

Keck Seng (Malaysia) Berhad

RSPO Membership No: 2-0094-08-000-00

PLANTATION MANAGEMENT UNIT
Masai Palm Oil Mill and Estates Grouping
Masai, Johor, Malaysia



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Assessment Report

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Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 2 of 82

**SURVEILLANCE ASSESSMENT REPORT
ON RSPO CERTIFICATION**

PUBLIC SUMMARY REPORT

KECK SENG CORPORATION BERHAD

RSPO Membership No: 2-0094-08-000-00

PLANTATION MANAGEMENT UNIT
Masai POM and Estates Grouping, Masai, Johor, Malaysia

Certificate No:

Original Start date:
Start date (2nd cycle):
Expiry date:

RSPO 930688

2 January 2013
2 January 2018
1 January 2023

Assessment Type

Re-Certification cum Verification Assessment
On-site Verification for NCs closure
Annual Surveillance Assessment (ASA 1-1)
Annual Surveillance Assessment (ASA 1-2)
Annual Surveillance Assessment (ASA 1-3)
Annual Surveillance Assessment (ASA 1-4)
Re-Certification Assessment

Assessment Dates

23 - 27 October 2017
09 -10 December 2017
15 - 19 October 2018

Intertek Certification International Sdn Bhd

D-28-3, Level 28, Menara Suezcap 1, No. 2, Jalan Kerinchi, Gerbang Kerinchi Lestari, 59200 Kuala Lumpur, Malaysia.
Tel +603 7931 0032 Fax +603 7931 0419 Email: ia.mysbaenquiry@intertek.com
Website: www.intertek.com

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 3 of 82

TABLE OF CONTENTS

Section	Content	Page No
1.0	SCOPE OF ASSESSMENT	4
1.1	Introduction	4
1.2	Location (address, GPS and map) mill, estates and hectarge	4
1.3	Description of supply base (fruit sources)	4
1.4	Year of plantings and cycle	5
1.5	Summary of Land Use, Conservation and HCV Areas	6
1.6	Other certifications held and Use of RSPO Trademarks	6
1.7	Organizational information/contact person	6
1.8	Tonnages Verified for Certification	7
1.9	Time Bound Plan and Multiple Management Units	8
1.10	Abbreviations Used	9
2.0	ASSESSMENT PROCESS	10
2.1	Assessment Methodology, Plan & Site Visits	10
2.2	Date of next scheduled visit	10
2.3	Qualifications of the Lead Assessor and Assessment Team	10
2.4	Certification Body	10
2.5	Process of Stakeholder consultation	11-12
3.0	ASSESSMENT FINDINGS	13
3.1	Summary of findings	13-51
3.2	Status of Identified Noncompliance and Corrective Actions, Observations and Identified Positive Elements	52-61
3.3	Summary of Feedback Received from Stakeholders and Findings	62-64
4.0	ASSESSMENT CONCLUSION AND RECOMMENDATION	65
4.1	Acknowledgement of Internal Responsibility and Confirmation of Assessment Findings	65
4.2	Intertek RSPO Certification Details for the PMU	66-67
APPENDICES		
Appendix A	Qualifications of the Lead Assessor and Assessment Team	68
Appendix B	Assessment Plan	69-71
Appendix C	Maps of location – Mill and Estates	72-79
Appendix D	Photographs of Assessment findings at the PMU	80-81
Appendix E	Time Bound Plan for Other Plantation Management Units	82

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 4 of 82

1.0 SCOPE OF ASSESSMENT

1.1 Introduction

This Annual Surveillance Assessment (ASA-01) was conducted on the Plantation Management Unit (PMU) Masai Grouping of Keck Seng (Malaysia) Berhad (hereafter abbreviated as **KECK SENG**), from 15 - 19 Oct 2018, to assess the organization's operations of the mill and its supply bases for compliance against the RSPO Principles and Criteria (Apr 2013), Malaysian National Interpretation (MYNI 2014) and the RSPO Supply Chain Certification Standard (Jun 2017) for the Palm Oil Mill.

Note: The plantation management unit (PMU) or management unit is equivalent to a certification unit as defined in the RSPO Certification Systems Document. Each PMU consists of one mill and its supply bases which are made up of estates owned and/or managed by KECK SENG.

1.2 Location (address, GPS and map) of palm oil mill and estates

The Masai Grouping consists of 1 palm oil mill, namely **Masai Palm Oil Mill and 8 estates** as indicated in Table 1 below, which includes the addresses and GPS locations of the mill and estates. The location maps are provided in **Appendix C**.

Table 1: Address of Palm Oil Mill, Estates and GPS Location

Name	Address	GPS Reference	
		Latitude	Longitude
Masai Palm Oil Mill Capacity (60 MT/hr)	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°32'25.9"	E 103°57'53.8"
1. Keck Seng Oil Palm Estate	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°32'23.4"	E 103°54'36.3"
2. Tong Hing Estate	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°29'45.0"	E 103°38'04.3"
3. Sg. Layang Estate	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°34'18.9"	E 103°58'55.9"
4. Kota Tinggi Oil Palm Plantations	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°33'33.1"	E 103°56'07.5"
5. Sin Lian Oil Palm Plantations	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°33'07.3"	E 103°57'39.5"
6. Lian Huap Oil Palm Plantations	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°32'08.7"	E 103°57'05.2"
7. Johore (Masai) Plantations	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°32'04.0"	E 103°57'08.3"
8. Lim & Lim Plantations	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°31'21.9"	E 103°59'39.2"

1.3 Description of supply base (fruit sources)

The supply base i.e. FFB sources to the POM at Masai Grouping PMU are from the abovementioned 8 estates which are owned and managed by KECK SENG. The FFB supply from the said own estates contributed about 20-25% of the total supply to the POM.

The POM has also been receiving FFB (about 75-80% of total FFB) from external suppliers, i.e. outgrowers and independent smallholders which are also located within the Masai region at Johor state, Malaysia throughout its certification period.

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1**

Page 5 of 82

The details of the planted hectareage for the FFB supply to the PMU (own estates) are as shown in Table 2 below.

Table 2: Estate Area Summary

Estate	Area Summary (ha) – Current year 2017		Area Summary (ha) – Current year 2018	
	Certified Area	Planted Area	Certified Area	Planted Area
Keck Seng Oil Palm Estate	348.31	342.79	348.31	342.79
Tong Hing Estate	663.71	629.31	663.71	629.31
Sg. Layang Estate	86.40	81.11	82.40	81.11
Kota Tinggi Oil Palm Plantations	240.05	239.31	240.05	239.31
Sin Lian Oil Palm Plantations	347.39	345.99	347.39	345.99
Lian Huap Oil Palm Plantations	464.84	446.52	464.84	446.52
Johore (Masai) Plantations	425.64	381.41	425.64	381.41
Lim & Lim Plantations	839.70	798.03	839.70	801.63
Total:	3,412.04	3,264.47	3,412.04	3,268.07

Notes:

1. This Assessment covered the overall land use for oil palm plantation areas, and the identified Conservation areas including HCV areas (if any) as marked out at the estates.
2. The estates sampled for this Assessment have been selected based on their potential risks on social, environmental and biodiversity issues such as their proximity to forest reserves, hill sides, riparian zones and any high conservation value areas.

1.4 Summary of plantings and cycle

The estates has been developed since 1983. Presently 7 out of the 8 estates are in their 2nd cycle of planting. The age profile is as shown in Table 3.

Table 3: Age Profile of Planted Oil Palm (Year 2018)

Estate Name	Year of Planting	Cycle of Planting	Mature OP (ha) – Above 3 years	Immature OP (ha) – 3 years & below	Total (ha)
Keck Seng Oil Palm Estate	1986-2001	1 st	342.79	0	342.79
Tong Hing Estate	1986-2001	1 st	448.11	0	629.31
	2018	2 nd	0	181.20	181.20
Sg. Layang Estate	2004	2 nd	81.11	0	81.11
Kota Tinggi Oil Palm Plantations	2000	2 nd	239.31	0	239.31
Sin Lian Oil Palm Plantations	2000-2004	2 nd	345.99	0	345.99

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1**

Page 6 of 82

Lian Huap Oil Palm Plantations	2003-2005	2 nd	446.52	0	446.52
Johore (Masai) Plantations	2001-2006	2 nd	381.41	0	381.41
Lim & Lim Plantations	1983-2000	1 st	683.24	0	421.22
	2009-2015	2 nd	0	376.81	376.81
		Total	2,968.48	299.59	3,268.07

1.5 Summary of Land Use, Conservation and HCV Areas

The summary of Land Use, Conservation and HCV Areas as identified in the PMU during this assessment is as shown in Table 4 below:

Table 4: Conservation and HCV Areas

#	Statement of Land Use (Ha)	Year 2017 Hectarage – Ha	Year 2018 Hectarage – Ha
1	Planted Area (ha) – Oil Palm	3,264.47	3,268.07
	- Mature (Production)	2,710.65	2,968.48
	- Immature (Non-Production)	553.82	299.59
2	Conservation Area (ha)		
	- comprising buffer zones along small streams, hilly areas, swampy and unplatable areas	51.70	51.70
3	HCV Area (ha)		
	- comprising buffer zones near river riparian, forest reserves, water catchments, burial & religious sites	52.07	52.07

1.6 Other certifications held and Use of RSPO Trademarks

Keck Seng - Masai POM is also certified to the Food Safety Management System (ISO 22001) which is still valid.

The RSPO's trademarks and logo are not being used by the PMU audited. Instructions for use were provided and acknowledged by the PMU through a signed Memorandum of commitment agreeing to adhere to the latest "RSPO Rules on Communications & Claims" during the assessment.

1.7 Organizational information / Contact Person

Mr. Teo Aik Chong
Mill Manager (Masai Palm Oil Mill)
Keck Seng (Malaysia) Berhad
9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.
c/o P.O Box No.1, 81757, Masai, Johor, Malaysia.
Tel: 607 255 1111
Fax: 607 255 5117
Email: teoac@keckseng.com

Mr. Hee Vui Yong @ Vincent
General Manager (Plantations Division)
Keck Seng (Malaysia) Berhad
9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.
c/o P.O Box No.1, 81757, Masai, Johor, Malaysia.

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1**

Page 7 of 82

Tel: 607 255 1111
Fax: 607 255 5117
Email: vincent.hee@keckseng.com

Mr. Ho Chung Kain
Director (Plantation Sustainability)
Keck Seng (Malaysia) Berhad
9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.
c/o P.O Box No.1, 81757, Masai, Johor, Malaysia.
Tel: 607 255 1111
Fax: 607 255 5117
Email: hochungkain@keckseng.org

1.8 Tonnages Verified for Certification

1.8.1 The breakdown of all the suppliers and their tonnages of FFB supplied to the POM for processing at the Masai Grouping based on the **actual for the past 12 months (Jan – Dec 2017)** is as in Table 5 below:

Table 5: Tonnages Verified for Certification (Jan - Dec 2017: Actual)

#	Estate /Supplier	FFB Processed (MT)	Main Receiving Palm Oil Mill	RSPO P&C Certification By CB
1.	Keck Seng Oil Palm Estate	3,139.63	Masai POM	Intertek
2.	Tong Hing Estate	8,077.71	Masai POM	Intertek
3.	Sg. Layang Estate	1,869.27	Masai POM	Intertek
4.	Kota Tinggi Oil Palm Plantations	4,152.41	Masai POM	Intertek
5.	Sin Lian Oil Palm Plantations	5,647.36	Masai POM	Intertek
6.	Lian Huap Oil Palm Plantations	8,581.31	Masai POM	Intertek
7.	Johore (Masai) Plantations	7,486.60	Masai POM	Intertek
8.	Lim & Lim Plantations	9,855.98	Masai POM	Intertek
A	Sub-Total Masai Grouping Estates:	48,810.27		
B	Sub-Total Out-growers: 10 nos.:	181,980.85		
C	Sub-Total smallholders: 24 nos.:	9,953.98		
	Sub-Total Outgrowers and smallholders:	191,934.83		
	Total:	240,745.10		

1.8.2 Total annual tonnages of FFB supplied to Masai POM during the previous period, current assessment and projected period are as shown in Table 6 below:

Table 6: Annual Tonnages of FFB

Estate / Supplier	FFB Processed in Jan-Dec 2017 - Actual		FFB Processed in Jan-Dec 2018 - Actual + Projected		FFB Processed in Jan-Dec 2019 - Projected	
	MT	%	MT	%	MT	%
Masai Grouping estates – Certified FFB	48,810.27	20.27%	45,000.00	18.0%	48,000.00	17.91%

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 8 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Other suppliers/external - Non-certified FFB	191,934.83	79.73%	205,000.00	82.0%	220,000.00	82.09%
Total	240,745.10	100%	250,000.00	100%	268,000.00	100%
SCCS Model for POM	MB		MB		MB	

1.8.3 The annual certified tonnages of CPO and PK production by the PMU verified during the current assessment on the data presented are shown in Table 7 below:

Table 7: Annual Certified Tonnages of CPO and PK

POM	Jan-Dec 2017 – Actual		Jan-Dec 2018 – Actual + Projected		Jan-Dec 2019 - Projected	
Total certified FFB Processed (MT)	48,810.27		45,000.00		48,000.00	
Total certified CPO Production (MT)	8,951.80	OER: 18.34%	8,460.00	OER: 18.80%	9,072.00	OER: 18.90%
Total certified PK Production (MT)	2,884.69	KER: 5.91%	2,745.00	KER: 6.10%	2,904.00	KER: 6.05%

The POM has established and maintained procedures for the book keeping and monitoring requirements for the CPO at the mill. It is verified the POM has procedures for the ‘**Mass Balance – MB**’ model in accordance with the RSPO Supply Chain Certification Standards (SCCS) requirements. Verified activities and checked items for the SCCS of the POM are reported in **section 3.1.1**.

1.9 Time Bound Plan for Other Plantation Management Units

Keck Seng (Malaysia) Berhad (KSMB) is part of Keck Seng Group and is a public listed company with the Kuala Lumpur Stock Exchange since 1976. KSMB is a member of RSPO since 2008.

The KSMB group of companies and subsidiaries in Malaysia comprise of an integrated operations which comprise of Masai Palm Oil Mill (for FFB processing and production), Ragamo Sdn Bhd (a Kernel Crushing Plant), Masai Palm Oil Refinery (as palm oil refinery and specialty fats production) and Supervitamins Sdn. Bhd (a downstream production plant which recovers natural carotene, tocotrienols and tocopherol to produce oleochemical products). The entire complex operations are located nearby each other and which is located about 20 kilometers from Pasir Gudang Port, Johor state, Malaysia.

It is verified that as at todate KSMB owns only 1 Plantation Management Unit (PMU) at the Masai region, Johor and there are no other oil palm estates or Mill owned at other parts of Malaysia, Indonesia or elsewhere.

Intertek had also referred to the RSPO’s Complaints website and found that there were no issues which may be related to the KSMB group of companies.

Note: It is further confirmed that under the RSPO ACOP as declared by KSMB, its integrated downstream operations i.e. Ragamo Sdn Bhd (Kernel Crushing Plant), Masai Palm Oil Refinery (Refinery and specialty fats plant) and Supervitamins Sdn. Bhd (Oleochemical plant) were certified under the RSPO Supply Chain certifications.

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1**

Page 9 of 82

1.10 Abbreviations Used

CB	Certification Body	KER	Kernel Extraction Rate
CHRA	Chemical Health & Risk Assessment	KSMB	Keck Seng (Malaysia) Berhad
CPO	Crude Palm Oil	LTA	Lost Time Accidents
CSDS	Chemical Safety Data Sheets	MSDS	Material Safety Data Sheets
CSPO	Certified Sustainable Palm Oil	MTCS	Malaysia Timber Certification Scheme
CSPK	Certified Sustainable Palm Kernel	NCR	Non-Conformance Report
EFB	Empty Fruit Bunch	NGO	Non-Government Organization
EHS	Environmental Health & Safety	OER	Oil Extraction Rate
EIA	Environmental Impact Assessment	OHS	Occupational Health & Safety
ETP	Effluent Treatment Plant	PEFC	Programme for the Endorsement of Forest Certification
FFB	Fresh Fruit Bunch	PK	Palm Kernel
GAP	Good Agriculture Practice	PMU	Plantation Management Unit
HCV	High Conservation Values	POM	Palm Oil Mill
IPM	Integrated Pest Management	POME	Palm Oil Mill Effluent
ISCC	International Sustainability & Carbon Certification	PPE	Personal Protective Equipment
IUCN	International Union for Conservation of Nature	SCCS	Supply Chain Certification Standard
Intertek	Intertek Certification International Sdn Bhd	SOP	Standard Operating Procedures
JCC	Joint Consultative Committee		

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 10 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

2.0 ASSESSMENT PROCESS

2.1 Assessment Methodology, Plan and Site Visits

Since **14 Sep 2018**, Intertek has initiated public communications and notifications and invited the relevant stakeholders before the assessment to provide feedback and comments on their concern (if any) on the Masai Grouping regarding the environmental, biodiversity, community development and other relevant issues.

From **15-19 Oct 2018**, the Assessment team conducted the assessment in which 4 out of the 8 estates of Masai Grouping namely Keck Seng, Tong Hing, Sin Lian and Lim & Lim Estates, as well as the palm oil mill were assessed for compliance against the RSPO requirements. The number of estates sampled was based on the Sampling methodology provided under the RSPO Certifications Systems for Principles & Criteria (Jun 2017) i.e. minimum sample of X estates = $(0.8\sqrt{Y}) \times Z$, where Y is the number of estates and Z is the multiplier as defined by the risk assessment. The Z multiplier value was determined as High risk for this PMU considering the geographical location and distance of the estates, complexity of the labour force, landscape setting and presence of HCV or peat, complexity of supply sheds, number of communities and known conflicts, legality etc. Additionally the estates selection was made based on their potential risks on environmental and biodiversity issues such as their proximity to forest reserves, hill sides, riparian zones and HCV areas.

During the on-site assessment, relevant documents and records, including Standard Operating Procedures (SOP), management plans, hectare development, FFB, CPO and PK production, oil palm age profile, operational controls and measures, operational data and records, training records, etc. were reviewed and verified for compliance. The Assessment team using the process approach auditing technique covered the palm oil mill and estate operations, agricultural practices, pest management, pesticide and fertilizer application, occupational health and safety, social accountability, environment and other requirements. Stakeholders' interviews were conducted during the assessment and feedback obtained as part of information and evidence gathering. (See section 2.5 Process of stakeholder consultation).

Masai POM was also assessed against the requirements for the Mass Balance (MB) Module as specified in RSPO Supply Chain Certification Standard for CPO mill. This part of the assessment covered the verification of implementation of documented procedures and availability of records to demonstrate compliance against all the elements for MB Module requirements. These include documented procedure, purchasing and goods in, record keeping, sales and goods out, processing, monitoring and traceability of the CSPO and CSPK quantities, training for staff and claims.

After completion of the on-site field assessment, Intertek also performed the evaluation of conformity against the RSPO Certification System requirements for CB. The assessment report, findings and associated documents were evaluated through an independent review by the Intertek Internal Technical Reviewer/Panel and the External Peer Reviewer (only required for Initial / Re-Certification assessments) prior to the approval of this report and decision on continued certification by Intertek.

The details of the Assessment Plan (actual on-site) are provided in **Appendix B**.

Details of the findings and actions taken are provided in **Section 3.2 of this report**.

2.2 Date of next scheduled visit

The next scheduled visit will be the Surveillance Assessment (under the next 5-year Certification cycle) which will be carried out within a 12-month period prior to the certificate anniversary date / annual PalmTrace certificate expiry date.

2.3 Qualifications of the Lead Assessor and Assessment Team

Competency details of the Lead Assessor and Assessment Team are given in **Appendix A**.

2.4 Certification Body

Intertek Certification International Sdn Bhd is part of the Intertek Group, which is a worldwide technical services organization dedicated to reducing clients' risks by providing technical inspection services, management system certification in quality, environmental, occupational safety & health and product certification, RSPO SCC, ISCC,

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 11 of 82

Marine Sustainability Chain-of-Custody, MTCS and PEFC Chain-of-Custody certification in applicable industry sectors including the agricultural and forestry sectors. Intertek operates globally providing clients with a wide-ranging technical inspection expertise and access to thousands of skilled specialists worldwide. Intertek Group's certification business is ranked in the top 10 worldwide, and is available globally offering certification across a wide range of industries.

2.5 Process of stakeholder consultation

Stakeholder consultations began with notification of the upcoming assessment through the websites of RSPO and Intertek. E-mails were sent to applicable stakeholders including government agencies, NGOs and local communities. E-mails and telephone enquiries were made prior to the actual assessment and stakeholder's response and feedback received were followed up accordingly.

During the assessment, stakeholders were interviewed and their feedbacks were recorded. Among the stakeholders consulted were workers, trade union leaders, women representatives; local community leaders, representatives of government departments / agencies, NGOs, suppliers and contractors.

Details on stakeholders' feedback, PMU response and Intertek verification / comments are provided in **section 3.3**.

Among the list of key stakeholders consulted was the following:

Government Agencies (by emails)

1. Department of Lands And Mines (Kuala Lumpur)
2. Department of Environment (Kuala Lumpur)
3. Department of Forestry Peninsular Malaysia (Kuala Lumpur)
4. Department of Immigration (Kuala Lumpur)
5. Department of Irrigation & Drainage (Kuala Lumpur)
6. Department of Labour (Kuala Lumpur)
7. Department of Occupational Safety & Health (Kuala Lumpur)
8. Department of Orang Asli Affairs (Kuala Lumpur)
9. Department of Wildlife & National Parks (Kuala Lumpur)
10. Department of Environment Johor
11. Department of Forestry Johor
12. Department of Immigration Johor
13. Department of Irrigation & Drainage Johor
14. Department of Labour Johor
15. Department of Occupational Safety & Health Johor
16. Department of Wildlife & National Parks Johor
17. Land and Mines Office Johor
18. Pertubuhan Keselamatan Sosial (SOCSCO)

Statutory Bodies (by emails)

19. Malaysian Palm Oil Board (MPOB) - HQ
20. Malaysian Palm Oil Board (MPOB) - Northern Region
21. Malaysian Palm Oil Board (MPOB) - Central Region
22. Malaysian Palm Oil Board (MPOB) - Southern Region
23. Malaysian Palm Oil Board (MPOB) - Eastern Region
24. Malaysian Palm Oil Board (MPOB) - Sarawak Region
25. Malaysian Palm Oil Board (MPOB) - Sabah Region
26. Malaysia Palm Oil Association Kuala Lumpur (MPOA)
27. National Union of Plantation Workers (NUPW)
28. Malayan Agricultural Producers Association (MAPA) - HQ
29. Malayan Agricultural Producers Association (MAPA) – Southern Region
30. UNION – AMESU

NGOs and others (by emails)

31. All Women's Action Society (AWAM)
32. Center for Orang Asli Concerns COAC
33. Centre for Environment, Technology and Development, Malaysia – CETDEM
34. EcoKnights
35. ENO Asia Environment
36. Environmental Protection Society Malaysia (EPSM)

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1**

Page 12 of 82

37. Friends of the Earth, Malaysia
38. Global Environment Centre
39. HUTAN - Kinabatangan Orang-utan Conservation Programme
40. JUST - International Movement for a Just World
41. Malaysian CropLife & Public Health Association (MCPA)
42. Malaysian Environmental NGOs – MENGO
43. Malaysian National Animal Welfare Foundation – MNAWF
44. Malaysian Plant Protection Society (MAPPS)
45. National Council of Welfare & Social Development Malaysia – NCWSDM
46. Partners of Community Organisations (PACOS)
47. Penang Institute previously known as Socio-Economic & Environmental Research Institute (SERI)
48. Pesticide Action Network Asia and the Pacific (PAN AP)
49. Proforest - South East Asia Regional Office
50. SUARAM – Suara Rakyat Malaysia
51. SUHAKAM – National Human rights Society – Persatuan Kebangsaan Hak Asasi Manusia
52. Tenaganita Sdn Bhd
53. TRAFFIC – the wildlife trade monitoring network
54. Transparency International – Malaysian Chapter
55. Treat Every Environment Special Sdn Bhd (TrEES)
56. United Nations Development Programme – UNDP Malaysia
57. Wetlands International (Malaysia)
58. Wild Asia Sdn Bhd
59. World Wide Fund (WWF) - HQ

Local community (On-site interviews)

60. Consultative Committee & Gender representatives
61. Workers & Workers representatives
62. Village Heads & representatives
63. Suppliers & Contractors representatives

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
 Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 13 of 82

3.0 ASSESSMENT FINDINGS

3.1 Summary of findings

Principle 1: Commitment to transparency

Criterion 1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
Indicators	Findings and Objective Evidence	Compliance
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. Minor Compliance	The PMU has established and implemented documented procedures (Stakeholder Request – Corporate Level, Stakeholder Request – POM Level, Stakeholder Request – Estate Level) for providing adequate information on environmental, social and legal issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. The procedure includes handling responses and requests from stakeholders. Records of participation and decision plans were verified to be maintained till the period of current assessment. Records of visits, inspections, minutes of meetings, attendance notes and correspondence with stakeholders such as DOSH (JKKP), DOE (JAS), BOMBA, TNB, MPOB and Energy Commission (“Suruhanjaya Tenaga”), employee consultative committees and local community leaders were verified to be maintained and update till current period. Public notification for stakeholder consultation prior to assessment of the PMU was made on 14 Sep 2018 (See details of Stakeholder feedback under Section 3.3).	Complied
1.1.2 Records of requests for information and responses shall be maintained. Major Compliance	The PMU had established and maintained an updated list of internal stakeholders, external stakeholders, government departments/agencies, consultants, contractors, suppliers, transporters, etc. The PMU had conducted its internal and external stakeholder consultations for the POM and Estates for year 2018. Meeting minutes were adequately maintained. The meetings and consultations were noted to be attended by the various categories of stakeholders. The Register for issues and complaints/ grievances or negative feedbacks such as from the local community representatives were noted to be appropriately followed up. Records maintained were easily retrievable and made available upon request during the assessment.	Complied
Criterion 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.		
Indicators	Findings and Objective Evidence	Compliance

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 14 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>1.2.1 Management documents that are made available to the public shall include, but are not necessarily limited to: Major Compliance</p>	<p>Management documents' relating to environmental, social and legal issues was verified to be maintained and available to the public (notices and websites) and updated. Refer to website link: http://masai.keckseng.com/index.php?option=com_content&view=article&id=48&Itemid=508</p> <p>The organization's policies declared that upon request, the following types of mandatory documents are available to the public:</p> <ul style="list-style-type: none"> • land titles/user rights, • occupational health and safety plan, • plans and impact assessments relating to environment and social impacts, • pollution prevention plans, • details of complaints & grievances, • negotiation procedures • continuous improvement plan • Public summary of certification assessment report. • Human Rights Policy. <p>The said publicly available documents had included performance indicators such as POME treatment, waste management, land and waste management, replanting programs, IPM planning.</p> <p>Continual Improvement Action Plans has included targets for waste reduction and pollution prevention for the mill and estates.</p>	<p>Complied</p>
<ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); 	<p>Copies of all land titles were available and have been maintained at the POM and Estates. HQ kept the original copies.</p>	<p>Complied</p>
<ul style="list-style-type: none"> • Occupational health and safety plans (Criterion 4.7); 	<p>Occupational Safety and Health (OSH) Plan that cover OSH Policy and risk assessment (HIRARC) was documented and implemented for the POM and estates. The Plan had been reviewed (annually) and up-dated.</p> <p>The OSH Policy was displayed prominently in notice boards in the POM and estates.</p>	<p>Complied</p>
<ul style="list-style-type: none"> • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); 	<p>Environmental aspect and impact assessment conducted for the POM and estates and reviewed on 05/09/2018. Management action plan documented and implemented.</p> <p>Social Impact Assessment was also carried out and suitably reviewed in Jun 2018 by the Management Sustainability team together with the respective Mill and Estate Managers. Positive and negative impacts and action plans were documented.</p>	<p>Complied</p>
<ul style="list-style-type: none"> • HCV documentation summary (Criteria 5.2 and 7.3); 	<p>The Assessment reports on 'Internal HCV and Conservation Areas' for 2017 (with consultation report from Wild Asia) were available.</p> <p>Summary of Management and Mitigation Plan (HCV0 updated on 05/09/2018 for the estates.</p>	<p>Complied</p>
<ul style="list-style-type: none"> • Pollution prevention and reduction plans (Criterion 5.6); 	<p>Pollution Prevention Management Plans (QM-W&PMP-01) were reviewed on 04/09/2018. Action items include measures for pollution control (smoke emission, POME / effluent discharge), pesticides reduction, schedule wastes (chemicals, drums, tyres, used PPE, hydraulic oil) and organic/domestic wastes disposal, reuse and recycling (paper, glass, scrap iron).</p>	<p>Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 15 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<ul style="list-style-type: none"> • Details of complaints and grievances (Criterion 6.3); 	The mill and respective estates had maintained the Complaints and Grievances Logbook. Employees Consultative Committee representatives interviewed had confirmed that there were no serious issues which warrant major actions from the PMU Management.	Complied
<ul style="list-style-type: none"> • Negotiation procedures (Criterion 6.4); 	Presently, there is no conflict/dispute requiring negotiation or compensation pertaining to this criterion at this PMU. Negotiation procedure and flowchart was available and maintained.	Complied
<ul style="list-style-type: none"> • Continual improvement plans (Criterion 8.1); 	The PMU has identified, documented and implemented Continuous Improvement Plans in key operations for the mill and estates. The plans includes bio-polishing for reduction in BOD level, reduction in the usage of pesticides, cultivation of beneficial plants, recycling, pollution prevention and environmental and social programs.	Complied
<ul style="list-style-type: none"> • Public summary of certification assessment report; 	Public summary of certification assessment reports are available from the company upon request.	Complied
<ul style="list-style-type: none"> • Human Rights Policy (Criterion 6.13). 	The statement of respect for Human rights and fair treatment of employees were included in the Social Policy as signed by the Managing Director dated Oct 2011 was maintained. Copies of the policy found to be displayed at prominent locations in the POM and estates. The Policy had been communicated to all levels of the workforce and operations.	Complied
Criterion 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.		
Indicators	Findings and Objective Evidence	Compliance
1.3.1 There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	The Policy of commitment to Codes of Ethical Conduct was documented in the Corporate Social Responsibility statement signed by the Managing Director in Oct 2011 and was communicated to all levels of the workforce and operations. Copies of the policy found to be displayed at prominent locations in the POM and estates.	Complied

Principle 2: Compliance with applicable laws and regulations

Criterion 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.		
Indicators	Findings and Objective Evidence	Compliance
2.1.1 Evidence of compliance with relevant legal requirements shall be available. Major Compliance	A Register of Legal Requirements covering the applicable local and international laws and regulations has been compiled for the mill and estates. Compliance to each law and regulation is monitored by the PMU. The relevant laws and legislations identified and listed cover safety and health, environment, pollution management, chemical handling (usage and storage), schedule waste management, labour laws, Unions, EPF, SOCSO, Housing and Amenities. There were no cases of any violation or actions imposed by relevant authorities. Statutory returns to relevant authorities found to be in compliance. Form JKPP8 for the reporting of incidences and accidents to DOSH and the Quarterly Return Form as per First Schedule of the Environmental Quality	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 16 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

	<p>(Prescribed Premises) (Crude Palm-Oil) Regulations, 1977 to DOE verified to be submitted.</p> <p>Based on the site observations, interviews and records checking at the POM and estates, there was sufficient evidence of compliance with the relevant laws, regulations, local and international laws.</p> <p>Environmental Quality Act 1974 and Environmental Quality (Scheduled Wastes) Regulations 2005: Scheduled wastes such as hydraulic and used motor oils, rags, empty chemical and lubricants containers collected at six monthly intervals by DOE licensed contractor.</p> <p>Weight and Measures Act 1972, regulations 16, 28A, 45) - Weighbridges were duly calibrated.</p> <p>Factory and Machinery Act 1967, Regulations 1970: Steam engineers (Grade 1 and 2), boilermen and electricians were noted to be with valid certificates from relevant authorities (DOSH and Energy Commission). The POM has maintained a boiler register that indicate the date of commission, cleaned, inspected, tested or repaired. Valid certificates of fitness for boilers, sterilizers, air receivers, thermal deaerator, steam separator, vacuum oil dryer, etc. issued by DOSH. Valid license for diesel generators issued by Energy Commission (“Suruhanjaya Tenaga”). Valid licenses for authorized gas tester, authorized entrant and standby by person for confined space activities in POM.</p> <p>Occupational Health and Safety Act 1994 – safety and health meetings to be conducted at quarterly intervals. Noise Monitoring Report is available. Boundary noise assessment done and actions taken to ensure that noise levels are controlled within the permissible limit for daytime and nighttime operations.</p> <p>Licenses and permits (License for Foreign Workers Employment, Workers Wages Deduction Permit, License for Controlled Items – Diesel and Fertilizer, MPOB license, DOSH Certificate, DOE license, BOMBA Fire Certificate, Energy Commission License, etc.) were monitored for their expiry dates and found to be renewed and valid.</p> <p>Legal documents (work permits, passports) of foreign workers are available at the POM and Estates office.</p>	
<p>2.1.2 A documented system, which includes written information on legal requirements, shall be maintained. Minor Compliance</p>	<p>The organization has placed soft copies of the local and international laws applicable to their operations and maintain a list of laws in a Legal Requirements Register (LRR) in its intranet.</p>	<p>Complied</p>
<p>2.1.3 A mechanism for ensuring compliance shall be implemented. Minor Compliance</p>	<p>Monitoring mechanism was done through a yearly evaluation checked against the items in the Legal Compliance Register. The POM and estates have conducted internal audits on 05/09/2018 and 27&28/03/2018 respectively for determining compliance of its operations with RSPO requirements and legal requirements. Records were maintained.</p>	<p>Complied</p>
<p>2.1.4 A system for tracking any changes in the law shall be implemented. Minor Compliance</p>	<p>The organization has subscribed to a service provider, lawnet.com for notification of any changes to the laws and regulations. Tracking of regulatory requirements and communication of changes is performed by the HR Executive, KM Leong.</p>	<p>Complied</p>
<p>Criterion 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p>		

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 17 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Indicators	Findings and Objective Evidence	Compliance
<p>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.</p> <p>Major Compliance</p>	<p>Land ownership or lease for the POM and the 8 estates found to be in order. The POM is located within Keck Seng Estate. The land titles verified as follows:</p> <ol style="list-style-type: none"> 1. Keck Seng Estate - 21 land titles of 99 years lease with expiry on 03/01/2116. 2. Tong Hing Estate - 8 land titles and all are freehold lands. 3. Sin Lian Estate - 3 land titles of 99 years lease with expiry on 21/12/2115. 4. Lim & Lim Plantations - 6 land titles and all are freehold lands. <p>There has been no change in the land ownership since the previous assessment for the 8 estates under the PMU grouping. Copies of the land titles of the POM and estates were maintained and available.</p> <p>The original copies are maintained by the Corporate Head Office. The legal use of the land was confirmed for the cultivation of oil palms or other agricultural crops.</p> <p>The land lease comply with legal requirements and does not infringe on any legal rights that require free, prior and informed consent (FPIC).</p>	<p>Complied</p>
<p>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.</p> <p>Minor Compliance</p>	<p>Locations of several boundary stones and pole markers were visited and verified to be within the boundary parameters of the estates.</p> <p>On-site verification confirmed that there has been no planting beyond the legal demarcated boundary areas of the mill and estate.</p> <p>Demarcation was also evidenced by the dug up trenches and drains which were adjacent to neighbouring estates.</p>	<p>Complied</p>
<p>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).</p> <p>Minor Compliance</p>	<p>There has been no dispute on the land rights in the PMU. As such, the process of fair compensation and FPIC is currently not applied.</p>	<p>Not applicable</p>
<p>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.</p> <p>Major Compliance</p>	<p>The estate lands at the PMU are legally owned/leased by Keck Seng and no other users were identified in the land area.</p> <p>The existing estates are not encumbered by any customary land rights and therefore participatory mapping is not required.</p>	<p>Complied</p>
<p>2.2.5 For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities and relevant authorities where applicable).</p> <p>Minor Compliance</p>	<p>There are no land disputes in the PMU. As such the process of participatory mapping is not applicable for verification of implementation.</p>	<p>Not applicable</p>
<p>2.2.6 To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations.</p> <p>Major Compliance</p>	<p>There has been no evidence that the palm oil operations have instigated violence in maintaining peace and order in their current and planned operations.</p>	<p>Not applicable</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 18 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Criterion 2.3		
Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.		
Indicators	Findings and Objective Evidence	Compliance
<p>2.3.1 Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).</p> <p>Major Compliance</p>	<p>The estate lands at the PMU are legally owned/leased by Keck Seng and no other users were identified in the land area. The existing estates are not encumbered by any customary land rights and therefore participatory mapping is not required. Existing maps available at the PMU are verified to be within the legal boundaries of the PMU.</p>	Complied
<p>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 and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>Minor Compliance</p>	<p>The estate lands were acquired from private plantation owners or leased from the State Government of Johor. Records are available to show such land acquisition complied with legal requirements without infringement of any legal rights that require free, prior and informed consent (FPIC).</p>	Complied
<p>2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>Minor Compliance</p>	<p>No conflict or dispute over the lands has occurred in the PMU. As such, this process is not available for verification.</p>	Not applicable
<p>2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>Major Compliance</p>	<p>No conflict or dispute over the lands has occurred in the PMU. As such, this process is not available for verification.</p>	Not applicable

Principle 3: Commitment to long-term Economic & Financial Viability

Criterion 3.1		
There is an implemented management plan that aims to achieve long-term economic and financial viability.		
Indicators	Findings and Objective Evidence	Compliance

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 19 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.</p> <p>Major Compliance</p>	<p>Business Plans for the 3 years (2018, 2019 and 2020) were prepared and available at the Palm Oil Mill and Estates office.</p> <p>Details of the Business Plans for the POM include the following:</p> <p>(1) Mill extraction rates = OER and KER trends; (2) Cost of Production = Cost/MT CPO trends; (3) Forecast prices; (4) Financial indicators = Cost of labour, cost of supervision, depreciation costs, salaries/allowances, cost of materials, etc.).</p> <p>Details of the Business Plans for the estates include the following:</p> <p>(1) Replanting program (planting materials are DxP seedling; (2) Crop projection = FFB yield/ha trends; (3) Cost of Production = Cost/MT FFB trends; (4) Forecast prices; (5) Financial indicators = Cost of upkeep & cultivation, harvesting & collection cost, depreciation, cost of materials, cost of labour, cost of supervision, utilities, transport, depreciation costs, salaries/allowances, cost of materials, etc.).</p> <p>The Business Plans also include provisions for sustainability efforts and improvement programmes (environmental, social, Occupational Safety & Health, training, etc.).</p> <p>Mill and Estate Managers monitor the operational performance against Key Performance Indications and targets (costs, FFB yields, quality, productivity, pesticides usage, fertilizers usage, etc.)</p> <p>There is evidence of monitoring of costs against budget to achieve specified targets.</p> <p>Performances are discussed in the monthly meetings held at the PMU and issues and actions needed are recorded for follow up in the next monthly meeting. The records of these meetings were available and verified during the audit.</p> <p>Monthly, quarterly, half-yearly and yearly reports are submitted to the Head Office.</p>	<p>Complied</p>																														
<p>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.</p> <p>Minor Compliance</p>	<p>Annual replanting program were available and had been prepared for 5 years for the estates:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Estate</u></th> <th style="text-align: center;"><u>2018</u></th> <th style="text-align: center;"><u>2019</u></th> <th style="text-align: center;"><u>2020</u></th> <th style="text-align: center;"><u>2021</u></th> <th style="text-align: center;"><u>2022</u></th> </tr> </thead> <tbody> <tr> <td>Keck Seng</td> <td style="text-align: right;">186.37</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Tong Hing</td> <td style="text-align: right;">179</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Lim & Lim</td> <td style="text-align: center;">-</td> <td style="text-align: right;">57.19</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Sin Lian</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> </tbody> </table>	<u>Estate</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	Keck Seng	186.37	-	-	-	-	Tong Hing	179	-	-	-	-	Lim & Lim	-	57.19	-	-	-	Sin Lian	-	-	-	-	-	<p>Complied</p>
<u>Estate</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>																											
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Lim & Lim	-	57.19	-	-	-																											
Sin Lian	-	-	-	-	-																											

Principle 4: Use of appropriate best practices by growers and millers

Criteria 4.1

Operating procedures are appropriately documented, consistently implemented and monitored.

Indicators	Findings and Objective Evidence	Compliance
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INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 20 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>4.1.1 Standard Operating Procedures (SOPs) for estates and mills shall be documented. Major Compliance</p>	<p>Documented SOPs had been maintained by the POM and the Estates which were verified to be in order.</p> <p>POM has documented the following SOPs:</p> <ul style="list-style-type: none"> • SOP for Palm Oil Mill Operations covering every station from FFB receiving until the delivery of processed oil and POME management. • SOP for pollution prevention includes measuring and monitoring mill effluents and waste disposal / recycling. • Occupational Safety & Health Manual and OSH Management System documents. SOP for safe working practices includes hazards identification, risk assessment and control measures. The hazards include noise, chemicals, heat, fire, fuel spillage, working at heights, working in enclosed space, hot work, lightning, electrocution, machinery, etc. Control measures include the use of PPE, fire drill training, first aid training, etc. and "permit to work system" for the mill. Records of 'Permit to Work' including gas entry and stand-by permits issued by NIOSH to the competent personnel at the POM was verified to be maintained and found to be in order. <p>The estates have the following SOPs:</p> <ul style="list-style-type: none"> • SOPs for Estate Operations. The SOP describes operational procedure for oil palm planting, planting density, pre-nursery seedlings, land clearing & preparation, oil palm planting technique, leguminous cover plant, fertilizer application for immature & mature palms, weeding, manuring, harvesting, integrated management of pests control, road maintenance, workshop and vehicle maintenance etc. SOP for pesticides specifies safe working practices and application of pesticides including annual medical surveillance for pesticides operators. SOP for riparian zone management with specified buffer zones. • Budget reports and cost controls specified for quality, environment, safety and social activities. 	<p>Complied</p>
<p>4.1.2 A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance</p>	<p>The implementation of the SOPs was verified to be consistently performed.</p> <p>Monitoring (i.e. daily, weekly and monthly) was done by Field Supervisors and Mandores. Records had been kept by the staff concerned for each operation to monitor the procedure and progress of work and these records would be checked by the Assistant Manager and the Manager regularly.</p> <p>The POM and estates have conducted internal audits on 05/09/2018 and 27&28/03/2018 respectively.</p> <p>On-site assessment confirmed that the records were satisfactorily maintained.</p>	<p>Complied</p>
<p>4.1.3 Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance</p>	<p>Records of monitoring and actions taken had been maintained for more than 12 months at the mill and estates.</p> <p>At POM, it is verified that the Checking Sheets were maintained for both day and night shift operations</p> <p>Daily Muster chits were available at estates and actual field activities were verified during on-site field inspection.</p>	<p>Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 21 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

	Verified that estates monitoring records on spraying, manuring and harvesting operations were maintained and available at the estates.	
4.1.4 The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). Major Compliance	FFB sourced were recorded and had indicated the origins of the supply which were all within the Johore state regions. Details of respective external i.e. 3 rd party suppliers of FFB were monitored and maintained at the POM. Verified that Daily and Monthly Summary of Monitoring reports were available and maintained.	Complied
Criteria 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.		
Indicators	Findings and Objective Evidence	Compliance
4.2.1 There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	The estates have SOPs for Good Agricultural Practices (GAP). Agronomist reports dated 17/04/2018 for the estates were sighted. GAP for minimization of soil erosion and maintenance of soil fertility is also maintained via the frond stacking and selective pesticide weeding activities. Soil sampling and leaf sampling records provided guide for the fertilizer application and fertilizer recommendations had been properly followed at estate levels. Pesticides spraying and inventory records were available and maintained. Evidences provided and field audit verified that good agricultural practices were adhered. Previous assessment Major NC# AL-01 (2017) was addressed and effectively closed.	Complied
4.2.2 Records of fertiliser inputs shall be maintained. Minor Compliance	Records of fertilizer application had were available and verified to be satisfactorily maintained.	Complied
4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	Leaf sampling and analysis had been carried out annually and soil sampling and analysis on a 5 year cycle (year 2015-2020) was available to determine the nutrient levels. Fertilizer recommendations by the Agronomist for identified estate blocks to sustain the long term soil fertility and nutrient efficiency. Records of the sampling and analysis had been verified to be satisfactory.	Complied
4.2.4 A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues. Minor Compliance	EFB mulching carried out in the estates. EFB are spread in one row layer in accordance with best practice Circle EFB mulching had been carried out at immature palms. The records of EFB mulching applied and their locations are maintained. POME land application and analysis of effluent water discharges to the nearby estate (Lim & Lim Plantations) was available and maintained.	Complied
Criteria 4.3 Practices minimise and control erosion and degradation of soils.		
Indicators	Findings and Objective Evidence	Compliance
4.3.1 Maps of any fragile/marginal soils shall be available. Major Compliance	Based on the soil maps and field visit verification, there was no significant areas of fragile soil or marginal soil existence on the estates. The soil series at the estates were noted to be: <ul style="list-style-type: none"> • Keck Seng Estate: Rengam, Beserah, Baling, Holyrood, Kampong Pusu. 	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 22 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

	<ul style="list-style-type: none"> • Sin Lian Estate: Rengam, Tai Tak, Beserah, Baling, Holyrood. • Tong Hing Estate: Tai Tak, Rengam, Holyrood, Cermin, Kampong Pusu, Subang, Baling, Harimau, Terapat. • Lim & Lim Plantations: Rengam, Tai Tak. 	
<p>4.3.2 A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. Minor Compliance</p>	<p>Planting terraces constructed on land with slope > 6°. Records and maps on terraces constructed had been verified on the estate. The detailed maps for the respective estates under the grouping included slope / topography maps. Verified during site inspection that there were no steep hills present at the said estates.</p> <p>Best Management Practices (BMP) followed to control and minimize soil erosion and degradation during replanting or any activities involving earth disturbance. Steps taken for erosion control are soil stabilization, run-off control and sediment trapping to mitigate the disturbed earth entering waterways.</p> <p>There was no soil erosion noted during the visit. Leguminous cover crop, <i>macuna bracteata</i> was well established.</p>	Complied
<p>4.3.3 A road maintenance programme shall be in place. Minor Compliance</p>	<p>Road maintenance programme for year 2018 sighted for the estates and covers road grading, compacting and patching. Estate roads were maintained in good and satisfactory condition. Previous assessment Minor NC# AL-02 (2017) was addressed and effectively closed.</p>	Complied
<p>4.3.4 Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance</p>	<p>It was confirmed during assessment on site that there is no peat soil on the estates.</p>	Not Applicable
<p>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. Minor Compliance</p>	<p>There was no peat soil on the estates as confirmed by auditor's on-site assessment</p>	Not Applicable
<p>4.3.6 A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils). Minor Compliance</p>	<p>Based on the estate soil maps and visit to the estates, there were no other fragile and problematic soils on the estates.</p>	Not Applicable
<p>Criteria 4.4 Practices maintain the quality and availability of surface and ground water.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>4.4.1 An implemented water management plan shall be in place. Minor Compliance</p>	<p>Documented water management plan verified to be in place for the palm oil mill and estates. However,</p> <p>Location: (1) POM The water management plan did not include certain details on monitoring of water levels in the reservoir and the alternative use of water from "Syarikat Air Johor" as an alternative water source in case of water shortage during dry season</p> <p>Location: (2) Estates – Keck Seng, Sin Lian, Tong Hing and Lim and Lim Estates All the four estates have a generic water management plan. The water management plan for each estate need to</p>	<p>Minor NC# OCL-01</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 23 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

	<p>be site specific as the water source, usage, conditions, monitoring and action required may be different for each estate.</p> <p>The water supply for domestic use to staff and workers' housing at Keck Seng Estate and Sin Lian Estate is treated water from the water treatment plant at the POM. Raw water analysis carried out once a year and samples of treated water analysed at monthly intervals. The analysis results of the treated water verified to comply with the Ministry of Health Specification for Drinking Water, which include the requirement of 0 in 100 ml for E.Coli.</p> <p>The water supply for domestic use to staff and workers' housing at Tong Hing Estate and Lim & Lim Plantations is piped water from the water utility company, Syarikat Air Johor (SAJ). The treated water supply complies with the Ministry of Health Specification for Drinking Water, which include the requirement of 0 in 100 ml for E.Coli.</p> <p>Rainfall data is also verified to be monitored as part of the water management plan.</p> <p>Water samples were taken at monthly interval at the inlet and outlet of the final discharge at the palm oil mill effluent pond. Water samples taken twice a year at upstream, midstream and downstream of streams. Tests conducted for pH, BOD, COD, Total Solids, Suspended Solids, Oil & Grease, Ammoniacal Nitrogen and Total Nitrogen. Analysis results meet the DOE requirements. Monthly water quality reports from Jan to Aug 2018 were verified to be within permissible limits of the specification.</p>	
<p>4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. Major Compliance</p>	<p>Water courses such as streams were identified and mapped with appropriate buffer zone signages and markings being maintained along streams passing through the estates.</p> <p>The protection of water courses were adequately done. It was noted that the buffer zones between 5m and 10m were implemented and markings on OP trees and signages were visibly maintained. No evidence of spraying around palms marked as boundary for the buffer zones. Workers are aware of the non-usage of chemicals within the buffer zone, There was no construction of bunds/ weirs/dams across the streams or waterways passing through the estates.</p>	<p style="text-align: center;">Complied</p>
<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 Compliance</p>	<p>It was verified that the POME is treated using aerobic and anaerobic ponds, tank digester and tertiary filtration membrane, before the final discharge. Water samples were taken at monthly intervals at the final discharge point of the POM effluent pond and at upstream and downstream of waterways and tested by the POM environment officer in charge. Tests conducted for pH, BOD, COD, Total Solids, Suspended Solids, oil & grease, Ammoniacal Nitrogen and Total Nitrogen. Analysis results meet DOE requirements.</p> <p>BOD levels had been in the range of 19 to 62 ppm for the period Jan to Aug 2018 with an average of 34.7 ppm. The current allowable upper limit specified by D.O.E is < 100 ppm.</p> <p>The discharged water is 100% used for land application into the nearby estate (Lim & Lim Plantations) and not to any water courses directly.</p>	<p style="text-align: center;">Complied</p>
<p>4.4.4 Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. Minor Compliance</p>	<p>Water usage in the mill from Jan to Sep 2018 ranged from 0.93 to 2.06 m³/tonne FFB with an average of 1.59 m³/tonne FFB (which was noted to be at the higher limit of the industry norm of 1.2 to 1.5 m³/tonne FFB).</p>	<p style="text-align: center;">Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 24 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Criteria 4.5		
Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.		
Indicators	Findings and Objective Evidence	Compliance
<p>4.5.1 Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance</p>	<p>The IPM Plan dated 12/05/2018 includes the planting of beneficial plants and control of damage by rodents.</p> <p>Programme for planting of beneficial plants such as <i>Cassia cobanensis</i>, <i>Turnera subulata</i>, <i>Antigonon leptopus</i> and records on areas planted had been verified together with the respective maps to be satisfactory.</p> <p>Barn owls were also used for the control of rodents. Barn owl census carried out and location maps were available. Rat damage monitored and records of rat baiting maintained.</p> <p>Pest infestation such as by bagworms and rhinoceros beetles was monitored and noted to be minimal on the estates.</p>	Complied
<p>4.5.2 Training of those involved in IPM implementation shall be demonstrated. Minor Compliance</p>	<p>IPM training was conducted for all those involved in IPM implementation. Training records for staff and workers on IPM implementation were available and was verified to be satisfactory.</p>	Complied
Criteria 4.6		
Pesticides are used in ways that do not endanger health or the environment.		
Indicators	Findings and Objective Evidence	Compliance
<p>4.6.1 Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance</p>	<p>Register of agrochemicals use with written justification had been reviewed. The types of chemicals used are as follows:</p> <ol style="list-style-type: none"> (1) Glyphosate isopropyl amine - Supremo (2) Metsulfuron methyl – Ally 20 DF (3) 2, 4 - Dimethyl amine – Hamine 600 (4) Triclopyr Butoxyethyl Esther – Garlon 250 <p>Specific pesticides had been used to deal with the respective target pest, weed or disease.</p>	Complied
<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 Compliance</p>	<p>Records of pesticides and their active ingredients used, LD50, area treated, amount of a.i. applied per ha, and number of applications had been maintained for the estates.</p> <p>As was indicated in the SOP, the records are maintained are being kept for a minimum of 5 years. Verified that the records are satisfactorily maintained.</p>	Complied
<p>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 Compliance</p>	<p>It had been the policy of the estates to minimize the use of pesticides in accordance with IPM plan.</p> <p>The pesticide reduction program is monitored on usage per hectare basis. Overall, there has been a slight decline in pesticide usage per hectare on a year to year basis.</p> <p>No prophylactic use of pesticides had been carried out at the estates.</p>	Complied
<p>4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and 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</p>	<p>It is the policy of the group to achieve zero usage of paraquat by the end of 2017. The estates had ceased the usage of paraquat after end of year 2016.</p> <p>Alternatives such as Glyphosate Isopropyl amine, Metsulfuron Methyl, and Triclopyr Butoxyethyl Esther had been used with the elimination of paraquat.</p> <p>First Aid Kits were available during pesticides spraying in the fields (4th Schedule). Contents and usage were satisfactorily recorded.</p> <p>Portable signboard noted to be displayed at areas of spraying activity (5th Schedule).</p>	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 25 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000).</p> <p>Minor Compliance</p>		
<p>4.6.5 Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used.</p> <p>All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).</p> <p>Major Compliance</p>	<p>All pesticide operators (no contractor's workers used for pesticides spraying) have attended training on the safe handling and application of pesticides in compliance with Regulation 22 of the Pesticides Act 1974.</p> <p>Training program and training records verified to be satisfactory. The training include spraying technique, precautions and symptoms of toxic reactions such as skin disorders, rashes, mouth and throat pain, breathing difficulties or nail problems.</p> <p>Interview workers performing spraying and manuring activities - they understood the chemical hazards relating to pesticides.</p> <p>All precautions attached MSDS understood by the workers.</p> <p>Portable warning signboards noted to be displayed at areas of spraying activity (5th Schedule).</p> <p>Appropriate safety and application equipment (safety boots, rubber boots, safety helmets, cartridge masks, safety goggles, gloves and apron) have been provided and used</p> <p>The estate has adequate facilities for mixing of pesticides and suitable storage area for spraying equipment and PPE.</p> <p>The emergency shower and eye wash were verified to be available and in proper working order at the pesticide mixing area.</p>	<p style="text-align: center;">Complied</p>
<p>4.6.6 Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). 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> <p>Major Compliance</p>	<p>Storage of pesticides found to be kept under lock and key and its use in accordance with the Occupational Safety and Health Laws and Regulation 9 of the Pesticides Act 1974.</p> <p>Emergency shower and eye wash are available near the pesticides store in case of accidents.</p> <p>Material Safety Data Sheets (MSDS) are available in the store. The MSDS were in English and Bahasa Malaysia. These were generally understood by the workers during the field interviews conducted.</p> <p>Used chemical containers were either reused as containers for spraying solution or disposed as scheduled waste. For disposal, empty pesticide containers are triple rinsed and pierced at the bottom.</p>	<p style="text-align: center;">Complied</p>
<p>4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts.</p> <p>Minor Compliance</p>	<p>Pesticides had been applied using the Best Management Practices that minimize risk and impacts. The pesticide operators found to understand the use of the right nozzle, spray drift, spray quality and run-off.</p>	<p style="text-align: center;">Complied</p>
<p>4.6.8 Pesticides shall be applied aurally 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.</p> <p>Major Compliance</p>	<p>It is the policy of the company not to carry out aerial application of pesticides. This policy has been followed by the estates.</p>	<p style="text-align: center;">Complied</p>
<p>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).</p> <p>Minor Compliance</p>	<p>The Annual Training Plan includes training on pesticides handling. All new pesticides operators were trained before being assigned to work with pesticides. In addition, based upon training needs, the existing pesticide operators attended continual training to enhance their knowledge and skills on pesticides handling.</p>	<p style="text-align: center;">Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 26 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

	Information and safety precautions on the use of pesticides are displayed on notice boards and near the pesticides store.	
<p>4.6.10 Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). Minor Compliance</p>	<p>Scheduled waste of palm oil mill had been disposed of through a DOE licensed scheduled waste contractor, Modern Energy Sdn Bhd.</p> <p>The scheduled wastes from the estates are sent to the POM for disposal.</p> <p>Records of scheduled waste collection verified to be within the period of 180 days interval.</p>	Complied
<p>4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance</p>	<p>CHRA reports were available at the estates which is valid till year 2021. It was verified that the CHRA recommendations has been satisfactorily followed.</p> <p>Annual medical surveillance in accordance with OSHA USECHH 2000 requirements Schedule 1 and 2.</p> <p>The medical reports of 16 sprayers sent in batches (Apr to Jul 2018) for the annual medical surveillance were checked and no abnormalities reported by the Medical Doctor. The medical reports showed that there was no case of low blood cholinesterase levels. The medical reports stated the sprayers are fit for work with pesticides. It was further verified that the company's policy is to re-allocate other work for any worker is found to unfit for work with pesticides.</p> <p>Pesticides operators were interviewed during field visits and feedback received that they do not have any symptoms of toxic reactions such as skin disorders, rashes, mouth and throat pain, breathing difficulties or nail problems.</p> <p>Besides the annual medical surveillance, monthly clinical tests (to check lungs gastro intestinal, urinary system, nails, skin, etc.) also carried out by Health Assistant on sprayers and records maintained indicate no cases of toxic reactions.</p>	
<p>4.6.12 No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance</p>	<p>Verified that the monthly medical check-up of the female pesticide operators did not indicate anyone to be pregnant during the work period concerned. Verified from interviews that no pregnant or breast-feeding woman had been offered work as pesticide operator.</p>	Complied
<p>Criteria 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>The occupational health and safety plan shall cover the following:</p> <p>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. Major Compliance</p>	<p>Occupational Safety and Health (OSH) plan in compliance with OSH Act and Factory & Machinery Act 1967 was documented and implemented.</p> <p>OSH Policy found to be clearly displayed at POM and in the estates office. Adequate posters, regulations, newsletters were prominently displayed on notice boards. Interviewed workers demonstrated awareness towards occupational safety and health.</p> <p>The Safety & Health Officer is in charge of safety and health planning, operation and coordination. Mill Manager and Estate Managers / Assistants are also directly involved.</p> <p>The OSHA Plan include the establishment and implementation of CHRA, medical surveillance, health checks, Emergency Drill, First Aid training, Line site Inspection, Chemical Store Inspection, Audiometric test, PPE training, etc.</p>	



INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 27 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

	<p>POM has also conducted the annual Emergency Preparedness and Response (EPR) drill.</p> <p>Safety Committee meetings were held on quarterly basis. Latest minutes dated 10/10/2018.</p> <p>Programmes for protecting workers' health and safety were satisfactorily implemented.</p> <p>Records on training had been verified at the POM and estate. Analysis on the understanding of training by the workers had been verified.</p> <p>An observation raised:</p> <p>Location: Keck Seng, Sin Lian, Tong Hing and Lim & Lim Estates</p> <p>Safety audits conducted at quarterly intervals as part of the Sustainability Operation Audit for the estates. Latest audit (Q3) conducted on 06/09/201. Audits also conducted for Q1 and Q2 but the audit reports did not indicate the date of the audits.</p>	<p>Obs # OCL-01</p>
<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.</p> <p>Major Compliance</p>	<p>Risk assessment (HIRARC) conducted and reviewed for the POM and estates operations on 18/07/2018 and 05/07/2018 respectively. There were risks identified as significant and control measures determined to mitigate the risks. Significant hazards determined and documented include noise exposure, pesticides/ chemicals exposure, accident, fire. Procedures and actions implemented to mitigate the hazards.</p> <p>There was an assessment of noise levels in the POM conducted by an external qualified consultant. The report dated 25/07/2014 identified the work areas with high noise levels, viz., capstan driver (cages), boiler station, engine room, sterilization unit, oil clarification plant and kernel press where noise level exceeded 85 db. Mill management have taken steps to reduce the noise levels by construction of a room to isolate the gen sets, reducing the exposure time to high noise and mandatory use of both ear plugs and ear muffers.</p> <p>The latest audiometric tests carried out for all 86 POM employees on 09 & 11/10/2017 (next annual audiometric tests confirmed for 22 & 29/10/2018). There were 4 employees whose audiometric reports indicated slight hearing impairment. The OSHA Doctor reported that there is no noise induced hearing loss (NIHL). The Doctor will only refer worker with Induced Hearing Loss to SOCSO for benefits in accordance with the regulations.</p> <p>Baseline audiogram and occupational and medical history records of workers maintained. The employees exposed to high noise levels were interviewed. The workers are aware of the danger of hearing loss due to prolonged exposure to high noise. The workers knew about the complaints process and mechanism available.</p> <p>Appropriate PPE (safety boots, safety helmets, rubber boots, cartridge masks, safety goggles, gloves, overalls, ear plugs, ear muffers) verified to be provided to and being used by the workers. Associated training provided to address safety and health issues.</p> <p>Warning signs sighted at high noise areas and ear plugs and ear muffers to be worn. There are also warning signs to use other PPE such as helmet and safety boots.</p>	<p>Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 28 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

	<p>An audit for determining compliance with the minimum standards had been conducted on all types of PPE used. Adequate fire extinguishers and hose reels found to be located at strategic locations, operational and maintained in good conditions. Location map of fire extinguishers is available.</p> <p>“Permit to work” system applied at the POM. Staff and workers have been trained and certified by NIOSH for gas entrant and stand-by involving work in confined space.</p> <p>First Aid equipment was available at POM, estates and at worksites. Samples of First Aid box was checked and contents found to be complete and in usable order during field visit. Training for workers in First Aid was carried out in the mill and estates and records maintained.</p> <p>The POM and estates have established their accident reporting KPI and incident monitoring implemented.</p> <p>Yearly reporting of JKPP8 regulations was submitted to JKPP on time, i.e. in January of each year. Supporting documentations and evidences of cases reported are maintained and adequately followed up including status of any compensation payments made to victims / workers.</p> <p>The Safety & Health Officer maintains records on the rate of accidents to workmen, trends in rate of accidents, fatalities and non-fatalities captured to prevent mishaps.</p> <p>Verified that additional HIRARC reviews also made by the Safety & Health team upon occurrence of incidences or accidents.</p> <p>Previous assessment Major NC# AL-03 (2017) was addressed and effectively closed.</p>	
<p>4.7.3 All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>Major Compliance</p>	<p>Training programme planned for year 2018 has included all categories of workers. Appropriate trainings on safe working practices are planned for:</p> <ul style="list-style-type: none"> - workers exposed to machinery and high noise levels, - workers working in confined space, - harvesters and loaders, - pesticides operators and manurers . <p>Records of the trainings conducted in year 2018 are available and trainings held included firefighting, fire drill, first aid training, Emergency Response Team training and SOP training for sprayers, manurers, harvesters, loaders, tractor drivers, contractors and contractors’ workers (for FFB transportation).</p> <p>Evaluations were carried out on each of the trainings to determine its effectiveness.</p>	<p>Complied</p>
<p>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.</p> <p>Major Compliance</p>	<p>The responsible person (usually the Mandore or Field Supervisor) was identified.</p> <p>Verified that records of safety meetings and briefings between the responsible person and workers were maintained.</p>	<p>Complied</p>
<p>4.7.5 Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident</p>	<p>Accident and emergency procedures had been written in English and Bahasa Malaysia and briefed to staff, workers, contractors and visitors.</p>	<p>Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 29 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>Minor Compliance</p>	<p>Workers trained in First Aid were present in the mill and field operations. First Aid Kits were available at worksites. Records on all accidents had been verified to be maintained satisfactorily. Quarterly review on accident cases had been carried out during quarterly meeting of Safety & Health Committee.</p>	
<p>4.7.6 All workers shall be provided with medical care, and covered by accident insurance.</p> <p>Minor Compliance</p>	<p>Medical care and insurance protection had been provided to all the workers under Chubb Insurance Malaysia Berhad. Local workers are also covered by SOCSO. Foreign workers are covered under the Foreign Workers Compensation Scheme with ACE Jerneh Insurance Berhad.</p>	Complied
<p>4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.</p> <p>Minor Compliance</p>	<p>Records on Lost Time Accident (LTA) metrics had been verified to be satisfactorily maintained.</p>	Complied
<p>Criteria 4.8 All staff, workers, smallholders and contract workers are appropriately trained.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>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.</p> <p>Major Compliance</p>	<p>The training programme on all aspects of RSPO Principles and Criteria and the Supply Chain Certification System established was implemented. Refresher training for mill staff was conducted and interviews confirmed the satisfactory levels of understanding on requirements. Training for various categories of operators, including all field and office staff, with regards to their duties and training needs had been reviewed and found acceptable.</p>	Complied
<p>4.8.2 Records of training for each employee shall be maintained.</p> <p>Minor Compliance</p>	<p>Records of training for each employee, including new employees were available and maintained.</p>	Complied

Principle 5: Environmental responsibility and conservation of natural resources and biodiversity

<p>Criteria 5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>5.1.1 An environmental impact assessment (EIA) shall be documented.</p> <p>Major Compliance</p>	<p>Environmental Impact Assessment for both POM and estates was revised and documented on 5th September 2018. The assessment documents for the POM had included the assessment on all polluting activities such as potential pollution to water, gaseous emissions to air, contamination on land and the management of mill effluents. For the estates, it had included the identification of aspects and impacts from field activities that includes fertilizing, spraying, transportation of FFB, garbage disposal and also road maintenance. The report had also included the action plans and recommendations to mitigate the negative effects and to promote the positive ones. The EIA has been documented accordingly and it was conducted with consultation with relevant stakeholders.</p>	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 30 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>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.</p> <p>Minor Compliance</p>	<p>There were no major changes to the identified impacts since the establishment of the documents above. Impacts such as smoke emissions, noise levels, POME and EFB management. The environmental management plan is in place and included measures to mitigate the negative impacts. The action plan was implemented and was verified at the PMU. Data were collected and it ensured compliance with relevant regulations. At the plantations, the action plan has also been carried out and monitored to mitigate the negative impacts.</p> <p>The action plan has also identified the responsible person.</p>	<p>Complied</p>
<p>5.1.3 This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>Minor Compliance</p>	<p>For the audit period, implementation and monitoring of the documented environmental improvement plans was reviewed on 5th September 2018. The review had taken into consideration the mitigation of negative impacts and promotion of positive ones such as the proper demarcation of buffer zone and clearing of overgrown natural vegetation. Monitoring protocol had also been included in the plan.</p> <p>However, the monitoring protocol to monitor the effectiveness of water sampling and analysis as a mitigation measure for pollution prevention is insufficient.</p> <p><u>Location: Keck Seng and Sin Lian estates</u></p> <p>(1) At both these estates, the water sampling points identified for the analysis of the water quality was not located at the final outlet of the streams. Therefore the data obtained may not be accurate and representative of the actual conditions.</p> <p>(2) As there are also other stream running across these plantations, the current number of water sampling locations were found to be insufficient to effectively monitor the quality of the water which finally flows into the Iskandar water catchment area.</p> <p><u>Location: Tong Hing estate.</u> The sampling point location was not easily accessible.</p> <p>Earlier NC issued relating to the demarcation of buffer/riparian zone was effectively closed.</p>	<p>Minor NC# SH-01</p>
<p>Criteria 5.2 The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>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).</p> <p>Major Compliance</p>	<p>The HCV assessment earlier conducted by Wild Asia has been reviewed by the sustainability team and documented on 5th September 2018. The assessment conducted has taken into consideration all aspects of environmentally sensitive areas such as HCVs, ponds, streams, wildlife boundaries and was documented.</p> <p>The identified conservation areas are:</p> <ol style="list-style-type: none"> (1) Buffer zones along streams, (2) Buffer zones bordering the forest reserves. (3) Buffer zones for identified HCVs inside their plantation 	<p>Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 31 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

	<p>HCV and other environmentally sensitive areas were documented and inspected on site. Visits to sites confirmed the boundaries bordering the forest reserves especially the Sultan Iskandar Dam (Keck Seng and Sin Lian estates) was clearly demarcated. A buffer zone of 50 meters was provided to separate the plantation and the HCV areas.</p> <p>Conservation areas/environmentally sensitive areas inside their plantations (Keck Seng, Sin Lian, Lim & Lim, and Tong Hing estates), i.e. buffer zones along the stretches of streams which pass through the estates had also been identified, demarcated and being monitored.</p> <p>The HCVs areas, ponds and other prominent features like streams, graveyards were shown in the map.</p>	
<p>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.</p> <p>Major Compliance</p>	<p>Management Plan / Action Plan has been reviewed on 5th September 2018 and documented in all the estates with specific actions to be taken by the Estate Manager / Assistant Manager for the identified conservation/HCV areas. The action plan includes the following:</p> <p>(1) Regular patrols within the POM and estates were being carried out and findings recorded by the respective Estate executives to monitor the Conservation / buffer zone areas.</p> <p>(2) Monitoring and control of any illegal hunting, fishing or collecting activities was also carried out by the patrolling activities conducted.</p> <p>(3) Also, signage that prohibit hunting, fishing and water polluting activities were verified on-site at all estates visited.</p>	<p>Complied</p>
<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.</p> <p>Minor Compliance</p>	<p>There was evidence of commitment to discourage any illegal or inappropriate hunting, fishing or collecting activities via the signage erected around the affected areas which prohibit such activities.</p> <p>For this audit period, a refresher training programme on HCV, RTE was also conducted on 4th October 2018.</p> <p>Other trainings which included buffer zones, integrated pest management and its importance were also conducted to the field workers. Record on the training was made available during the audit.</p>	<p>Complied</p>
<p>5.2.4 Where an action plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the action plan. <p>Minor Compliance</p>	<p>Management plans were established and monitoring outcomes were reviewed by the Estate managers.</p> <p>Verification were also made during on-site assessment and found to be satisfactory implemented at estates visited.</p> <p>The overall management plan on the status of HCV/RTE of the PMU is collated, reviewed and monitored by the management team in consultation with other stakeholders.</p>	<p>Complied</p>
<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.</p> <p>Minor Compliance</p>	<p>It was verified that there has been no instance of HCV set-aside that conflicts with the rights of local communities at the estates. The HCV is located outside their perimeter boundary and belongs to the State Government of Johore. Thus negotiated agreement of such nature is not applicable.</p>	<p>Complied</p>
<p>Criteria 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 32 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>5.3.1 All waste products and sources of pollution shall be identified and documented.</p> <p>Major Compliance</p>	<p>Visits made to POM and estates showed that all waste products and sources of pollution were identified and documented.</p> <p>The documentation and identification of all the waste products such as scheduled waste, domestic waste, clinical waste and recyclable waste such as metal, plastic, mill waste and polluting materials e.g. EFB, POME, Stack emissions and Boiler ashes were maintained and monitored at the POM.</p> <p>Scheduled Waste identified included spent hydraulic oil (SW 305), spent lubricant oil (SW 306), used chemical containers/drums (SW 409), used filters (SW 410), clinical waste (SW 404) and used batteries (SW 102).</p> <p>Records on the usage and disposal were well recorded and documented.</p> <p>Appropriate secondary containment for the diesel skid tanks, chemical and scheduled waste storage areas was verified to be maintained at the PMU.</p> <p>Segregation of wastes, i.e. general wastes and scheduled wastes was verified to be satisfactory carried out in the mill and estates. Proper storage areas were identified for the storage of the recyclable wastes at the estates and mill.</p>	<p>Complied</p>
<p>5.3.2 All chemicals and their containers shall be disposed of responsibly.</p> <p>Major Compliance</p>	<p>At the mill, the disposal of used chemicals and containers were done in accordance with their schedule on waste management as planned.</p> <p>Stores for scheduled waste were inspected and audited at site, i.e. POM and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment. The mill has a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor (Modern Energy Sdn Bhd). Latest disposal was recorded on 16th August 2018. Inventory on the schedule waste was properly recorded and up to date.</p> <p>Also, for the estates, schedule waste was also disposed of accordingly and complies with requirement of the law. Labelling has been practised at the Mill and estates. Record was also made available during the audit.</p>	<p>Complied</p>
<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p> <p>Minor Compliance</p>	<p>The waste management and disposal plan were in place at both the POM and estates. It has been documented and implemented as required and is being carried out responsibly.</p> <p>Segregation of wastes i.e. general wastes and scheduled wastes was verified to be satisfactory in all the Plantations visited. Proper storage areas were identified for the storage of the recyclable wastes at the estates and mill.</p> <p>Waste disposal was done by an appointed contractor that is licensed by the Department of Environment i.e. Modern Energy Sdn Bhd.</p> <p>The solid waste management and disposal plan using landfills was not available at estates. Waste disposal was by using services of waste contractor and disposed off by the Pasir Gudang local authority.</p> <p>Recycling of crop residues / biomass i.e. EFB and POME had been implemented. The EFB was mainly recycled and used as fuel for the boiler.</p>	<p>Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 33 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

	<p>Recycling bins of three different colour codes for specific recycle waste were available at both POM and estates and were used for solid waste segregation and recycling.</p> <p>Earlier NC on waste at other estates have been closed effectively.</p>	
<p>Criteria 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.</p> <p>Minor Compliance</p>	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. Records were satisfactorily documented.</p> <p>Visit to mill showed evident that they are continuously compiling the data, document it to monitor and improve on their efficiency of using the renewable and non-renewable energy.</p> <p>Apart from use of diesel for generating electricity, pressed fibre, fibre and kernel was also used to generate electricity through steam turbine and boiler. The processing of the CPO was done using the turbine generation. This is in line with the plan to reduce the usage of fossil fuels.</p> <p>The use of energy in palm oil mill and line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where Palm fiber and kernel were used as renewable energy/fuel.</p> <p>It was verified that energy usage are being monitored daily, especially at the POM for better control and comparison of trends. Record on the usage of the materials was made available during audit and satisfactorily documented.</p>	Complied
<p>Criteria 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.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>5.5.1 There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions.</p> <p>Major Compliance</p>	<p>The company had observed the policy of 'Zero open burning' for replanting, if any, at the estates.</p> <p>Field inspections made at estates undergoing replanting (Keck Seng and Lim & Lim estates) showed no evidence of open burning.</p>	Complied
<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, or comparable guidelines in other regions.</p> <p>Minor Compliance</p>	<p>Also, there was no evidence of any burning of domestic waste at the housing line sites or at the plantations. Sanitary landfill was not practised at the estates but using the facilities of the local authority.</p>	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 34 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Criteria 5.6		
Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.		
Indicators	Findings and Objective Evidence	Compliance
<p>5.6.1 An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p> <p>Major Compliance</p>	<p>Report showed evident that the emission is within the permissible limits of DOE as verified by documents made available during the on-site visit to the mill.</p> <p>POME treatment, monitoring and land application is monitored, maintained and adhered to DOE regulations.</p>	Complied
<p>5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.</p> <p>Major Compliance</p>	<p>Identification of significant pollutants and greenhouse gas (GHG) emissions has been done. e.g. POME, diesel / fuel and fertilizer. Their usage have been recorded and documented at both the POM and PMU.</p> <p>Report on the GHG using the new version has also been forwarded and reported to RSPO Secretariat on 1st October 2018. However, some data changes was also made during the audit for more accurate reporting.</p>	Complied
<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.</p> <p>Minor Compliance</p>	<p>Monitoring and reporting of the significant pollutants to water, gaseous emissions to air and contamination on land are in place.</p> <p>Tools and systems used include the DOE online CEMS monitoring for air emissions, water quality at discharge points as per DID regulations and SW disposal were adhering to DOE requirements. CEMS monitoring was also reported to DOE once a month. The latest report to DOE was on 12th September 2018. Desktop reporting was also done once a month, latest August 2018 which include reporting on schedule waste inventory and flatbeds maintenance. In addition, for the month of September, DOE had conducted on site audit at the POM. Environmental air monitoring report was conducted quarterly and latest being on the 30th July 2018. For noise monitoring, it was conducted only once a year and the latest was done on 14th May 2018 by P&C Testing & Consulting Sdn Bhd. Stack emissions testing was done on the 6th September 2018. This is done twice a year by Spectrum Laboratories Sdn Bhd.</p> <p>Water samples were regularly taken and tested by mill environment officer in charge and analyzed to ensure compliance to DOE requirements at final discharge points. Discharge for land application was monitored daily. The water samples were sent for analysis. This was conducted by Lotus Laboratory Services Sdn Bhd. Records are maintained and verified on-site to have met the permissible regulatory limits.</p>	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 35 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Principle 6: Responsible consideration of employees, and of individuals and communities affected by growers and mills

Criterion 6.1		
Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.		
Indicators	Findings and Objective Evidence	Compliance
<p>6.1.1 A social impact assessment (SIA) including records of meetings shall be documented.</p> <p>Major Compliance</p>	<p>Social Impact Assessment (SIA) report prepared by Wild Asia in 17/10/2017 is still valid during the audit. The SIA clearly covered issues such as access and use rights, economic livelihoods and proper working conditions, subsistence activities, etc. for the workers and communities surrounding the PMU.</p> <p>SIA Management Plans of the group was reviewed and updated by the Sustainability Team for year 2018. The plans included monitoring of negative impacts and enhancement of positive ones. The revision was conducted through external stakeholder consultation on 28/06/2018. The external consultation were verified to be attended by external stakeholders including suppliers, contractors, neighbouring estates, transporters, government agencies, etc.</p>	Complied
<p>6.1.2 There shall be evidence that the assessment has been done with the participation of affected parties.</p> <p>Major Compliance</p>	<p>Social impacts in Keck Seng group operations were assessed using various method including consultations, meetings, respond forms and interviews.</p> <p>External stakeholders' consultation was conducted for the whole PMU on 28/06/2018 and the consultation was properly documented. More than 25 participants attended the external stakeholder consultation including local communities, suppliers, contractors, government agencies and NGOs.</p> <p>Internal stakeholders consultations are conducted separately between Keck Seng POM and the estates, i.e. in Keck Seng POM, the Foreign Workers Social Meeting was conducted on 24/07/2018 and Joint Consultative Committee (JCC) was last conducted on 26/06/2018 at the estates level. Internal stakeholders consultations in each operating unit were attended by different categories of workers, e.g. different scope of work, gender, nationalities and levels. These consultations were also very well documented.</p> <p>The SIA for each operating unit audited was verified that all potential impacts were included, e.g. access and use rights to individual passports and travelling documents, sufficient and on time monthly pay, schools and health clinics, etc.</p>	Complied
<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 the affected parties, documented and timetabled, including responsibilities for implementation.</p> <p>Major Compliance</p>	<p>For each comments received during meetings or interviews conducted by the POM and the estates, Action Plan for Social Impact Assessment is developed to show the time frame on implementation plans, person responsible and current status for each activities. Latest action plan sighted during the audit is dated 07/08/2018 (Revision 11).</p>	Complied
<p>6.1.4 The plans shall be reviewed as a minimum once every two years and updated as necessary,</p>	<p>The Action Plan for Social Impact Assessment is reviewed annually and the plans for 2018/2019 period dated 07/08/2018 is available for verification. During the site inspection it is</p>	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 36 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>in those cases where the review has concluded that changes should be made to current practices.</p> <p>There shall be evidence that the review includes the participation of affected parties.</p> <p>Minor Compliance</p>	<p>confirmed that the mitigations plans identified were in progress or already completed.</p>	
<p>6.1.5 Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).</p> <p>Minor Compliance</p>	<p>There are no smallholder schemes at the PMU. Thus this is not applicable</p>	<p>Not applicable</p>
<p>Criterion 6.2</p> <p>There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.2.1 Consultation and communication procedures shall be documented.</p> <p>Major Compliance</p>	<p>Issue related to consultation and communication are covered in different procedures, e.g. list of stakeholders in SOP Doc. No: RSPO CRI-1.1.1 updated on 14/08/2018 and communication procedures in SOP-GEN-17.</p> <p>The PMU has adopted an open and transparent method of communication and consultation when dealing with relevant parties, e.g. its workers, government agencies, contractors, neighbouring plantations by personal invitation to attend the internal and external stakeholders' consultation meetings.</p> <p>The communication procedures were also explained to all stakeholders in each consultations both externally or internally.</p>	<p>Complied</p>
<p>6.2.2 A management official responsible for these issues shall be nominated.</p> <p>Minor Compliance</p>	<p>Nominated respective officers are responsible to represent the PMU when any relevant issues raised by local communities and other affected or interested parties.</p> <p>For example Mr. Asrul bin Bahari is the JCC representative and communication officer for Keck Seng Complex. Management official responsible for workers related issues at Keck Seng POM is Mr. Leong KM, HR Manager.</p>	<p>Complied</p>
<p>6.2.3 A list of stakeholders, records of all communication, including confirmation of receipt and that effort are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.</p> <p>Minor Compliance</p>	<p>The maintenance of the list of stakeholders at the Keck Seng PMU is adequate and has ensured that the list is kept current. Noted that there are open and transparent methods for communication and consultation which has taken into consideration the local mechanisms including migrant workers and languages. The SOP, i.e. List of Stakeholder (RSPO-CRI-1.1.1) clearly outlined proper maintenance of the stakeholder list.</p> <p>Previous assessment Minor NC# JMD-01 (2017) was addressed and effectively closed.</p>	<p>Complied</p>
<p>Criterion 6.3</p> <p>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.3.1 The system, open to all affected parties, shall resolve</p>	<p>In Keck Seng PMU complaints and grievances procedures is well implemented. Complaints and Grievances forms were</p>	<p>Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 37 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested.</p> <p>Major Compliance</p>	<p>sighted in the administration office visited and are actively used by workers. JCC representatives interviewed understood their roles and responsibilities.</p> <p>In dealing with complaints and grievances, the management had established the Social Policy (http://masai.keckseng.com/images/pdf/KSM- Social Policy.pdf) in Oct 2011, signed by the Managing Director, Datuk Ho Kian Hock where in the second point of the policy it mentioned grievances from the stakeholders will be resolved fairly.</p> <p>In addition the PMU also established a few procedures related to complaints and grievances as listed below.</p> <ol style="list-style-type: none"> 1. Procedures “To Handle and Response The Request/Enquiries From Stakeholders” (RSPO-CRI-1.1.2) 2. Stakeholders Consultation and Communication Procedures (RSPO-CRI-6.1.1) 3. Handling of Social Dispute (RSPO-CRI-6.3.1A) <p>Complaints and grievances are investigated, addressed and resolved based on their severity. Minor complaints will normally be resolved within 2-3 working days, whilst major complaints and grievances will be resolved based on priority and budget availability. No complaints related to sexual harassment received so far, but the procedures stated such issues will be handled with the utmost privacy and confidentiality by the GCC.</p> <p>Verified that there no instances of any serious disputes.</p>	
<p>6.3.2 Documentation of both the process by which a dispute was resolved and the outcome shall be available.</p> <p>Major Compliance</p>	<p>The Keck Seng PMU have a system for handling compensation claim in an effective, timely and appropriate manner. During the audit it was verified that no major dispute was raised by the workers.</p>	<p style="text-align: center;">Complied</p>
<p>Criterion 6.4</p> <p>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.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>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.</p> <p>Major Compliance</p>	<p>The SOP mentioned earlier, i.e. (RSPO CRI-1.12) Procedures to handle and respond to the request enquiries from stakeholders’ includes the procedures for identifying legal and customary rights and people entitled to compensation.</p> <p>Verified that there has been no case of dispute on land rights at this PMU to-date.</p>	<p style="text-align: center;">Complied</p>
<p>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</p>	<p>Keck Seng group has a procedure for calculating and distributing compensation which is available. To-date there has been no dispute by any parties reported at the PMU.</p>	<p style="text-align: center;">Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 38 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>ethnic groups' proof of legal versus communal ownership of land.</p> <p>Minor Compliance</p>		
<p>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.</p> <p>Major Compliance</p>	<p>To date, there has been no dispute by any parties reported. Therefore the process and outcome of compensation could not be observed.</p>	<p>Complied</p>
<p>Criterion 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>6.5.1 Documentation of pay and conditions shall be available.</p> <p>Major Compliance</p>	<p>There are different types of employment arrangements in offered in Keck Seng PMU. The arrangements are stated clearly in the workers contract, e.g. between the group with its own workers, the contract stated employment as permanent staff with monthly or daily wages and between the contractors with their workers employment as piece rated workers is clearly stated. Documentation and conditions of pay for foreign workers hired in the POM and all estates visited are available for verification. Employment agreement with foreign workers, from Myanmar, Nepal and Indonesia, stated all statutory fringe benefits and eligible incentives, e.g. working hours, overtime, leave and medical benefits, maternity leave for women, insurance coverage, deductions, resignation notice period, company rules. Keck Seng PMU procedures require the employment contract to be explained by management to potential migrant workers before the contracts are signed.</p> <p>The payment slips for foreign workers at the POM and estates visited are easy to understand and this fact was further verified with migrant workers. Payments are made latest by 7th of each month. Payment slips for foreign and local workers hired by the contractors were also verified to be in compliance with the Minimum Wages Order 2016.</p> <p>A non-compliance is raised under this criteria related to contract of service between contractors and their employees not available or with wrong terms and conditions. It was found in Lim & Lim Estate the contractor for FFB transport did not have any contract of service with the driver for FFB lorry transport. In Keck Seng Estate the contractor wrongly signed a harvester agreement with the driver for FFB lorry transport.</p>	<p>Major NC# JMD-01</p>
<p>6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p>	<p>With effect from 1 July 2016, Keck Seng PMU revised the wages scale to be in accordance with Minimum Wages Order 2016. Workers who received less than stipulated minimum wages in the PMU are mainly due to absent from work without permission. This was verified as accurate during the audit. It is clear that workers who worked without absent for the whole month are able to achieve minimum wages. The obligatory Foreign Workers Compensation Scheme (FWCS) for foreign workers were issued by CHUBB.</p> <p>Previous assessment Major NC# JMD-02 (2017) was</p>	<p>Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1**

Page 39 of 82

Major Compliance	addressed and effectively closed.	
<p>6.5.3 Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p>Minor Compliance</p>	<p>The requirements in the Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) are very well implemented in Keck Seng PMU. The PMU is noted to have provided adequate amenities, housing, water supplies, medical, educational and public amenities to their local and foreign workers.</p> <p>Site visits to the workers' quarters, staff quarters and interviews with their dependents revealed their general satisfaction with their housing conditions and amenities.</p> <p><u>Housing, electricity and water supply</u></p> <p>The workers staying Keck Seng Estate linesite are provided with free electricity and treated water daily supplied from the POM. Workers staying in Lim & Lim Estate linesite are provided with subsidised electricity and water. Newly installed public water works in Kota Tinggi workers quarters was observed during the audit.</p> <p>Linesite inspection is conducted regularly by the EHA to ensure the safety and cleanliness at the linesites. The Visiting Medical Officer (VMO) was verified to have visited the linesite at least twice a week.</p> <p>Based on the latest SIA conducted by Wild Asia, the PMU is now taking action to improve the housing area. The improvement plan will be gradually implemented. Some actions had already been completed, e.g. replacing of mosquitoes netting, desludging of sewage system, formation of Keck Seng Housing Committee.</p> <p><u>Schools</u></p> <p>Transport to and from the schools for children of all local workers are subsidised by the PMU.</p> <p><u>Sundry shops</u></p> <p>Sundry shop is available within the estate compound. From interviews with the workers in the PMU it was found that most household sundries, including frozen foodstuffs were available on sale. As the PMU is located near to towns such as Pasir Gudang and Masai, the workers purchased their sundries from the towns at least once a month.</p> <p><u>Kindergarten</u></p> <p>Kindergarten is available in Keck Seng estate and cater for the children of local workers. Registration in the kindergarten is covered by the PMU. The kindergarten is located just beside the estate clinic for better monitoring by the EHA.</p> <p><u>Clinics</u></p> <p>Health services is available at Keck Seng Estate for the whole PMU. No limit for medical services at the clinic within the PMU but a limit of RM200/year is set for services acquired from external panel clinics. Public fogging is conducted monthly at Keck Seng linesite with advice from the Dept. of Health and the VMO. Special session for women workers and their female dependents is planned at least once a month.</p>	Complied
6.5.4 Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food.	Keck Seng PMU has ensured that the workers have access to adequate, sufficient and affordable food by providing the workers with local sundry shops within their compound.	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 40 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Minor Compliance	It is verified that the foreign workers were allowed to do shopping for sundry items in the towns nearby, i.e. Pasir Gudang and Masai at month end i.e. after pay day.	
<p>Criterion 6.6</p> <p>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>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.6.1 A published statement in local languages recognising freedom of association shall be available.</p> <p>Major Compliance</p>	<p>The fifth point in the Social Policy statements adopted by the PMU as mentioned above recognises the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain. This policy is widely available and displayed in English and Bahasa Malaysia.</p> <p>The POM had formed Foreign Workers Social Meeting as mechanism to cater for the collective bargaining needs of the workers. Results of meetings were minuted and available for verification. The meeting as an alternative to workers union is scheduled to conduct their meeting annually. It was verified that each meeting is properly documented and filed.</p> <p>Participants in the meetings are workers representatives from different categories of workers such as general workers, drivers, laboratory, workshops, etc.</p> <p>The meeting minutes are accessible to all members in the committee and other workers as well. In each meeting, the meeting started with approval of previous meeting minutes and evaluate the status of issues raised.</p>	Complied
<p>6.6.2 Minutes of meetings with main trade unions or workers representatives shall be documented.</p> <p>Minor Compliance</p>	<p>The POM had formed Foreign Workers Social Meeting as mechanism to cater for the collective bargaining needs of the workers and the same mechanism is formed in the estates but called as JCC. Results of Foreign Workers Social Meeting and JCC meetings were minuted and available for verification. Latest JCC meeting was conducted on 26/06/2018. All workers, including foreign workers are not prohibited from joining local workers union, i.e. National Union Workers Union (NUPW). However, the interest among foreign workers to join the union is very low.</p> <p>A non-compliance is raised under this criteria related to the frequency of workers representatives meeting with POM management is insufficient. Workers representative meeting with POM management to discuss social related issues was conducted only once a year, i.e. on 24/07/2018, 30/08/2017 and 15/11/2016. It shall be more than once per year for improved communication.</p>	Minor NC# JMD-01
<p>Criterion 6.7</p> <p>Children are not employed or exploited.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.7.1 There shall be documentary evidence that minimum age requirements are met.</p> <p>Major Compliance</p>	<p>The last point in the Social Policy statements adopted by the PMU as mentioned above recognises children and young persons shall not be employed or exploited. This policy is widely available and displayed in English and Bahasa Malaysia.</p> <p>There was no evidence of any child labor being used at the POM. Inspection of the employment records including site</p>	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1**

Page 41 of 82

	visit to the POM confirmed that this requirement has been complied with.	
Criterion 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.		
Indicators	Findings and Objective Evidence	Compliance
6.8.1 A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. Major Compliance	The first point in the Social Policy statements adopted by the PMU as mentioned above recognises equal opportunity and this policy is widely available and displayed in English and Bahasa Malaysia. Inspections including interviews in the Keck Seng PMU, employment records including foreign workers, pay slips and allowable deductions of wages confirmed that this criteria has been maintained. The Policy is available in local languages and English and displayed at the Mill's notice boards. Employment records were checked and confirmed that this policy had been implemented and maintained.	Complied
6.8.2 Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance	Based on interviews and feedback from the employees, foreign workers and review of JCC meeting minutes, it is verified that there has been no issue of discrimination at the PMU. All workers, local or foreign, male or female, listed or contract workers, are all entitled to similar benefits and treatment offered by the PMU.	Complied
6.8.3 It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance	All estates audited in the PMU kept and maintained records of their workers, including credentials and medical history. Credentials for foreign workers are mostly referring to the travel documents, whilst credentials for local staff have more details. Records of medical history for both local and foreign workers are considerably comprehensive kept in the medical clinics within the group. Recruitment and promotion are verified based on skills, capabilities, qualities, and medical fitness necessary for the job. Before hiring, each new foreign workers are required to pass FOMEMA medical check-up as required by law and probation period to evaluate level of skills and the workers attitude towards the new surroundings.	Complied
Criterion 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.		
Indicators	Findings and Objective Evidence	Compliance
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. Major Compliance	The third point in the Social Policy statements adopted by the PMU as mentioned above recognises the prevention of all forms of sexual harassment and violence at the workplace. This policy is widely available and displayed in English and Bahasa Malaysia. There was a documented procedure on the management of sexual harassment. There is also a gender committee specifically to address areas of concern to women. This committee is oversee by the estates manager and, representatives from all areas of work. On 16/07/2018, the PMU conducted its latest Gender Committee with attendance from 16 workers, including males and females representatives. On 17/8/2018, the PMU conducted a social issue related issues delivered by officer from Pejabat Kebajikan Masyarakat	

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 42 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

	<p>Daerah Johor Bahru including sexual harassment, illegal racing and drugs.</p> <p>The policy statements on prevention of sexual harassment and recognition of gender and women reproductive rights were widely available and displayed in English and Bahasa Malaysia.</p> <p>Pregnant and breastfeeding women were exempted from work.</p>	
<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.</p> <p>Major Compliance</p>	<p>Social policy adopted by the Keck Seng PMU include protection of women workers and their reproductive rights. Pregnant and breastfeeding women were exempted from work on the advice from the EHA and the Immigration Dept.</p> <p>Protection of reproductive rights also carried out by providing free ambulance ride to the nearest hospital.</p>	Complied
<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.</p> <p>Minor Compliance</p>	<p>The mechanism of recording and procedures verified during the audit. Female workers are treated fairly at the work place and the Gender Committee is responsible in matters concerning to the female workers. These mechanisms are stated in the following documents:</p> <ol style="list-style-type: none"> 1. Principle 6: Criterion 6.9 SOP Pertubuhan Jantina Carta aliran Pertubuhan Jantina KSM (RSPO-CRI-6.9.1 dated 19/08/2013) 2. RSPO-CRI-6.9.2A dated 18/08/2011 – Kod Amalan Cara Menghadapi dan Mengatasi Gangguan Seksual di Tempat Kerja 	Complied
<p>Criterion 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.10.1 Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.</p> <p>Minor Compliance</p>	<p>All the estates in the Keck Seng PMU does not have any dealings with smallholders.</p> <p>There was also no evidence to suggest of any unfair business practices with the local businesses.</p>	Complied
<p>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).</p> <p>Major Compliance</p>	<p>Price mechanism is generally understood by the industry players as the POM is using FFB prices set by the MPOB. Monthly prices are displayed at the POM office and FFB price data are available to the public upon request.</p>	Complied
<p>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.</p> <p>Minor Compliance</p>	<p>Based on employee contracts, JCC meeting minutes, agreement between the PMU and the contractors, it is evidenced that all parties understand the agreements they have entered into, and that the contracts signed are fair, legal and transparent.</p> <p>Interviews with parties concerned confirmed that business practices with local businesses are conducted in a fair and transparent manner. Work tenders are open to appropriate parties and reviewed by Tender Committee before approval. The contractors are monitored to follow safety requirements during the work in progress.</p>	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 43 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>6.10.4 Agreed payments shall be made in a timely manner. Minor Compliance</p>	<p>The PMU has a policy to ensure agreed payments were made in a timely manner as per the contracts of agreements signed. Payments most of the time are made on according to common practice of 60-days grace period. For example the payments to workers at the estates and the mill are always before the 7th and payments to the contractors are always before 20th of each month.</p>	<p>Complied</p>
<p>Criterion 6.11 Growers and millers contribute to local sustainable development where appropriate.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.11.1 Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor Compliance</p>	<p>Main contribution of the estates to the local development was demonstrated in the provision of facilities and monetary contributions, where feasible. Some of the examples are as listed below:</p> <ol style="list-style-type: none"> 1. Contribution to SK Kong Kong Laut, involving donation of teaching aids, donation to poor students identified by the teachers, sports equipments and musical instruments. 2. Contribution to students staying in the PMU worker quarters by subsidising the transport to and from their schools. 3. Contribution to students staying in the PMU worker quarters by providing free tutorial classes for English and Mathematics subjects. 4. Contribution to Indian temple during its inauguration by supplying water, building repair materials and providing necessary security to the devotees. 5. Contribution to nearby villages by supplying water during festivities. 	<p>Complied</p>
<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 Minor Compliance</p>	<p>There are no scheme smallholders under this PMU.</p>	<p>NA</p>
<p>Criterion 6.12 No forms of forced or trafficked labour are used.</p>		
<p>6.12.1 There shall be evidence that no forms of forced or trafficked labour are used. Major Compliance</p>	<p>Estate workers are sourced by the Keck Seng appointed agents. All procedures of bringing in foreign workers are complying with the Immigration regulations. Based on records verified and interviews with some of the workers, it is confirmed that there has been no occurrence of forced nor trafficked workers within the PMU.</p> <p>The PMU through its Social Policy have released the passports back to the workers throughout the group. The workers however were reminded they are responsible should any untoward incidents happened while their passports are in their custody. The management will assist the workers to monitor the passport and work permit expiry dates, FOMEMA tests until collection of work permit from the Immigration Office. Contractor workers were also verified to keep their own passports.</p> <p>Previous assessment Major NC# JMD-03 (2017) was addressed and effectively closed.</p>	<p>Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 44 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>6.12.2 Where applicable, it shall be demonstrated that no contract substitution has occurred.</p> <p>Minor Compliance</p>	<p>No incidents of contract substitution found during the audit. This is confirmed during interviews with external stakeholders this issue has never been raised.</p>	<p>Complied</p>
<p>6.12.3 Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented.</p> <p>Major Compliance</p>	<p>The Social Policy adopted by the PMU is noted to have adequately covered all necessary aspects of foreign workers related issues. In addition the PMU also established the procedures below in order to ensure all workers, especially foreign, are treated fairly.</p> <ol style="list-style-type: none"> 1. Foreign Workers Recruitment and Procedures (KS-SOP-FW) 2. Manpower Recruitment and Orientation (SOP-ADM-01) <p>Implementation of these policy and procedures are evident as explained above, for example, all decisions related to hiring of new workers shall be made based on business needs, job requirements and individual qualifications and without regard to race, religion or gender. Also mentioned above that the equal opportunity policy was adopted and implemented by the PMU and verified to have covered all necessary aspects of including migrant workers related issues. Freedom of association as earlier mentioned permitted not only to the local workers but also to the foreign workers.</p> <p>This policy is communicated to all workers during annual refresher training and to all new intakes.</p>	<p>Complied</p>
<p>Criterion 6.13 Growers and millers respect human rights.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>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).</p> <p>Major Compliance</p>	<p>The Social Policy adopted by the PMU covers all necessary aspects of human rights. This policy is communicated to all stakeholders related to the PMU.</p>	<p>Complied</p>
<p>6.13.2 As long as children of plantation workers of Sabah and Sarawak are not secured a right to go to government school, the plantation companies should engage in a process to secure the children of the plantation workers access to education as a moral obligation.</p> <p>Minor Compliance</p>	<p>Not applicable as PMU is situated in Johor, Peninsular Malaysia.</p>	<p>Not Applicable</p>

Principle 7: Responsible development of new plantings

It is confirmed by the Management of Keck Seng - Masai grouping that the organisation has no long term business plans to enter into the development of any new plantings or to make any acquisitions of new plantings.

Todate, the PMU has not carried any new plantings after Nov 2005 which may be applicable under requirements of the RSPO New Planting Procedure.

The requirements of Principle 7 were verified to be 'Not applicable' to this PMU during this assessment.

It was verified during current on-site assessment that the PMU has declared and submitted its Land Use Change details for analysis for its plantings since Nov 2005 as per the calculations specified in the RSPO PalmGHG v 3.0.1. The PMU had submitted the GHG data to the RSPO Secretariat on 01 Oct 2018.

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 45 of 82

See Summary of Net GHG Emissions submitted by the POM in the Tables below.

Based on the details provided in the record of submission, it is also verified that there is no potential liability under the RSPO Remediation and Compensation Procedure at this PMU.

SUMMARY OF NET GHG EMISSIONS

Note: All information and data below as submitted by Keck Seng POM was verified against the retrieved summary report generated through PalmGHG Calculator Version 3.0.1.

GHG Table 1: Summary of Net GHG Emissions < Jan – Dec 2017 >

Emissions per Product	tCO ₂ e/tProduct
CPO	0.66
PK	0.66

Production	t/year
FFB processed	2407450.10
CPO Produced	44,152.65

Extraction	%
OER	18.34
KER	5.91

GHG Table 2: Summary of Net GHG Emissions

Land use	Ha
OP planted area	3268.07
OP planted on peat	0
Conservation (forested)	52.07
Conservation (non-forested)	51.70
Total	3371.84

GHG Table 3: Summary of Field Emissions and Sinks

	Own Crop		Group		3rd Party		Total	
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e	tCO ₂ e/ha
Emissions								
Land Conversion	21083.34	6.7	0	0	0	0	21083.34	6.70
CO ₂ Emissions from Fertiliser	1397.19	0.44	0	0	0	0	1397.19	0.44
N ₂ O Emissions	2869.29	0.91	0	0	0	0	2869.29	0.91
Fuel Consumption	379.79	0.12	0	0	0	0	379.79	0.12

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 46 of 82

Peat Oxidation	0	0	0	0	0	0	0	0
Sinks								
Crop Sequestration	-19984.22	-6.35	0	0	0	0	-19984.22	-6.35
Conservation Sequestration	0	0	0	0	0	0	0	0
Total	5745.39	1.82	0	0	23032.16	0	28777.55	1.82

GHG Table 4a: Summary of Mill Emissions and Credits

	tCO ₂	tCo _{2e} /tFFB
Emissions		
POME	7338.19	0.03
Fuel Consumption	457.87	0
Grid Electricity Utilisation	6046.43	0.03
Credits		
Export of Excess Electricity to Grid and Housing	-3575.5	-0.01
Sales of PKS	0	0
Sales of EFB	0	0
Total	10266.99	0.04

GHG Table 4b: Palm Oil Mill Effluent (POME) Treatment

Divert to compost	0 %
Divert to anaerobic digestion	100 %

GHG Table 4c: POME Diverted to Anaerobic Digestion

Divert to anaerobic pond	0 %
Divert to methane capture (flaring)	0 %
Divert to methane capture (electricity generation)	100 %

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
 Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 47 of 82

Principle 8: Commitment to continuous improvement in key areas of activity

Criterion 8.1		
<p>Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>8.1.1 The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides (Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); • Encourage optimising the yield of the supply base. <p>Major Compliance</p>	<p>Action plans for continual improvement at the POM and Estates were documented, implemented and monitored.</p> <p><u>At POM:</u></p> <p>(1) Construction and commissioning a tertiary polishing plant to reduce BOD level to < 20 ppm in anticipation of stricter limit for BOD by DOE.</p> <p>(2) Additional digester tanks for Biogas plant.</p> <p><u>At Estates</u></p> <ul style="list-style-type: none"> • Tractor grader complete with compaction for faster and better road maintenance. • Mechanical buffalo in transporting FFB to loading platform. • Mechanical fertilizer spreader to improve fertilizer application in the field. • Increase planting of beneficial plants (<i>Turnera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i>) along the roads. <p><u>Social</u></p> <ul style="list-style-type: none"> • Contribution to SK Kong Kong Laut, involving donation of teaching aids, donation to poor students identified by the teachers, sports equipment and musical instruments. • Contribution to students staying in the PMU worker quarters by subsidising the transport to and from their schools. • Contribution to students staying in the PMU worker quarters by providing free tutorial classes for English and Mathematics subjects. • Contribution to Indian temple during its inauguration by supplying water, building repair materials and providing necessary security to the devotees. • Contribution to nearby villages by supplying water during festivities. <p>Evidence of results was available for the above continuous improvement action plans.</p>	<p>Complied</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 48 of 82

3.1.1 Supply Chain Certification Standards Findings - on CPO Mill

The Supply Chain model applied at KECK SENG - Masai POM during this assessment is Mass Balance (MB) – CPO Mills.

Details of findings are as follows:

5. General chain of custody requirements for the supply chain		
	Findings and Objective Evidence	Compliance
5.1 Applicability of the general chain of custody requirements for the supply chain		
5.1.1 Legal ownership and physical handling of RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors.	Yes	Complied
5.1.2 Trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.	Not applicable	Complied
5.1.3 Member of the RSPO and shall register on the RSPO IT platform.	Yes	Complied
5.1.4 Processing aids do not need to be included within an organization's scope of certification.	No processing aids	Complied
5.2 Supply chain model		
5.2.1 Same supply chain model as its supplier	Mass Balance (MB)	Complied
5.2.2 Combination of supply chain models	Only MB	Complied
5.3 Documented procedures		
5.3.1 Written procedures and/or work instructions	Yes	Complied
5.3.2 Internal audit procedure and internal audit conducted to determine compliance.	Yes	Complied
5.4 Purchasing and goods in		
5.4.1 Purchases of RSPO certified oil palm products with all the specified information.	Yes	Complied
5.4.2 Mechanism for handling non-conforming oil palm products and/or documents.	Yes	Complied
5.5 Outsourcing activities		
5.5.1 Outsourcing of activities	Not applicable	Complied
5.5.2 Outsourcing within the scope of its RSPO SC certificate	Not applicable	Complied
5.5.3 Names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	Not applicable	Complied
5.5.4 Names and contact details of new contractor used for the processing or physical handling of RSPO certified oil palm products.	Not applicable	Complied
5.6 Sales and goods out		
5.6.1 Sales of RSPO certified oil palm products with all the specified information.	Yes	Complied
5.7 Registration of transactions		
5.7.1 Transaction registered in the RSPO IT platform and confirmed upon receipt.	Yes	Complied
5.7.2 RSPO IT Platform: Shipping Announcement, Traceability, Confirming Shipping Announcements.	Yes	Complied
5.8 Training		
5.8.1 Training plan on RSPO SC Standards requirements and records of the training.	Yes	Complied
5.8.2 Appropriate training shall be provided	Yes	Complied
5.9 Record keeping		
5.9.1 Accurate, complete, up-to-date and accessible records and reports maintained.	Yes	Complied
5.9.2 Retention times for all record and reports.	Yes	Complied
5.9.3 Volume purchased (input) and claimed (output) over a period of twelve (12) months.	Yes	Complied
5.10 Conversion factors		
5.10.1 Conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs.	Yes	Complied
5.10.2 Conversion rates shall be periodically updated.	Yes	Complied
5.11 Claims		
5.11.1 Claims shall be in compliance with the RSPO Rules on Market Communications and Claims.	Yes	Complied
5.12 Complaints		
5.12.1. Documented procedures for collecting and resolving stakeholder complaints.	Yes	Complied
5.13 Management review		
5.13.1 Appropriate frequency of management review.	Yes	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 49 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

5.13.2 All the specified inputs for the management review.	Yes	Complied
5.13.3 All the specified outputs from the management review.	Yes	Complied

E.1 Definition		
Indicators	Findings and Objective Evidence	Compliance
E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.	The POM processed FFB from its both its own estates and external suppliers, i.e. outgrowers and independent smallholders. The FFB from the PMU estate (own supply base) are certified FFB. The FFB from outgrowers and smallholders are considered as non-certified FFB [see Section 1.3 Description of supply base (fruit sources)]. The CPO Mill is therefore applying the Mass Balance (MB) model.	Complied
E.2 Explanation		
Indicators	Findings and Objective Evidence	Compliance
E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.	The estimated tonnage of CPO and PK products that could potentially be produced by the POM is recorded in this Assessment 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 has been reported in Section 1.8.2 Table 6 and Section 1.8.3 Table 7 .	Complied
E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).	The POM meets all registration and reporting requirements for the appropriate supply chain through the RSPO Supply Chain managing organization (RSPO IT platform).	Complied
E.3 Documented procedures		
E.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:	A documented Supply Chain Procedure Doc No. RSPO SC-01 (R04, effective 01 Aug 2017) using Module E: Mass Balance (MB) has been established and implemented.	Complied
a) Complete and up to date procedures covering the implementation of all the elements in these requirements	The procedure covered the implementation of all elements of MB Model that include Organization Chart, Management Functions & Job Descriptions, Claims, FFB Delivery Plantation to Mill, CPO/PK Delivery Mill to customer, Record Keeping, Training.	Complied
b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance	Mill Manager, AC Teo has been appointed as the person in charge for the overall responsibility and authority for implementation and compliance with the documented procedure.	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 50 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.</p>	<p>Interviews of the relevant staff confirmed their knowledge of the RSPO Supply Chain Certification requirements for the respective areas of operations. The Palm Oil Mill Organization Chart and job responsibilities of employees (Mill Manager, Assistant Manager, Operations Supervisor, Security Officer, Weighbridge Operator, Laboratory Chemist, FFB Grader and clerks) have been suitably defined in the SOP. All Palm trace entries and tracking were done by the Marketing Department Head.</p>	
<p>E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>The Supply Chain procedure documented had adequately covered controls for receiving and processing both certified and non-certified FFB (from external sources).. All supplies of FFB were subjected to verification of FFB Consignment Note by weighbridge personnel and quality checks (Crop Quality Report - grading chit) by the mill personnel to determine the origin, quantity and quality of the FFB. The Weighbridge Ticket for FFB indicated the date, vehicle number, estate & field number, harvesting date and weight. All Storage tanks at the POM are designated as Mass Balance CPO and PK. Monthly FFB and CPO/PK summary report till Sep 2018 and the 3-monthly reports were verified to have complied with requirements of the MB Module.</p>	Complied
<p>E.4 Purchasing and goods in</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>E.4.1 The facility shall verify and document the tonnages and sources of certified and non-certified FFBs received.</p>	<p>The Mill verifies and records tonnages and supply source of FFB The Mill verifies and records tonnages and supply source of FFB received at the weighbridge in the FFB Consignment Note and weighbridge ticket and all FFB data are entered by the weighing clerk into the computer system and reporting spreadsheet on daily basis. All deliveries of FFB are made by external transport contractors appointed by the POM. Noted that there are FFB from out-growers and smallholders received and processed by the POM, which are considered as non-certified FFB using the Mass Balance Model.</p>	Complied
<p>E.4.2 The facility shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p>	<p>The documented Supply Chain SOP has specified that the responsible POM personnel shall check production quantity against the certified amount and will notify RSPO and the CB of any projected overproduction of certified tonnage. As at to-date, there has been no reports of any projected overproduction.</p>	Complied
<p>E.5 Record keeping</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>E.5.1 a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p>	<p>As stated in the SOP, all pertinent records and reports will be retained for a minimum period of 10 years. Traceability was verified for the Production Report for Jan – Dec 2017 from the related records (FFB Consignment Note, Weighbridge Ticket, Collection Note, Despatch of CPO, MPOB L3 form). Inspection of records at the POM confirmed these were accurate and complete. The POM had maintained a monthly summary of all receipts of FFB, production tonnage and dispatch of CPO and PK. Records of inventory as balanced on a 3-monthly basis has also been maintained.</p>	Complied

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 51 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<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.(i.e. product can be sold before it is in stock).</p>	<p>Transaction documents and bookkeeping of CPO and PK are done daily and monthly summary report of FFB receipt, FFB processed, CPO production, PK production and balance stocks submitted to the Keck Seng Group Head Office at Singapore. Deduction and conversion ratios for the volumes of CPO delivered from the POM have been appropriately done and recorded. Verified that all deliveries of the MB sales are from positive stock. The weighbridges at the POM are duly calibrated and calibration certificates found to be in order.</p>	
<p>E.5.2 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>	<p>Verified that there has been no outsourcing activity done at this POM. All PK are supplied to a Kernel crushing plant nearby i.e. Ragamo Sdn Bhd which is also a subsidiary under the Keck Seng Group. The CPO and PK are further processed by another subsidiary, i.e. Keck Seng Refinery Sdn Bhd, which is also located nearby.</p>	Complied

3.1.2 Status on Supply Chain on POM

Based on the documents and records presented during the on-site verifications made, it is concluded that the POM has been able to comply with the requirements of the RSPO SCCS under the 'MB' model and is thus eligible for 'MB' trading for its palm products for year 2018/2019.

3.1.3 Status on Trading of Certified Palm Products by PMU

The POM has monitored the trading of the RSPO CSPO and CSPK via RSPO PalmTrace. The records maintained at the POM relied on internal communications and instructions received from the Marketing Dept. and HQ, KL on the deliveries of the CSPO and CSPK. The tonnages of certified products traded as verified during current assessment are as follows:

Details as per RSPO Certification System Document		
	CPO (MT)	PK (MT)
Last year's (Projected) – Certified volume (RSPO Certified) – As per last year certificate	9,250	2,950
(1) Last year's Actual sold volume *(RSPO Certified) Jan-Sep 2018 Actual + Oct-Dec 2018 Projected	8,460	2,745
(2) Last year's Actual sold volume (Other Schemes Certified)	0	0
(3) Last Year's Actual sold volume **Conventional Jan-Sep 2018 Actual + Oct-Dec 2018 Projected	0	0
Total for Last Year's volume – Actual (1+2+3)	8,460	2,745
New (Projected) Certified Volume (RSPO Certified)	9,072	2,904

Notes:

* All certified palm products sold internally to Keck Seng Refinery (a subsidiary company under Keck Seng Group).

** Remaining volumes traded are not claimed under 'Certified' and traded as 'Conventional' volume.

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1**

Page 52 of 82

3.2 Status of Identified Noncompliance and Corrective Actions, Observations and Positive Elements.

The status of the Noncompliances (NCR) and Observations (OBS) identified against the MYNI Compliance Indicators is as per the details below:

Assessment Type	Year	Noncompliance (NCR)	Observations (OBS)	Follow up status
Annual Surveillance-03 (by previous CB)	2015	8 (5 Major, 3 Minor)	16	Actions taken on the NCRs and OBS were verified during ASA-03. Note: Previous NCRs and OBSs which were not effectively implemented were issued with new NCRs in ASA-04.
Annual Surveillance-04 (by Intertek)	2016	10 (7 Major, 3 Minor)	1	Actions taken on the NCRs and OBS were verified during ASA-04. Note: Previous NCRs and OBSs which were not effectively implemented were issued with new NCRs during Re-Cert cum Verification audit.
Re-Certification	2017	9 (7 Major, 2 Minor)	0	Actions taken on the NCR was verified to be effective during ASA-01.
Annual Surveillance-01	2018	4 (1 Major, 3 Minor)	1	Next assessment (ASA-02)

3.2.1 Year 2017: Re-Cert (7 Major, 2 Minor NCRs)

NCR	MYNI Indicator	Details of NCR
Major NC: AL-01	4.2.1	Date issued: 27 Oct 2017
		Nonconformance: At the estates audited, it is still apparent that the GAP programmes such as Pruning, Frond stacking, Clearing of overgrown woodies has not been adhered to.
		Root Cause(s): The implementation of the GAP programs were behind schedule due poor monitoring done by the Estate Assistants /Supervisors, shortage of field workers due to strict immigration controls and procedures for employment of foreign workers. Corrective actions: To engage more workers to speed up the pruning work and selective spraying for woody in the fields of all the estates. See attached Plans, Current Status and Schedules (Revised) for 2017 & 2018.

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 53 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

		<p>Verification (Corrective Action):</p> <p>On-site verification was done on 9-10 Dec 2017.</p> <p>Verified On-site that the corrective actions taken has been progressively implemented. There was evidence of satisfactorily progress made at the estates. More field workers were hired and seen working at the field blocks on the GAP programmes.</p> <p>Supporting documented evidences submitted included the Management instructions to engage more workers, revised Contractor rates for GAP activities and improved monitoring of the field work.</p> <p>As at the time of verification, significant progress was made and the completed work as estimated at about 35% of the planted field areas was verified.</p> <p>Additional evidence of updated progress and Management plans to complete at least 90% of the total planted areas in the estates was submitted and verified to be acceptable.</p>	
		NC status verified: Closed by AL & SH	Date closed: 20 Dec 2017
		<p>Verification (for effectiveness): Verified at Surveillance Assessment ASA-01 that the implementation of corrective action is effective.</p>	
		NC status verified by auditor: OCL	Date verified: 19/10/2018

NCR	MYNI Indicator	Details of NCR	
Minor NC: AL-02	4.3.3	Date issued: 27 Oct 2017	
		<p>Nonconformance:</p> <p>At the estates audited, the road maintenance programme is available. However, the actual maintenance works are behind schedule.</p>	
		<p>Root Cause(s):</p> <p>The Road maintenance was behind schedule due to poor monitoring done by the Estate Assistants /Supervisors and budget issues with the road contractors. The rainy season during the past 2 months has cause estates roads to be in poorer condition.</p> <p>Corrective actions:</p> <p>To re-schedule the Road Maintenance program and actively start maintenance works at Sin Lian estate then progressively with rest of the estates.</p> <p>See attached Re-schedule Estate Road Maintenance for 2017 & 2018.</p>	
		<p>Verification (Corrective Action):</p> <p>On-site verification was done on 9-10 Dec 2017.</p> <p>Verified On-site that the corrective actions taken has been progressively implemented. There was evidence of satisfactorily progress made at the estates roads such as Sin Lian estate which needed more urgent maintenance.</p> <p>Supporting documented evidences submitted included the revised Schedule of Road Maintenance and planning for engaging additional Road Contractors/company.</p>	
		NC status verified: Closed by AL	Date closed: 17 Dec 2017
		<p>Verification (for effectiveness): Verified at Surveillance Assessment ASA-01 that the implementation of corrective action is effective.</p>	
		NC status verified by auditor: OCL	Date verified: 19/10/2018

NCR	MYNI Indicator	Details of NCR	
	4.7.2	Date issued: 27 Oct 2017	

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 54 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Major NC: AL-03		<p>Nonconformance: At the estates audited e.g. Johor Masai, the transport trailers for the workers and chemical (pesticides etc.) are not safe i.e. no proper seating & rail guards and proper segregation of chemicals from workers. Risk assessments for Safety and Health not been adequately reviewed on issues of transport for field workers. Note: A Major NC was also issued under this indicator in 2016.</p>		
		<p>Root Cause(s): Estate Management had not considered the budgeting needed for replacing the trailers in use. Most of the transport trailers are old designed and lack with proper seating & rail guard. Estate managers did not foresee the safety risk to workers during transportation. Corrective actions: 1) To modify the existing trailers for the workers with proper seating & rail guards and segregate the chemical from workers. 2) To also purchase new additional trailer for transporting workers. 3) To review and revise the Risk assessment / HIRADC for workers transportation.</p>		
		<p>Verification (Corrective Action): On-site verification was done on 9-10 Dec 2017. Verified On-site that the corrective actions taken has been implemented. A modified trailer for safer worker transportation was sighted e.g. partition made for the workers seating section and also the chemical / pesticides container and equipment section. Checklists were also used to monitor the condition and cleanliness of the trailers used. The HIRARC has been revised to cover the risks to the workers during transportation to and from the estate fields.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status verified: Closed by AL</td> <td style="width: 40%;">Date closed: 17 Dec 2017</td> </tr> </table>	NC status verified: Closed by AL	Date closed: 17 Dec 2017
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		<p>Verification (for effectiveness): Verified at Surveillance Assessment ASA-01 that the implementation of corrective action is effective.</p>		
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NCR	MYNI Indicator	Details of NCR
Major NC: SH-01	5.1.3	<p>Date issued: 27 Oct 2017</p> <p>Nonconformance: Assessment has been conducted and had identified certain areas at several of the estates i.e. Lian Huap, Lim-Lim, Sg. Layang and Tong Hing estates as having HCV attributes or /environmentally sensitive areas.</p> <p>The action plan for the management of these areas however has not been implemented satisfactorily such as the demarcation on the extent of buffer zones areas and the placement of relevant signages. At other sites, the existence of old graveyards were left unattended.</p> <p>As previous year Minor NC (2016) was issued and not closed, this NC is upgraded to Major.</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 55 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

		<p>Root Cause(s): Estate Management was unsure about the environmentally sensitive issues and unaware of the old graveyards until replanting and information given by the field workers.</p> <p>Corrective actions: 1) To demarcated the buffer zone with blue paint along HCV / Environmentally sensitive areas at Lian Huap. Lim-Lim, Sg, Layang & Tong Hing estates and place the buffer zone signages. 2) Fencing and upkeep the existence of old graveyards in line with management plan for HCV management. (HCV 6). 3) To prepare Management Plan for the monitoring.</p>		
		<p>Verification (Corrective Action): On-site verification was done on 9-10 Dec 2017. Verified On-site that the corrective actions taken has been implemented. The buffer zones and demarcations were sighted for the HCV & Conservation areas at the estates concerned. Supporting evidences of Management action plans for the monitoring was verified. NC is addressed and closed.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status verified: Closed by SH</td> <td style="width: 40%;">Date closed: 17 Dec 2017</td> </tr> </table>	NC status verified: Closed by SH	Date closed: 17 Dec 2017
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NC status verified by auditor: OCL	Date verified: 19/10/2018			

NCR	MYNI Indicator	Details of NCR		
Major NC: SH-02	5.3.3	Date issued: 27 Oct 2017		
		<p>Nonconformance: Visit made to site, Johor Masai Estate, had discovered the indiscriminate disposal of household waste materials such as unwanted old doors, cabinet lying in the field compound. The waste disposal plan has not been effectively monitored.</p> <p>As previous year Minor NC (2016) was issued and not closed, this NC is upgraded to Major.</p>		
		<p>Root Cause(s): Waste contractor has misunderstanding of management's instruction. They were not allowed to dispose the wooden house waste together with the household agriculture waste at the field.</p> <p>Corrective actions: 1) To clear all the disposal of household waste materials and send wooden materials to Mill boiler as fuel for burning. 2) Revise the Waste management procedure.</p>		
		<p>Verification (Corrective Action): On-site verification was done on 9-10 Dec 2017. Verified On-site that the corrective actions taken has been implemented and NC is closed. Revised procedure on Waste Management is made available.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status verified: Closed by SH</td> <td style="width: 40%;">Date closed: 17 Dec 2017</td> </tr> </table>	NC status verified: Closed by SH	Date closed: 17 Dec 2017
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INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 56 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

NCR	MYNI Indicator	Details of NCR	
Major NC: SH-03	5.6.2	Date issued: 27 Oct 2017	
		Nonconformance: The reporting on the GHG emission using version 3.01 has not been forwarded or reported to RSPO.	
		Root Cause(s): Mill has spent some time communicating with RSPO for regulating some default values of calculation. Thus, there is a delay of reporting. Corrective actions: GHG calculation using v3.01 was sent to RSPO on 27 Oct 2017 and was acknowledged by RSPO.	
		Verification (Corrective Action): On-site verification was done on 9-10 Dec 2017. Verified On-site that the corrective actions taken has been implemented. Evidence of submission and data was verified. NC is addressed and closed.	
		NC status verified: Closed by SH	Date closed: 10 Dec 2017
		Verification (for effectiveness): Verified at Surveillance Assessment ASA-01 that the implementation of corrective action is effective.	
		NC status verified by auditor: OCL	Date verified: 19/10/2018

NCR	MYNI Indicator	Details of NCR	
Minor NC: JMD-01	6.2.3	Date issued: 27 Oct 2017	
		Nonconformance: Common stakeholders' list referred by all estates and the POM was found to be incomplete, as several directly hired contractors are found not included in the list, e.g. harvesting, transportation, schedule waste contractors.	
		Root Cause(s): There was negligence of the respective PIC on updating needed for the stakeholders lists. Corrective actions: The lists of stakeholders are updated to include all contractors involved in the POM & Estates operations.	
		Verification (Corrective Action): On-site verification was done on 9-10 Dec 2017. Verified On-site that the corrective actions taken has been implemented. NC is addressed and closed.	
		NC status verified: Closed by AL	Date closed: 10 Dec 2017
		Verification (for effectiveness): Verified at Surveillance Assessment ASA-01 that the implementation of corrective action is effective.	
		NC status verified by auditor: OCL	Date verified: 19/10/2018

NCR	MYNI Indicator	Details of NCR
	6.5.2	Date issued: 27 Oct 2017

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 57 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Major NC: JMD-02		<p>Nonconformance: It was found in Keck Seng Estate and in the POM, workers who had been approved for long unpaid leave in 2016 were considered absent without permission from work and not eligible for annual leave pay.</p> <p>This practice is not complying with Employment Act 1955, Section 60E where it is stated that "...employee [who] absents himself from work without the permission of his employer and without reasonable excuse for more than ten per centum of the working days...shall not be entitled to such leave."</p> <p>Note: A Major NC was issued on this indicator in 2016.</p>		
		<p>Root Cause(s): There was misinterpretation at the estate and mill HR Dept. on the mentioned regulation.</p> <p>Corrective action</p> <ol style="list-style-type: none"> 1) To consult with Labour Office to identify the annual leave paid practices by KS management. 2) To pay back the annual leave pay if practices is not complying with regulation. 3) To give training to all HR personnel on the issue. 		
		<p>Verification (Corrective Action): On-site verification was done on 9-10 Dec 2017.</p> <p>Verified On-site that the corrective actions taken has been implemented. Records of proper payment and back pay of the annual leave arrears to the affected workers were verified. Training was done and records were updated. NC is addressed and closed.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status verified: Closed by AL</td> <td style="width: 40%;">Date closed: 10 Dec 2017</td> </tr> </table>	NC status verified: Closed by AL	Date closed: 10 Dec 2017
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NC status verified by auditor: OCL	Date verified: 19/10/2018			

NCR	MYNI Indicator	Details of NCR		
Major NC: JMD-03	6.12.1	<p>Date issued: 27 Oct 2017</p> <p>Nonconformance: It was found two foreign workers hired by harvesting contractor JM0064613-X and some foreign workers hired in Sin Lian estate are without valid travelling document or working permit. This is not complying with Immigration Act 1959/63, Section 6(1).</p> <p>Root Cause(s): Management was not aware of the hiring done by the Supervisors on the said foreign workers without proper documents.</p> <p>Corrective action:</p> <ol style="list-style-type: none"> 1) To terminate the services of illegal workers in Sin Lian estate and other estates. 2) To issue Management memo on the matter. <p>Verification (Corrective Action): On-site verification was done on 9-10 Dec 2017.</p> <p>Verified On-site that the corrective actions taken has been implemented. The NC is addressed and closed.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status verified: Closed by AL</td> <td style="width: 40%;">Date closed: 10 Dec 2017</td> </tr> </table>	NC status verified: Closed by AL	Date closed: 10 Dec 2017
NC status verified: Closed by AL	Date closed: 10 Dec 2017			
		<p>Verification (for effectiveness): Verified at Surveillance Assessment ASA-01 that the implementation of corrective action is effective.</p>		

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 58 of 82

	NC status verified by auditor: OCL	Date verified: 19/10/2018
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3.2.2 Year 2017: Re-Cert (0 Observation)

3.2.3 Year 2018: ASA-01: 1 Major NCR

NCR	MYNI Indicator	Details of NCR
Major JMD-01	6.5.1	Date issued: 19/10/2018
		Indicator requirement: Documentation of pay and conditions shall be available.
		Statement of Nonconformance: Contract of service between contractors and their employees not available or with wrong terms and condition.
		Evidence of Nonconformance: Location: Lim & Lim Estate and Keck Seng Estate. (1) The contractor for FFB transport in Lim & Lim Estate did not have any contract of service with the driver for FFB lorry transport. (2) The contractor in Keck Seng Estate wrongly signed a harvester agreement with the driver for FFB lorry transport.
		Root Cause and Corrective Action: Root Cause: Overlook a contract of service of the driver for FFB lorry transport. Corrective Action: 1. New contract agreement signed for the driver and loader of FFB lorry transport in Lim & Lim Estate. 2. New contract agreement signed for the driver and loader of FFB lorry transport in Keck Seng Estate to replace the wrong harvester agreement.
		Verification (Corrective Action): Off-site verification carried out. Following supporting evidences submitted: 1. Contract agreement for Andi Salam. 2. Contract agreement for Yatiman. The corrective action satisfactorily addressed the non-conformance.
		NC status verified by auditor: Closed by OCL
		Verification (for effectiveness): Next assessment.

3.2.4 Year 2018: ASA-01: 3 Minor NCRs

NCR	MYNI Indicator	Details of NCR
Minor OCL-01	4.4.1	Date issued: 19/10/2018
		Indicator requirement: An implemented water management plan shall be in place.
		Statement of Nonconformance: (1) The water management plan for the POM did not include certain relevant details. (2) The implemented water management plan was not site specific for each estate concerned.

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 59 of 82

		<p>Evidence of Nonconformance:</p> <p>Location: (1) POM</p> <p>The water management plan did not include certain details on monitoring of water levels in the reservoir and the alternative use of water from “Syarikat Air Johor” as an alternative water source in case of water shortage during dry season</p> <p>Location: (2) Estates – Keck Seng, Sin Lian, Tong Hing and Lim and Lim Estates</p> <p>All the four estates have a generic water management plan. The water management plan for each estate need to be site specific as the water source, usage, conditions, monitoring and action required may be different for each estate.</p>		
		<p>Root Cause and Corrective Action:</p> <p>Root Cause:</p> <p>Lack of knowledge of water management plan.</p> <p>Corrective Action:</p> <p>(1) POM Revised Factory Water Management Plan (QM-WM-01 Revision 2 dated 29/10/2018) that include the process flow chart and the detail procedures on monitoring of water levels and the alternative use of water from Syarikat Air Johor.</p> <p>(2) Estates Updated Water Management Plan (RSPO - 4.4 - WMP Revision 2 dated 24/10/2018) with specifics such as water source, usage, conditions, monitoring and action plan for each estate.</p>		
		<p>Verification (Corrective Action):</p> <p>Off-site verification carried out. Following supporting evidences submitted:</p> <ol style="list-style-type: none"> 1. Water Management Plan for POM satisfactorily revised. 2. Water Management Plan for estates satisfactorily updated. <p>The corrective action satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status verified by auditor: Closed by OCL</td> <td style="width: 40%;">Date closed: 21/11/2018</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 21/11/2018
NC status verified by auditor: Closed by OCL	Date closed: 21/11/2018			
		<p>Verification (for effectiveness): Next assessment.</p>		

NCR	MYNI Indicator	Details of NCR
Minor SH-01	5.1.3	Date issued: 19/10/2018
		<p>Indicator requirement:</p> <p>The plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p>
		<p>Statement of Nonconformance:</p> <p>The monitoring protocol to monitor the effectiveness of water sampling and analysis as a mitigation measure for pollution prevention is insufficient.</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 60 of 82

		<p>Evidence of Nonconformance:</p> <p>Location: Keck Seng and Sin Lian estates</p> <p>(1) At both these estates, the water sampling points identified for the analysis of the water quality was not located at the final outlet of the streams. Therefore the data obtained may not be accurate and representative of the actual conditions.</p> <p>(2) As there are also other stream running across these plantations, the current number of water sampling locations were found to be insufficient to effectively monitor the quality of the water which finally flows into the Iskandar water catchment area.</p> <p>Location: Tong Hing estate. The sampling point location was not easily accessible.</p>		
		<p>Root Cause and Corrective Action:</p> <p>Root Cause:</p> <p>Lack of understanding mitigation measure and overlook insufficient water sampling location.</p> <p>Corrective Action:</p> <p>(1) Relocated water sampling point signage to final outlet of streams at Field 5 of Sin Lian Estate.</p> <p>(2) Located additional number of sampling locations which finally flows into the Iskandar water catchment area at Keck Seng Estate.</p> <p>(3) Maintenance carried out on the access path to the water sampling point at Tong Hing Estate.</p>		
		<p>Verification (Corrective Action):</p> <p>Off-site verification carried out. Following supporting evidences submitted: Maps and photos indicating the water sampling points found to be satisfactory. The corrective action satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">NC status verified by auditor: Closed by OCL</td> <td style="width: 40%;">Date closed: 21/11/2018</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 21/11/2018
NC status verified by auditor: Closed by OCL	Date closed: 21/11/2018			
		<p>Verification (for effectiveness): Next assessment.</p>		

NCR	MYNI Indicator	Details of NCR
Minor JMD-01	6.6.2	Date issued: 19/10/2018
		<p>Indicator requirement:</p> <p>Minutes of meetings with main trade unions or workers representatives shall be documented.</p>
		<p>Statement of Nonconformance:</p> <p>Frequency of workers representatives meeting with POM management is insufficient.</p>
		<p>Evidence of Nonconformance:</p> <p>Location: Keck Seng POM</p> <p>Workers representative meeting with POM management to discuss social related issues was conducted only once a year, i.e. on 24/07/2018, 30/08/2017 and 15/11/2016. It shall be more than once per year for improved communication.</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 61 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

		Root Cause and Corrective Action: Root Cause: Currently workers representative meeting just once in a year.	
		Corrective Action: Frequency of workers representative meetings with POM management increased to two times per year.	
		Verification (Corrective Action): Off-site verification carried out. Following supporting evidences submitted: Revised POM Management Plan 2019 with foreign workers social meetings scheduled for 13 Mar 2019 and 11 Sep 2019. The corrective action satisfactorily addressed the non-conformance.	
		NC status verified by auditor: Closed by OCL	Date closed: 21/11/2018
		Verification (for effectiveness): Next assessment.	

3.2.5 Year 2018: ASA-01: 1 Observation

Ref No:	RSPO P&C Indicator	Location	Details of Observation	Status		
				Opened date	Closed date	Remark, if any
OBS# OCL-01	4.7.1	Keck Seng, Sin Lian, Tong Hing and Lim & Lim Estates	Safety audits conducted at quarterly intervals as part of the Sustainability Operation Audit for the estates. Latest audit (Q3) conducted on 06/09/201. Audits also conducted for Q1 and Q2 but the audit reports did not indicate the date of the audits.	19/10/2018		Follow up at next assessment

3.2.6 Identified Positive Elements

- 1) The PMU has carried out CSR activities such as financial funding for education, social and religious activities.
- 2) The PMU Management has been able to demonstrated better engagement of stakeholders such as with the Forestry Department in the rehabilitation programmes of areas near Forest Reserves.

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
 Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 62 of 82

3.3 Summary of Feedback Raised by Stakeholders and Findings

Prior to and during the Assessment, written and verbal feedback communicated from the stakeholders on the environmental and social performance at the PMU operations were sourced (**see section 2.1**). All pertinent feedback issues were reviewed and followed up for verification and these had been accordingly incorporated into the report findings. See table below:

3.3.1 Feedback Raised by Stakeholders (Re-Certification cum Verification Assessment – Year 2017)

Communication was done via email to various categories of stakeholders (see list under **para 2.5**):

Stakeholders' Feedback	PMU Response	Intertek verification / comment on further action (if any)	Further action from PMU (if any)
No feedback was received from stakeholders for the public announcement and communication.	-	No actions required.	-
On-site interviews and stakeholder consultation with government agencies, suppliers, transporters, contractors and local community within and near the locality of the PMU was done as per below:			
Government & NGO Agencies			
Positive feedback was received during visit to the Jabatan Hutan Kong Kong Laut where it was stated that the Keck Seng management has agreed to initiative to rehabilitate some of the forested areas which were return after the permit to use was not renewed. There were no issues or negative feedback received from the Government agencies and NGOs contacted at the period of audit.	PMU has held and will continue to hold the annual stakeholder consultations.	To be followed up in next assessment.	The PMU had taken action on the re-habilitation of the forested areas.
Local Communities			

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 63 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<p>8 nos - Local community (Forestry Dept Kong Kong Laut -2, Village Heads from JKK Desa Pingitan -2, Contractors for General workers and FFB transporters -2 and External FFB suppliers -2) 28 nos - Workers at POM, Estates (local and foreign, male and female)</p> <p>Concerns made on the PMU operations are:</p> <ol style="list-style-type: none"> Request for clearing of rotten oil palm fruit bunches and fronds in drain located near to the boundary between Desa Pingitan and the estate. The water from the drain is used in the mosque in the village. Request to monitor some suspicious activities involving 20mt trucks with evidence of involvement of quite a number people at night time within the company compound. 	<p>PMU Management will further monitor the said 2 concerns made and continue to hold stakeholder consultations with all the said parties.</p>	<p>To be followed up in next assessment.</p>	<p>The PMU had (1) cleared the rotten oil palm fruit bunches and fronds (2) carried out monitoring of activities by security</p>
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3.3.2 Feedback Raised by Stakeholders (Surveillance Assessment ASA-01 – Year 2018)

Communication done via email on 24 Jul 2018 to various categories of stakeholders (see list under **para 2.5**):

Stakeholders' Feedback	PMU Response	CB verification / comments	Follow up comments (if any)
<p>Government Agencies: No feedback received.</p>	<p>Ongoing consultations will be maintained. No response needed.</p>	<p>Verified during on-site assessment that no response needed.</p>	<p>Nil</p>
<p>Non-Governmental Organizations: No feedback received.</p>	<p>Ongoing consultations will be maintained. No response needed.</p>	<p>Verified during on-site audit that no response needed.</p>	<p>Nil</p>
<p>Local Communities - Stakeholders' Consultation: Selected stakeholders representing the complete range of various stakeholder categories were invited for the Stakeholders' Consultation on 30/8/2018. A total of 11 stakeholders (including, government officials, suppliers, local communities) were present at the consultation. They were interviewed by the auditors without the presence of any of the Estates staff. Concerns and suggestions received during interviews and stakeholder consultations:</p>	<p>The Estate Management responded that this matter will be reviewed by the management.</p>	<p>To be followed up during the next Audit.</p>	

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 64 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

<ol style="list-style-type: none"> 1. Better maintenance bushes / undergrowth at the estate boundaries located near to houses of villagers to prevent snakes from entering the houses of the villagers. 2. Better maintenance of palm fronds for palm trees located at the road shoulders leading to the villages which in most cases interfering the operation of SAJ water tankers. 3. Request for workers health profile based on the housing allocation. 			
<p>Local Communities - Interviews:</p> <p>Interviews of sampled staff and workers were also conducted by the auditors during field visits from 27-30 Aug 2018 at the PMU:</p> <p>Staff/Workers sampling: POM = 15 males, 6 females Estate = 33 males, 6 females</p> <p>No negative issues raised by the sampled staff and workers.</p>	No response needed.	No response needed.	Nil
<p>Other Interested parties:</p> <p>No feedback received.</p>	No response needed.	No response needed.	Nil

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 65 of 82

4.0 ASSESSMENT CONCLUSION AND RECOMMENDATION

Based on the findings above, Keck Seng (Malaysia) Berhad - Masai Grouping had been able to demonstrate its compliance with the RSPO Principles and Criteria (April 2013), Malaysian National Interpretation (MYNI 2014) and the RSPO Supply Chain Certification Standard (Jul 2017) for Palm Oil Mill.

Therefore, it is recommended that the certification of Keck Seng (Malaysia) Berhad - Masai Grouping be approved and continued.

Signed for and on behalf of
Intertek Certification International Sdn Bhd



Dr. Ooi Cheng Lee
Lead Assessor

Date: 4 Dec 2018

4.1 Acknowledgement of Internal Responsibility and Confirmation of Assessment Findings

This is to acknowledge and confirm the assessment visits described in this report and the acceptance of the contents and findings in this assessment report.

Signed for and on behalf of
Keck Seng (Malaysia) Berhad

Mr. Ho Chung Kain
Director (Plantation & Sustainability)

Date: 6 Dec 2018

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1**

Page 66 of 82

4.2 INTERTEK- RSPO P&C Certificate details for Keck Seng (Malaysia) Berhad - Masai Grouping

Certificate No:	RSPO 930688
Original Start date:	2 January 2013
New Start date (ASA 1-1)	2 January 2019
Expiry date	1 January 2023
Organization	Keck Seng (Malaysia) Berhad
Address of Head Office:	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.
RSPO Membership No:	2-0094-08-000-00
Plantation Management Unit:	Masai POM and Estates
Address of POM:	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.
Standards:	RSPO Principles and Criteria (Apr 2013); Malaysian National Interpretation (2014); RSPO Supply Chain Certification Standard (Jun 2017) for the Palm Oil Mill.
Certification scope:	Production of Crude Palm Oil and Palm Kernels
Supply Chain module for POM	Mass Balance (MB)

Details of the Mill and Supply bases covered by this certificate and the tonnage approved are:

Name	Address	GPS Reference		Mature Planted Area - ha	Certified (Titled) Area - ha
		Latitude	Longitude		
Masai POM (Capacity: 60 MT/hour)	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°32'25.9"	E 103°57'53.8"	-	3,412.04
Keck Seng Oil Palm Estate	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°32'23.4"	E 103°54'36.3"	342.79	
Tong Hing Estate	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°29'45.0"	E 103°38'04.3"	448.11	
Sg. Layang Estate	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°34'18.9"	E 103°58'55.9"	81.11	
Kota Tinggi Oil Palm Plantations	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°33'33.1"	E 103°56'07.5"	239.31	
Sin Lian Oil Palm Plantations	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°33'07.3"	E 103°57'39.5"	345.99	
Lian Huap Oil Palm Plantations	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°32'08.7"	E 103°57'05.2"	446.52	
Johore (Masai) Plantations	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°32'04.0"	E 103°57'08.3"	381.41	
Lim & Lim Plantations	9 Miles, Kong Kong Road, 81757 Masai, Johor, Malaysia.	N 1°31'21.9"	E 103°59'39.2"	683.24	



INTERTEK CERTIFICATION INTERNATIONAL SDN BHD
(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 67 of 82

The annual certified tonnages produced at the PMU are detailed as follows:

Masai POM	Annual Tonnages (MT)
Certified FFB	48,000
Certified CPO	9,072
Certified PK	2,904
Supply chain module	Mass Balance (MB)

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 68 of 82

Appendix A:

Qualifications of Lead Assessor and Assessment Team

Dr. Ooi Cheng Lee (OCL) Lead Assessor / Team Leader / Technical Expert

(Palm Oil Mill, Environment, OHSAS, Social, HCV, Land Use and Supply Chain)

- PhD in Welding, Cranfield University, UK
- M.Sc. (Engineering) in Metallurgy, University of Birmingham, UK
- B.App.Sc (Hons), Science University of Malaysia
- Diploma in Translation for Science and Technology, Malaysia Translation Society

Dr. Ooi Cheng Lee is an IRCA Lead Auditor and Lead Tutor for ISO 9001. He is also involved in auditing in other integrated management systems. He has successfully completed the RSPO Lead Assessor Course for Principles and Criteria (RSPO P&C) and the RSPO Supply Chain Certification (RSPO SCC). He is currently involved in the management of all types of system and process/product certification in Intertek. He has more than 32 years work experience in product and process specifications, research & development, inspection and testing, quality assurance, engineering development, training, product certification, auditing and quality management system certification. He has conducted assessments of organizations in Malaysia, Singapore, Indonesia, Vietnam, Philippines, China, Myanmar, Cambodia and other regional countries. Assessments include those of rubber and oil palm plantations in Malaysia and Indonesia. His previous position as the General Manager of Lloyd's Register Quality Assurance (LRQA) Malaysia include the management of all types of systems certification, including that of environmental (ISO 14001), safety & health (OHSAS 18001) and Clean Development Mechanisms (CDM). He is currently the General Manager in Intertek Certification International Sdn. Bhd. He is a member of the Internal Review Panel for RSPO Assessment reports since May 2011. He is part of the RSPO CB Assessment team

Mr. Sazali Hasni (SH) – Assessor / Technical Expert

(Environment, Conservation and HCV area)

- Bachelor of Science (Forestry)

Mr. Sazali Hasni (SH) has over 25 years work experience in the forestry sector. He is an IRCA Auditor for ISO 9001 and auditor for the PEFC Chain-of-Custody Certification. He has successfully completed training in the Intertek In House RSPO P&C, MYNI Assessor course. He was a member in the stakeholder consultation and development of the Malaysian Criteria & Indicators (MC&I) for Forest management Certification. He has been involved in the auditing of Forest Management Certification for the Perak State Forestry Department and Pahang State Forestry Department. He has also been involved with a German based company in testing their criteria for carbon tracing in an oil palm plantation in 2011. He had also acted as the regional consultant to International Tropical Timber Organization (ITTO) for the Asia Pacific region in the Evaluation and Monitoring of Projects funded by the organization from 1994 to 1998. Projects funded are mainly forestry related such as reforestation, conservation, community forestry apart from other research based projects. He is a member of the RSPO CB Assessment team which audited several RSPO certified Plantation Management Units since 2014.

Mr. Jumat Majid (JMD) – Assessor / Technical Expert

– BSc (Social Science)

Mr. Jumat Majid (JMD) has over 13 years work experience in the agriculture sector. He has successfully completed the IRCA accredited Lead Auditor course in ISO 9001:2008 and RSPO P&C MY-NI Lead Assessor course. He has also successfully completed training programs in Organic Agriculture Development and had performed organic agriculture inspections and assessments for more than 6 years. He has been involved in NGO work in the areas of social impact assessments within the South East Asia region. He is part of the RSPO CB Assessment team which audited RSPO certified Plantation Management Units since 2010.

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 69 of 82

Appendix B:

Assessment Plan (Actual)

Date	Time	Assessors and Assessment Activity		
		Assessment Team		
15 Oct 18 Monday (Day 1)	7.00 am – 10.00 am	Travel to Masai Palm Oil Mill		
	10.00 am – 10.30 am	Opening Meeting and Briefing at POM Office (to be attended by representatives from the Estates as well)		
	10.30 am – 1.00 pm	Document Review and Assessment by all Assessors on respective RSPO P&C: P1 to P8 at POM		
		OCL	SH	JMD
		Site assessment at Palm Oil Mill <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P4 Best Practices at Mill • P8 Continual Improvement • SCC for POM 	Site assessment at Palm Oil Mill <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation, HCV & GHG • P8 Continual Improvement 	Site assessment at Palm Oil Mill <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement
	<ul style="list-style-type: none"> • Verification of effectiveness of corrective actions for non-conformances • Review of Time Bound Plan • Verification for compliance with Minimum requirements for Multiple Management Units (MMU) 			
	1.00 pm – 2.00 pm	Lunch Break		
	2.00 pm - 5.30 pm	OCL	SH	JMD
		Site assessment at Estate 1 <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P4 Best Practices at Estates • P7 New Plantings • P8 Continual Improvement 	Site assessment at Estate 1 <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation, HCV & GHG • P8 Continual Improvement 	Site assessment at Estate 1 <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement
	5.30 pm – 6.00 pm	Travel to Hotel & Break		
6.00 pm – 7.00 pm	Team Meeting and Discussion			

Date	Time	Assessors and Assessment Activity		
		OCL	SH	JMD
16 Oct 18 Tuesday (Day 2)	8.30 am – 12.30 pm	Site assessment at Estate 2 <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability 	Site assessment at Estate 2 <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation, HCV & GHG 	Site assessment at Estate 2 <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 70 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

		<ul style="list-style-type: none"> • P4 Best Practices at Estates • P7 New Plantings • P8 Continual Improvement 	<ul style="list-style-type: none"> • P8 Continual Improvement 	<ul style="list-style-type: none"> • P8 Continual Improvement
	12.30 pm – 1.30 pm	Lunch Break		
	1.30 pm - 5.30 pm	Continue site assessment at Estate 2		
	5.30 pm – 6.00 pm	Travel to Hotel & Break		
	6.00 pm – 7.00 pm	Team Meeting and Discussion		

Date	Time	Assessors and Assessment Activity		
		OCL	SH	JMD
17 Oct 18 Wednesday (Day 3)	8.30 am – 12.30 pm	Site assessment at Estate 3 <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P4 Best Practices at Estates • P7 New Plantings • P8 Continual Improvement 	Site assessment at Estate 3 <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation, HCV & GHG • P8 Continual Improvement 	Site assessment at Estate 3 <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement
	12.30 pm – 1.30 pm	Lunch Break		
	1.30 pm - 5.30 pm	Continue site assessment at Estate 3		
	5.30 pm – 6.00 pm	Travel to Hotel & Break		
	6.00 pm – 7.00 pm	Team Meeting and Discussion		

Date	Time	Assessors and Assessment Activity		
		OCL	SH	JMD
18 Oct 18 Thursday (Day 4)	8.30 am – 12.30 pm	Site assessment at Estate 4 <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P4 Best Practices at Estates • P7 New Plantings • P8 Continual Improvement 	Site assessment at Estate 4 <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation, HCV & GHG • P8 Continual Improvement 	Site assessment at Estate 4 <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement
	12.30 pm – 1.30 pm	Lunch Break		
	1.30 pm - 5.30 pm	Continue site assessment at Estate 4		
	5.30 pm – 6.00 pm	Travel to Hotel & Break		
	6.00 pm – 7.00 pm	Team Meeting and Discussion		

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

Page 71 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

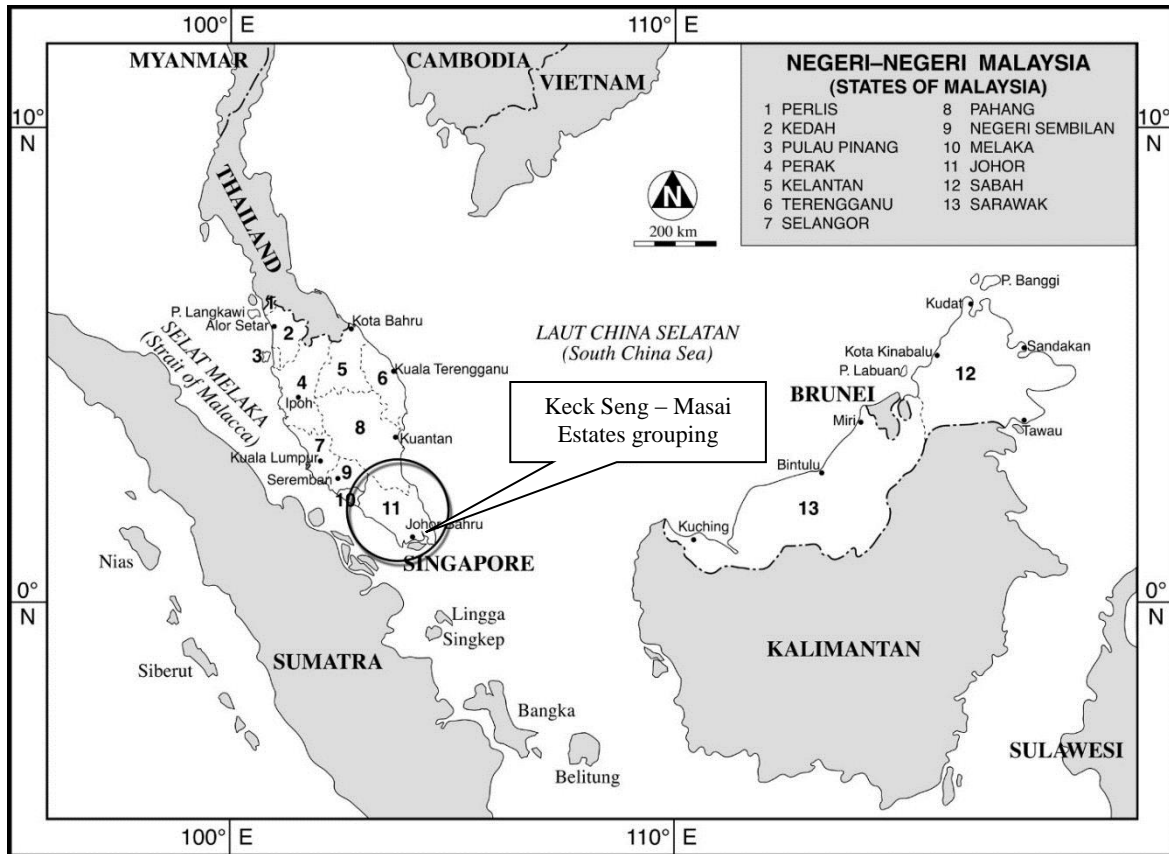
Date	Time	Assessors and Assessment Activity		
		OCL	SH	JMD
19 Oct 18 Friday (Day 5)	8.30 am – 10.30 am	Site assessment at Palm Oil Mill <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P4 Best Practices at Mill • P8 Continual Improvement • SCC for POM 	Stakeholders' Consultation on the following categories (see Notes 1 and 2 below): <ul style="list-style-type: none"> • Contractors • Suppliers • Transporters • NGOs • Government Department / Agencies • Local Community 	Notes 1. It is mandatory for the PMU to inform Intertek and provide the information (as a minimum the no. of stakeholders in each applicable category and contact number) on the stakeholders <u>prior</u> to the assessment. 2. This will facilitate the random and impartial selection of stakeholders (including independent and organized smallholders, where applicable) and to meet the sample size requirement
	10.30 am– 12.00 pm	Site assessment at POM or estates to follow up on any specific criteria/areas		
	12.00 pm – 1.00 pm	Lunch Break		
	1.00 pm – 2.00 pm	Preparation for Closing Meeting		
	2.00 pm – 3.00 pm	Team Meeting and Discussions with POM Management Representative		
	3.00 pm – 5.00 pm	Closing Meeting & Briefing at Palm Oil Mill Office		
	5.00 pm onwards	Travel to Airport and flight		

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Appendix C-1.1:

Location Map of Keck Seng Masai POM & Estates, Johor, Malaysia

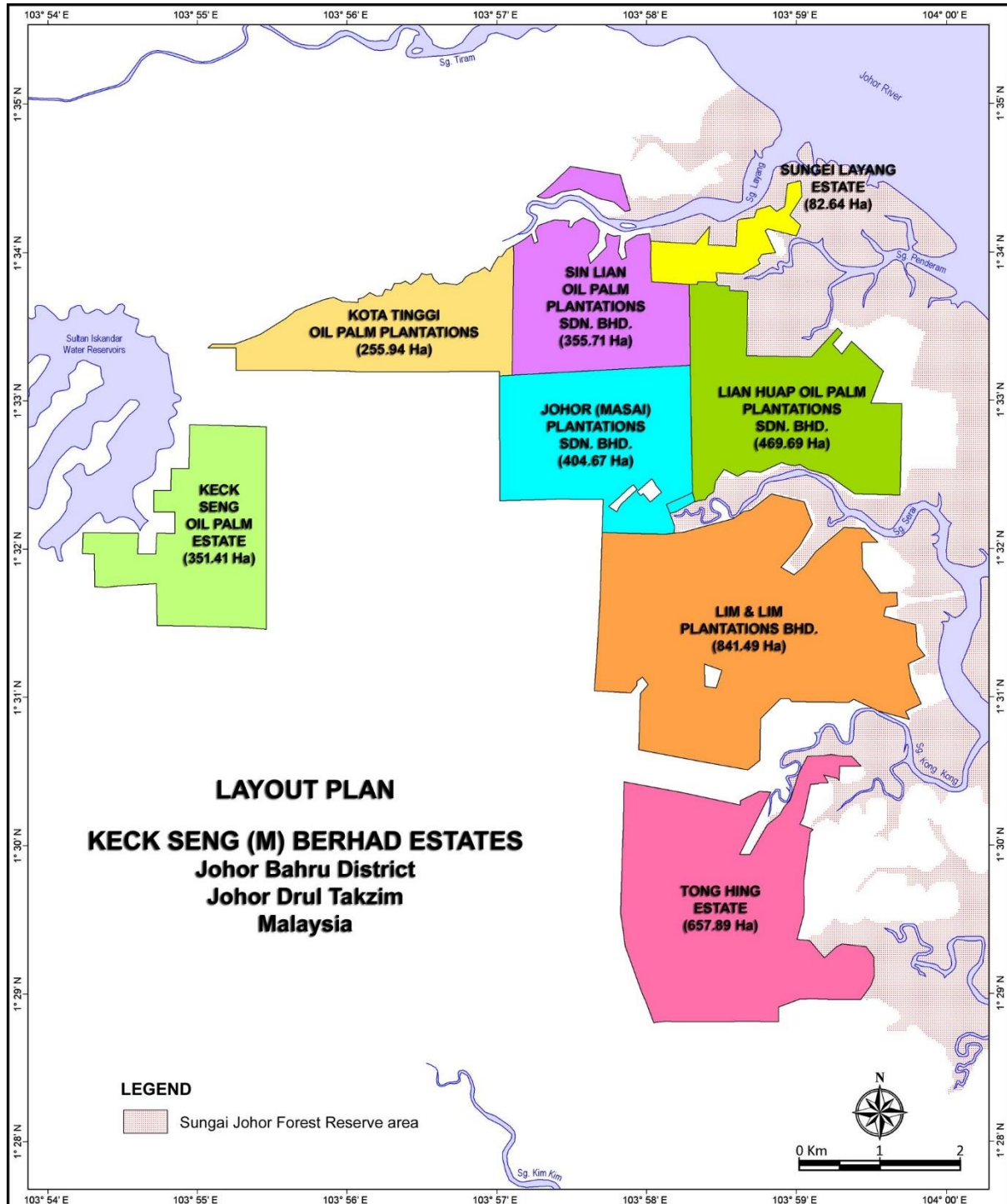


INTERTEK CERTIFICATION INTERNATIONAL SDN BHD
(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Appendix C-2.1:

Location layout of Keck Seng Masai PMU - Estates

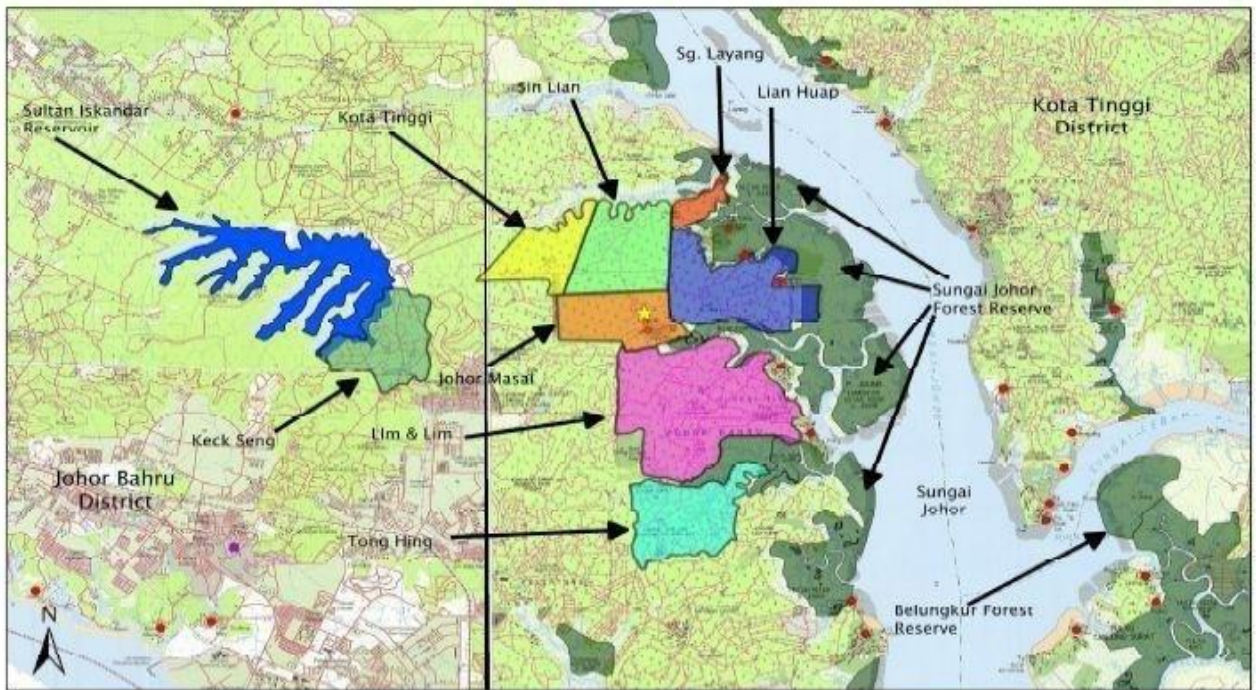


INTERTEK CERTIFICATION INTERNATIONAL SDN BHD
(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Appendix C-2.2:

Landscape Map of Keck Seng Masai PMU - Estates



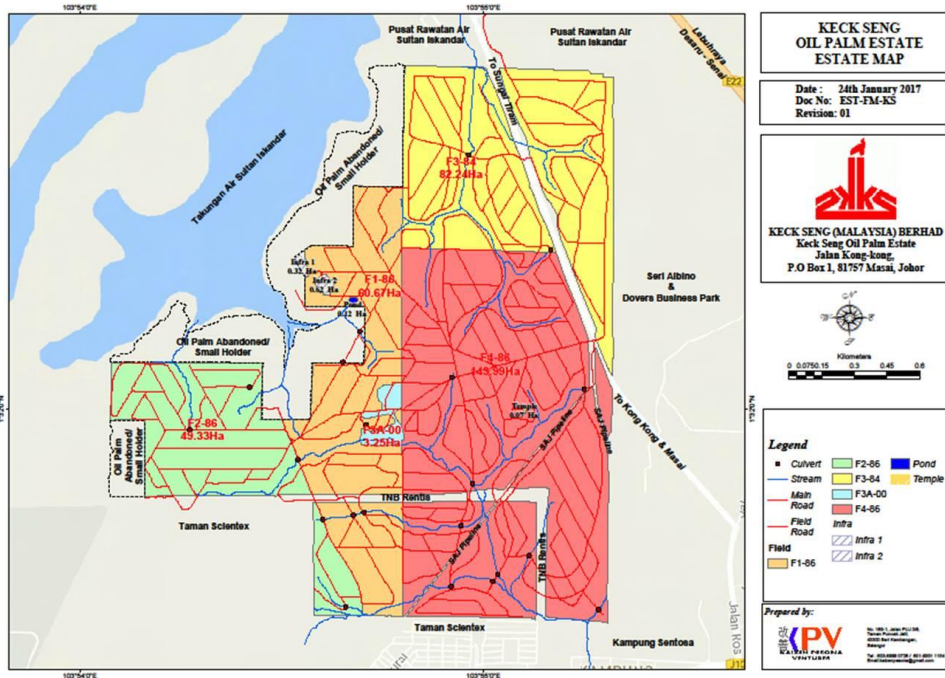
Maps Of Keck Seng (M) Berhad, Plantation Division

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Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
 Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

**Appendix C-3-1:
 Layout Map of Keck Seng estate**



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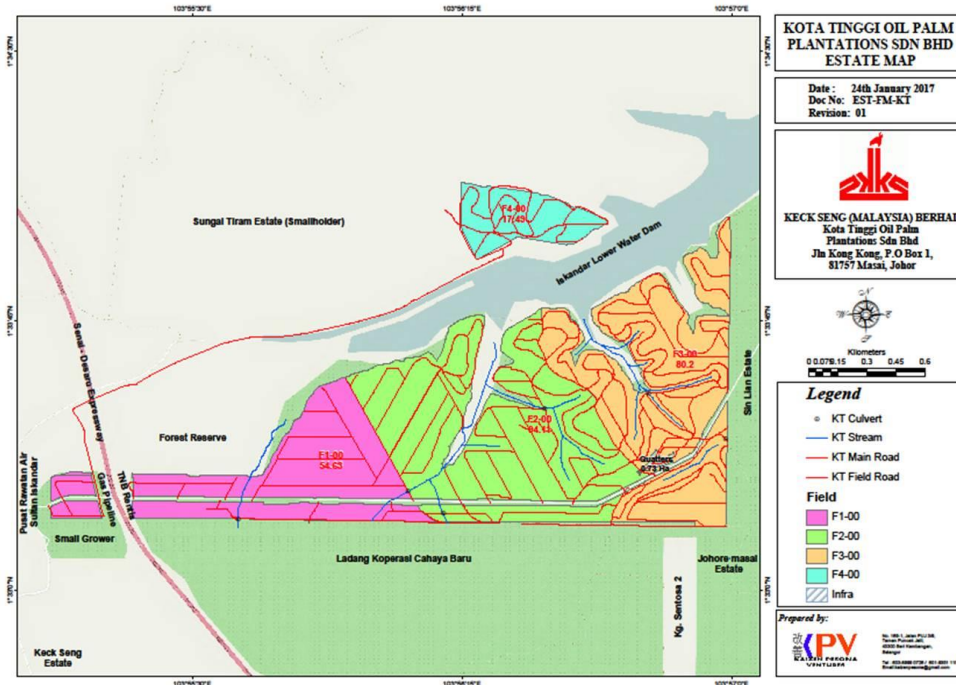
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Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

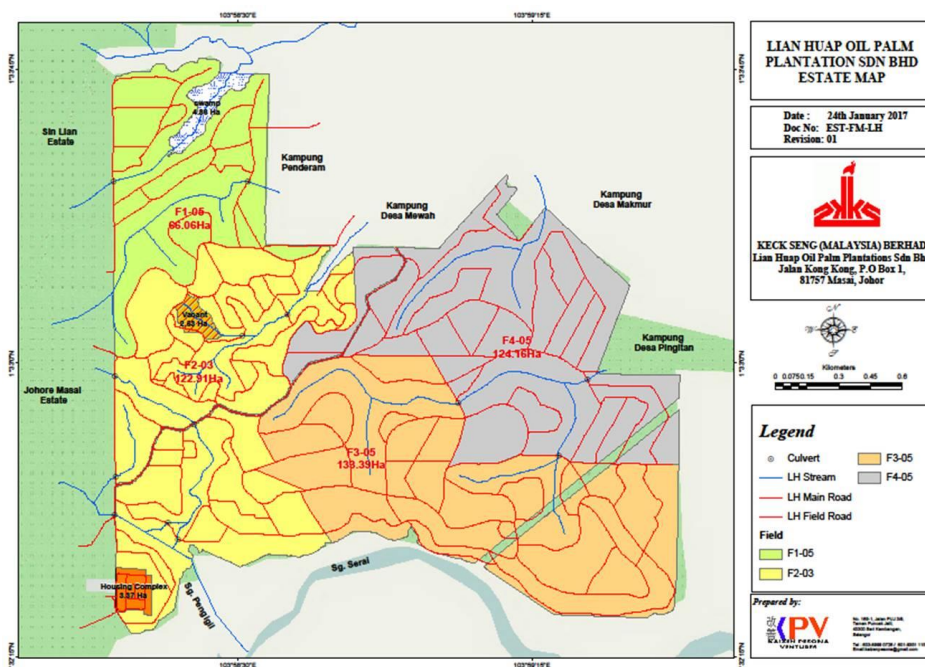
Page 76 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

**Appendix C-3-2:
Layout Map of Kota Tinggi estate**



**Appendix C-3-3:
Layout Map of Lian Huap estate**

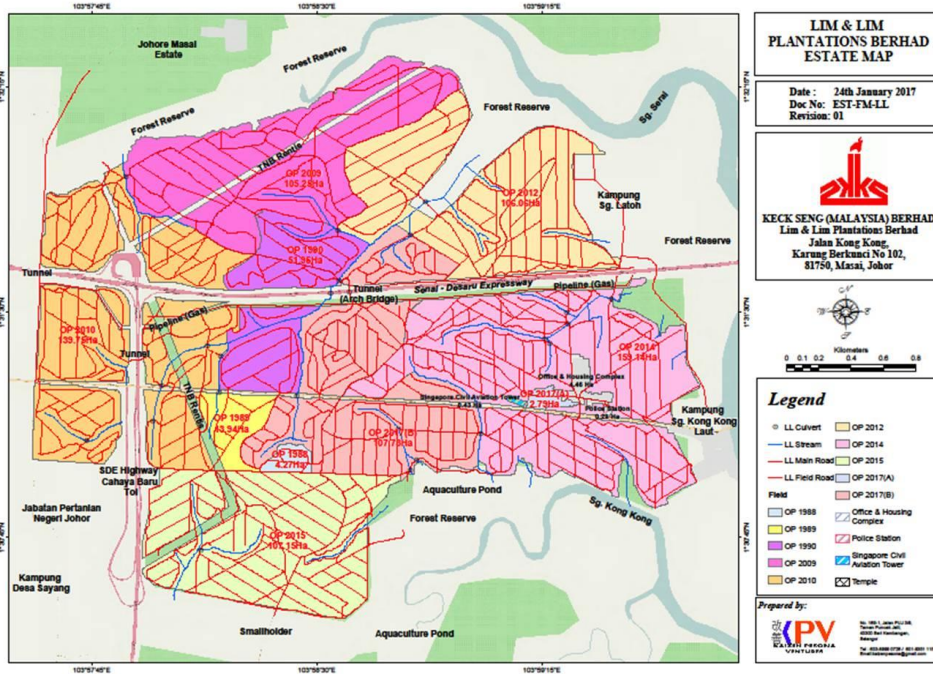


INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

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Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
 Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Appendix C-3-4: Layout Map of Lim & Lim estate



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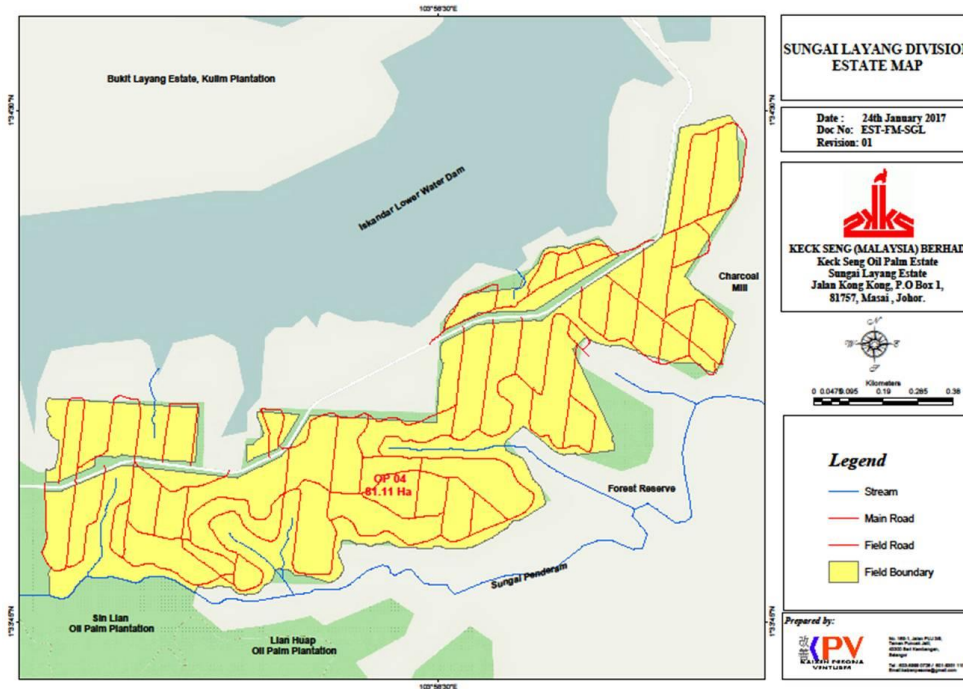
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Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad

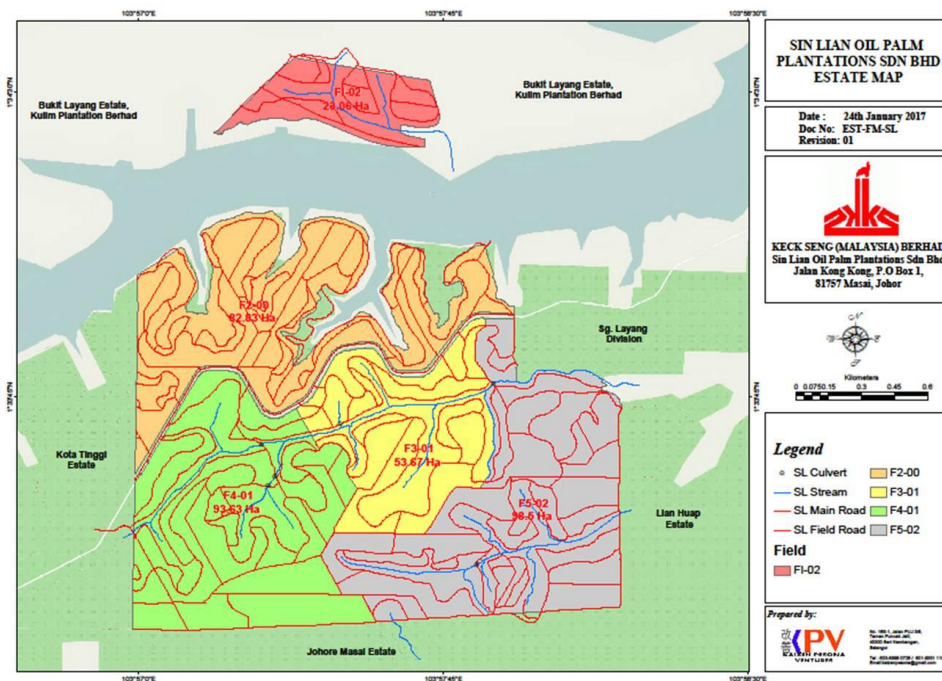
Page 78 of 82

Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Appendix C-3-5: Layout Map of Sg Layang estate



Appendix C-3-6: Layout Map of Sin Lian estate



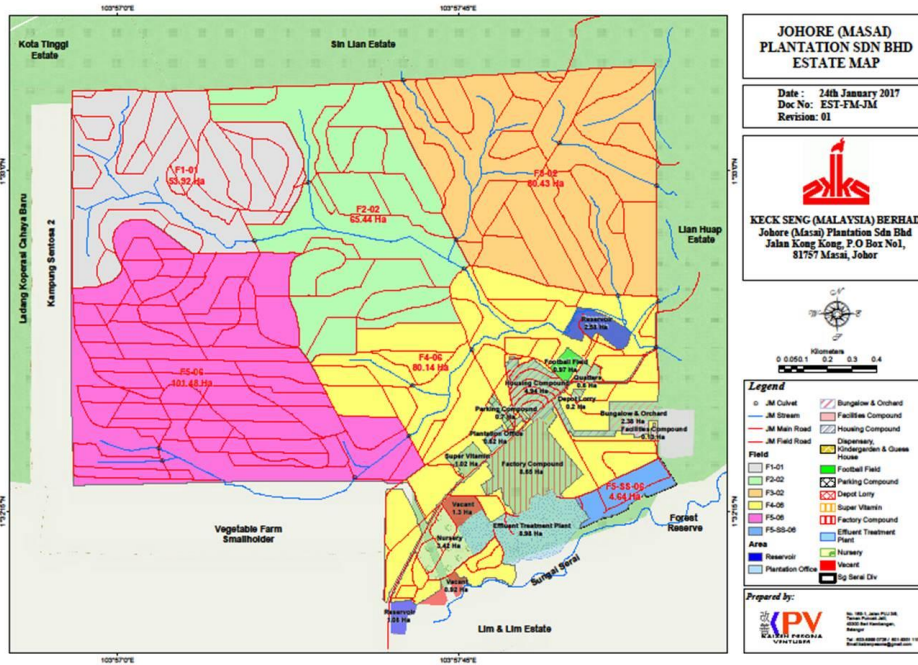
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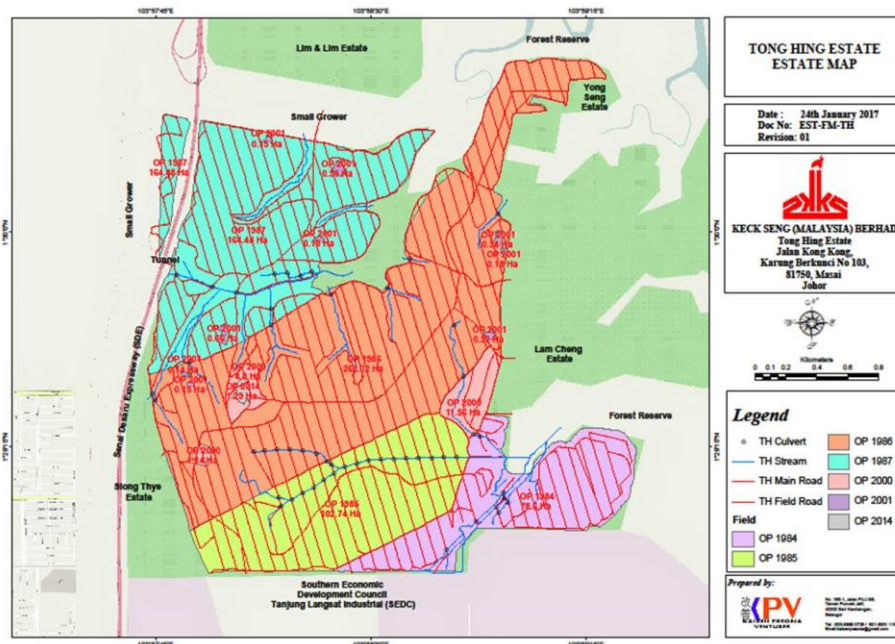
Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
 Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 79 of 82

Appendix C-3-7: Layout Map of Johore Masai estate



Appendix C-3-8: Layout Map of Tong Hing estate



INTERTEK CERTIFICATION INTERNATIONAL SDN BHD
(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Appendix D-1:

Photographs taken during site inspection at Masai Grouping



Keck Seng Estate - Interview workers carrying out planting of beneficial plants



Keck Seng Estate - Visit to temple to interview stakeholder



Tong Hing Estate – Old cemetery area managed accordingly as conservation area



Tong Hing Estate – Shredded oil palm trees in replanting area with no sign of open burning

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD
(188296-W)

Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1

Page 81 of 82

Appendix D-2:

Photographs taken during site inspection at Masai Grouping (Continuation)

	
<p>Tong Hing Estate – Clear buffer demarcation at the boundary bordering the neighbouring forest reserve</p>	<p>Tong Hing Estate – Signages at the boundary bordering the forest reserve</p>
	
<p>Tong Hing Estate – Water sampling point that is not easily accessible</p>	<p>Tong Hing Estate – Boundary marker bordering conservation area</p>

INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9306/16-3 Keck Seng (Malaysia) Berhad
Masai POM & Estates Grouping: Surveillance Assessment ASA 1-1**

Page 82 of 82

Appendix E:

Time Bound Plan

As at to-date Keck Seng (Malaysia) Berhad owns only one Plantation Management Unit (PMU) which is located at the Masai region, Johor, Malaysia and there are no other oil palm estates or mills owned at other parts of Malaysia, Indonesia or elsewhere. Time bound Plan for Keck Seng (Malaysia) Berhad has been fulfilled for its oil palm plantation management.

-- End of Report--