor for RSPO and MSPO certification schemes. She has attended RSPO Lead auditor & SCCS Lead Auditor training. She has number of years of experiences in conducting RSPO internal audit for plantation company.

## 2.4 Stakeholder Consultation and List of Stakeholders Contacted

This is **Annual Surveillance Assessment 03**, hence no stakeholder's consultation conducted prior to audit. However, some of the stakeholders met during the visit were interviewed and no issue has been raised regarding the performance of **Keck Seng Production Unit**. See **Appendix D** for stakeholder's details and comments.

## 3. ASSESSMENT FINDINGS

### 3.1 Summary of Findings

#### 3.1.1 Principles & Criteria

As outlined, objective evidence was obtained separately for each of the RSPO Indicators and criterion for the mills and estates. The results for each indicator from each of the operational areas were evaluated to provide an assessment of conformity. An evidence statement is provided for each of the RSPO indicators in order to support the findings of the assessment team.

There were **05 Major Non-conformities** and **03 Minor Non-conformities** identified during this assessment. Some areas identified with potential areas for improvement has led into **16 Observations** raised. Details for each Non-conformities and observations are given in **Appendix A**.

Major Non-conformities are required to be closed out within the period of 60 days after the assessment.

Minor Non-compliances and Observations will be followed up during the next Annual Surveillance Audit which is scheduled to be conducted within the period of twelve months after the RSPO approval of this Assessment.

<b>Principle 1: Commitment to Transparency</b>					
<b>Criterion 1.1:</b> Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.					
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.				<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:	
<b>Objective evidence:</b>	Keck Seng (Malaysia) Berhad has a website with the basic information of the company ( <a href="http://www.my.keckseng.com">www.my.keckseng.com</a> ). Annual report was viewed and the corporate social responsibility (CSR)				

	<p>issues were addressed at the levels of community and environment especially on biomass and biogas capture.</p> <p>In Keck Seng ( Malaysia ) Sdn Bhd, records of request are categorized under:</p> <p>a) Request for repairs (mainly requested by workers). the workers will use a form known as 'Request for civil/Mechanical/electrical '</p> <p>External stakeholder request and response correspondence are file under the 'General correspondence file. Most of the requests are mainly for donation to school, request for water for occasions by villages etc.</p>				
1.1.2	Records of requests for information and responses shall be maintained.				Major
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	Records of correspondence with stakeholders available in the email, letter and others type of grievances records. Refer 6.3.				
<b>Criterion 1.2:</b> Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.					
1.2.1	Land titles / user rights (C 2.2)				Major
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	Land titles for the estates are available upon request. The details of the land title describe at criterion 2.2.				
1.2.2	Occupational health and safety plans (Criterion 4.7);				Major
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	Refer to findings in 4.7.				
1.2.3	Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);				Major
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	Wild Asia has conducted the Environmental Impact Assessment for Keck Seng (M) Bhd. Keck Seng (M) Bhd generated an action plan of the EIA that included the impacts and mitigating measure taken by the management. The Mill Manager is the person in charge who reviewed the action plan annually. Details refer to criterion 5.1. The EIA and the action plan are published in the company's intranet. It is publicly available for those who has internet access or upon request.				
1.2.4	HCV documentation summary (Criteria 5.2 and 7.3);				Major
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	HCV assessment was carried out by Wild Asia on March 2012. The management has generated a management plan for the monitoring of HCV.  However, some of the recommendations by Wild Asia have not completed. Details refer to criterion 5.2.				
1.2.5	Pollution prevention and reduction plans (Criterion 5.6);				Major
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	<p>The mill and estates have developed a list of waste generated in the compound.</p> <p>Palm Oil Mill has generated a POM Waste and Pollution Management Plan with Doc. No. QM-W&amp;PMP-01 dated 20/08/2014, revision no. 02. The POM has identified the source of the pollutions, level of pollutions, mitigating measure, monitor and improvement.</p> <p>The Mill has fully utilized the resource such as decanter cake. Decanter cake is sent to estate land fields. Furthermore, boiler ash is sent to estate for the purpose of road repairing.</p> <p>Estate has generated a Waste management plan with Doc. No. EST-SOP-12 revision 03 dated 23/02/2015. However, there is no reduction plan for the estate. Details refer to criterion 5.6.</p>				
1.2.6	Details of complaints and grievances (Criterion 6.3);				Major
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>

<b>Objective evidence:</b>	Verification on Keck Seng's website evidenced that relevant the grievance procedures for boundary and social dispute is available. - Handling of Social Dispute RSPO-CRI-6.3.1A Rev 01 dated 03/11/2011 - Handling of Boundary Dispute RSPO-CRI-6.3.1B Rev 01 dated 03/11/2011 (bilingual) Complaints register was maintained; most of the record related to the workers housing/facilities repair or maintenance. Action found to be taken. Refer to findings and comments in 6.3.	
1.2.7	Negotiation procedures (Criterion 6.4);	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Verification on Keck Seng's website <a href="http://www.my.keckseng.com">www.my.keckseng.com</a> has evidence that relevant negotiation procedures placed under the compliant and Grievance procedure and are publicly available.	
1.2.8	Continual improvement plans (Criterion 8.1);	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Keck Seng (M) Bhd has developed a continual improvement plan 2015 and details refer to criterion 8.1.	
1.2.9	Public summary of certification assessment report;	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Public summary reports are publicly available in the Company website, RSPO website and operating units' offices.	
1.2.10	Human Rights Policy (Criterion 6.13)	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Human Right policy related statement clearly declared in the Company Social policy. Refer to 6.13.	
<b>Criterion 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.</b>		
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.	<i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Commitment on code of ethical conduct and integrity available in the Keck Seng code of conduct available in the office and website.	
<b>Principle 2: Compliance with Applicable Laws and Regulation</b>		
Criterion 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.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	The mill has obeyed the law requirement where they applied for the required licenses and permits as such: <ul style="list-style-type: none"> <li>• MPOB license: 500026504000 for 288,000MT which is valid from 09/11/2015 to 31/03/2016.</li> <li>• DOE Licence No: 001583 for Masai Palm Oil Mill where the validity is from 01/07/2015 to 30/06/2016. The type of effluent discharge is for land application and waterway. Following are the matters stated in the license: <ul style="list-style-type: none"> <li>○ Desludging must be carried out at least once a year. For year 2015, the ponds which carried out desludging were Pond 10A, Pond 10B and Pond 12.</li> <li>○ 70% of effluent discharge through waterway and 30% through land application from total effluent generated.</li> <li>○ Stack emission monitoring – Carried out by Spectrum Laboratories (Johore) Sdn. Bhd. On 29/05/2015. The dust emission load for Boiler No. 6 is 0.020 g/Nm<sup>3</sup>, dry @</li> </ul> </li> </ul>	

12% CO<sub>2</sub> which within the limit set in Clean Air Regulations 0.40 g/Nm<sup>3</sup>. SO<sub>x</sub> & NO<sub>x</sub> results were within the Malaysian Environment Quality (Clean Air) Regulations.

- Environmental Air Monitoring Conducted on 6-7/08/2015 to study the Total Suspended Particulate (TSP), Nitrogen Dioxide (NO<sub>2</sub>) and sulphur dioxide (SO<sub>2</sub>). Two points are tested and the results were well within the EQA Guideline. Results as such:

Parameter	Results		EQA Guideline
	Point A1	Point A2	
TSP (microgramme/m <sup>3</sup> )	45	69	260
NO <sub>2</sub> (ppm)	<0.001	<0.001	0.17
SO <sub>2</sub> (ppm)	<0.001	<0.001	0.04

- Calibration for the smoke density indicator and alarm – twice a year
- Measurement of ambient air – 4 times per year
- Noise monitoring – Carried out on 25/07/2014 by Industrial Safety Management Services. 4 points are selected for the assessment. The result for point N3 during night time is at average 59 dBA which is not within the specification (55 dBA). However, the management did not follow-up on this matter.**

#### OBSERVATION 01

- Diesel storage licence (No siri: J023305) valid from 02/09/2015 until 01/09/2016 for maximum quantity of 60,100 litres.
- Licence holder for Confined space – Mr. Teo Aik Chong and Mr. Teo Eng Seng have attended and passed Authorized Entrant and Standby Person and Authorized Gas Tester and Entry Supervisor courses. The validity is until 21/01/2017 for AESP and 26/02/2017 for AGT.

Permit for their Boilers, air receiver, air compressors and softener were sighted in the mill.

The estates have maintained a summary list of legal requirements that shall be obeyed by management. Below are sampled list of summary:

License	Estate	Validity Period	License No.
MPOB (Menjual dan Mengagih)	Kota Tinggi	01/04/2015 – 31/03/2016	501463-102000
	Lian Huap		501462-202000
	Sg. Layang		501465-702000
Fertilizer	Keck Seng	02/09/2015- 01/09/2016	PDNKK.J-JB/26/5A/11/52 (LBK)(P6)
	Gunung Pulai	23/06/2015- 22/06/2016	PDNKK.J-JB/26/5A/11/57 (LBK)(P7)
Diesel Storage	Keck Seng	26/05/2016	PDNKK.J-JB/26/5A/11/190 (P/D)(P7)
SPAN	Masai POM	26/08/2014- 25/08/2017	SPAN/EKS/(PT)/800- 4(1)/6/14

The management has applied License for Abstract water to Badan Kawalselia Air Johor (BAKAJ) but yet have any outcome. The management has follow-up with BAKAJ on 25/11/2014.

2.1.2	A documented system, which includes written information on legal requirements, shall be maintained.	<i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	The management has maintained a list of law & regulations in the company's intranet and all the employers have the opportunity to access the list. All the law and regulations hardcopy book are sighted in the estate's office. Mr. Leong, the mill administration will in charge of the update of any changes in the law and regulations.	
2.1.3	A mechanism for ensuring compliance shall be implemented.	<i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Mr. Nor Husaini is an officer to monitor and update any changes of law and regulations on monthly basis for estates. Besides, Mr. Leong from Mill will also keep updated the changes of law and regulations through the subscribed website.	

2.1.4	A system for tracking any changes in the law shall be implemented.	<i>Minor</i>																																																																
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																																																																	
<b>Objective evidence:</b>	The management has implemented a SOP for Compliance with applicable laws and regulations with Doc. No. RSPO-CRI-2.1.1 dated 02/04/2011. Keck Seng has engaged to <a href="http://www.lawnet.com">www.lawnet.com</a> for the tracking of any changes in the law and regulations. Mr. Leong from mill will monitor the changes of law and regulations. If there is any update, he will inform estate as well.																																																																	
<b>Criterion 2.2:</b> 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 (confirmation from community leaders based on history of customary land tenure, recognised Native Customary Right (NCR) land) and the actual legal use of the land shall be available.	<i>Major</i>																																																																
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																																																																	
<b>Objective evidence:</b>	Land titles are observed as following:																																																																	
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Estate</th> <th style="width: 15%;">Lot No.</th> <th style="width: 20%;">Land Title No.</th> <th style="width: 45%;">Remarks / Purpose</th> </tr> </thead> <tbody> <tr> <td rowspan="26" style="text-align: center; vertical-align: middle;">Sg. Layang</td> <td style="text-align: center;">6367(1449)</td> <td style="text-align: center;">HSD 214</td> <td rowspan="26" style="text-align: center; vertical-align: middle;">No any condition</td> </tr> <tr> <td style="text-align: center;">1457</td> <td style="text-align: center;">HSD 222</td> </tr> <tr> <td style="text-align: center;">6371(1442)</td> <td style="text-align: center;">207</td> </tr> <tr> <td style="text-align: center;">6370(1450)</td> <td style="text-align: center;">HSD 215</td> </tr> <tr> <td style="text-align: center;">1458</td> <td style="text-align: center;">HSD 223</td> </tr> <tr> <td style="text-align: center;">6373(1443)</td> <td style="text-align: center;">HSD 208</td> </tr> <tr> <td style="text-align: center;">6372(1451)</td> <td style="text-align: center;">HSD 216</td> </tr> <tr> <td style="text-align: center;">6374(1452)</td> <td style="text-align: center;">HSD 217</td> </tr> <tr> <td style="text-align: center;">6377(1445)</td> <td style="text-align: center;">HSD 210</td> </tr> <tr> <td style="text-align: center;">6375(1453)</td> <td style="text-align: center;">HSD 218</td> </tr> <tr> <td style="text-align: center;">6378(1446)</td> <td style="text-align: center;">HSD 211</td> </tr> <tr> <td style="text-align: center;">1454</td> <td style="text-align: center;">HSD 219</td> </tr> <tr> <td style="text-align: center;">1447</td> <td style="text-align: center;">HSD 212</td> </tr> <tr> <td style="text-align: center;">1455</td> <td style="text-align: center;">HSD 220</td> </tr> <tr> <td style="text-align: center;">1448</td> <td style="text-align: center;">HSD 213</td> </tr> <tr> <td style="text-align: center;">1456</td> <td style="text-align: center;">HSD 221</td> </tr> <tr> <td style="text-align: center;">1459</td> <td style="text-align: center;">HSD 224</td> </tr> <tr> <td style="text-align: center;">1460</td> <td style="text-align: center;">HSD 225</td> </tr> <tr> <td style="text-align: center;">1461</td> <td style="text-align: center;">HSD 226</td> </tr> <tr> <td style="text-align: center;">1462</td> <td style="text-align: center;">HSD 227</td> </tr> <tr> <td style="text-align: center;">1463</td> <td style="text-align: center;">HSD 228</td> </tr> <tr> <td style="text-align: center;">1464</td> <td style="text-align: center;">HSD 229</td> </tr> <tr> <td style="text-align: center;">1466</td> <td style="text-align: center;">HSD 231</td> </tr> <tr> <td style="text-align: center;">1465</td> <td style="text-align: center;">HSD 230</td> </tr> <tr> <td style="text-align: center;">1467</td> <td style="text-align: center;">HSD 232</td> </tr> <tr> <td style="text-align: center;">1468</td> <td style="text-align: center;">HSD 233</td> </tr> <tr> <td style="text-align: center;">1469</td> <td style="text-align: center;">HSD 234</td> </tr> <tr> <td style="text-align: center;">1432</td> <td style="text-align: center;">197</td> </tr> <tr> <td style="text-align: center;">1433</td> <td style="text-align: center;">198</td> </tr> </tbody> </table>	Estate	Lot No.	Land Title No.	Remarks / Purpose	Sg. Layang	6367(1449)	HSD 214	No any condition	1457	HSD 222	6371(1442)	207	6370(1450)	HSD 215	1458	HSD 223	6373(1443)	HSD 208	6372(1451)	HSD 216	6374(1452)	HSD 217	6377(1445)	HSD 210	6375(1453)	HSD 218	6378(1446)	HSD 211	1454	HSD 219	1447	HSD 212	1455	HSD 220	1448	HSD 213	1456	HSD 221	1459	HSD 224	1460	HSD 225	1461	HSD 226	1462	HSD 227	1463	HSD 228	1464	HSD 229	1466	HSD 231	1465	HSD 230	1467	HSD 232	1468	HSD 233	1469	HSD 234	1432	197	1433	198	
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		6387(1472)	HSD 237	
		6388(1473)	HSD 238	
		6389(1474)	HSD 239	
		6390(1475)	HSD 240	
		6391(1476)	HSD 241	
		6392(1477)	HSD 242	
		6393(1478)	HSD 243	
		1441	HSD 206	
		Kota Tinggi	MLO 236	HSD 4873
	Lian Hup	896	37098	Only for Oil Palm plantation
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.			
<i>Minor</i>				
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:
<b>Objective evidence:</b>	Boundary markers are sighted on the map where the demarcation is done by the legal surveyor, Juruukur Menara on 22/02/2012. During field visit, the boundaries markers sighted were marked with the red and white pole.			
2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC).			
<i>Minor</i>				
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:
<b>Objective evidence:</b>	The company does not have any land dispute with the local communities or smallholders. Keck Seng (M) Bhd has generated a SOP for Identification of Customary Land Rights & Compensation Procedure with Doc. No. RSPO-CRI-6.4.1 dated 28/02/2012.			
2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved.			
<i>Major</i>				
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:
<b>Objective evidence:</b>	Keck Seng has implemented a SOP on Handling of Boundary Dispute with Doc. No. RSPO-CRI-6.3.1B dated 03/11/2011. Currently, there are no claims on legal or customary rights happened for the estate.			
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighboring communities and relevant authorities where applicable).			
<i>Minor</i>				
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:
<b>Objective evidence:</b>	Currently, there are no land dispute cases and claims on legal or customary rights happened for the estate. However, the estate has maintained a boundary map with neighbouring villages.			
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.			
<i>Major</i>				
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:
<b>Objective</b>	Currently, there are no land dispute cases and claims on legal or customary rights happened for the estate.			

<b>evidence:</b>	
<b>Criterion 2.3:</b> Use of the land for oil palm does not diminish the legal, customary or users rights of other users without their free, prior and informed consent.	
2.3.1	Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighboring communities where applicable, and relevant authorities). <i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Keck Seng (M) Bhd has generated a SOP for Identification of Customary Land Rights & Compensation Procedure with Doc. No. RSPO-CRI-6.4.1 dated 28/02/2012. In the SOP, the procedures for acquisition of customary lands are as such: <ul style="list-style-type: none"> <li>• Seeking consensus through FPIC</li> <li>• Determining extend of claims and compensations</li> <li>• Agreement and compensation</li> <li>• Prevention of enclaves</li> </ul> From the assessment report from Wild Asia, there is no any land dispute cases sighted through interviewed with the stakeholders. Keck Seng (M) Bhd has also maintained a boundary map demarcate the boundary of neighbouring villages.
2.3.2	Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available. <i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Currently, there are no land dispute cases and claims on legal or customary rights happened for the estate. The management has taken the initiative to demarcate the boundary with red and white pole.
2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. <i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Currently, there are no land dispute cases and claims on legal or customary rights happened for the estate. The management has taken the initiative to demarcate the boundary with red and white pole.
2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. <i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Currently, there are no land dispute cases and claims on legal or customary rights happened for the estate. The management has taken the initiative to demarcate the boundary with red and white pole.

<b>Principle 3: Commitment to Long-Term Economic and Financial Viability</b>	
<b>Criterion 3.1:</b> A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.	
3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. <i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective</b>	Mill: Annual Budget for year 2015, 2016 & 2017 comprises maintenance, plant upgrading,

<b>evidence:</b>	environmental, power house, effluent treatment, PPE and etc. Estates budget for 2015, 2016 & 2017 covering general charges (including social and environment, welfare, medical), upkeep and cultivation, harvesting, loading, transporting, etc.		
3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.	<i>Minor</i>	
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	The annual replanting programme projected for a minimum 5 years with yearly review was also accessible from the 'Keck Seng Intranet Portal' under the section <i>Principle 3, Criterion 3.1 and 3.1.2</i> . Replanting program for the period of replanting from year 2015 to 2020 is available.		

<b>Principle 4: Use of Appropriate Best Practices by Growers and Millers</b>			
Criterion 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.	<i>Major</i>	
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	<p>Masai POM has the SOP for the stations documented in the Keck Seng (M) Bhd documentation Portal .</p> <p>It include the stations such as the following:</p> <ul style="list-style-type: none"> <li>a) SOP-PRO-10 Clarification</li> <li>b) SOP-PRO -09 Operations of the Kernel Plant recovery</li> <li>c) SOP-PRO-08 Depericarper</li> <li>d) SOP-PRO-07 Pressing Station</li> <li>e) SOP-PRO-06 Thresher</li> <li>f) SOP-PRO-05 Crane</li> <li>g) SOP-PRO-04 Steriliser</li> <li>h) SOP-PRO-03 Capstan</li> <li>i) SOP-PRO- 02 Loading Ramp</li> <li>j) SOP-PRO-01 Weighbridge &amp; FFB Grading</li> </ul> <p>At the Estate , the estate management is guided by the The <i>Keck Seng (Malaysia) Bhd Standard Operating Procedure</i>, which was updated on 2/8/2012.</p> <p>It includes the estate operations such as :</p> <ul style="list-style-type: none"> <li>a) Oil Palm Nursery EST-SOP-01</li> <li>b) Replanting EST-SOP-02</li> <li>c) Road , Drains , Bridges , Culverts EST-SOP-03</li> <li>d) Manuring EST-SOP-04</li> <li>e) Harvesting EST-SOP-05 )</li> <li>f) Pruning and Ablation EST-SOP-06</li> <li>g) Soil and conservation EST-SOP-07</li> <li>h) Justification of Chemical Use EST-SOP-08</li> <li>i) Weed Management EST-SOP-09</li> <li>j) IPM EST-SOP-10</li> <li>k) HiRARC EST-SOP-11</li> </ul>		



	l) Water Management EST-SOP-12 m) Waste Management EST-SOP-13			
4.1.2	A mechanism to check consistent implementation of procedures shall be in place.			<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No: <input type="checkbox"/>
<b>Objective evidence:</b>	The mill and the estate has checklist to check on the consistent implementation of procedures.  The mill has the daily shovel /bobcat checklist at the Process sand the Boiler Station that is done daily.  Monthly , each station will undergo a ‘ Monthly Station Checklist – Safety health & Occupational ‘ that checks on : a) Unsafe condition b) Unsafe Act c) Unsafe machine  The Press, Kernel Plant, Loading Ramp, Oil Room , engine , Boiler , workshop and Store checklist were sighted  The estate documents the implementation of procedures and operations of activities . These are conducted both daily as well as periodically e.g quarterly.			
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate.			<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No: <input type="checkbox"/>
<b>Objective evidence:</b>	Records of monitoring are recorded in the checklist and are maintained. In the estate, the records of monitoring that were sighted included: a) Quarterly Standard Operation procedure Agricultural Manual Checklist that include the various operation such as - Drainage - Roads - Manuring - Fertiliser Storage - Harvesting - Pruning - Ablation - Soil conservation - Weed management - IPM  b) Daily Inspection Tractor Keck Seng complex c) Vehicle tractor Inspection chit d) <i>Pemantauan Penggunaan alat Perlindungan diri ( PPE )</i>			
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB).			<i>Major</i>
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No: <input type="checkbox"/>
<b>Objective</b>	The mill has a list of the approved third party suppliers as well as direct non-sustainable suppliers.			

<b>evidence:</b>	<p>The mill records the origin of all 3<sup>rd</sup> party sourced Fresh fruit bunches.</p> <p>Contract with third party FFB suppliers were sighted .</p> <p>In the contract of Chop Soon Guan , under clause 8 state that both the supplier as well as the buyer have to comply to rules and regulation enforced by MPOB .</p>		
<b>Criterion 4.2:</b> Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	<p>There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs) are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible.</p>		<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<b>X</b>
<b>Objective evidence:</b>	<p>No: <input type="checkbox"/></p> <p>Evidence of Good agricultural practices is documented and records and evidence of implementation are recorded in their field operations as well as in their programme and costing records.</p> <p>Keck Seng will refer to the SOP Manuring EST-SOP-04 for Good Agricultural Practices in managing soil fertility.</p> <p>It provides the basic aim of manuring to supply palms with sufficient and balance nutrient to promote healthy, vegetative, sustained high yield and also build resistance to pest and disease.</p> <p>The standard is to ensure that;</p> <ol style="list-style-type: none"> <li>1) All palms should receive fertilizer</li> <li>2) A uniform application of recommended amount of fertiliser</li> <li>3) Fertilizer should always be spread as evenly as possible</li> <li>4) The circle should be clean prior to application</li> <li>5) Correct placement of fertilizer</li> </ol> <p>Manuring program will be drawn by the agronomist based on the leaf and soil analysis as well as field observation. The rainfall and crop pattern will be taken into account.</p> <p>During application, the mandore will be present as well as the field staff to oversee the operation to ensure correct implementation and application.</p> <p>The rates will be calibrated at the office / store prior to application.</p> <p>During the visit to Kota Tinggi, Block 4 where they were applying RP fertiliser, the 2 workers, Yanti and Sayaton were applying 2 bowls of RP equivalent to 1.5 kg as per recommendation. They were supervised by the mandore, Ishak</p> <p>The estate also refer to the SOP Soil and conservation EST-SOP-07 that has procedures to ensure the following:</p> <ol style="list-style-type: none"> <li>1) To maintain soil condition</li> <li>2) To avoid soil erosion</li> <li>3) To maintain and improve soil fertility</li> <li>4) To maintain soil moisture</li> <li>5) To maintain soil stability</li> <li>6) To prevent loss of top soil</li> </ol> <p>Field visit to Lian Huap , Kota Tinggi and Johor Masai show that the estate are practicing as per SOP.</p> <p>Spraying were confined to the circles as well as the control of problematic weeds like <i>Clidemia</i> sp. through selective spraying</p> <p>The palm area was generally well covered by soft grasses, broadleaves and some <i>Nephrolepis</i> ferns which help to avoid or minimize bare or exposed ground conditions within the estates inspected.</p> <p>Fronde are stack back into the inter-rows.</p> <p>SOP Road, Drains, Bridges, Culverts EST-SOP-03 is referred for roads and bridges. Along the</p>		

	road, silt traps are being dug to divert the water along the road to into the fields.																			
4.2.2	Records of fertiliser inputs shall be maintained.				Minor															
<b>Findings</b>	In compliance:	Yes:	X	No:																
<b>Objective evidence:</b>	<p>Records of fertilizer inputs applied and programme sighted.</p> <p>Annual fertilizer recommendations are reported by the consultant PSA Sdn Bhd. The report for 2015 is available as evidence , 'Agronomic Advisory Report and Fertilizer Recommendations for 2015 ' for</p> <ol style="list-style-type: none"> <li>1) Ladang Keck Seng Oil Palm</li> <li>2) Ladang Kong-Kong</li> <li>3) Ladang Tong Hing</li> <li>4) Ladang Gunung Pulai ( being converted to property development )</li> </ol> <p>Monitoring of fertilizer inputs through annual fertilizer recommendations is available .The applications for 2015 is delayed due to late delivery by supplier..</p> <p>During visit to Kota Tinggi Block 4 was doing their RP application @ 1.5 kg per palm. As per recommnedation</p> <p>Recommendation from agronomist / consultant</p> <table border="1"> <thead> <tr> <th>Kota Tinggi</th> <th>Recommendation</th> <th>Actual Amount applied</th> </tr> </thead> <tbody> <tr> <td>Feb</td> <td>MPOB F4 2.5 kg</td> <td>May 2.5 kg</td> </tr> <tr> <td>April</td> <td>MPOB F4 2.5 kg</td> <td>Oct 2.5 kg</td> </tr> <tr> <td>August</td> <td>RP 1.5 kg</td> <td>Nov-Dec : RP 1.5 kg</td> </tr> <tr> <td>October</td> <td>MPOB F4 2.5 kg</td> <td>Not applied yet</td> </tr> </tbody> </table> <p>Recommendation for 2016 is already available</p> <p>Records of the fertilizer applications are recorded in the 'Daily Progress Report' by the field conductor.</p> <p>Sample of records was sighted:</p> <ol style="list-style-type: none"> <li>a) Field : Block 4</li> <li>b) Ha: 19.02</li> <li>c) Date application : 24/10/15</li> <li>d) Rate: 2.5 kg</li> <li>e) Product: MPOB F4</li> <li>f) No. of Bags: 120bags x 50 kg</li> <li>g) No. of mandays: 6</li> <li>h) Cost per ha :RM222.84 / ha</li> </ol>					Kota Tinggi	Recommendation	Actual Amount applied	Feb	MPOB F4 2.5 kg	May 2.5 kg	April	MPOB F4 2.5 kg	Oct 2.5 kg	August	RP 1.5 kg	Nov-Dec : RP 1.5 kg	October	MPOB F4 2.5 kg	Not applied yet
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October	MPOB F4 2.5 kg	Not applied yet																		
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.				Minor															
<b>Findings</b>	In compliance:	Yes:	X	No:																
<b>Objective evidence:</b>	<p>Periodic leaf sampling and soil to monitor changes in nutrient status are sighted.</p> <p>The 2015 soil analysis result was sighted however the foliar analysis has yet to be sent to the estate for heir reference.</p> <p>In the 2014 foiliar analysis, parameters tested are, N, P, K, Mg, B for foiliar samples.</p>																			

	Parameters analysed for soil samples are: pH, K, Ca, Mg, CEC, Total P & avail P, Org C, N. The Org. C for the soils at Kota Tinggi Estate was recorded as 2.29 % in 2015 and 1.72% in 2014																	
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.	<i>Minor</i>																
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																	
<b>Objective evidence:</b>	<p>Nutrient recycling through the application of EFB, POME and other palm residue like decanter cake are implemented where applicable and application are recorded.</p> <p>Pruned fronds are placed back into the field.</p> <p>POME is piped to Lim &amp; Lim Estate for land application.</p> <p>In 2015, Kota Tinggi , Lian Huap and Sg Layang did not receive EFB from the mill as the EFB is being used as a renewable energy source in the mill .</p> <p>However they receive decanter cake. A doc. No: RSPO – CRI- 4.2.3 ( 4/11/11) has documented procedure for the application of Decanter Cake.</p> <p>Monthly records of Decanter cake transported and delivered to the various field are available .</p> <p>Ref: Decanter Cake application Record</p> <table border="1"> <thead> <tr> <th>MONTH</th> <th>KOTA TINGGI</th> <th>JOHORE MASAI</th> </tr> </thead> <tbody> <tr> <td>OCT 2015</td> <td>1014 MT</td> <td>-</td> </tr> <tr> <td>SEPT 2015</td> <td>915.97 MT</td> <td>-</td> </tr> <tr> <td>AUG 2015</td> <td>-</td> <td>908.4 MT</td> </tr> <tr> <td>JULY</td> <td></td> <td>878.12 MT</td> </tr> </tbody> </table> <p>Mesocarp fibre and shell are also used in the mill as renewable energy.</p>		MONTH	KOTA TINGGI	JOHORE MASAI	OCT 2015	1014 MT	-	SEPT 2015	915.97 MT	-	AUG 2015	-	908.4 MT	JULY		878.12 MT	
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<b>Criterion 4.3:</b> Practices minimize and control erosion and degradation of soils.																		
4.3.1	Maps of any fragile/marginal soils shall be available.	<i>Major</i>																
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																	
<b>Objective evidence:</b>	<p>Basic soil map and its series were sighted.</p> <table border="1"> <thead> <tr> <th></th> <th>Kota Tinggi</th> <th>Sg Layang</th> <th>Lian Huap</th> </tr> </thead> <tbody> <tr> <td>Rengam</td> <td>x</td> <td>x</td> <td>x</td> </tr> <tr> <td>Batu anam</td> <td>x</td> <td>-</td> <td>-</td> </tr> <tr> <td>Local alluvium</td> <td>x</td> <td>x</td> <td>x</td> </tr> </tbody> </table> <p>Survey maps of scale 1:6000 and 1:7500 were sighted.</p>			Kota Tinggi	Sg Layang	Lian Huap	Rengam	x	x	x	Batu anam	x	-	-	Local alluvium	x	x	x
	Kota Tinggi	Sg Layang	Lian Huap															
Rengam	x	x	x															
Batu anam	x	-	-															
Local alluvium	x	x	x															
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.	<i>Minor</i>																
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>																	
<b>Objective evidence:</b>	<p>The Estate will refer to the SOP Replanting for the management strategy for planting on slopes.</p> <p>On slopes, the estate will refer to the specific section: B07- Terrace and Platform Construction for planting on slopes.</p> <p>A Slope and River Protection Policy that Keck Seng is committed to</p> <p>1) Slope Protection - that ensures that estate land &gt; 25° is to be reserved and to be left unplanted, slope &lt; 25° is to be conserved accordingly. To maintain soil condition and</p>																	

	<p>avoid soil erosion , soil moisture and soil stability</p> <p>2) Buffer zone – to be implemented in line with Jabatan <i>Pengairan dan saliran</i> ( JPS ) policy and guideline.</p> <p><b>However the estate does not have slope/ topography maps that identifies steep areas not suitable for planting</b></p> <p><b>Minor 17</b></p>													
4.3.3	A road maintenance programme shall be in place.	<i>Minor</i>												
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>													
<b>Objective evidence:</b>	<p>Road maintenance programme is recorded in their budget-expenditure file</p> <table border="1"> <thead> <tr> <th>Kota Tinggi</th> <th>Estimate 2015 ( RM )</th> <th>Actual till Oct 2015 ( RM )</th> </tr> </thead> <tbody> <tr> <td>Road</td> <td>23,000</td> <td>14,000</td> </tr> <tr> <th>Lian Huap</th> <th>Estimate 2015 ( RM )</th> <th>Actual till Oct 2015 ( RM )</th> </tr> <tr> <td>Road</td> <td>34,000</td> <td>19,000</td> </tr> </tbody> </table> <p>Amount used is monitored in the monthly expenditure analysis</p>	Kota Tinggi	Estimate 2015 ( RM )	Actual till Oct 2015 ( RM )	Road	23,000	14,000	Lian Huap	Estimate 2015 ( RM )	Actual till Oct 2015 ( RM )	Road	34,000	19,000	
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Road	23,000	14,000												
Lian Huap	Estimate 2015 ( RM )	Actual till Oct 2015 ( RM )												
Road	34,000	19,000												
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place.	<i>Major</i>												
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>													
<b>Objective evidence:</b>	There are no peat soils recorded and identified in all Keck Seng Oil Palm Estates													
4.3.5	Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.	<i>Minor</i>												
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>													
<b>Objective evidence:</b>	There are no peat soils recorded and identified in all Keck Seng Oil Palm Estates.													
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils).	<i>Minor</i>												
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>													
<b>Objective evidence:</b>	Based on the soil report, there are no peat soils in Keck Seng Oil Palm Estate. Similar no other problematic soils such as acid sulphates.													
<b>Criterion 4.4: Practices maintain the quality and availability of surface and ground water.</b>														
4.4.1	An implemented water management plan shall be in place.	<i>Minor</i>												
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>													
<b>Objective evidence:</b>	<p>The Mill water management plan is sighted under the topic: Doc No: QM-WM-01 ( 25/1/15 ) Water Management Policy and Objectives .</p> <p>It include:</p> <ol style="list-style-type: none"> <li>Introduction</li> <li>Water Treatment Process Flowchart</li> <li>Water Management Policy – committed to supply safe drinking water for domestic usage and safe treated water that meets process requirement by effectively monitoring and managing the water resources'</li> <li>Quality Objectives</li> </ol> <p>Water is sourced from their reservoir /water catchment pond located at Johore Masai Block F4 or when in drought season, local authority source piped water from SAJ (<i>Suruhan Air Johor</i>).</p>													

	<p>The water from the reservoir / pod is pumped to the water treatment station before distributing to the mill and to the labour quarters.</p> <p>The mill is providing the treated water.</p> <p>Record of treated water analysis result done at Lotus Laboratory Services (M) Sdn Bhd dated 25/5/15 was sighted. Ref: LS/W/D9004/15.</p> <p><b>The result show that it complies to the Standard for Water, 25<sup>th</sup> A Schedule ( subregulation 394(1) ) except for the issue of turbidity which was recorded at 7.7 NTU versus the standard of 2 NTU</b></p> <p><b>OBSERVATION 02</b></p> <p>The estate water management plan is sighted under the topic: Doc No: EST-SOP-11 ( 1/1/15 ) Water Management Policy and Objectives .</p> <p>It include:</p> <ol style="list-style-type: none"> <li>1) Introduction</li> <li>2) Water Management Flowchart</li> <li>3) Water Management Policy – committed to supply safe drinking water for domestic usage and safe treated water that meets process requirement by effectively monitoring and managing the water resources’</li> <li>4) Quality Objectives</li> </ol> <p>Records of water usage for domestic use are being monitored by the Mill and were available.</p>			
4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.			<i>Major</i>
<b>Findings</b>	In compliance:	Yes:	No:	<input checked="" type="checkbox"/>
<b>Objective evidence:</b>	<p>The estates has maps that identifies water reservoirs, water courses ( River Sg Serai ) and other wetland / mangrove which are infact outside their estate boundary .</p> <p>In the WildAsia SEIA dated april 23., 2012, it was reported in pg 26 that there ‘ are 3 gazetted Forest Reserve( FR) protecting mangrove in the Keck Seng landscape : Sg Johor FR, Sg Liebam FR and Belungkor FR.</p> <p>Keck Seng Estates ( Lian Huap ) has erected HCV 1 signages to identify as well as to maintain the riverine mangrove.</p> <p>A Slope and River Protection Policy that Keck Seng is committed to</p> <ol style="list-style-type: none"> <li>1) Slope Protection - that ensures that estate land &gt; 25° is to be reserved and to be left unplanted , slope &lt; 25° is to be conserved accordingly . To maintain soil condition and avoid soil erosion. To maintain soil moisture and soil stability</li> <li>2) Buffer zone – to be implemented in line with Jabatan <i>Pengairan dan saliran</i> ( JPS ) policy and guideline.</li> </ol> <p>The estate ensures that no activity like spraying or manuring are conducted within the area.</p> <p>Interview with the manurers Yanti and Sayaton as well as the mandore , Ishak show that they are aware of the buffer-zone</p> <p><b>However it was found that the bufferzone between the river and the Estate boundary along the Sg Serai has been intruded by local ‘orang kampong ‘.</b></p> <p>According to the Social Officer, En Rosli there was nothing much the estate is able to do as these <i>orang kampong</i> are building their houses outside their boundary and the local forestry authorities are not doing anything.</p> <p><b>However the estate has not follow up with the local authorities to address the intrusion/</b></p>			

	<p><b>encroachment.</b></p> <p><b>Interview with the spray operators at Johor Masai , Umar and Habib , showed that they are aware that the marked buffer-zone should not be sprayed however during field visit , the marked buffer-zone along the stream at Block 2-4 was sighted to be circled-sprayed .</b></p> <p><b>MAJOR 18</b></p>																							
4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations (Criteria 2.1 and 5.6).			Minor																				
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<b>Objective evidence:</b>	<p>Masai Palm Oil Mill received the DOE Licence 001583 for the period till 30/6/16</p> <p>The licence stated that the maximum processing capacity is 60 TPH and the mode of effluent discharge is a) Alurair (<i>Pengairan Ladang</i>) and b) <i>atas tanah</i></p> <p>MPOM wastewater is treated in a series of ponds with a total hydraulic retention time of 141 days</p> <p>The layout and sectional view of effluent treatment was sighted</p> <p>Ref:</p> <table border="1"> <thead> <tr> <th>Name of Pond</th> <th>No. of ponds</th> </tr> </thead> <tbody> <tr> <td>De-Oiling Pond</td> <td>1 unit</td> </tr> <tr> <td>Acidification Pond</td> <td>1</td> </tr> <tr> <td>Anaerobic digester Tank</td> <td>5 units</td> </tr> <tr> <td>Anaerobic Pond</td> <td>4</td> </tr> <tr> <td>Facultative Pond</td> <td>2</td> </tr> <tr> <td>Aerobic Pond</td> <td>6</td> </tr> </tbody> </table> <p>The final discharge is after the aerobic ponds to land irrigation : river at a ratio of 70:30 as per DOE requirement Section 3.2</p> <p>The oil mill monitors the disposal of POME to Land irrigation/<i>Pengairan Ladang</i> on a monthly basis.</p> <p>Belkown are the DOE requirement for the final discharge.</p> <ul style="list-style-type: none"> <li>• BOD 100mg/l</li> <li>• O&amp;G 50 mg/l</li> <li>• SS/<i>Pepejal</i> &lt; 400 mg/l</li> <li>• Am-N &lt;150 mg/l</li> <li>• Total N 200 mg/l</li> <li>• pH &lt;9 &gt;5</li> <li>• temp &lt; 45°C</li> </ul> <p>The mill has complied with the required regulations by submitting its report to DOE on a quarterly basis.</p> <p>The BOD analysis is done 'in-house' as the mill chemist, Ms Fang Ying Hui , is a certified chemist</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>BOD reading mg/l</th> </tr> </thead> <tbody> <tr> <td>3<sup>rd</sup> quarter ( Jul – Sept 2015 )</td> <td>79.0, 89.0, 97.0</td> </tr> <tr> <td>2<sup>nd</sup> Quarter ( ( Apr – Jun 2015</td> <td>80.0, 86.0, 77.0</td> </tr> </tbody> </table>				Name of Pond	No. of ponds	De-Oiling Pond	1 unit	Acidification Pond	1	Anaerobic digester Tank	5 units	Anaerobic Pond	4	Facultative Pond	2	Aerobic Pond	6	Quarter	BOD reading mg/l	3 <sup>rd</sup> quarter ( Jul – Sept 2015 )	79.0, 89.0, 97.0	2 <sup>nd</sup> Quarter ( ( Apr – Jun 2015	80.0, 86.0, 77.0
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<b>Criterion 4.5:</b> 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.	<i>Major</i>																																																																						
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> <b>X</b> No: <input type="checkbox"/>																																																																							
<b>Objective evidence:</b>	<p>The IPM system is documented in the SOP Doc. No: EST-SOP-10 Integrated Pest Management. It includes the following section:</p> <ol style="list-style-type: none"> <li>1) IPM Strategies that include <ul style="list-style-type: none"> <li>- Prevention – Habitat Management</li> <li>- Observation – Monitoring of pest/census and early detection</li> <li>- Control measure – Physical, biological and chemical</li> </ul> </li> <li>2) Frequency</li> <li>3) Timing</li> </ol> <p>In Table 1, it list the IPM strategy for the various common pest ( leaf eaters, Oryctes and rat ) that include:</p> <ul style="list-style-type: none"> <li>- Monitoring of pest</li> <li>- Economic threshold</li> <li>- Precise targeting of chemical</li> <li>- Biological control</li> <li>- Physical control</li> <li>- Cultural practices</li> </ul> <p>The SOP also has more details of IPM strategies for the individual pest such as:</p>																																																																							



	<p>a) Leaf Eaters : Detection and Enumeration/Census procedures, thresholds, frequency , timing, task and records</p> <p>b) Oryctes control : chemical control, procedures, frequency and timing</p> <p>c) Rat control : chemical control through baiting , procedures, census, frequency timing, task and records</p> <p>d) Rat control : Biological control Using Barn Owl – procedure, Frequency, Timing, Task and records</p> <p>e) Other Insects: Chemical control</p> <p>f) Other mammal Pest in an Oil Palm Plantation</p> <p>g) Beneficial Plants – Planting Procedures</p> <p>The SOP also include the lifecycle of the pest , the different type /species of the pest</p>																							
4.5.2	Training of those involved in IPM implementation shall be demonstrated.			<i>Minor</i>																				
<b>Findings</b>	In compliance:	Yes:	No:																					
<b>Objective evidence:</b>	<p><b>No training were conducted for those involved in IPM implementation as the estate did not have any pest outbreaks</b></p> <p><b>OBSERVATION 03</b></p>																							
<b>Criterion 4.6:</b> 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.			<i>Major</i>																				
<b>Findings</b>	In compliance:	Yes:	No:																					
<b>Objective evidence:</b>	<p>The doc No: EST-SOP-08 documents the : Justification of Chemical Use</p> <p>It documents the use of the various pesticide used and its mode of action</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Insecticide</th> <th style="text-align: center;">Fungicide</th> <th style="text-align: center;">Weedicide /Herbicide</th> </tr> </thead> <tbody> <tr> <td rowspan="3" style="text-align: center; vertical-align: middle;">Mode of action</td> <td style="text-align: center;">systemic</td> <td style="text-align: center;">systemic</td> <td style="text-align: center;">translocated</td> </tr> <tr> <td style="text-align: center;">contact and stomach poison</td> <td style="text-align: center;">non-systemic</td> <td style="text-align: center;">contact</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">use of adjuvant</td> </tr> </tbody> </table> <p>The SOP also documents ( e.g in Table 13 ) the weed situation, active ingredient , chemical brand , product rate / ha as well as the CKS dosage / 18 lit ( based on 450 lit / ha )</p> <p>The SOP also documents the type of spraying e.g circle or selective and the procedures ( e.g intervals / spray rounds ) for the operation to be carried out in both the immature as well as the mature.</p> <p>It also provides the estimated task per manday such as :</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Task</th> <th style="text-align: center;">ha / manday</th> </tr> </thead> <tbody> <tr> <td>Palm circles</td> <td style="text-align: center;">2.5</td> </tr> <tr> <td>Selective Spraying</td> <td style="text-align: center;">2.5</td> </tr> </tbody> </table> <p>Table 17: tabulates the common pest and diseases and the active ingredient , chemical brand name and the product rate for the control</p> <p>The justification of the use of rat baits were found added to the Table 17 in the Agrochemical file</p> <p><b>However , the document was not updated to include the use of some of the products used</b></p>					Insecticide	Fungicide	Weedicide /Herbicide	Mode of action	systemic	systemic	translocated	contact and stomach poison	non-systemic	contact			use of adjuvant	Task	ha / manday	Palm circles	2.5	Selective Spraying	2.5
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	<p>in the estate such as :</p> <p>a) Roundup Rainguard 48% glyphosate</p> <p>b) Suction</p> <p>c) Resigen - for fogging</p> <p>Dosage recommendation for the use of chemical based on low volume using CDA was also lacking</p> <p>In addition the appropriate MSDS for the products Hamine and Roundup Rainguard were not available.</p> <p><b>OBSERVATION 04</b></p>																						
4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided.	Major																					
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																						
<b>Objective evidence:</b>	<p>Monitoring of each pesticide usage units per ton crop e.g. total quantity of active ingredients (a.i) used/tonne of FFB is recorded in the ' annual record for herbicide usage of Keck Seng Oil Palm Estate ' file</p> <p>In the record , annual record of each pesticide use is available since 2010 – 2015</p> <p>e.g sighted for KSOPE</p> <table border="1"> <thead> <tr> <th>Chemical/Year</th> <th>2010</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>Roundup Transorb (L/MT)</td> <td>0.000</td> <td>0.000</td> <td>0.0122</td> <td>0.0251</td> <td>0.000</td> <td>0.00</td> </tr> <tr> <td>Roundup Rainguard (L/MT)</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.0300</td> <td>0.0381</td> </tr> </tbody> </table> <p>However records of amount of active ingredients pesticide used per ha as required has not been included in their records.</p> <p><b>OBSERVATION 05</b></p> <p>Records of pesticide usage and costing book of the various operation for weeding in Sg Layang</p> <p>a) Field : Sg Layang Field 1</p> <p>b) Ha: 82.44</p> <p>c) Date of application : June 2015</p> <p>d) Chemical use: Roundup rainguard+ surfactant</p> <p>e) Rate : 0.49 lit + 0.016 lit / ha</p> <p>f) Equipment: CDA , 25 lit per ha</p> <p>g) Type of spray: Circle and platform</p> <p>h) No.mandays: 13</p> <p>i) Cost / ha : RM 20.24</p> <p>j) Problem: <i>Asystasia</i> , <i>Hedyotis</i> , <i>Eleusine sp.</i> , <i>soft grasses</i></p>	Chemical/Year	2010	2011	2012	2013	2014	2015	Roundup Transorb (L/MT)	0.000	0.000	0.0122	0.0251	0.000	0.00	Roundup Rainguard (L/MT)	0.000	0.000	0.000	0.000	0.0300	0.0381	
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4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in industry's Best Practice.	Major																					
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>																						
<b>Objective evidence:</b>	<p>The company has implemented the IPM plan for the pest and disease.</p> <p>a) Census</p> <p>b) Monitoring</p> <p>c) Biological control</p>																						

	<p>d) Chemical control</p> <p>e) Census</p> <p>The estate has maps and census records for the barn owl boxes and its occupancy . This census is done every 6 months. In the latest census the following were recorded</p>																																					
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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).</p>	<i>Minor</i>																																				
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<b>Objective evidence:</b>	<p>Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, except in specific situations identified in industry's Best Practice.</p> <p>From the store visit at Keck Seng Oil Plam Estate central store, the Class 1b chemical still found under lock and key is Laser 600: active ingredient methamidophos 60%. This is used during leaf eating insect outbreak on tall palms 4 years ago.</p> <p>Paraquat herbicide is no longer used.</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 observed, applied, and understood by workers (see Criterion 4.7).</p>	<i>Major</i>																																				
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In compliance:	Yes:	<b>X</b>	No:																																			
<b>Objective evidence:</b>	<p>Chemicals/pesticides use and handling are documented in the SOP. The SOP are related to the type of field operation. For the handling and the use of herbicides, the SOP for weeding is referred.</p> <p>Annually, the estate will prepare a training plan for the various operations. In their training file, training records for workers who attended the training are documented .Pesticides are only handled, used or applied only by spray operators who have completed the necessary training.</p> <p>The training is conducted in Bahasa Malaysia understood by the workers. For new workers, a translator is often used to explain in the workers' mother – tongue.</p> <p>Interview with spray operators show that the workers involved in chemical handling or application are able to demonstrate understanding of the hazards and risks related to chemicals used.</p> <p>PPE are used appropriately according to recommendations and operations are risk assessed ( see 4.7 ) . The PPE is provided and used, and will be replaced if damaged.</p> <p>Pesticides will be applied in accordance with the product label and adjustment will be made based on the spray volume used for the operation.</p>																																					

	<p>MSDS for pesticides used are sighted at the store, readily available for easy reference.</p> <p>Equipment used is ensured that they are in good working condition prior to application in the morning.</p> <p>During the supervising rounds, the staff or mandore will ensure that the workers are using the PPE and equipment in a safe manner.</p> <p>Training conducted for person handling or applying chemicals were sighted</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Date</th> <th style="width: 50%;">Topic</th> <th style="width: 35%;">Details</th> </tr> </thead> <tbody> <tr> <td>14/8/15</td> <td>Prosedure kerja Selamat ( Penyembur Racun Rumpai )</td> <td>11 workers from LH, SL and KT</td> </tr> </tbody> </table>				Date	Topic	Details	14/8/15	Prosedure kerja Selamat ( Penyembur Racun Rumpai )	11 workers from LH, SL and KT
Date	Topic	Details								
14/8/15	Prosedure kerja Selamat ( Penyembur Racun Rumpai )	11 workers from LH, SL and KT								
4.6.6	<p>Storage of all pesticides shall be according to recognized best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). 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 Regulations.</p>			<i>Major</i>						
<b>Findings</b>	In compliance:	Yes:	No:							
<b>Objective evidence:</b>	<p>Vsist to the Keck Seng Oil Palm Estate Central store found that the store was:</p> <ul style="list-style-type: none"> <li>a) Concrete , sound roofing ad the door was kept lock and key</li> <li>b) Ventilation was functional, charcoal was use to absorb smell</li> <li>c) Both natural and artificial light was available</li> <li>d) Hazard signages were posted on the front of the store</li> <li>e) A working emergency shower just beside the store</li> <li>f) Proper shelving and stacking</li> <li>g) Allocation of sections based on the estates</li> <li>h) Spill kit using absorbent material such sand and saw dust sighted</li> </ul> <p>The estate has also allocated a pre-mixing site where bunding and a source of water were available. Measuring jugs and funnels were also sighted. The estate has also re-labelled the 20 lit chemical containers to be used as pre-mix solution for their spray activity.</p> <p>All empty containers stored in the empty container shed were found to be triple rinsed.</p> <p><b>However at the contractor site, it was seen that some of the empty chemical container used as diesel storage container were not relabelled.</b></p> <p><b>On the tractor, there were some re-used as some of the loose-fruit scraper made from cut-out 'green' chemical containers were sighted .</b></p> <p><b>OBSERVATION 06</b></p>									
4.6.7	<p>Application of pesticides shall be by proven methods that minimise risk and impacts.</p>			<i>Minor</i>						
<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:						
<b>Objective evidence:</b>	<p>Work instruction on pesticide usage is documented in the SOP.</p> <p>During muster, checks will be made to ensure that the spray operators are wearing the appropriate PPE and their equipment are checked prior to its use.</p> <p>Training for spray operators are done regularly as found recorded in their training program/plan.</p> <p>Spray equipment used are normally standard equipment used in the plantation industry and any new equipment , nozzles or method implemented will undergo a trail basis prior to actual usage in the estate.</p>									

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.	<i>Major</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Not applicable as there are no aerial spraying conducted.	
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. (see Criterion 4.8).	<i>Minor</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Records of their training are found in the training file. Keck Seng Oil Palm estate does not have any associated smallholders within their programme.	
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3).	<i>Minor</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	SOP on waste Management is found in Doc. No: EST-SOP-13 that include: <ul style="list-style-type: none"> <li>1) Introduction</li> <li>2) Policy statement on waste Management</li> <li>3) Aim</li> <li>4) Objectives</li> <li>5) Waste Definition and classification</li> <li>6) Identification , Description and Storage of Segregated waste</li> <li>7) Labelling of Scheduled Waste</li> <li>8) Collection of Waste and Transport</li> <li>9) Treatment and disposal of Waste</li> <li>10) Waste management accident and incidents</li> <li>11) Responsibilities</li> <li>12) Waste management training</li> </ul>	
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.	<i>Major</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	Annual medical surveillance by the Occupational Health Doctor, Dr Peter Rajaram , DOSH Reg No. HQ/08/DOC/00/567 conducted medical surveillance on 10//07/15 for 5 spray operators / employees were certified 'FIT to Work' .  Occupational Medical surveillance programme Record Book of pesticide sprayers were viewed. The following medical surveillance done in July 2015 of the following sprayers were sighted. <ul style="list-style-type: none"> <li>a) Rendi ( resigned )</li> <li>b) Marni -</li> <li>c) Asnawati</li> <li>d) Akhirudin</li> <li>e) Jumadi – Fogging</li> </ul> Cholinesterase test were also conducted for the workers  In the field interview at Johor Masai Block 2 with spray operators, Mr Umar and Habib, since they were least than 1 year, their medical surveillance will be conducted after a year.	

4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p><b>Although the management will ensure that no work with pesticide will be undertaken by pregnant or breast-feeding women however there is no programme to ensure that the female workers have been declared medically fit for work by the hospital assistant.</b></p> <p><b>OBSERVATION 07</b></p>	
Criterion 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 its effectiveness monitored.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>	
<b>Objective evidence:</b>	<p>The revised OSH Policy for mill available in several language (English, Bahasa, Myanmar and Nepal)</p> <p>OSH Policy for mill available in several language (English, Bahasa, Myanmar and Nepal)          – Occupational Safety &amp; Health Policy <i>or Polisi Keselamatan dan Kesihatan</i> ( 04/08/2015          – Revision: 05) signed by Mr. TN Chua, General Manager for mill</p> <p>OSH Policy for estates – Occupational Safety &amp; Health Policy <i>or Polisi Keselamatan dan Kesihatan</i> (14/09/15) signed by James Ho, General Manager. The Estate Safety policy is in both Bahasa Malaysia and in English.          The Estate Safety &amp; Health Policy state that :</p> <ol style="list-style-type: none"> <li>1) Establish and maintain a work place environment that is healthy and safe</li> <li>2) Establish and maintain a safety and health management system</li> <li>3) Establish and maintain SOP and system and to ensure that appropriate safety equipemtn is sufficient at all time</li> <li>4) Promoting awareness through training, information , notification and education in preventing and addressing workplace hazard</li> <li>5) Conduct and disseminate information on safety and health and provide guidance related to occupational aspects</li> <li>6) Review policy, program and safety and health plans in keck Seng as process improvement</li> </ol> <p>The estate has the annual and periodic safety training for each of the operation .</p> <p><b>Although they have a OSHA file that files the policy, Org chart, Safety Meetings, OSH visit , accident records, annual submission to JKPP , however a Safety &amp; Health Plan that include targets , implementation, monitoring and action plan and review was not available .</b></p> <p><b>MAJOR 19</b></p>	
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.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>	
<b>Objective evidence:</b>	<p>Risk assessments been conducted for all operations where health and safety is an issue.</p> <ol style="list-style-type: none"> <li>1.POM-HIRARC-01-(FFB Grading)</li> <li>2.POM-HIRARC-02-(Loading Ramp)</li> <li>3.POM-HIRARC-03-(Casptan Operation)</li> <li>4.POM-HIRARC-04-(Sterilization Operation)</li> <li>5.POM-HIRARC-05-(Crane Operation)</li> <li>6.POM-HIRARC-06-(Threshing &amp; Press Station Operation)</li> <li>7.POM-HIRARC-07-(Kernel Plant Operation)</li> <li>8.POM-HIRARC-08-(Kernel Crushing Plant Operation)</li> <li>9.POM-HIRARC-09-(Oil Room Operation)</li> </ol>	

	<p>10.POM-HIRARC-10-(Boiler House Operation)</p> <p>Similarly the HIRARC EST-SOP-11 for the estate was sighted and reviewed in Jan 2015 by the En Asrul Mohd Bahri , Asst Manager KSOPE.</p> <p>For each operation a 'Borang HIRARC' was recorded. The following operations were risk assessed:</p> <ol style="list-style-type: none"> <li>1) <i>Membaja</i></li> <li>2) <i>Meracun</i></li> <li>3) <i>Menuai</i></li> <li>4) <i>Pembaikan Jalan / Ladang</i></li> <li>5) <i>Pemunggaan Baja</i></li> <li>6) <i>Pemanduan jentera</i></li> <li>7) <i>Pembancuh Racun</i></li> <li>8) <i>Tangki diesel</i></li> <li>9) <i>Tukang Sapu perumahan</i></li> <li>10) <i>Pemotong Rumput</i></li> </ol> <p>for each operation the following is assessed:</p> <ol style="list-style-type: none"> <li>a) Identification of Risk</li> <li>b) Risk analysis</li> <li>c) Risk control</li> </ol> <p>KSOPE had undergone the JKPP audit on 3/6/15.</p>																	
4.7.3	<p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p>	<i>Major</i>																
<b>Findings</b>	<table border="1"> <tr> <td>In compliance:</td> <td>Yes:</td> <td><b>X</b></td> <td>No:</td> <td></td> </tr> </table>			In compliance:	Yes:	<b>X</b>	No:											
In compliance:	Yes:	<b>X</b>	No:															
<b>Objective evidence:</b>	<p>All workers involved in the operation are appropriately trained in safe working practices. Annually the estate would provide Safety briefing and training to raised their awareness. This was sighted in their training plans as well as field visit:</p> <p>During visit , adequate and appropriate protective equipment available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations and manuring were sighted</p> <table border="1" data-bbox="352 1451 1406 1816"> <thead> <tr> <th>Workers</th> <th>PPE sighted</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>Manurers: Yanti and Sayaton</td> <td>Apron, gloves, mask, boots, long pants and long sleeve shirt , helmet</td> <td>Kota Tinggi</td> </tr> <tr> <td>Harvester , Mahsun</td> <td>Helmet and Boots</td> <td>Kota Tinggi</td> </tr> <tr> <td>CDA Spray Operators , Umar</td> <td>helmet, carbon filter respirator 3200, apron, gloves</td> <td>Johor Masai</td> </tr> <tr> <td>Driver Supriadi</td> <td>Helmet , Boots</td> <td>Kota Tinggi</td> </tr> </tbody> </table> <p>According to the workers , their damaged and worn out PPE will be replaced by the management without cost or deduction from their salary</p> <p>Keck Seng Oil Palm Estate maintains a list of PPE distribution. In the issuance file the following were sighted:</p>			Workers	PPE sighted	Estate	Manurers: Yanti and Sayaton	Apron, gloves, mask, boots, long pants and long sleeve shirt , helmet	Kota Tinggi	Harvester , Mahsun	Helmet and Boots	Kota Tinggi	CDA Spray Operators , Umar	helmet, carbon filter respirator 3200, apron, gloves	Johor Masai	Driver Supriadi	Helmet , Boots	Kota Tinggi
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Driver Supriadi	Helmet , Boots	Kota Tinggi																

- a) Cotton gloves
- b) Nitrile Gloves
- c) Apron
- d) Safety Google
- e) Ear plug
- f) Safety Helmet
- g) Cartridge 3311K – 55
- h) Single Cartridge respirator 3200
- i) Battery D size for CDA
- j) Manuring pail
- k) Face mask
- l) Boots

Checking on the cartridge 3200 records of CDA Operator Umar and Habib show the following issuance:

worker	date
Umar	9/6/15
Habib	9/6/15, 23/10/15

Annually, the estate will conduct training on safe operating pesticide usage by either their own staff, safety officer or external trainer.

The following were some of the training conducted at Keck Seng Oil Palm Estates

Date	Topic	Section , PIC
4/2/15	Briefing SOP & Safety Sprayer	Field / Rizal
-2/2/15,9/5/15, -26/11/15	Briefing of Policy & OSH & PPE requirement	-Muster call/ Asrul -Muster/ Rosli
-25/3/15, 15/11/15  - 20/8/15	Briefing SOP and safety on manuring for general workers	Field/ Pandian Field / Salihin
18/2/15	Briefing SOP of Store	Store, shahrizan
23/4/15, 29/9/15	First Aid Training	Estate clinic/ HA- Kirubakaran
-14/8/15  -12/11/15	Briefing SOP and safety to sprayer including chemical handling	-Field / Asrul - field / Salihin
15/7/15	Training on use of PPE for all workers	Estate / Nik/ External Trainer
19/11/15	First Aid training for Staff	Mill / External trainer

4.7.4	The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.	<i>Major</i>		
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>			
<b>Objective evidence:</b>	a) The following are the responsible person/persons identified for safety : <table border="1" style="width: 100%;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: center;"><b>Person responsible</b></td> </tr> </table>			<b>Person responsible</b>
	<b>Person responsible</b>			



Masai Palm Oil Mill	Mohd Rafizan Aman
Keck Seng Oil Palm Estates	Asrul Mohd Bahri

b) Quarterly safety meetings are conducted between the responsible person, management and workers. Minutes of meeting are recorded and OSH issues discussed. Following are the evidence sighted on the quarterly meetings:

Estate/Mill	Meetings	Attendees	Remarks
Masai POM	21/10/15, 13/8/156/3/1 5	OSH committee  Worker reps Office reps	Latest meeting –  - What is OSHA? - Workplace inspection /Audit keselamatan & kebershihan Kilang  - Accident report - Safety and Health issue - Others  - No. of attendees : 15
KSOPE ( for the division Tong Hing, Johor Masai, Keck Seng, Lian Huap, Kota Tinggi )	22/9/15, 10/6/15, 11/5/15	OSH committee  Worker reps Office reps	Latest meeting  - What is OSHA? - Workplace inspection /Audit keselamatan & kebershihan Kilang  - Accident report - Safety and Health issue - Others  No. of attendees : 50

Monthly the Safety Officer of the Mill , Mr Mohd Rafizan Aman will prepare a report ' Monthly Safety Report ' to comply with the Section 19 of the OSHA Act ( 1994 ) Akta 514.

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.	<i>Minor</i>
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<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	<p>SOP for accidents and emergencies are sighted in the TITLED: POM EMERGENCY REPONSE PLAN doc. No: SOP-ERP-01</p> <p>It has ERP for the following:</p> <ul style="list-style-type: none"> <li>a) Fire / explosion</li> <li>b) Flood and wind</li> <li>c) Chemical Spillage</li> </ul> <p>However at the mill, it was noted that the ERP were not in language appropriate language of the workforce.</p> <p>First aid are available at the POM Supervisor Office, Store, Boiler and Electrical Room. The first aid kits will be checked monthly to ensure that the kits are adequately stocked in accordance with local legal requirements</p>

Records of training of operators trained in First Aid present in both field and other operations were sighted.

Estate/Mill	Date	Attendees
Masai Palm Oil Mill	19/11/15	19 participants Staff & executive of mill , refinery and Estate
KSOPE	29/9/15, 23/4/15	Estate staff, worker representatives and Mandores , Contractors 41 participants 2 <sup>nd</sup> training : 42 participants

After the training a 'Training effectiveness evaluation report ' will be done to evaluate the training. The mill report 19/11/15 – 20/11/15 was sighted.

Records of all accidents kept , sighted in the 'Safety Document POM file' and periodically reviewed for continuous improvement

After an accident has occurred , the mill will do an investigation and fill up a form known as ' *Borang siasatan Kemalangan/* Accident Investigative form .

The investigation for Mr Anil Kumar Pal , Nepalese dated 18/8/15 where an injury on his finger was reported. The investigation revealed that there was a case of carelessness as the worker did not wear his gloves

The annual JKKP submission for 2014 for the mill was sighted submitted on 22/1/15 with its JKKP 8 submission that reported the 5 accidents that occurred . They were also under the SOCSO case as they were all localstaff.

The annual JKKP8(1) (IV) *Laporan Kemalangan , Kejadian Berbahaya, Keracunan Pekerja dan Penyakit Pekerjaan* for the estates Keck Seng Oil Palm Estates, Lian Huap and Johor (Masai) Plantations was sighted submitted on 15/5/15.

The form as required by the Regulation 10 of the Occupational Safety and Health Regulation 2004 was submitted with the record showing that there were 6 cases

4.7.6

All workers shall be provided with medical care, and covered by accident insurance.

*Minor***Findings**

In compliance: Yes:  No:

**Objective evidence:**

The mill and the estate has a clinic manned by Mr R. Kirubakaran , Hospital Assistant for minor injuries or any medical care issues.

For serious injury or emergency case the mill has van transport to sent the injured worker to the nearest Hospital in Pasir Gudang

Records of the accident insurance policy were sampled at the estate level as there were a file full of policies depending on the date the batch of workers were insured. The Estate staff , Nik Kamariah was able to extract out some of the requested worker from the file.

Name	Policy No	Period of cover
Yanti Mistam	TP-W0498877-WWF	30/4/15 – 22/4/16
Ishak Ibrahim & Erli Wati	TP-W0159481-WWF-R003	14/9/15 – 9/9/16

	Mahsun	TP-W0128248-WWF-R003	11/1/15- 10/1/16																				
	Sayatun	SPPA E-Policy No: FE045354	11/8/15 – 6/7/16																				
	Umar and Habib ( spray operator )	SPPA E-Policy No : FE039103	20/5/15 – 8/5/16																				
<p>Mill foreign workers are insured for accident under the Foreign workers Compensation Scheme (FWCS).</p> <p>At the mill, from the worker's master list it was noted that the workers are insured under the accident insurance scheme.</p> <p>The following were sighted for as at June 2015</p> <table border="1"> <thead> <tr> <th>Nationalities</th> <th>No. of workers</th> </tr> </thead> <tbody> <tr> <td>Myanmmarese</td> <td>52</td> </tr> <tr> <td>Nepalese</td> <td>65</td> </tr> <tr> <td>Indonesian</td> <td>12</td> </tr> </tbody> </table> <p>The annual audiometry test for the mill was conducted on 8/6/15, 15/6/15, 29/6/15 for 195 employees.</p> <p>The test was conducted by the company , OSH Safety &amp; Health Services, and the report sighted signed by Weng Tai Chen , Senior OSH Consultant</p> <p>A report from the ENT, Subra Ear Nose &amp; Throat Klinik , Dr S.M Subramaniam on 1/7/15 verified that based on the audiometric report for the 195 employees , 00 members were found to experience hearing impairment at various levels .</p>				Nationalities	No. of workers	Myanmmarese	52	Nepalese	65	Indonesian	12												
Nationalities	No. of workers																						
Myanmmarese	52																						
Nepalese	65																						
Indonesian	12																						
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.		Minor																				
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/> No: <input type="checkbox"/>																				
<b>Objective evidence:</b>	<p>Masai POM monthly reports the following to monitor the accidents;</p> <p>a) Statistic for Injury cases in POM of year 2015</p> <p>b) Statistic for Loss Time Injured ( LTI ) in POM Year 2015</p> <p>c) Statistic for Minor Injury in POM Year 2015-11-30 Statistic for dispensary / SOCSO cases in POM Year 2015</p> <p>For the year 2015, the LTI recorded for POM were :</p> <table border="1"> <thead> <tr> <th>J</th> <th>F</th> <th>M</th> <th>A</th> <th>M</th> <th>J</th> <th>J</th> <th>A</th> <th>S</th> <th>O</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>8</td> <td>8</td> <td>64</td> <td>56</td> <td>136</td> <td>24</td> <td>16</td> <td>0</td> <td>0</td> </tr> </tbody> </table> <p>Accidents are reviewed during the quarterly safety meeting</p> <p>In Keck Seng Oil Palm Estates, the record of illness cases and injury cases are monitored and reported monthly.</p> <p>The 2015 Tabulated report of the illness and injury reported at the dispensary was updated as of Nov 2015.</p> <p>Illness report were on URTI, Myalgia, Dermatitis, Colic, Diahrohea, Opthalmia and misc.</p> <p>As for injury the following were reported : Punctured wounds, contusion, Incised Wound, lacerated Wound, Sting/ Bites, Burn Scald, sprain, Eyes</p> <p>From the accident submission report for 2015, there was one JKPP 6 report submitted for Ms Yah dated 10/3/15 and submitted to <i>Pejabat Tenaga Kerja</i> Johor Bahru on 26/3/15 .</p>			J	F	M	A	M	J	J	A	S	O	0	8	8	64	56	136	24	16	0	0
J	F	M	A	M	J	J	A	S	O														
0	8	8	64	56	136	24	16	0	0														

Based on the calculation of the LTA by the HA, Mr Kirubakaran the following was posted in front of the estate that reported the following statement :

a) 688 days work without accident

b) 238 days previous record of LTA

Criterion 4.8: All staffs, 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.	<i>Major</i>
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<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
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**Objective evidence:** The following were some of the training conducted at Keck Seng Oil Palm Estates

Date	Topic	Section , PIC
4/2/15	Briefing SOP & Safety Sprayer	Field / Rizal
17/3/15	Briefing SOP , handling tractor& Safety driving to driver	Field / Saleh
31/1/15, 27/11/15	Briefing SOP and safety harvesting for harvester	Field / Division in charge
-2/2/15,9/5/15, - 26/11/15	Briefing of Policy & OSH & PPE requirement	-Muster call/ Asrul -Muster/ Rosli
-25/3/15, 15/11/15 - 20/8/15	Briefing SOP and safety on manuring for general workers	Field/ Pandian Field / Salihin
18/2/15	Briefing SOP of Store	Store, shahrizan
23/4/15, 29/9/15	First Aid Training	Estate clinic/ HA- Kirubakaran
17/3/15	Tractor Maintenance	Estate w/shop/ Ang Sye Hing
-14/8/15 -12/11/15	Briefing SOP and safety to sprayer including chemical handling	-Field / Asrul - field / Salihin
14/8/15	Handling of fire extinguisher	Estate workshop/ Ang Sye Hing / External Trainer
15/7/15	Training on use of PPE for all workers	Estate / Nik/ External Trainer
16/6/15	Fire Arm training	Estate / PDRM
19/11/15	First Aid training for Staff	Mill / External trainer

For the mill , the following are records of training conducted and planned

Dates	Topic	PIC
6/3/15, 13/8/15	Infrastructure & Working Place Environment Inspection	SH Ngoi
17/8/15	Fire Fighting Training	KH Wong & Rafizan
24/8/15	Training for PPE	Rafizan & AC Teo
2/3/15	SOP of Loading Ramp- loading ramp operators	AC Teo & Rafizan
6/4/15	SOP of Sterilization Operation- sterilizers operator,	AC Teo & Rafizan
9/3/15	SOP of Crane & Capstan operation- capstan driver, and crane driver	AC Teo & Rafizan

	20/4/15	SOP of Oil Room- oil room operator	AC Teo & Rafizan
	2/6/15	SOP of Filter House- filter house operator	AC Teo & Rafizan
	Monthly	Safety Briefing (at least once in a month)	KH Wong
	Plan	SOP of Press Station- press station operator	AC Teo & Rafizan
	Plan	SOP of Kernel Plant- kernel plant operator	AC Teo & Rafizan
	Plan	SOP of Kernel Crushing Plant- kernel crushing plant operator	AC Teo & Rafizan
	Plan	SOP of Boiler and Power house- engine driver, boiler attendance and fireman	AC Teo & Rafizan
	Plan	SOP of Effluent Pond- effluent pond operator	AC Teo & Rafizan
4.8.2	Records of training for each employee shall be maintained.		Minor
<b>Findings</b>	In compliance:	Yes: <input type="checkbox"/>	X <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Records of trainings are found in the training file . Participants who attend training will have their details recorded in the training attendance		

<b>Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity</b>					
<b>Criterion 5.1:</b> Aspects of plantation and mill management, including replanting, that have environmental impacts are identified and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.					
5.1.1	An environmental impact assessment (EIA) shall be documented.			Major	
<b>Findings</b>	In compliance:	Yes: <input type="checkbox"/>	X <input checked="" type="checkbox"/> No: <input type="checkbox"/>		
<b>Objective evidence:</b>	The EIA was conducted by Wild Asia which involved participation of key personnel. Action plan for Environmental Impact Assessment is generated on 09/10/2015 with Doc. No. RSPO-AP-02, revision 06. The action plan generated with the reference from SEIA & HCV report dated 05/06/2012 conducted by Wild Asia. Some of the actions had been done and evidences are verified. Random sampling of actions are sighted:				
	<b>Risk Identified</b>	<b>Aspect / Findings</b>	<b>Mitigation Measure</b>	<b>Action</b>	<b>Status</b>
	Dust and stack emissions (Boiler, combustible operations)	Air quality monitoring is conducted at from 2 sampling points at the mill and stack emission monitoring is monitored. Both tests are conducted every 3 months and records of monitoring are available. Results show output is well within compliance limits.	<ul style="list-style-type: none"> <li>Whilst records of air quality sampling and stack monitoring are available, a slight improvement would be to tabulate and present the data in a graphical manner to ease monitoring process.</li> <li>Emergency response procedures should be included in the SOP and workers should be trained formally on this.</li> </ul>	No action needs to be taken.	-
	Organic leachate from disposal area-FFB waste processing disposal (e.g.,	The mill uses various methods to dispose processing waste and this is being managed well:- >Decanter cake- used in estate	<ul style="list-style-type: none"> <li>Ensure all collection areas do not have any potential to leach out contaminants that may affect natural waterways.</li> </ul>	No action need to be taken	-

	EFB, Boiler Ash, Decanter Cake)	fields and volume records are maintained >Boiler ash-used for road repair >EFB-used as boiler fuel			
	Land clearing (new clearings, re-planting, nursery)	Field observation in Lim & Lim estate indicates good ground cover as well as sufficient vegetation in canals and drainage system to trap run-offs. However there was a patch of land close to the entrance of Lim & Lim estate, which is left bare. This area is said to hold excess soil from previous road construction works and is also occasionally used to dump EFB waste (when boiler is down).	<ul style="list-style-type: none"> <li>• Prior to any new development work near waterways or natural areas, ensure buffer zones or riparian reserves are strengthened and reinforced to develop to intercept as much of the silt-laden runoff.</li> <li>• Maintain border vegetation in canals and drainage systems, as well as, natural waterways. Allow soft-grasses in natural depressions where run-off water goes.</li> <li>• This keeps the soil in these depressions from running away with the water. Excess water is absorbed by the grass rather than acting as an erosion agent. To monitor the early development phase of land clearing regularly to identify any potential risk from runoff that has not been addressed adequately</li> </ul>	Planting the palm tree in the bare area to minimize the soil depressions. Planting is completed on April 2014.	Done
	Land development in steep areas	SOP's on land development in steep areas is available and this includes guidelines on terracing techniques and precautionary measures such as contour terracing.	<ul style="list-style-type: none"> <li>• To identify, survey and document all steep areas –if any (i.e. &gt;25 degrees) that should not be replanted in the future. These areas need to be clearly mapped out for reference. If any exist, establish best methods to manage this area for future (i.e.: leave or turn into conservation sites). In areas with steep slopes, carefully consider planting zones and the</li> </ul>	No action need to be taken	Maintain all steep area practices.

			direction of planting in relation to land contours to avoid erosion caused by precipitation.		
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/persons.				<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:		No:	
<b>Objective evidence:</b>	Action plan for Environmental Impact Assessment is generated on 09/10/2015 with Doc. No. RSPO-AP-02, revision 06. The management abstracted the information from Wild Asia report dated 05/06/2012 to generate the action plan. <b>However, there is no identification of responsible person stated in the action plan.</b> <b>OBSERVATION 08</b>				
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.				<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:	
<b>Objective evidence:</b>	Overall person in charge for the plan is by Mr. Teo Aik Chong, the Mill Manager. He will monitor and review the plan from time to time. He explained that the plan will be review at least once a year or which deem necessary.				
<b>Criterion 5.2:</b> The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.					
5.2.1	Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).				<i>Major</i>
<b>Findings</b>	In compliance:	Yes:		No:	<b>X</b>
<b>Objective evidence:</b>	HCV assessment is conducted by Wild Asia on March 2012 with the report dated 05/06/2012. From the assessment report, Wild Asia has identified the presence of HCV 1.1, 1.2, 2, 3, 4.1 and 5. The assessment is conducted through field visits and interviews with local stakeholders. Some key recommendations are given by Wild Asia to the management as such: <ul style="list-style-type: none"> <li>• Due to the vital importance of maintaining water quality in the Sg Johor Forest Reserve and two water catchments, maintenance of riparian buffer zones must be a high priority. Where incursions are noted into river reserve (under either SAJ or JSDF), efforts should be made to alert the relevant authority quickly so the legality of these can be investigated.</li> <li>• Liaising with other stakeholders, especially the <i>orang Seletar</i> community, to develop adequate management plans to ensure maintenance of biodiversity values necessary for their livelihood.</li> <li>• Develop an appropriate awareness-raising programme and materials for workers and stakeholders to highlight the importance of protecting HCVs within the area.</li> </ul> <b>However, the management has yet to take any action of the recommendations.</b> <b>MAJOR 20</b>				
5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan.				<i>Major</i>
<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:	
<b>Objective evidence:</b>	From the assessment report, there is no ERT detected in the complex. The estate has generated a HCV management and mitigation plans which abstracted information from the HCV assessment report. The management plan included types of HCV, element, finding whether absent or present of HCVs, definition, locations and also the mitigating measures. For example: The management				

	<p>implemented “No Hunting” to internal employees and stakeholders. The signboard of “No Hunting” is sighted during on-site visit to Sg. Serai.</p> <p>The management has carried out HCV monitoring about 8 months once. From the monitoring records, no hunting or burning activities have been sighted.</p>	
5.2.3	There shall be a programme to 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.	<i>Minor</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Inspections had been carried out on March 2015 and November 2015 and monitoring records had been verified. <b>The company has yet to give training to the employees on HCV management plan and the status of ERT species.</b></p> <p><b>OBSERVATION 09</b></p>	
5.2.4	Where an action plan has been created there shall be ongoing monitoring	<i>Minor</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>The estate has generated a management plan for HCV. The management had conducted inspections to the HCV areas twice for Year 2015 which is on March and November 2015. “No hunting” signboard is noted at the area nearby the rivers.</p> <p><b>However, the management plan did not include the status of the action taken.</b></p> <p><b>OBSERVATION 10</b></p>	
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.	<i>Minor</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>HCV areas map is sighted during audit. Wild Asia has recommended the management to make some efforts to alert the relevant authority on the legality of the people who staying at the area. This is to maintain the water quality in the Sg Johor Forest Reserve and two water catchments, maintenance of riparian buffer zones must be a high priority. Furthermore, the management shall liaise with other stakeholders, especially the <i>orang Seletar</i> community, to develop adequate management plans to ensure maintenance of biodiversity values necessary for their livelihood.</p> <p><b>However, the management has yet to take any action on these.</b></p> <p><b>OBSERVATION 11</b></p>	
<p>Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		
5.3.1	All waste products and sources of pollution shall be identified and documented.	<i>Major</i>
<b>Findings</b>	In compliance: <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Palm Oil Mill has generated a POM Waste and Pollution Management Plan with Doc. No. QM-W&amp;PMP-01 dated 20/08/2014, revision no. 02. The management plan is included the type of waste products/pollutions generated by the POM. The POM has identified the source of the pollutions, level of pollutions, mitigating measure, monitor and improvement. The types of pollution identified are as below:</p> <ul style="list-style-type: none"> <li>• Palm Oil Mill Effluent (POME) from oil room, sterilization, kernel plant, empty bunch shredder station</li> <li>• Methane Gas from anaerobic pond</li> <li>• Decanter Cake from oil room</li> <li>• Boiler Flue Gas from boiler house</li> <li>• Boiler Ash from boiler house</li> <li>• Used Lubricant from mill (gearbox, engines, hydraulic system, turbine, shovel, forklift,</li> </ul>	



	tractors and bobcat) and estate	
	<ul style="list-style-type: none"> <li>Used Filter from mill (engines, hydraulic system, turbine, shovel, forklift, tractors, tankers and bobcat) and estate</li> <li>Used Cotton Rag from mill and estate (workshop and maintenance team)</li> <li>Domestic Waste from estate and mill (labour and staff quarters)</li> </ul> <p>The estate management has generated a waste management plan with Doc. No. EST-SOP-12, revision 03 which updated on 23/02/2015. Below are the list of waste generated by the estate:</p> <ul style="list-style-type: none"> <li>Waste contamination by chemical (Pesticide), fertilizer bags and etc.</li> <li>Lubricant oil</li> <li>Filter Oil</li> <li>Scrap Iron</li> <li>Clinical waste</li> <li>Confidential waste</li> <li>Domestic waste</li> </ul>	
5.3.2	All chemicals and their containers shall be disposed of responsibly.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>	
<b>Objective evidence:</b>	<p>Types of SW for chemical generated by the mill are Spent Non-halogenated solvent (SW322), Spent Halogenated Solvent (SW323) and Contaminated glass container (SW409). The empty chemical containers and the waste solvent used by the mill's laboratory are collected by approved SW contractor, Positive Chemicals Sdn. Bhd. <b>The last disposal is done on 29/10/2015 which is exceeded the allowable days of 180 days. The storage period for the SW was about 204 days. Evidence such as consignment note is verified and sighted.</b></p> <p>The Scheduled waste such as used lubricant (SW305), used cotton rags (SW410) and used filter (SW410) was disposed according to the requirement set in Environmental Quality Act which is less than 180 days or 20 MT. The last disposal of Scheduled waste is carried on 29/09/2015 by approved SW contractor, Triochem Sdn Bhd and the consignment note is sighted. The license of the contractor is sighted and the validity of the license is from 01/05/2015 until 30/04/2016. The inventory of the Scheduled Waste is well maintained and up to date. The inventory has included date, quantity generated, quantity disposal and quantity balance.</p> <p>The empty chemical drums and plastic containers used in boiler were collected by the supplier, Chuan Wei Enterprise and the latest disposal done on 17/06/2015 and 02/09/2015.</p> <p><b>Empty chemical containers generated by estates are stored in the empty chemical containers store and the store is locked. However, the estate has yet to generate the empty chemical container inventory. Records of disposal for empty chemical containers are not sighted during audit.</b></p> <p><b>According to the Assistant, the estate will send the Scheduled waste to the POM and disposal is arranged by the POM. The last batch of Scheduled waste sent to POM was on 28/11/2014 which means the current batch of Scheduled waste is stored more than the allowable 180 days according to EQA.</b></p> <p><b>During on-site visit to the Scheduled Waste stores, it is sighted that no labelling on the Scheduled waste containers as per EQA requirements.</b></p> <p><b>MAJOR 21</b></p>	
5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.	<i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Palm Oil Mill has generated a POM Waste and Pollution Management Plan with Doc. No. QM-W&amp;PMP-01 dated 20/08/2014, revision no. 02. The POM has identified the source of the pollutions, level of pollutions, mitigating measure, monitor and improvement.</p> <p>The Mill has fully utilized the resource such as decanter cake. Decanter cake is sent to estate land fields. Furthermore, boiler ash is sent to estate for the purpose of road repairing. According to the plan, the domestic waste is collected by Majlis Bandaraya Pasir Gudang's license collector</p>	

	and stated in the plan, no burning is allowed.																																						
	Estate has generated a Waste management plan with Doc. No. EST-SOP-12 revision 03 dated 23/02/2015. The empty chemical containers are recycled use for the premix purpose. No open burning of rubbish is sighted during on-site visit to the area for disposal of domestic waste before collected by the contractor. In addition, recycle bins are sighted in the labour quarters and office.																																						
Criterion 5.4: Efficiency of energy use and use of renewable energy is maximized.																																							
5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimize renewable energy shall be in place and monitored.						Minor																																
<b>Findings</b>	In compliance:	Yes:		No:																																			
<b>Objective evidence:</b>	<p>There is diesel engine in the mill but is only for standby purpose in case of there is not enough power to start up the plant. Diesel consumption is mainly for shovel. The mill's process is mainly start up by TNB electricity.</p> <p>The mill renewable energy use per ton of CPO from Jan – Oct 2015 as below:</p> <ul style="list-style-type: none"> <li>• 0.73MT Mesocarp Used (ton) per CPO Production (ton)</li> <li>• 0.06MT Shell used (ton)/ CPO Production (ton)</li> <li>• 0.87MT EFB used (ton)/ CPO Production (ton)</li> </ul> <p>Diesel usage with FFB processed and CPO produced from Jan – Oct 2015:</p> <ul style="list-style-type: none"> <li>• 0.39 litres/MT FFB used</li> <li>• 2.02 litres/MT CPO used</li> </ul> <table border="1"> <thead> <tr> <th>Year</th> <th>Diesel used</th> <th>Process( MT / FFB )</th> <th>Direct fossil fuel use/tCPO or tFFB;</th> <th colspan="3">Amount of biomass used to generate Renewable Energy</th> <th>kWh generated from the RE</th> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>EFB</td> <td>shell</td> <td>Mesocap fibre</td> <td></td> </tr> </thead> <tbody> <tr> <td>2015</td> <td>1009,003 liters</td> <td>271,751.52 mt</td> <td>0.40 little/FB mt</td> <td>44,703.34 mt</td> <td>21,923.00mt</td> <td>38045.21mt</td> <td>14,739,773 kWh</td> </tr> <tr> <td>2014</td> <td>106765 liters</td> <td>290,911.52 mt</td> <td>0.37 little/FFB mt</td> <td>45,199.11 mt</td> <td>23,272.92mt</td> <td>40,727.61mt</td> <td>16,932,009 Kwh</td> </tr> </tbody> </table> <p>Estate has the records of diesel usage for tractors. However, the record of usage of diesel per hectare is not sighted during audit.</p> <p><b>OBSERVATION 12</b></p>							Year	Diesel used	Process( MT / FFB )	Direct fossil fuel use/tCPO or tFFB;	Amount of biomass used to generate Renewable Energy			kWh generated from the RE					EFB	shell	Mesocap fibre		2015	1009,003 liters	271,751.52 mt	0.40 little/FB mt	44,703.34 mt	21,923.00mt	38045.21mt	14,739,773 kWh	2014	106765 liters	290,911.52 mt	0.37 little/FFB mt	45,199.11 mt	23,272.92mt	40,727.61mt	16,932,009 Kwh
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Criterion 5.5: Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.																																							
5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003.						Major																																
<b>Findings</b>	In compliance:	Yes:	X	No:																																			
<b>Objective evidence:</b>	<p>Keck Seng (M) Bhd has a Zero Burning Replanting Technique which published in the company website. Keck Seng is committed to continue to apply the method to all estates for now and future. The management has briefed the zero burning statement to employees during Muster call. During interview with workers, Yanti and Sayatun, they were aware that no burning can be done.</p> <p>No observation of open burning sighted during on-site visit.</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 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003.						Minor																																

<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:		
<b>Objective evidence:</b>	Keck Seng (M) Bhd has a Zero Burning Replanting Technique which published in the company website. Keck Seng is committed to continue to apply the method to all estates for now and future.					
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases are developed, implemented and monitored.						
5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).					<i>Major</i>
<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:		
<b>Objective evidence:</b>	<p>Palm Oil Mill has generated a POM Waste and Pollution Management Plan with Doc. No. QM-W&amp;PMP-01 dated 20/08/2014, revision no. 02. The management plan is included the type of waste products/pollutions generated by the POM. The POM has identified the source of the pollutions, level of pollutions, mitigating measure, monitor and improvement. The types of pollution identified are as below:</p> <ul style="list-style-type: none"> <li>• Palm Oil Mill Effluent (POME)</li> <li>• Methane Gas</li> <li>• Decanter Cake</li> <li>• Boiler Flue Gas</li> <li>• Boiler Ash</li> <li>• Used Lubricant</li> <li>• Used Filter</li> <li>• Used Cotton Rag</li> <li>• Domestic Waste</li> </ul> <p>The mill has carried out Stack emission monitoring by Spectrum Laboratories (Johore) Sdn. Bhd. on 29/05/2015. The dust emission load for Boiler No. 6 is 0.020 g/Nm<sup>3</sup>, dry @ 12% CO<sub>2</sub> where the result is well within the compliance limit set in Clean Air Regulations 0.40 g/Nm<sup>3</sup>. Dark smoke does not observed during the assessment and SO<sub>x</sub> &amp; NO<sub>x</sub> results were within the Malaysian Environment Quality (Clean Air) Regulations.</p> <p>The estate management has generated a waste management plan with Doc. No. EST-SOP-12, revision 03 which updated on 23/02/2015. Below are the list of waste generated by the estate:</p> <ul style="list-style-type: none"> <li>• Waste contamination by chemical (Pesticide), fertilizer bags and etc.</li> <li>• Lubricant oil</li> <li>• Filter Oil</li> <li>• Scrap Iron</li> <li>• Clinical waste</li> <li>• Confidential waste</li> <li>• Domestic waste</li> </ul>					
5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimize them implemented.					<i>Major</i>
<b>Findings</b>	In compliance:	Yes:		No:		
<b>Objective evidence:</b>	<p>POM Waste and Pollution Management Plan also indicated the measure which to reduce the pollutions. A random sampled is sighted:</p> <ul style="list-style-type: none"> <li>• For the emission of boiler flue gas, the boiler is equipped with a on-line homogeneous blending of fuel system, auto feeding &amp; speed control conveyor and auto moving grate renders to enhance the combustion and to reduce the dark smoke.</li> </ul> <p><b>The estate has yet to implement the plan of reduction or minimised the GHG emissions.</b></p> <p><b>OBSERVATION 13</b></p>					

5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.	<i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>	
<b>Objective evidence:</b>	<p>The data of the smoke density is sent to DOE once in 3 months as required by DOE. The system also is equipped with a continuous emission monitoring system (CEMS) in order to on-line sending data of smoke density to DOE.</p> <p>Water usage for processing FFB is also monitored monthly. The average of water consumption to process FFB from Jan – Oct 2015 is 1.28 tonnes of water used per tonne of FFB processed.</p> <p><b>However, greenhouse gases emissions are not monitor in the POM and the estates. The PalmGHG calculator is also not available during time of audit.</b></p> <p><b>Minor 22</b></p>	

<b>Principle 6: Responsible Consideration of Employees and of Individuals and Communities Affected by Growers and Mills</b>		
<b>Criterion 6.1:</b> Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.		
6.1.1	A social impact assessment (SIA) including records of meetings shall be documented.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>	
<b>Objective evidence:</b>	<p>Wild Asia conducted Social &amp; environmental impact assessment including a preliminary management review report for Keck Seng (M) Berhad covering mill and estates dated June 5, 2012. Records of consultation with external and internal stakeholder were available and compiled in the report.</p> <p>The SIA conducted has covered all elements as spelt out in this criterion and raised through stakeholder consultation.</p> <p>The latest reviewed of SIA conducted on 13 November 2015. Joint stakeholder meeting has been conducted for the mill and estates. Stakeholder meeting minutes dated 10 February 2015 is documented in the SIA file for mill and estates.</p>	
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Stakeholder name list available and updated for year 2015. List of stakeholders include: FFB suppliers, NGO, Government agencies, NUPW representatives and etc.</p> <p>Refer 6.1.1, the report reviewed and latest stakeholder meeting conducted on 10 February 2015 with minutes showed that the assessment has been carried out with the participation of affected parties: e.g</p> <ul style="list-style-type: none"> <li>a) smallholders</li> <li>b) Contractor workers</li> <li>c) Staff</li> <li>d) FFB suppliers</li> <li>e) Workers suppliers</li> <li>f) Villages</li> <li>g) HA</li> </ul> <p>Meantime, Internal representatives (e.g. Male and female workers including local and different nationalities of foreign workers representative) are invited for the mill and also estates JCC meeting.</p>	
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	<i>Major</i>

	the affected parties, documented and timetabled, including responsibilities for implementation.				
<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:	
<b>Objective evidence:</b>	Mitigation plan available and reviewed yearly. Example of latest reviewed plan dated 13 November 2015 stated as below:				
	<b>Issues</b>	<b>Impacts</b>	<b>Recommendation</b>	<b>Action Carried Out &amp; PIC</b>	<b>Management Review and time bound</b>
	Compliance of legal labour requirements  Rate the Risk Management:- GOOD	<ul style="list-style-type: none"> <li>a. Workers are not aware that they have signed a form of contract with the management.</li> <li>b. Workers do not have a copy of the signed contract.</li> </ul>	a. To ensure that worker is aware of the contract that they have signed and its terms and conditions and for all of them will be given a copy of the signed contract.	a. To give a photocopy of the signed contract to every workers and give a training session for brief them the content of contract. <b>(Factory administration, and estate administration)</b>	a. Done. Briefing to workers when they signed the contract and all of them already have a contract copy.
Understanding of Contracts Rate the Risk Management:- MEDIUM	<ul style="list-style-type: none"> <li>a. Some form of misunderstanding of the contents exists amongst the foreign workers (paid annual leaves, paid public holiday, sick leave etc). Foreign workers were also unaware of the pay rate when they first joined the company.</li> <li>b. Foreign workers claimed that annual leave is unpaid.</li> <li>c. Interviews with management staff highlighted that the workers</li> </ul>	a. Proper communication to workers on leaves i.e. MC, annual leaves, public holidays, what's claimable and what is not i.e. medicine, doctor's consultation for foreign workers, pay rate during official leaves etc to avoid conflict of misunderstanding.	a. To take same actions as above. Ensure the briefing to the conditions of leave is clear and understood by workers during the training session. <b>(Factory administration, and estate administration)</b>	<b>a. Done.</b> Briefing to workers in muster call morning to their understanding entitlement for. Once times a week and one topic article/section. <i>(Estate)</i>	

		<p>were explained upon employment. Explanation of the contracts was done during muster.</p> <p>d. Contracts for both foreign and local workers detailed paid annual leave, paid public holidays, sick leave, pay rates including OT and working hours.</p> <p>e. Mill workers claimed that they are only compensated 3 days out of the 5 days of sick leave instead of the full days of rest. <i>(Management explained that if they had used all of the days allocated for medical leave, the remaining days will not be reimburse d.)</i></p> <p>f. One general worker claimed that rest days are compens</p>			
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		ated by doubling the OT rate and not the daily rate.			
	<p>Housing committee meeting conducted 3 months once, latest meeting was conducted on 30 Oct 2015 with discussion on housing &amp; linesite matters and also others social related matters.</p> <p>JCC meeting/internal stakeholders were conducted once a year and mainly discuss on the social related matters: Latest meeting for mill and estates was conducted on 28 January 2015, impacts identified were captured in the meeting minutes.</p>				
6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties.				<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	The plan scheduled are reviewed yearly. The latest reviewed conducted on 13 November 2015.				
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme)				<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	No smallholders' schemes involved.				
<b>Criterion 6.2:</b> There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.					
6.2.1	Consultation and communication procedures shall be documented.				<i>Major</i>
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	<p>Keck Seng estate will refer to the SOP Doc. No: RSPO CRI-1.12 <i>Procedures to handle and respond to the request enquiries from stakeholders'</i> as the documented consultation and communication procedures. The procedures was established on 17 May 2011.</p> <p>Cross reference with 4.2 RSPO-Cri-6.3.1 A-Handling of Social Dispute</p> <p>4.3 RSPO-Cri-6.3.1 B- Handling of Boundary Dispute</p>				
6.2.2	A management official responsible for these issues shall be nominated.				<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	<p>Mr Teo Aik Chong is the social representative for Keck Seng Group. Appointment letter from Mr T.N. Chua (General Manager) to Mr Teo is available.</p> <p>Mr. Mohd. Rosli Bin Mohd is the JCC representative and communication officer for Keck Seng Estate. Appointment letter from Mr. James Ho (General Manager) to Mr. Rosli is available.</p>				
6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.				<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<input type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	<p>List of stakeholders available and updated yearly. Records of communication included request, complaints and grievances are available in the group email correspondence for the oil factory. Meantime, internal complaints and etc. available in the Keck Seng complaint forms and linesite request for repair forms for the mill.</p> <p>Others that that, DOE and JKPP inspection books also clearly recorded the correspondence and follow up on the officers' comments.</p> <p><b>However, workers representatives from different nationality are not stated in the internal stakeholder namelist.</b></p>				

<b>OBSERVATION 14</b>	
<b>Criterion 6.3:</b> 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 whistleblowers, where requested. <span style="float: right;"><i>Major</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	SOP Doc. No: RSPO CRI-1.12 <i>Procedures to handle and respond to the request enquiries from stakeholders</i> as the documented consultation and communication procedures for the process by which a dispute was resolved and the outcome  It outlines the responsibility, flowchart of the outline and the interface involved.
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. <span style="float: right;"><i>Major</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Grievance/Request Record Book are viewed and all request and grievances are recorded on a case by case basis stating the details of the complainant, the date as well as the action taken following the complaints raised.  Linesite housing repairing request with housing repair carried are documented in the 'Request and repair records forms'.
<b>Criterion 6.4:</b> 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. <span style="float: right;"><i>Major</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	SOP Doc. No: RSPO CRI-1.12 <i>Procedures to handle and respond to the request enquiries from stakeholders</i> as the documented procedure for identifying legal and customary rights and a procedure for identifying people entitled to compensation
6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. <span style="float: right;"><i>Minor</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	As above, Keck Seng will refer to the SOP Doc. No: RSPO CRI-1.12 <i>Procedures to handle and respond to the request enquiries from stakeholders</i> as the documented procedure for calculating and distributing fair compensation.
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. <span style="float: right;"><i>Major</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Up to date, there is no any compensation made or claims for any parties.
<b>Criterion 6.5:</b> Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.	
6.5.1	Documentation of pay and conditions shall be available. <span style="float: right;"><i>Major</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>



**Objective evidence:**

## A) Mill workers pay statement.

Audit verification conducted based on sampling on mill workers pay statements for months of August, September and October 2015. The payment items in payslip are stated as below:

\*Payment include: Basic wages, Overtime pay, Holiday pay, Medical leave, and etc.

\*Deduction: Advance payment.

Generally mill workers are earning are more than the minimum wages of RM 900.

Worker name	Wages payment month	Monthly total earning
Aung Kyaw Oo	October 2015	RM 2,240.45
Myo Aung	October 2015	RM 2,122.40
Yadav Ghanashyam Kumar	September 2015	RM 1,983.75
Mahato Shivram	September 2015	RM 1,533.25
Yadav Bikau	August 2015	RM 1,963.60
Das Tati Hareram	August 2015	RM 2,379.65

## B) Estates workers pay statement

Audit verification conducted based on sampling on\* Estates checkroll workers (I) and Contractors' workers (II) pay statements for months of August, September and October 2015.

**1) Lian Hup Estate****(I) Estate Checkroll workers**

The payment items in payslip are stated as below:

\*Payment: Description on hour, day, rate on basic wages pay, Overtime pay Holiday pay, Driving allowances, working days

\*Deduction: Employee EPF, Socso, Festival advance, *Dana Wakaf Masjid* and etc.

Overall workers monthly pay are more than RM 900 as require by the Minimum Wages Act. Examples stated below:

Worker name	Wages payment month	Monthly total earning
Mustapa	August 2015	RM 1,022.35
Sillatul Rohimi	August 2015	RM 1,066.75
Erli Wati	September 2015	RM 1,104.60
Rajanthiran a/l Sinasamy	September 2015	RM 921.75
Johari Bin Kanjar	October 2015	RM 1,963.60
Mustapa	October 2015	RM 1,853.50

**(II) Contractors' workers (contractor: Chin Swee Siong Enterprise)**

The payment items in payslip are stated as below:

\*Payment: Rate per piece, (Field Number), allowances and etc.

\*Deduction: Employee EPF, Socso, advanced and etc.

Overall workers monthly pay are more than RM 900 as require by the Minimum Wages Act. Examples stated below:

Worker name	Wages payment month	Monthly total earning
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Jumahir	August 2015	RM 960.89
Subir Bin Amdam	August 2015	RM 1,680.79
Saprudin	September 2015	RM 1,514.99
Usman	September 2015	RM 1,334.60
Bahri Saipul	October 2015	RM 958.12
Mukhsan	October 2015	RM 1,108.23

Only a few of the contractors' workers have not achieve the minimum wages requirement of RM 900 due to

## 2) Kota Tinggi Estate

### (I) Estate Checkroll workers

The payment items in payslip are stated as below:

\*Payment: Description on hour, day, rate on basic wages pay, Overtime pay Holiday pay, Driving allowances

\*Deduction: Employee EPF, Socso, Festival advance, Dana Wakaf Masjid and etc.

Overall workers monthly pay are more than RM 900 as require by the Minimum Wages Act.

Examples stated below:

Worker name	Wages payment month	Monthly total earning
Sayatun	August 2015	RM 1,677.00
Saharuddin Bin Mahat	August 2015	RM 1,614.80
Ibrahim Bin Kadir	September 2015	RM 1,177.90
Nur Samba Bin Abdul Malik	September 2015	RM 1,590.58
Yanti Mistam	October 2015	RM 1,606.65
Ishak Ibrahim	October 2015	RM 1,937.45

### (II) Contractors' workers (Contractor: Ang Gak Kiam Enterprise)

The payment items in payslip are stated as below:

\*Payment: Total day works, rate per piece, Overtime rate, rest day wages allowances and etc.

\*Deduction: Employee EPF, Socso, advanced and etc.

Overall monthly pay for contractors' workers are more than the minimum wages requirements of RM 900 per month. Examples as below:

Worker name	Wages payment month	Monthly total earning
Suhardi	August 2015	RM 2,182.97
Musmuliadi	August 2015	RM 1,680.79
Nasir Umar	September 2015	RM 1,167.06
Mahsun	September 2015	RM 1,650.56
Muhammad Iwan Mulyadi	October 2015	RM 1,706.95
Anwar	October 2015	RM 1,556.67

## 3) Keck Seng Estate (\*Keck Seng Estate workers also work in Sg Layang Estate)

### (I) Estate Checkroll workers

The payment items in payslip are stated as below:

\*Payment: Description on hour, day, rate on basic wages pay, Overtime pay Holiday pay, Driving allowances

\*Deduction: Employee EPF, Socso, Festival advance, Dana Wakaf Masjid and etc.

Overall workers monthly pay are more than RM 900 as require by the Minimum Wages Act. Examples stated below:

Worker name	Wages payment month	Monthly total earning
Rima Sapaah	August 2015	RM 969.40
Yono	August 2015	RM 2,487.20
Yah	September 2015	RM 900.15
Nurhasanah	September 2015	RM 1,032.05
Mistomo	October 2015	RM 4,944.15
Kamariah	October 2015	RM 1,392.45

#### (II) Contractors' workers (Contractor: Cher Ah Watt Enterprise)

The payment items in payslip are stated as below:

\*Payment: Rate pay, total allowances and etc.

\*Deduction: Employee EPF, Socso, advanced and etc.

Overall monthly pay for contractors' workers is more than the minimum wages requirements of RM 900 per month. Examples as below:

Worker name	Wages payment month	Monthly total earning
Topan	August 2015	RM 932.35
Suhardi	August 2015	RM 937.35
Ahmat Irah	September 2015	RM 995.96
Mustakim	September 2015	RM 1,783.00
Sukirman	October 2015	RM 1,305.37
Wildan	October 2015	RM 1,045.47

Only a few of the contractors' workers monthly paid were not achieving RM 900 as requirement of minimum wages due to absenteeism to attend to their daily works as justified below.

Worker name	Wages payment month	Monthly total earning	Justification
Mansur	August 2015	RM 564.32	Absent to work for 4 days and plus 1 holiday Low productivity worker
Suhardi	September 2015	RM 749.45	Absent to work for 3 days and plus 2 days holiday
Suhir	October 2015	RM 736.33	Absent to work for 6 days

6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>A) Mill is refer and follow some of the condition in MAPA/NUPW, e.g. daily rate in mill for local workers are RM 37.50 per day and etc.</p> <p>Employment contract for workers in mill stated :</p> <ul style="list-style-type: none"> <li>• Employment Duties</li> <li>• Period of employment</li> <li>• Salary</li> <li>• Working hours</li> <li>• Adequate work</li> <li>• Accommodation</li> <li>• Food</li> <li>• Medical benefit</li> <li>• Annual leaves, sick leaves and public holidays</li> <li>• Transportation</li> </ul> <p>And etc.</p> <p>Attachment of revised daily wages also available and signed agreed by respective workers to receive the adjustment and increase of wages paid. Exp : Revised Daily Wages for workshop helper, Mr. Anil Kumar Pal effective from 1 March 2014 daily wages RM 39.62 increase to RM 42.62</p> <p>B) Estate checkroll workers contract agreement consist of:</p> <ul style="list-style-type: none"> <li>• <i>Notis penamat kerja</i></li> <li>• <i>Kadar gaji bagi pekerja ladang</i></li> <li>• <i>Elaun tambahan</i></li> <li>• <i>Waktu bekerja</i></li> <li>• <i>Hari rehat mingguan</i></li> <li>• <i>Cuti tahunan</i></li> <li>• <i>Cuti am berbayar</i></li> <li>• <i>Bekerja pada hari cuti</i></li> <li>• <i>Cuti Sakit Berpanjangan</i></li> <li>• <i>Cuti Sakit bergaji</i></li> <li>• <i>Kemudahan yang diberi</i></li> <li>• <i>Hari-hari kelepasan am yang diberi and etc.</i></li> </ul> <p>C) Estate contractors' workers agreement stated the condition statement as below:</p> <ul style="list-style-type: none"> <li>• <i>Notis penamat kerja</i></li> <li>• <i>Kadar Harga Menuai Buah Sawit</i></li> <li>• <i>Elaun Tambahan</i></li> <li>• <i>Waktu Bekerja</i></li> </ul>	

	<ul style="list-style-type: none"> <li>• <i>Hari Rehat Mingguan</i></li> <li>• <i>Cuti Tahunan</i></li> <li>• <i>Cuti Am Berbayar</i></li> <li>• <i>Bekerja pada Hari Cuti</i></li> <li>• <i>Cuti Sakit Bergaji</i></li> <li>• <i>Kemudahan Yang Diberi</i></li> <li>• <i>Hari- Hari Kelepasan Am Yang Diberi and etc.</i></li> </ul> <p>* Contract agreement signed between Contractor (Chin Swee Siong) and contractor worker (Samsiah Passport no: AS 022528) has been referred.</p>	
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).	<i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>	
<b>Objective evidence:</b>	<p>Housing is adequately provided with water supplies, medical, educational and welfare amenities in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446)</p> <p><b>Site Inspection to the workers line-site, found that there are 2 units of abandoned/ junk heavy machineries (JCB) left in the Keck Seng workers line-site area. It would pose safety risk for children who occupying the line-site area.</b></p> <p><b>Harvesting sickles are not properly kept at designated area but seen keeping here and there in front of the contractors workers houses at Keck Seng line-site compound. Although there are covered with the sickle cover but still poses safety hazard to the line-site residents.</b></p> <p><b>Site inspection at the dispensary found that, empty medicine bottles with the old labels are recycled, old labeling with the expired expiry date which use for refill of new medicine are confusing. There is no proper sterilization for the stitching apparatus. Dustbin with proper cover is needed for contaminated cotton which used for treatment purposes to prevent germs/bacteria expose to the air. Refrigerator meant for keeping medicine should not keep foods and drink together with medicine to prevent any risk of cross contamination. Overall housekeeping is require for the dispensary.</b></p> <p><b>MINOR 23</b></p>	
6.5.4	Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food.	<i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Site visit to the canteen at Keck Seng Linesite found that the price lists of food selling at the canteen clearly displayed at the canteen.</p> <p>Interview with workers showed that workers are satisfied and have no negative comments on the food prices.</p> <p>Management also monitor closely on the food prices in the estate canteen to ensure workers always access to the adequate, sufficient and affordable food.</p>	
<p><b>Criterion 6.6:</b> The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>		
6.6.1	A published statement in local languages recognising freedom of association shall be available.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>A valid freedom of association policy is available in local languages. The policy is found to be posted on the company's notice and information wall.</p>	

6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented.	<i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>JCC meeting/internal stakeholders for palm oil mill and estates were conducted once a year and mainly discuss on the social related matters.</p> <p>Latest meeting for Keck Seng Estate and Mill were conducted on 28 January 2015, impacts identified were captured in the meeting minutes.</p> <p>Attendant list attached showed the participation of JCC members/workers representatives in the meeting conducted.</p>	
<b>Criterion 6.7:</b> Children are not employed or exploited.		
6.7.1	There shall be documentary evidence that minimum age requirements are met.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Keck Seng has not engaged children below 16 years old.</p> <p>Employment records evidenced that employment age requirement is met. Ground observation during surveillance visit also does not show evidence in employment of underage workers.</p> <p>Company social policy statement clearly declared that Keck Seng never engage forced labour or child labour that is less than 16 years old.</p>	
<b>Criterion 6.8:</b> Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation or age is prohibited.		
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>There is a publicly available social policy consist of equal opportunities statement which states that the company is an equal opportunity employer, whereby the company does not practice discrimination. The policy has been posted on notice board as well as their website.</p> <p><i>The Social policy statement on equal opportunities stated as below:</i></p> <p><i>Company to treat our people fairly in term of recruitment, progression, terms and conditions of work and representation, irrespective of race, caste national origin, gender, colour, disability, sexual orientation, union membership, political opinion, religion and /or age.</i></p>	
6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>There is no evidence of discrimination when a cross section of employees was interviewed. A functioning grievance mechanism is in place.</p> <p>Company social policy declaration also consist the statement of no discrimination in practice.</p>	
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.	<i>Minor</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	
<b>Objective evidence:</b>	<p>Workers job allocation based on their past experience and job vacancy available. Workers are allowed to shift jobs with reasonable justification.</p>	
<b>Criterion 6.9:</b> There is no harassment or abuse in the work place, and reproductive rights are protected.		
6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce.	<i>Major</i>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>	

<b>Objective evidence:</b>	<p>A policy on sexual harassment exists. The policy was also written in the Malay language and displayed on the notice boards. No evidence or practices that contradict this policy were observed. Discussion with female staff shows that the company provide fair and just treatment to women.</p> <p>Social policy statement clearly stated that:</p> <p>Company to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights.</p> <p>Joint gender committee meeting (estates and mill) conducted yearly. Latest meeting conducted on 15 May 2015 and meeting minutes available.</p> <p>Updated gender committee organization chart, also available.</p> <p>Pengerusi: Cik Janani Sankunny</p> <p>Naib pengerusi: Pn. Nik Karimah Bt. Zainuri</p> <p>Setiusaha: Pn. Anizah Bt. Daliman</p> <p>Members: Pn. Norehan Bt. Abdul Rahani, Pn. Arbaenah Bt. Amir and etc.</p> <p>Besides, gender committee also conducted a briefing on company policy and sexual harassment awareness and prevention matters to the housewives who occupying the linesite on 11 October 2013 and next briefing schedule to be conducted on 29 December 2015.</p>				
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.			<i>Major</i>	
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	<p>Social Policy dated 7 October 2015 signed and approved by Dato's Ho Kian Hock (Managing Director) consist a statement to protect the woman reproductive rights.</p> <p>To prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights.</p>				
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce.			<i>Minor</i>	
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	<p>A mechanism for recording harassment is also available. No evidence or practices that contradict this policy were observed. Discussion with the workers shows that the company provide fair and just treatment to women. Grievance mechanism for sexual harassment is in place. A documented sexual harassment grievance mechanism exists.</p> <ul style="list-style-type: none"> <li>- Principle 6: Criterion 6.9 SOP <i>Pertubuhan Jantina</i></li> <li>- <i>Carta aliran Pertubuhan Jantina KSM (RSPO-CRI-6.9.1 dated 19/08/2013)</i></li> </ul> <p>RSPO-CRI-6.9.2A dated 18/08/2011 –<i>Kod Amalan Cara menghadapi dan Mengatasi Gangguan Seksual di Tempat Kerja</i></p>				
<b>Criterion 6.10: Growers and millers deal fairly and transparently with smallholders and other local businesses.</b>					
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.			<i>Minor</i>	
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	Pricing mechanism for FFB is documented, available in the contract and displayed at the weighbridge ticket office.				
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation).			<i>Major</i>	
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	FFB price is publicly available at their mill's weighbridge office.				
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.			<i>Minor</i>	

<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:		
<b>Objective evidence:</b>	<p>A) Palm Oil Mill Contractual agreement between Masai POM and Lembaga Kemajuan Tanah Persekutuan dated 1 July 2015. Contract No.: C 0201211/1431-3011-Pkt. 001 for purchasing of FFB. Period from 01 July 2015 to 31 December 2015.</p> <p>B) Estate Contract agreement between Keck Seng (Malaysia) Bhd, Keck Seng Palm Oil Estate and Perusahaan Mewah Hijau Comapany (Harvesting contractor) dated 1 January 2015. Contract no: 01/2015. Effective period from 1 January 2015 to 31 December 2015.</p>					
6.10.4	Agreed payments shall be made in a timely manner.					<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:		
<b>Objective evidence:</b>	<p>A) Palm Oil Mill Payment for FFB purchasing will be made every 1<sup>st</sup> week of the following month. (Example of Invoice payment to Koperasi Cahaya Baru Bhd, Felda on 3 November 2015. Invoice number: 20012)</p> <p>B) Estate Meanwhile the payment for harvesting contractors will be made before 20 of the following month. (Example of payment invoice to Perusahaan Mewah Hijau is referred. Invoice number: PMH 00056.</p>					
<b>Criterion 6.11:</b> Growers and millers contribute to local sustainable development where appropriate.						
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated.					<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:		
<b>Objective evidence:</b>	<p>Keck Seng has built the 3km Tar road for the neighbouring stakeholders (Kampung Sungai Penderam (Include: Kg Desa Makmur, Kg Desa Pinggitan, Kg. Desa Mewah).</p> <p>At the meantime, Keck Seng has also built tar road for the staffs quarter on year 2014 and tar road accessibility for the workers quarters on year 2015</p> <p>Management has cleaned the water reservoir (for domestic supply) and during the cleaning time, management has provided the SAJ water for domestic usage during the time.</p> <p>Company provide clean water supply to the <i>Surau Jalan Desa Makmur, Kg Sg Penderam during Hari Raya AidilAdha.</i></p> <p><i>Jamuan Makan</i> to all the workers for festival days, include: Deepavali, Chinese New Year, Hari Raya Puasa.</p> <p>Yearly outing for workers and staffs provided by management. E.g Genting Highland and KLCC for year 2015.</p>					
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity.					<i>Minor</i>
<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:		
<b>Objective evidence:</b>	<p>Employment contract for workers in mill stated :</p> <ol style="list-style-type: none"> <li>1) Employment Duties</li> <li>2) Period of employment</li> <li>3) Salary</li> <li>4) Working hours</li> <li>5) Adequate work</li> <li>6) Accommodation</li> <li>7) Food</li> <li>8) Medical benefit</li> </ol>					



	<p>9) Annual leaves, sick leaves and public holidays</p> <p>10) Transportation</p> <p>And etc.</p> <p>Attachment of revised daily wages also available and signed agreed by respective workers to receive the adjustment and increase of wages paid. Exp : Revised Daily Wages for workshop helper, Mr. Anil Kumar Pal effective from 1 March 2014 daily wages RM 39.62 increase to RM 42.62</p>
<b>Criterion 6.12:</b> 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. <span style="float: right;"><i>Major</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Interview with workers evidence the willingness of workers to dedicate their work services in the company. Keck Seng Social policy stated that company never engage force labour.
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. <span style="float: right;"><i>Minor</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	No any contract substitution, as when the foreign workers arrived, they will immediately sign a contract directly with the company but not with any of the agency. Interviewed with workers showed that the fully aware and understand the terms and conditions stated in their contract and there are no any contract substitution.
6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. <span style="float: right;"><i>Major</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Keck Seng Social policy stated that to treat 'our people fairly in term of recruitment, progression, terms and conditions of work and representation, irrespective of race, caste national, origin and etc.'
<b>Criterion 6.13:</b> Growers and millers respect human rights	
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see criteria 1.2 and 2.1) <span style="float: right;"><i>Major</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Keck Seng Social policy stated that to respect the right of all personnel to form and join trade unions of their choices and to bargain collectively.
6.13.2	As long as children of foreign workers in Sabah and Sawarak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. <span style="float: right;"><i>Minor</i></span>
<b>Findings</b>	In compliance: Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
<b>Objective evidence:</b>	Not applicable as Keck Seng Production Unit is located in Peninsular Malaysia.

**Principle 7: Responsible Development of New Plantings**

This whole Principle is not applicable to this assessment as there are no new plantings. The company is only involved in re-planting programme after felling of old palms and converting their land for housing projects and there is no plan for expansion.

**Principle 8: Commitment to Continual Improvement in Key Areas of Activity**

Criterion 8.1: Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continual improvement in key operations.					
8.1.1	<p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction in use of pesticides (Criterion 4.6)</li> <li>• Environmental impacts (Criterion 4.3, 5.1 and 5.2)</li> <li>• Waste reduction (Criterion 5.3)</li> <li>• Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8)</li> <li>• Social impacts (Criterion 6.1)</li> <li>• Encourage optimizing the yield of the supply base.</li> </ul>	<i>Major</i>			
<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:	
<b>Objective evidence:</b>	<p>Continual improvement plan 2015 with Doc. No. RSPO-PL-01 dated 13/11/2015 is available during audit. The plan included:</p> <ul style="list-style-type: none"> <li>• Upgrading of tar road to Sungei Penderam – Completed on March 2015. Evidence is verified during the on-site visit.</li> <li>• Construction of contractor workshop – Completed on August 2014. The workshop is sighted during audit.</li> <li>• Provide recycle bin in labour quarters – Recycle bins are sighted during on-site visit to the labour quarter.</li> <li>• Installation of fire hydrant in labour quarters – Fire hydrants is installed in the labour quarters and evidence is verified.</li> <li>• Cleaning of septic tank – Still in progress</li> <li>• Construction of 18 new staff quarters – Under construction</li> <li>• Installation of mosquito netting in labour quarters – Under discussion among top management.</li> <li>• Construction of multipurpose hall– Under discussion among top management.</li> <li>• Upgrading of Effluent treatment plant – Under construction.</li> <li>• Replace of air preheater for boiler no. 6 – under construction.</li> </ul> <p>In addition, the management has also organized and involved in some of the CSR activities such as Annual Blood Donation 2015, Sport Carnival, Celebration of Chinese New Year, Hari Raya and Deepavali, Educational Ho Yeow Koon Award 2014, field trip visit by SJK © Pandan Johor Bahru and Pusat Kebajikan Home Berkat Johor Bahru and etc.</p>				

**3.1.2 Supply Chain**

For supply chain, the Keck Seng (M) Bhd Palm Oil Mill has decided to use **Module E- CPO Mills: Mass Balance** in this assessment. The findings and objective evidence found during the assessment are outlined in the table below. The results for each indicator from each of the operational areas were evaluated to provide an assessment of conformity. A statement is provided for each of the RSPO indicators in order to support the findings of the assessment team.

**Module E – CPO Mills: Mass Balance**

<b>Module E – CPO Mills: Mass Balance</b>												
<b>E.1: Definition</b>												
<b>E.1.1</b>	Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.											
<b>E.2: Explanation</b>												
<b>E.2.1</b>	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.		<b>MAJOR</b>									
<b>Findings</b>	In compliance:	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>									
<b>Objective evidence:</b>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill for the coming certification is recorded by SGS in the public summary of the P&amp;C certification report.</p> <p>This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year</p> <p>The actual tonnage produced is also recorded in each subsequent annual surveillance report.  <b>See Table 8: Actual (2014/2015) and Projected (2015/2016) Mill Processing Data</b></p> <table border="1" data-bbox="352 1272 1406 1417"> <thead> <tr> <th>Period</th> <th>Jan – Nov 2015</th> <th>Sale Category claim</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>11,136.58</td> <td>RSPO MB</td> </tr> <tr> <td>PK</td> <td>3,600.88</td> <td>RSPO MB</td> </tr> </tbody> </table>			Period	Jan – Nov 2015	Sale Category claim	CPO	11,136.58	RSPO MB	PK	3,600.88	RSPO MB
Period	Jan – Nov 2015	Sale Category claim										
CPO	11,136.58	RSPO MB										
PK	3,600.88	RSPO MB										
<b>E.2.2</b>	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).		<b>MAJOR</b>									
<b>Findings</b>	In compliance:	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>									
<b>Objective evidence:</b>	<p>Keck Seng ( M ) Bhd has registered under the RSPO IT, eTrace system.</p> <p>Member Name: Keck Seng ( M ) Bhd</p> <p>Member ID: RSPO_PO1000000505</p> <p>A sample of a Shipping Announcement was sighted.</p> <p>Seller : Keck Seng ( M ) Bhd</p> <p>Buyer : Keck Seng ( M ) Bhd</p> <p>Buyer Member ID: RSPO_PO1000000259</p> <p><b>Traceability</b></p> <p>Transaction ID: TR-88ab05cb-2ae0</p> <p>Creation Date: 01/14/2015</p>											

	<p>Shipping /BL Date : 01/08/2015</p> <p>Product details</p> <p>Product Name: CPO</p> <p>Programy : Mass Balance</p> <p>- Volume : 148.86 MT</p> <p>For Palm Kernel</p> <p>Member Name: Keck Seng ( M ) Bhd</p> <p>Member ID: RSPO_PO1000000505</p> <p>A sample of a Shipping Announcement was sighted.</p> <p>Seller : Keck Seng ( M ) Bhd</p> <p>Buyer : Ragamo Sdn Bhd</p> <p>Buyer Member ID: RSPO_PO1000000649</p> <p><b>Traceability</b></p> <p>Transaction ID: TR-ab44d60a5c-c52c</p> <p>Creation Date: 01/02/2015</p> <p>Shipping /BL Date : 01/02/2015</p> <p>Product details</p> <p>Product Name: Palm Kernel ( PK )</p> <p>Program : Mass Balance</p> <p>Volume : 44.84 MT</p>
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**E.3: Documented Procedures**

<b>E.3.1</b>	<p>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>	<b>MAJOR</b>
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<b>Findings</b>	In compliance:	Yes:	<b>X</b>	No:	
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<b>Objective evidence:</b>	<p>The mill is maintaining the Doc. No: RSPO –SC-01: <b>Procedure to Handle Certified FFB IN Oil Mill as RSPO Supply Chain Base</b> dated 24 June 2013; revision 2 is maintained.</p> <p>The procedures covers the following :</p> <p>a) Responsibilities</p> <p>b) Scope</p> <p>c) Procedure details</p> <ul style="list-style-type: none"> <li>- Purchasing FFB</li> <li>- Product Sales and Out</li> <li>- Training</li> </ul>
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	<p>- Claims</p> <p><b>However the mill has not updated to include the revised RSPO Supply Chain 2014.</b></p> <p><b>OBSERVATION 15</b></p>				
<b>E.3.2</b>	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.				<b>MAJOR</b>
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	<p>The Doc. No: RSPO –SC-01 : <b>Procedure to Handle Certified FFB IN Oil Mill as RSPO Supply Chain Base</b> dated 24 June 2013; revision 2 referred under the Procedure details section 7.1 Purchasing FFB.</p> <p>The mill has the weighbridge software ‘CWIS’ that has already fixed that the volume from their own supply base is considered RSPO sustainable material.</p>				
<b>E.4: Purchasing and goods in</b>					
<b>E.4.1</b>	The site shall verify and document the volumes of certified and non-certified FFBs received.				<b>MAJOR</b>
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	<p>Daily the system will sent and generate an email to inform the management the following summary :</p> <p>Daily Intake on 29/11/15</p> <p>a) Certified Estate : 9.15 MT</p> <p>b) Own non-certified estate : 0 MT</p> <p>c) Other suppliers : 219.18 MT</p> <p>The Mill Daily Progress Report will record and separate the certified from the non-certified FFB. The certified volume will then be recorded in the RSPO Daily Progress report. The report for 27/11/15 was sighted and was found to be consistent.</p>				
<b>E.4.2</b>	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.				<b>MAJOR</b>
<b>Findings</b>	In compliance:	Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
<b>Objective evidence:</b>	<p><b>There was no statement in the procedure that Masai POM will inform the CB immediately if there is a projected overproduction of certified tonnage.</b></p> <p><b>OBSERVATION 16</b></p>				
<b>E.5: Record keeping</b>					
<b>E.5.1</b>	<p>a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p> <p>b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)</p> <p>For further details refer to Module C.</p>				<b>MAJOR</b>
<b>Findings</b>	In compliance:	Yes:	<input type="checkbox"/>	No:	<input checked="" type="checkbox"/>
<b>Objective evidence:</b>	<p>Keck Seng monitors the record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a daily basis under the :</p> <p>a) RSPO Certified supply Mass Balance Daily Progress report for both the CPO and PK</p>				

	<p>The Daily Progress Report has the:</p> <ul style="list-style-type: none"> <li>a) FFB Process</li> <li>b) CPO / PK B/f</li> <li>c) CPO/PK Month to date and CPO to date</li> <li>d) CPO/ PK OER/KER</li> <li>e) CPO/PK sold</li> <li>f) CPO/PK Unsold</li> </ul> <p>They have information of process and transaction for their PK plant , Ragamo sdn Bhd and refinery , Masai Palm Oil Refinery</p> <p><b>However they do not have the mass balance on a a three-monthly basis</b></p> <p><b>MAJOR NC 24</b></p>						
<b>E.5.2</b>	<p>In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.</p>	<b>MAJOR</b>					
<b>Findings</b>	<table border="1"> <tr> <td>In compliance:</td> <td>Yes:</td> <td style="text-align: center;"><b>X</b></td> <td>No:</td> <td></td> </tr> </table>	In compliance:	Yes:	<b>X</b>	No:		
In compliance:	Yes:	<b>X</b>	No:				
<b>Objective evidence:</b>	The Palm kernel is sold to their own kernel crushing plant Ragamo Sdn Bhd .						

**3.2 Corrective Action Request**

There are total of **05 Major** and **03 Minor** were raised. Please refer to the **Appendix A** for the details findings and relevant correction actions have been taken.

**3.3 Noteworthy Positive & Negative Observation**

There were **16 Observations** raised

**3.4 Status of Non-Conformities Previously Identified**

Please refer to **Appendix B** for the previous audit.

**3.5 Issues Raised by Stakeholders and Findings**

A list of stakeholders contacted is included as **Appendix D**. Stakeholders did not provide any comments in writing regarding the Keck Seng (M) Berhad environmental and social performance. All interviewed stakeholders had positive comments about Keck Seng (M) Berhad.

**4. ACKNOWLEDGEMENT OF ORGANIZATION INTERNAL RESPONSIBILITY**

**4.1 Conclusion**

The audit team concludes that the organization  has  has not 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 systematically achieve agreed criterion & requirements.

**4.2 Date of Next Surveillance Visit**



The next surveillance audit is planned before December 2016.

**4.3 Date of Closing Non-Conformities**

Reference	Class	Issued	Close
4.4.2	Major 18	2/12/15	1/02/16
4.7.1	Major 19	2/12/15	1/02/16
5.2.1	Major 20	1/12/15	1/02/16
5.3.2	Major 21	2/12/15	1/02/16
E5.1	NC 1(Major 24)	30/11/15	1/02/16

**4.4 Acknowledgement of Internal Responsibility and Formal Sign-off Assessment Findings**

SGS Malaysia acknowledges and confirms acceptance of the Report contents and including the assessment findings. SGS Malaysia accepts the responsibility for addressing the opportunities of improvement detailed in this report.

Signed on behalf of Keck Seng (Malaysia) Bhd.	Signed on behalf of SGS( Malaysia) Sdn Bhd
 激成(馬來西亞)有限公司 <b>KECK SENG (MALAYSIA) BERHAD</b> MASAI PALM OIL MILL / REFINERY (8157 D) Name: Position: Date: 18/2/2016. ----- <b>Teo Aik Chong</b> (Mill Manager)	 Name: James S H Ong Position: Lead Auditor Date: 5/2/16

## APPENDIX A: CORRECTIVE ACTION REQUEST &amp; OBSERVATION

CAR #	Indicator	CAR Detail					
		Date Recorded>		Due Date>		Date Closed>	
Minor 17	4.3.2	Date Recorded>	1/12/15	Due Date>	30/11/16	Date Closed>	dd mm yy
		<b>Non-Conformance:</b>					
		A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP.					
		<b>Objective Evidence:</b>					
		<b>However the estate does not have slope/ topography maps that identifies steep areas not suitable for planting</b>					
		<b>Close-out evidence:</b>					
Major 18	4.4.2	Date Recorded>	2/12/15	Due Date>	01/02/16	Date Closed>	1/02/16
		<b>Non-Conformance:</b>					
		Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.					
		<b>Objective Evidence:</b>					
		According to the Social Officer, En Rosli there was nothing much the estate is able to do as these <i>orang kampong</i> are building their houses outside their boundary and the local forestry authorities are not doing anything.					
		<b>However the estate has not followed up with the local authorities to address the intrusion/ encroachment.</b>					
		<b>Interview with the spray operators at Johor Masai, Umar and Habib , showed that they are aware that the marked buffer-zone should not be sprayed however during field visit , the marked buffer-zone along the stream at Block 2-4 was sighted to be circled-sprayed</b>					
<b>Water catchment area was also sprayed along the fence.</b>							
<b>Close-out evidence:</b>							
Keck Seng ( Malaysia) Bhd submitted the following evidence:							
a) Submitted letter to Jabatan Perhutanan Johor dated 14/12/15 to report of the intrusion/ encroachment into the riparian zone of the Reserve.							
b) Evidence of training date 15/12/15 conducted by estate personnel En Saleh Safawi and Solahim to the spray operators on riparian zone –No spraying awareness							
c) Placement of 'No Spraying' signboard at the fence of the Water catchment pond							
<b>Major CAR 18 Closed</b>							
Major 19	4.7.1	Date Recorded>	2/12/15	Due Date>	1/02/16	Date Closed>	1/02/16
		<b>Non-Conformance:</b>					
		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 its effectiveness monitored.					
		<b>Objective Evidence:</b>					
		<b>Although they have a OSHA file that files the policy, Org chart, Safety Meetings, OSH visit, accident records, annual submission to JKKP, however a Safety &amp; Health Plan that include targets , implementation, monitoring and action plan and review was not available .</b>					
<b>Close-out evidence:</b>							



CAR #	Indicator	CAR Detail					
		<p>Keck Seng ( Malaysia) Bhd submitted the Health and Safety Plan EST-OSH Plan 15/12/15 written by Asrul Mohd Bahri and approved by Mr James Philip Ho, General Manager covering topics and activities that include :</p> <p>1.0 Introduction            2.0 Scope            3.0 Policy            4.0 Organization            5.0 Responsibilities            6.0 Action Plan for Implementing the Policy            6.1 Hazards of the Workplace            6.2 Instruction and Training            6.3 Third Parties            6.4 Safety Audits            6.5 Accident Investigating and Report            6.6 Reporting Unsafe or Unhealthy Conditions            6.7 Emergency Planning            6.8 Protective Clothing and Personal Protective Equipment (PPE)            6.9 Health and Safety Evaluation            6.10 Safety System of Work (Permit to Work)            6.11 Health            6.12 Safety Committee            6.13 Tool Box Meeting            6.14 Enforcement of Breach of Health and Safety Rules            7.0 Suppliers            8.0 Warning Notices            9.0 Accident Reporting Procedure            10.0 Procedure on Fire Prevention Plan</p> <p>In the document it includes information on targets , implementation, monitoring and action plan and review</p> <p><b>Major CAR 19 Closed</b></p>					
Major 20	5.2.1	<b>Date Recorded&gt;</b>	1/12/15	<b>Due Date&gt;</b>	31/1/16	<b>Date Closed&gt;</b>	1/02/16
<b>Non-Conformance:</b>							
Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).							
<b>Objective Evidence:</b>							
<p>HCV assessment is conducted by Wild Asia on March 2012 with the report dated 05/06/2012. From the assessment report, Wild Asia has identified the presence of HCV 1.1, 1.2, 2, 3, 4.1 and 5. The assessment is conducted through field visits and interviews with local stakeholders. Some key recommendations are given by Wild Asia to the management as such:</p> <ul style="list-style-type: none"> <li>• Due to the vital importance of maintaining water quality in the Sg Johor Forest Reserve and two water catchments, maintenance of riparian buffer zones must be a high priority. Where incursions are noted into river reserve (under either SAJ or JSDF), efforts should be made to alert the relevant authority quickly so the legality of these can be investigated.</li> <li>• Liaising with other stakeholders, especially the <i>orang Seletar</i> community, to develop adequate management plans to ensure maintenance of biodiversity values necessary for their livelihood.</li> <li>• Develop an appropriate awareness-raising programme and materials for workers and stakeholders to highlight the importance of protecting HCVs within the area.</li> </ul> <p><b>However, the management has yet to take any action of the recommendations.</b></p>							
<b>Close-out evidence:</b>							

CAR #	Indicator	CAR Detail					
		<p>The management has sent samples of river water (Sungai Serai, Sungai Johor, Sungai Penderam) and lower water reservoir and upper water reservoir for SAJ water catchment to Lotus Laboratory Services (M) Sdn. Bhd. on 22/12/2105 and the result was received on 08/01/2016.</p> <p>In addition, the management has made visit to the Seletar people and all the HCV and buffer zone area on 22/01/2016 with two field stadd involved. The management has reported the encroachment into Tanah Rezab Sungai by the local to the Forestry Department Johor.</p> <p><b>MAJOR 20 CLOSED</b></p>					
Major 21	5.3.2	<b>Date Recorded&gt;</b>	2/12/15	<b>Due Date&gt;</b>	1/02/16	<b>Date Closed&gt;</b>	1/02/16
<b>Non-Conformance:</b>							
All chemicals and their containers shall be disposed of responsibly.							
<b>Objective Evidence:</b>							
<p><b>The last disposal of SW (empty chemical containers and waste solvent) is carried out on 29/10/2015 which is exceeded the allowable days of 180 days. The storage period for the SW was about 204 days.</b></p> <p><b>The estate has yet to generate the empty chemical container and Scheduled waste inventory. Records of disposal for empty chemical containers are not sighted during audit.</b></p> <p>According to the Assistant, the estate will send the Scheduled waste to the POM and disposal is arranged by the POM. <b>The last batch of Scheduled waste sent to POM was on 28/11/2014 which means the current batch of Scheduled waste is exceeded the allowable 180 days to keep according to EQA.</b></p> <p><b>During on-site visit to the Scheduled Waste stores, it is sighted that no labelling on the Scheduled waste containers as per EQA requirements.</b></p>							
<b>Close-out evidence:</b>							
The management has disposed SW 409 Contaminated Filter by Positive Chemicals Sdn. Bhd. on 26/01/2016. They will ensure the scheduled waste do not keep more than 180days.							
<b>MAJOR 21 CLOSED</b>							
Minor 22	5.6.3	<b>Date Recorded&gt;</b>	2/12/15	<b>Due Date&gt;</b>	1/12/16	<b>Date Closed&gt;</b>	dd mm yy
<b>Non-Conformance:</b>							
A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.							
<b>Objective Evidence:</b>							
<b>The greenhouse gases emissions are not monitor in the POM and the estates. The PalmGHG calculator is not available.</b>							
<b>Close-out evidence:</b>							
Minor 23	6.5.3	<b>Date Recorded&gt;</b>	30/11/15	<b>Due Date&gt;</b>	29/11/16	<b>Date Closed&gt;</b>	dd mm yy
<b>Non-Conformance:</b>							
<p>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).</p> <p>Improper storage of abandoned heavy machineries and harvesting tools at linesite area which poses safety risk to linesite residents.</p> <p>Improvements require on the dispensary facilities at the linesite area.</p>							
<b>Objective Evidence:</b>							

CAR #	Indicator	CAR Detail
		<p>Housing is adequately provided with water supplies, medical, educational and welfare amenities in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446)</p> <p><b>Site Inspection to the workers linesite, found that there are 2 units of abandoned/ junk heavy machineries (JCB) left in the Keck Seng workers linesite area. It would poses risk for children who occupying the linesite area.</b></p> <p><b>Sickles are not properly kept at designated area but seen keeping here and there in front of the contractors workers houses at Keck Seng linesite compound. Although there are covered with the sickle cover but still poses safety hazard to the linesite residents.</b></p> <p><b>Site inspection at the dispensary found that, empty medicine bottles with the old labels are recycled, old labeling with the expired expiry date which use for refill of new medicine are confusing. There is no proper sterilization for the stitching apparatus. Dustbin with proper cover is needed for contaminated cotton which used for treatment purposes to prevent germs/bacteria expose to the air. Refrigerator meant for keeping medicine should not keep foods and drink together with medicine to prevent any risk of cross contamination. Overall housekeeping is require for the dispensary.</b></p>
		<b>Close-out evidence:</b>

#### For the Supply Chain

CAR #	Indicator	CAR Detail					
NC 1 ( Major CAR 24)	E5.1	<b>Date Recorded&gt;</b>	30/11/15	<b>Due Date&gt;</b>	29/02/16	<b>Date Closed&gt;</b>	1/02/16
		<b>Non-Conformance:</b>					
		<p>d. 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>e. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>f. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short. (ie product can be sold before it is in stock.)</p> <p>For further details refer to Module C.</p>					
		<b>Objective Evidence:</b>					
		<p>Keck Seng monitors the record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a daily basis under the :</p> <p>b) RSPO Certified supply Mass Balance Daily Progress report for both the CPO and PK</p> <p>The Daily Progress Report has the:</p> <p>g) FFB Process</p> <p>h) CPO / PK B/f</p> <p>i) CPO/PK Month to date and CPO to date</p> <p>j) CPO/ PK OER/KER</p> <p>k) CPO/PK sold</p> <p>l) CPO/PK Unsold</p> <p>They have information of process and transaction for their PK plant , Ragamo sdn Bhd and refinery , Masai Palm Oil Refinery</p> <p><b>However they do not have the mass balance on a three-monthly basis.</b></p>					
		<b>Close-out evidence:</b>					

CAR #	Indicator	CAR Detail
		<p>Keck Seng ( M ) Bhd submitted the 2015 of the ' RSPO Daily Progress Report for each quarter 1<sup>st</sup> Quarter Year 2015 (Jan – March ) , 2<sup>nd</sup> Qtr (Apr –June ) , 3rd Qtr (Jul – Sept ) and 4<sup>th</sup> Qtr ( Oct – Dec ) to to show that the three-monthly Mass Balance is in place to ensure that sales is always done with a positive stock.</p> <p>As a sample , In the report for Masai Palm Oil mill it show the following:</p> <p>Despatch for</p> <p>JAN 2015 FEB 2015 ,MAR 2015 Year Todate processing Unsold</p> <p>A) Masai Palm Oil Mill</p> <p>CS FFB INTAKE 3649.620 3507.400 5749.350 1 2,906.370</p> <p>FFB Process 3649.620 3507.400 5749.350 1 2,906.370</p> <p>CPO b/f year 2014 (intake) (MB) 2 ,826.056</p> <p>CPO (MB) certified OER 19.18% 690.730 670.090 1110.470 2 ,471.290</p> <p>CPO Sold (MB) (Sold) 2974.920 0.000 2108.970 5 ,083.890</p> <p>CPO Unsold (MB) 2 16.686 216.686</p> <p>Palm Kernel (MB) certified KER 6.06% 210.260 193.550 337.220 7 41.030</p> <p>PK b/f year 2014 (intake) (MB) 0.000 0.000 0.000 4 4.840</p> <p>Palm Kernel Sold (MB) (Sold) 148.110 278.560 343.990 7 70.660</p> <p>Palm Kernel Unsold (MB) 1 3.090 13.090</p> <p><b>NC 1 ( Major CAR 24 ) – Closed</b></p>

### OBSERVATIONS

OBS #	Indicator	Observation Detail					
OBS 01	2.1.1	Date Recorded>	30/12/15	Due Date>	dd mm yy	Date Closed>	dd mm yy
		<b>Non-Conformance:</b>					
		Evidence of compliance with relevant legal requirements shall be available.					
		<b>Objective Evidence:</b>					
		Boundary noise monitoring is conducted on 25/07/2014 by Industrial Safety Management Services. 4 points are selected for the assessment. The result for point N3 in the night time is at average 59 dBA which exceeded the limit (55 dBA). However, no any action taken by the management.					
		<b>Close-out evidence/Planned Actions:</b>					
OBS #	Indicator	Observation Detail					
OBS 02	4.4.1	Date Recorded>	30/11/15	Due Date>	dd mm yy	Date Closed>	dd mm yy
		<b>Non-Conformance:</b>					
		An implemented water management plan shall be in place.					
		<b>Objective Evidence:</b>					
Record of treated water analysis result done at Lotus Laboratory Services (M) Sdn Bhd dated 25/5/15 was sighted. Ref: LS/W/D9004/15.							
<b>The result show that it complies to the Standard for Water, 25<sup>th</sup> A Schedule ( subregulation 394(1) ) except for the issue of turbidity which was recorded at 7.7 NTU versus the standard of 2 NTU</b>							

OBS #	Indicator	Observation Detail					
		<b>Close-out evidence/Planned Actions:</b>					
OBS #	Indicator	Observation Detail					
OBS 03	4.5.2	<b>Date Recorded&gt;</b>	1/12/15	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy
		<b>Non-Conformance:</b>					
		Training of those involved in IPM implementation shall be demonstrated.					
		<b>Objective Evidence:</b>					
		<b>No training were conducted for those involved in IPM implementation as the estate did not have any pest outbreaks</b>					
		<b>Close-out evidence/Planned Actions:</b>					
OBS 04	4.6.1	<b>Date Recorded&gt;</b>	1/12/15	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy
		<b>Non-Conformance:</b>					
		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					
		<b>Objective Evidence:</b>					
		<b>However , the document was not updated to include the use of some of the products used in the estate such as :</b>					
		<b>a) Roundup Rainguard 48% glyphosate</b> <b>b) Sucthion</b> <b>c) Resigen - for fogging</b>					
		<b>Dosage recommendation for the use of chemical based on low volume using CDA was also lacking</b>					
		<b>In addition the appropriate MSDS for the products Hamine and Roundup Rainguard were not available</b>					
		<b>Close-out evidence/Planned Actions:</b>					
OBS05	4.6.2	<b>Date Recorded&gt;</b>	1/12/15	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy
		<b>Non-Conformance:</b>					
		Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided.					
		<b>Objective Evidence:</b>					

OBS #	Indicator	Observation Detail																										
		<p>Monitoring of each pesticide usage units per ton crop e.g. total quantity of active ingredients (a.i) used/tonne of FFB is recorded in the ' annual record for herbicide usage of Keck Seng Oil Palm Estate ' file</p> <p>In the record , annual record of each pesticide use is available since 2010 – 2015</p> <p>e.g sighted for KSOPE</p> <table border="1"> <thead> <tr> <th>Chemical/Year</th> <th>2010</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>Roundup Transorb (L/MT)</td> <td>0.000</td> <td>0.000</td> <td>0.0122</td> <td>0.0251</td> <td>0.000</td> <td>0.00</td> </tr> <tr> <td>Roundup Ranguard (L/MT)</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.0300</td> <td>0.0381</td> </tr> </tbody> </table> <p><b>However records of amount of active ingredients pesticide used per ha as required has not been included in their records.</b></p> <p><b>Close-out evidence/Planned Actions:</b></p>						Chemical/Year	2010	2011	2012	2013	2014	2015	Roundup Transorb (L/MT)	0.000	0.000	0.0122	0.0251	0.000	0.00	Roundup Ranguard (L/MT)	0.000	0.000	0.000	0.000	0.0300	0.0381
Chemical/Year	2010	2011	2012	2013	2014	2015																						
Roundup Transorb (L/MT)	0.000	0.000	0.0122	0.0251	0.000	0.00																						
Roundup Ranguard (L/MT)	0.000	0.000	0.000	0.000	0.0300	0.0381																						
OBS #	Indicator	Observation Detail																										
OBS 06	4.6.6	<b>Date Recorded&gt;</b>	1/12/15	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy																					
		<b>Non-Conformance:</b>																										
		Storage of all pesticides shall be according to recognized best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). 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 Regulations.																										
		<b>Objective Evidence:</b>																										
		The estate has also allocated a pre-mixing site where bunding and a source of water were available. Measuring jugs and funnels were also sighted. The estate has also re-labelled the 20 lit chemical containers to be used as pre-mix solution for their spray activity.																										
		All empty containers were stored in the empty container shed all triple rinsed.																										
		<b>However at the contractor site, it was seen that some of the empty chemical container used as diesel storage container were not relabelled.</b>																										
		<b>On the tractor, there were some re-used as some of the loose-fruit scraper made from cut-out 'green' chemical containers were sighted .</b>																										
		<b>Close-out evidence/Planned Actions:</b>																										
OBS07	4.6.12	<b>Date Recorded&gt;</b>	2/12/15	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy																					
		<b>Non-Conformance:</b>																										
		No work with pesticides shall be undertaken by pregnant or breast-feeding women.																										
		<b>Objective Evidence:</b>																										
		<b>Although the management will ensure that no work with pesticide will be undertaken by pregnant or breast-feeding women however there is no programme to ensure that the workers have been declared medically fit for work by the hospital assistant.</b>																										
		<b>Close-out evidence/Planned Actions:</b>																										

OBS #	Indicator	Observation Detail					
		Date Recorded>	1-2/12/15	Due Date>	dd mm yy	Date Closed>	dd mm yy
OBS08	5.1.2	<b>Non-Conformance:</b>					
		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/persons.					
		<b>Objective Evidence:</b>					
		Action plan for Environmental Impact Assessment is generated on 09/10/2015 with Doc. No. RSPO-AP-02, revision 06. The action plan generated with the reference of SEIA conducted by WildAsia Sdn. Bhd. report dated 05/06/2012. However, there is no identification of responsible person stated in the action plan.					
		<b>Close-out evidence:</b>					
OBS09	5.2.3	Date Recorded>	1-2/12/15	Due Date>	dd mm yy	Date Closed>	dd mm yy
		<b>Non-Conformance:</b>					
		There shall be a programme to 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.					
		<b>Objective Evidence:</b>					
		The company has yet to give training to the employees on HCV management plan and the status of ERT species.					
		<b>Close-out evidence:</b>					
OBS10	5.2.4	Date Recorded>	1-2/12/15	Due Date>	dd mm yy	Date Closed>	dd mm yy
		<b>Non-Conformance:</b>					
		Where an action plan has been created there shall be ongoing monitoring					
		<b>Objective Evidence:</b>					
		The estate has generated a management plan for HCV. However, the management plan does not include the status of the action taken.					
		<b>Close-out evidence:</b>					
OBS11	5.2.5	Date Recorded>	1-2/12/15	Due Date>		Date Closed>	dd mm yy
		<b>Non-Conformance:</b>					
		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.					
		<b>Objective Evidence:</b>					
		HCV areas map is sighted during audit. WildAsia has recommended the management to make some efforts to alert the relevant authority on the legality of the people who staying at the area. This is to maintain the water quality in the Sg Johor Forest Reserve and two water catchments, maintenance of riparian buffer zones must be a high priority. Furthermore, the management shall liaise with other stakeholders, especially the <i>orang Seletar</i> community, to develop adequate management plans to ensure maintenance of biodiversity values necessary for their livelihood. However, the management has yet to take any action on these.					
		<b>Close-out evidence:</b>					

OBS #	Indicator	Observation Detail					
		<b>Close-out evidence:</b>					
OBS12	5.4.1	<b>Date Recorded&gt;</b>	1-2/12/15	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy
		<b>Non-Conformance:</b>					
		A plan for improving efficiency of the use of fossil fuels and to optimize renewable energy shall be in place and monitored.					
		<b>Objective Evidence:</b>					
		Estate has yet to generate the record for diesel usage for tractor per hectare of FFB.					
		<b>Close-out evidence:</b>					
OBS13	5.6.2	<b>Date Recorded&gt;</b>	30/12/15	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy
		<b>Non-Conformance:</b>					
		Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimize them implemented.					
		<b>Objective Evidence:</b>					
		The estate has yet to implement the reduction or minimised the GHG emissions.					
		<b>Close-out evidence:</b>					
OBS #	Indicator	Observation Detail					
OBS14	6.2.3	<b>Date Recorded&gt;</b>	30/11/15	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy
		<b>Non-Conformance:</b>					
		Incomplete stakeholder namelist.					
		<b>Objective Evidence:</b>					
		List of stakeholders available and updated yearly. Records of communication included request, complaints and grievances are available in the group email correspondence for the oil factory. Meantime, internal complaints and etc. available in the Keck Seng complaint forms and linesite request for repair forms for the mill.					
		Others that that, DOE and JKPP inspection books also clearly recorded the correspondence and follow up on the officers' comments.					
		<b>However, workers representatives from different nationality are not stated in the internal stakeholder namelist.</b>					
		<b>Close-out evidence/Planned Actions:</b>					
OBS15	E 3.1	<b>Date Recorded&gt;</b>	30/11/15	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy
		<b>Non-Conformance:</b>					



OBS #	Indicator	Observation Detail					
		<p>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>					
		<b>Objective Evidence:</b>					
		<b>However the mill has not updated to include the revised RSPO Supply Chain 2014.</b>					
		<b>Close-out evidence/Planned Actions:</b>					
OBS #	Indicator	Observation Detail					
OBS16	E4.2	<b>Date Recorded&gt;</b>	30/12/15	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy
		<b>Non-Conformance:</b>					
		The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.					
		<b>Objective Evidence:</b>					
		<b>There was no statement in the procedure that Masai POM will inform the CB immediately if there is a projected overproduction of certified tonnage.</b>					
		<b>Close-out evidence/Planned Actions:</b>					
		<b>Date Recorded&gt;</b>	dd mm yy	<b>Due Date&gt;</b>	dd mm yy	<b>Date Closed&gt;</b>	dd mm yy
		<b>Non-Conformance:</b>					
		<b>Objective Evidence:</b>					
		<b>Close-out evidence/Planned Actions:</b>					

## APPENDIX B: NON-CONFORMITIES PREVIOUSLY IDENTIFIED

CAR#	Indicator	CAR Detail					
		Date Recorded>		Due Date>		Date Closed>	
Minor 07	2.2.4	Date Recorded>	19/12/14	Due Date>	18/12/15	Date Closed>	05/02/15
		<b>Non-Conformance:</b>					
		The boundary of plantation areas has been breach					
		<b>Objective Evidence:</b>					
		Boundary stone at Block 2 Lian Hup demarcated in between palm trees. One row of palm tree planted outside boundary. There is no clear decision or instruction by the management about over planted issue. <b>Minor 07</b>					
		<b>Close-out evidence:</b>					
The company has transferred the palm trees from boundary areas into Lian Hup planting areas with replacing the dead palm point <b>Minor 07 Closed</b>							
Major 08	4.7.1	Date Recorded>	19/12/14	Due Date>	18/02/14	Date Closed>	05/02/15
		<b>Non-Conformance:</b>					
		An occupational health and safety plan not effectively documented, communicated and implemented					
		<b>Objective Evidence:</b>					
		The establishment of HIRARC was not conducted according OSH requirement such as no input from internal stakeholder. The established HIRARC not cot fully described all activities in Mill and estate. Annual review of HIRARC was not considered accident record.  PPE such as Long rubber boot for harvester was not provided by harvester contractors. Injury records from estate's clinic showed significant number of injuries (22 cases in 2013) due to punctured wounds at various part of the body. Evidence of first aid kit was not maintained in the field (Spraying). <b>Major 08</b>					
		<b>Close-out evidence:</b>					
The company has done a meeting and review on HIRARC based on accident statistic and an update has been made on Job Hazard Analysis and Estate HIRARC Record.  The company has put a memo that all contractors must distributed long rubber boot to their workers. Records of PPE distribution are evident.  The company has developed a checklist in order to monitor the items that shall be refill in the first aid kit. Evidence that all first aid kit has been refill and recorded. Records are available. <b>Major 08 Closed</b>							
Major 09	5.1.1	Date Recorded>	19/12/14	Due Date>	18/02/14	Date Closed>	05/02/15
		<b>Non-Conformance:</b>					
		Documented aspects and impacts risk assessment has yet to updated and implemented.					
		<b>Objective Evidence:</b>					
		The environmental aspect and impacts risk assessment was documented based on the assessment report conducted by Wild Asia dated June 5, 2012. The assessment has been reviewed on 12/10/2014.  However, aspect, impact and action plan was not implemented and updated. <b>Major 09</b>					
		<b>Close-out evidence:</b>					

CAR#	Indicator	CAR Detail					
		<p>The company has updated their Environmental Impact Assessment Action Plan on 09 Jan 2015 (RSPO-AP-02, Appendix No. 14a). The implementation of action plan was evident and recorded.</p> <p><b>Major 09 Closed</b></p>					
Major 10	5.2.2	<b>Date Recorded&gt;</b>	19/12/14	<b>Due Date&gt;</b>	18/02/14	<b>Date Closed&gt;</b>	05/02/15
		<b>Non-Conformance:</b>					
		Lack of Management plan for HCV habitats (including ERTs) and their conservation					
		<b>Objective Evidence:</b>					
		<p>Management plan for HCV habitats including ERTs and their conservation has been made available during audit. The management plan has includes specific and time bound planning actions supported by budget allocation. Records of stakeholder consultation including local communities and authorities have been made available during the audit.</p> <p>However, the auditor found out that there is lack of HCV management plan to maintain or enhance for identified HCV attributes as stated in the assessment report dated June 5, 2012.</p>					
		<b>Major 10</b>					
Minor 11	5.6.2	<b>Date Recorded&gt;</b>	19/12/14	<b>Due Date&gt;</b>	18/12/15	<b>Date Closed&gt;</b>	05/02/15
		<b>Non-Conformance:</b>					
		Plans not reviewed annually					
		<b>Objective Evidence:</b>					
		<p>Estates have established Waste and Pollution Management Plan.</p> <p>However the plan was not reviewed as required. The latest review was on 24 April 2012.</p>					
		<b>Minor 11</b>					
Minor 12	6.1.3	<b>Date Recorded&gt;</b>	19/12/14	<b>Due Date&gt;</b>	18/12/15	<b>Date Closed&gt;</b>	05/02/15
		<b>Non-Conformance:</b>					
		A timetable with responsibilities for mitigation and monitoring is not include internal stakeholder					
		<b>Objective Evidence:</b>					
		<p>An updated timetable with the responsibilities for mitigation and monitoring is available dated 12/06/2014. Latest stakeholder consultation was on 08 January 2014 with external stakeholder.</p> <p>However, there is no evidence of consultation with internal stakeholder for updating SIA. Furthermore, records of implementation evidence are not available as requested by Social Impact Action Plan dated 12 June 2014.</p>					
		<b>Minor 12</b>					
		<b>Close-out evidence:</b>					
		<p>Joint Consultation Committee (JCC) is develop and the first meeting 22 January 2015 which conducted by Rosli. A minute of JCC Committee 2015 was evident.</p> <p>The Unit also has modified and review the Social Impact Action Plan and record of implementation is maintained (RSPO-AP-01).</p>					
		<b>Minor 12 Closed</b>					

CAR#	Indicator	CAR Detail					
Minor 13	6.2.2	Date Recorded>	19/12/14	Due Date>	18/12/15	Date Closed>	05/02/15
		<b>Non-Conformance:</b>					
		No official nomination at the operating unit responsible for social issue					
		<b>Objective Evidence:</b>					
		En. Nordin B. Thurmaji has been referred as the person in charge for handling these issues. However, interview with him found out that he is not aware on that position. Plus, there is no official nomination of personnel for handling communication and consultation between estate, local communities and affected/interested parties.					
		<b>Minor 13</b> <b>Close-out evidence:</b> The company has engage En. Rosli as person in charge in social aspect for Keck Seng Complex and Encik Nordin as person in charge in social aspect for Tong Hin and Lim Lim estates (Kong Kong Complex). Letter of appointment has been issued dated 1 <sup>st</sup> January 2015. Both social liaison officers are aware on their appointment and signatures of acceptance of nomination were evident. <b>Minor 13 Closed</b>					
Major 14	6.5.1	Date Recorded>	19/12/14	Due Date>	18/02/15	Date Closed>	05/02/15
		<b>Non-Conformance:</b>					
		Documentation of pay and conditions not completed and not established for contractors.					
		<b>Objective Evidence:</b>					
		Workers who work directly under the company are provided with a pay slip during payday. It documents the rate, workdays, deductions etc. The payslip is in English and the translation in Bahasa Malaysia has been posted on the notice board for the workers to view. However, interview with contractor at Tong Hing Estate found out that the contractor has not given payslip to their worker (harvester). Agreement between female staff and Company (estate) did not include requirement of maternity leave. No agreement between contractor and their workers. Contractor has not pay for annual leave, sick leave and public holiday to their workers. Interview with workers found out that they do not fully understand their pay slip well and annual leave that they entitle for. <b>Major 14</b>					
		<b>Close-out evidence:</b> The company has standardized their contractors' payslip and the implementation has taken place to all contractors' workers at all estate started on January 2015. The company also has developed a standardized their contractors' contract agreement between contractors and harvesting workers. The implementation has taken place started on January 2015. The company has revised and update their workers and staff agreement in order to include maternity entitlement to women staff and workers. The unit also has implement a briefing system during muster morning calls in order to informed, explained and remind their workers regarding understanding of payslip, contract agreement and company policy. Record of briefing and understanding of payslip and contract is maintained. <b>Major 14 Closed</b>					
Major 15	6.5.3	Date Recorded>	19/12/14	Due Date>	18/02/15	Date Closed>	05/02/15
		<b>Non-Conformance:</b>					
		Water supplies by the company are not in good condition					
<b>Objective Evidence:</b>							

CAR#	Indicator	CAR Detail					
		<p>Housing is adequately provided with water supplies, medical, educational and welfare amenities in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446)</p> <p>However, interviewed with Workers and staff reveals that the quality of water is not improved since last visit. The water is physically murky especially during this rainy season and smelly during dry season.</p> <p>No fire extinguisher prepared at all worker quarters</p> <p><b>Minor 06 upgrade to Major 15</b></p> <p><b>Close-out evidence:</b></p> <p>The company has installed an isolation gate and conducted the training to supervisor and workers on duty prior to the operation in order to filter the murky water from the river entering the reservoir especially during rainy season.</p> <p>The company also has spent more than RM 100,000 to de-silt and deepening of the reservoir from May to Oct. 2014. The capacity and retention time of reservoir are estimated to have doubled up. This has improved the efficiency of sedimentation of murky particles and thus the quality of water pumps to factory and quarters.</p> <p>To reduce murky water problem, especially during the reservoir de-silting work period, we resorted to use SAJ water to supply to quarters.</p> <p>To improve factory's water treatment efficiency. Meeting with Laboratory personnel, utility engineer, mill executives &amp; supervisors &amp; other related personnel on management of factory water treatment plant has been carried out.</p> <p>Smelly water happened during severe drought season. Management will resort to supply SAJ water during that period of time.</p> <p>The company has installed fire hydrant points in their quarters due to difficulties to maintain and control the fire extinguisher at every quarters.</p> <p><b>Major 15 Closed</b></p>					
<b>Major 16</b>	<b>6.6.1</b>	<b>Date Recorded&gt;</b>	19/12/14	<b>Due Date&gt;</b>	18/02/15	<b>Date Closed&gt;</b>	05/02/15
		<b>Non-Conformance:</b>					
		No evident of documented minutes of meetings with main trade unions or workers representative					
		<b>Objective Evidence:</b>					
		Documented minutes of meetings with NUPW representative for mill is available.					
		However, found out during audit that all estates did not facilitate an independence and free association for all workers to replace trade union needs. This committee establishment is to fulfil workers requirement freedom of association and collective bargaining.					
		<b>Major 16</b>					
		<b>Close-out evidence:</b>					
		Joint Consultation Committee (JCC) has developed and replace trade union. This committee is facilitating an independence and free association for all workers. Official nomination employee representative is selected democratically among workers. (Refer to JCC Committee Chart and Minutes of JCC 2015)					
		Record of meeting is available and maintained.					
		<b>Major 16 Closed</b>					

**For the Supply Chain**

<b>NC 01</b>	<b>E 5.1</b>	<b>Date Recorded&gt;</b>	2/12/13	<b>Due Date&gt;</b>	2/02/14	<b>Date Closed&gt;</b>	16/12/13
		<b>Non-Conformance:</b>					
		The facility did not provide the training for all staff as required to implement the requirements of the Supply Chain Certification Systems.					
		<b>Objective Evidence:</b>					
		The company did not provide the training for all relevant staff although the procedures are in place.					
		<b>NC 01</b>					
<b>Close-out evidence:</b>							
A training session on the Procedure to Handle Certified FFB in Oil Mill As RSPO Supply Chain Base – Document number- RSPO-SC-01 Revision 02 already held in 11/12/2013. The person involved included Mill Managers, Factory Administration Executives, Weighbridge Executives, Factory Purchasing Executives and Operation Department Executives.							
<b>NC 01 Closed</b>							

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**APPENDIX C: TIMEBOUND PLAN**

Not applicable as Keck Seng (Malaysia) Bhd do not have any other certifying units.

**APPENDIX D: LIST OF STAKEHOLDERS CONTACTED**

<b>Stakeholder</b>	<b>Type of Stakeholder</b>	<b>Issues raised</b>	<b>Auditor Comments</b>
Contractors & FFB suppliers	External stakeholders	Contractors and FFB supplier are satisfied with payment and cooperation with the company.	Overall payment made to the contractors and FFB suppliers are on time. The good relation maintain between the company with their suppliers and contractors.
Estate canteen (Cik Noor Aliza Mohd Yatim Liza)	External Stakeholders	Pricing not clearly displayed at the canteen during the 1 <sup>st</sup> day of audit visit.	Interview with workers showed that they aware with the price list of the food item selling the canteen and they are satisfied with the services and agree with the food price. According to workers, price list are available all the time and they shop are preparing a new price list to be displayed.  Management did monitor on the pricing of food and the new pricing board are displayed clearly at the canteen during the 2nd day of audit and evidences photo is provided.
Sprayers, harvesters, drivers and sprayers.  En Ishak (Mandore)  Yanti (Manurer)  Sayaton (Manurer)  Suhardi (Tractor driver)  Mahsun (Harvester)  Umar (Spayer)  Habib (Sprayer)  Ang Sye Hing (Workshop foreman)  Shahrizan Amran (Store keeper)	Internal stakeholders	Overall they understand the terms and condition of their contract agreement and pay statement.  They are satisfied with their paid and grateful on the company benefits and welfare provided.	Workers are fully aware on their right, benefits entitled and pay.  Overall the workers benefits are well taken care by the company and workers are happy to dedicate their services to the company.
Mill Internal	Internal	NUPW members are	NUPW members are



<p>NUPW representative. NUPW secretary (En. Amzah)</p>	<p>stakeholders.</p>	<p>happy that company adopts some of the suggestion from MAPA/NUPW.</p>	<p>satisfied with the company action to increase the workers pay rate according to MAPA/NUPW suggestion</p>
<p>Gender committee Gender representative (Pn. Nik Karimah Bt. Zainuri)</p>	<p>Internal stakeholders</p>	<p>Gender meeting conducted yearly.</p>	<p>Gender committee members are fully aware on the company policy and sexual harassment prevention procedure. They have strong understanding on the sexual harassment and prevention issues.</p>