

GLOBAL GATEWAY CERTIFICATIONS

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)




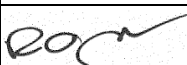
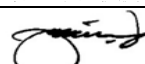
CERTIFICATION AUDIT REPORT


Part 4: General Principles for Palm Oil Mills

Rakyat Ketengah Perwira Sdn. Bhd.

- Individual Certification-

MAIN ASSESSMENT
02nd December 2019

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	13/12/2019	Issued as Draft Report	Mohamad Razin Bakal	Lead Auditor	
A	26/12/2019	Peer Review 1 Comments	Remi bin Rasidi	Peer Reviewer 1	
A	26/12/2019	Peer Review 2 Comments	Mohd Zuhaili bin Mukri	Peer Reviewer 2	
B	28/12/2019	Issued as Final Report	Mohamad Razin Bakal	Lead Auditor	
B	31/12/2019	Final Report Approved	Muhammad Syafiq bin Abd Razak	Certifier	

Acknowledgment by Rakyat Ketengah Perwira Sdn. Bhd.					
Rev	Date	Description	Management Representative	Role	Signature
B	31/12/2019	Acceptance of the contents	Ir. Zainal bin Ahmad	Mill Manager	

Declaration

The auditor(s) has (had) no personal, business or other ties to the client and the assessment is carried out objectively and independently.

WITH INTEGRITY WE SERVE



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Note: Section II of this report contain confidential information and been protected from public disclosure.

SECTION I : PUBLIC SUMMARY REPORT

1.1 Certification Scope

Global Gateway Certifications Sdn. Bhd. [hereafter known as GGC] has conducted the Certification Assessment of Rakyat Ketengah Perwira Sdn. Bhd. During this Main Assessment Audit (Stage 2), the audit team were briefed by Mill Manager, of the supply base disposition. The source of FFB supplies Rakyat Ketengah Perwira Sdn. Bhd comes from Ketengah Perwira Sdn. Bhd., Kebunika Sdn. Bhd., YIT Ketengah Perwira Sdn. Bhd., Ladang Sungei Terajul, Mewah Mega Enterprise, Mohamad Ghazali bin Sulaiman, Koperasi Polis Terengganu Bhd., Kim Ma Oil Palm (Terengganu) Sdn. Bhd., Santong Sawit Sdn. Bhd., Mohd Zukri bin Mamat, Tekmen Perusahaan Sagu Sdn. Bhd., Cengal Rendang Agrotech Sdn. Bhd., HMY & Son Trading Sdn. Bhd., AMBB Jaya Enterprise, Heng Leong Trading, H.L Trading Sdn. Bhd. and Pirma Bakti and etc.

This assessment was conducted onsite on 2nd December 2019 by 3 auditors to assess the compliance of the certification unit against the MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles for Palm Oil Mills.

1.2 Company details and Contact information

Company Name	Rakyat Ketengah Perwira Sdn. Bhd.
Business Address	Bandar Cheneh Baharu, 24000 Kemaman, Terengganu
Contact Person	Ir. Zainal bin Ahmad
Office Telephone	+609 – 8730112
E-Mail	rkpsb82@yahoo.com

1.3 Certification Unit

Name of the Certification Unit	Rakyat Ketengah Perwira Sdn. Bhd.		
Mill Capacity (MT/HR)	60mt/hr		
Site Address	Bandar Cheneh Baharu, 24000 Kemaman, Terengganu		
GPS Reference of the site office	Longitude	E 103°20'2"	
	Latitude	N 4°11'9"	
MPOB License Information	License No.	500065604000	



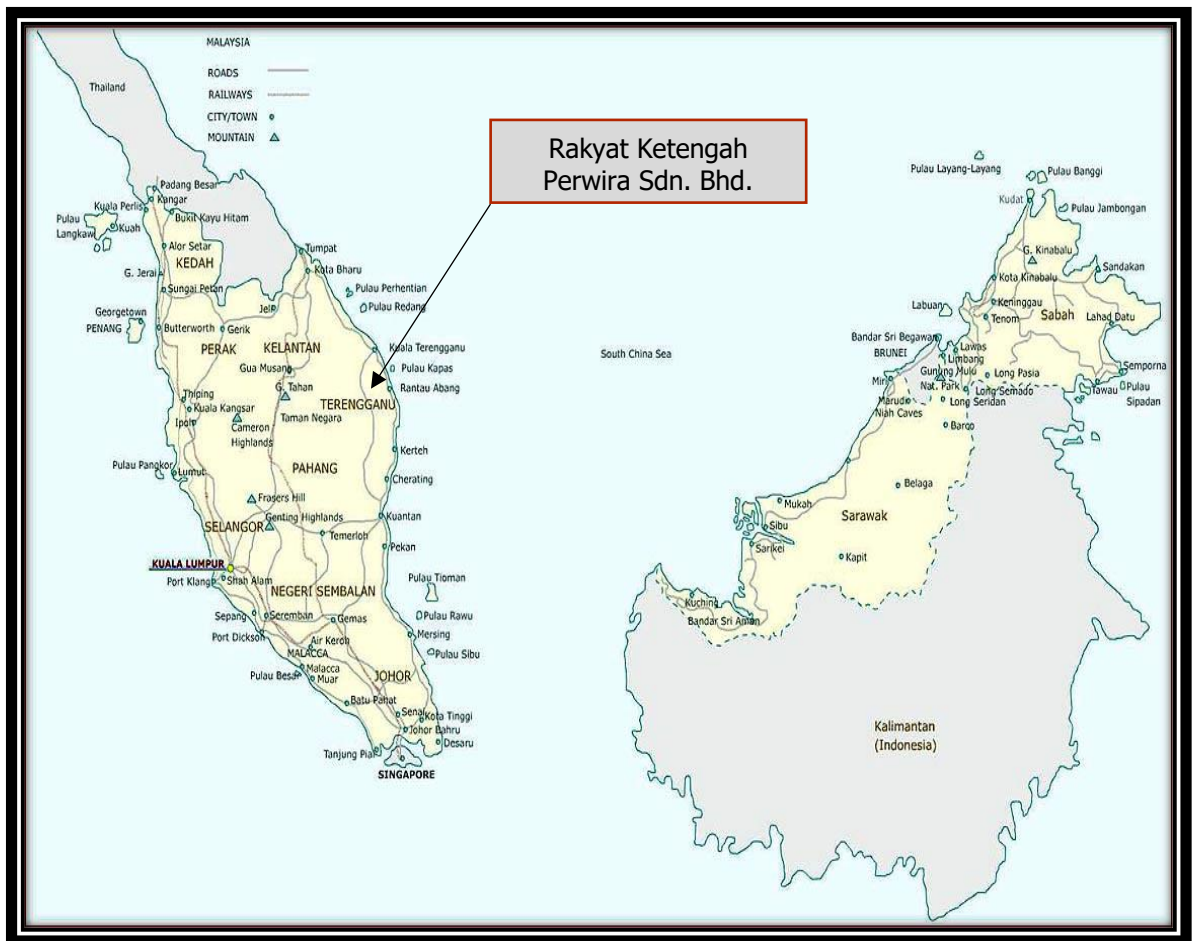
	Scope of Activity	1. Sell PK and CPO 2. Purchase FFB.
	Expiry Date	31 st July 2020

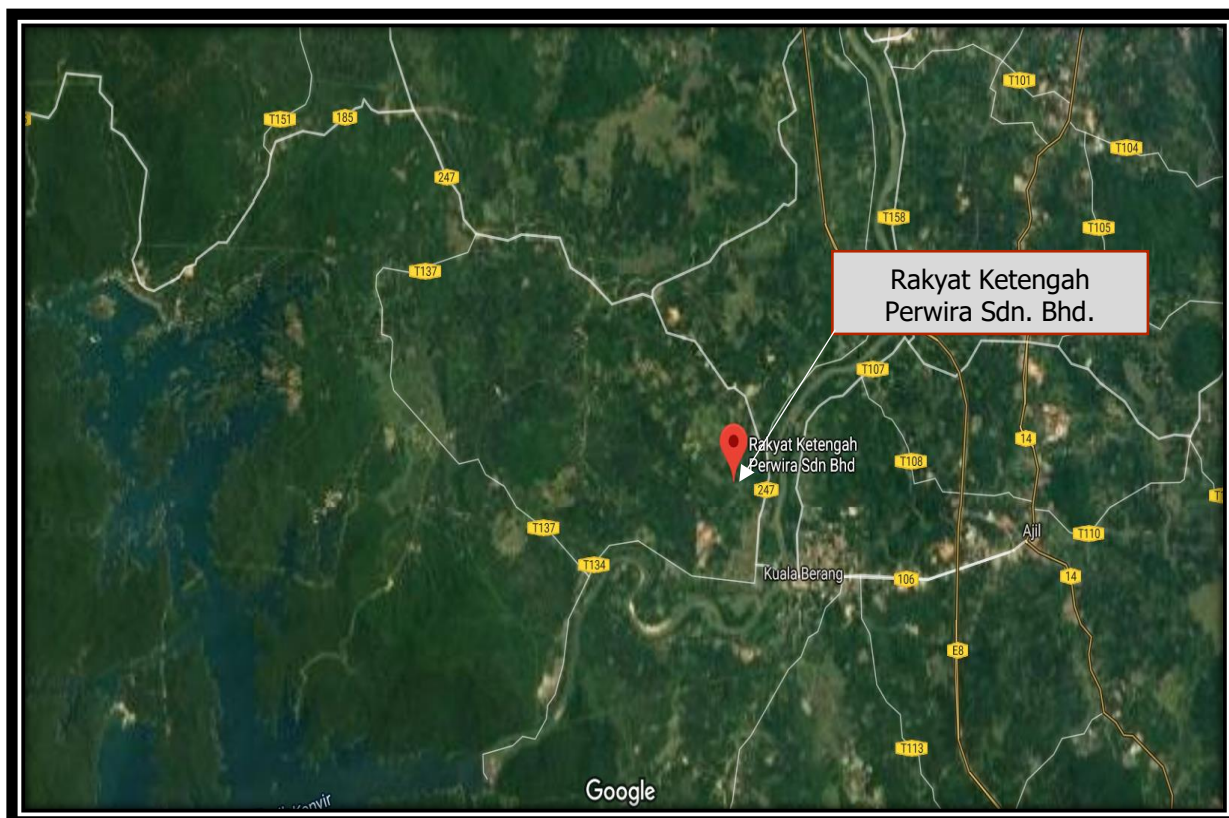
Others Sustainability Certification

No	Name of the Site	Others Sustainability Certification
1.	Rakyat Ketengah Perwira Sdn. Bhd.	nil

1.4 Map Showing Geographical Location

1. Rakyat Ketengah Perwira Sdn. Bhd.





1.5 Production Area, Actual and Projected FFB Production (MT)

Production for Certified Unit

Rakyat Ketengah Perwira Sdn. Bhd.	Projected from last audit	Actual Production for 12 Months [Nov 2018 - Dec 2019]	Projected Production for next 12 Months [Nov 2018 - Dec 2019]
FFB Summary (MT)	NIL	NIL	NIL
CPO Summary (MT)	NIL	NIL	NIL
PK Summary (MT)	NIL	NIL	NIL

FFB's Certified Estates

Production for Uncertified Unit

Rakyat Ketengah Perwira Sdn. Bhd.	Projected from last audit [Nov 2018 - Dec 2019]	Actual Production for 12 Months [Nov 2018 - Dec 2019]	Projected Production for next 12 Months [Nov 2018 - Dec 2019]
FFB Summary (MT)	195,582.00	237,065.95	220,000.00

CPO Summary (MT)	39,116.47	47,342.02	43,780.00
PK Summary (MT)	9,212.49	11,632.36	10,560.00

1.6 Certificate Details

Certification body	Global Gateway Certifications Sdn. Bhd., No. 10 Jalan Rasmi 7, Taman Rasmi Jaya, 68000 Ampang, Selangor Darul Ehsan, Malaysia. Tel.: +603 4256 2689; Fax: +603 4256 2687 Website: www.ggc.my
Assessment standard	(MSPO) Part 4: General Principles For Palm Oil Mills
Certificate number	GGC-RKP001-MSPO-00-2019
Initial certificate issued date	31 st December 2019
Certificate expiry date	30 th December 2024
Stage 1 assessment date	30 th November 2019
Stage 2 / Main Assessment	2 nd December 2019
Annual Surveillance 1 [ASA 1]	October 2020
Annual Surveillance 2 [ASA 2]	October 2021
Annual Surveillance 3 [ASA 3]	October 2022
Annual Surveillance 4 [ASA 4]	October 2023

1.7 Qualification of the Lead Assessor and Assessment Team

Lead Auditor

Name: Mohamad Razin bin Bakal [MRB]

Graduate in Degree of Accountancy with University Putra Malaysia. Having 17 years of working experience in various field in Malaysia, Africa and Indonesia. Have enough knowledge and experiences in oil palm estate operation inclusive of estate administrative, budget preparation, jungle clearing, new planting, nursery establishment and management, harvesting, field upkeep and maintenance, safety and health, vehicle running and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Involved in MSPO auditing since 2018. Qualified as Lead Auditor/Auditor for MSPO 2530:2013, ISO 14001:2015 and ISO 9001:2015 from Sirim Berhad. Member of GGC MSPO audit team.

During this assessment, he assessed on the aspect of Management commitment and responsibility, Social responsibility, health, safety and employment condition. He is able to speak and understand Bahasa Malaysia and English.

Auditor

Name: Mohd Razib bin Mohd Noor [RMN]

Competent Marine Engineer with more than 30 years of working experiences in a various plantation company in Malaysia, Papua New Guinea and Indonesia. Having a skill in Good Milling Practices (GMP) including the crop quality control. Qualified as Auditor for MSPO certification by SIRIM since 2018. Completed the ISO 9001:2015 Quality Management System Lead Auditor course by TOMC in May 2018 and MSPO SCCS Auditor by SIRIM in July 2019 respectively. Experienced in both palm oil mill and kernel crusher plant management, specifically boiler and process control. Member of GGC MSPO audit team.

During this assessment, he assessed on the aspect of Compliance to legal requirements and Best practices. He is able to speak and understand Bahasa Malaysia and English.

Auditor

Name: Sesumaran K. Subramaniam [SS]

Sesumaran's Academic Experience are BSc (Hons) Computer Studies, University of Sunderland (UK) Year 2006) and obtain Bachelors in Total Quality Management Year-2011. He has gained his vast experience in quality management and auditing while working in various certification bodies as a Quality Manager and auditor since 2013. Fully trained in similar agriculture certification programs such as RSPO, SCCS, MSPO and etc. Qualified as Auditor in several certification program. Member of GGC MSPO audit team.

During this assessment, he assessed on the aspect of Transparency and Environment, natural resources, biodiversity and ecosystem services. He is able to speak and understand Bahasa Malaysia and English.

1.8 Audit Methodology

The audit was conducted based on sampling following the method as specified in the MSPO requirements (MSPO-Questionnaire Self-Assessment – RA). The sampling was calculated and determined prior to the audit assessment. In the case of this certification unit, sampling calculation was not applied as there is only one palm oil mill, namely "Rakyat Ketengah Perwira Sdn Bhd".

The assessment activities include of documents review and site inspection. The documents that had been reviewed among others were company policy, internal procedures, management system procedures, waste management procedures, legal documents etc. Significant issues that would impact to the environmental and social were also been verified.

The methodology for collection of objective evidence was established during physical site inspections, observation of tasks and processes, interviews of stakeholders, interview of officers, review of documents and data. Checklists and questionnaires were used to guide the collection of information and the comments made by external stakeholders were also been taken into consideration in this assessment.

Appendix A (Audit Plan) details the actual assessment plan. Stakeholders were consulted randomly during the assessment to obtain feedback on the management compliance and performance (Appendix C) of MSPO.

1.9 Audit Plan Information

Audit Date	2 nd December 2019
Name of site(s) visited	Rakyat Ketengah Perwira Sdn. Bhd.
Total number of man-days spent	3 man-days

1.10 Audit Result Summary Findings

Findings category		
Category	Numbers	Status (Closed/Open/Not Applicable/No Action Requires)
Major Nonconformities	0	No Action Requires
Minor Nonconformities	5	Open
Area of Concern	0	No Action Requires
Noteworthy /Positive Comments	4	No Action Requires

1.11 Stakeholder Consultation

As per ACB-Malaysian Sustainable Palm Oil (MSPO); ACB-OPMC4; Issue 1, 01st August 2017; Stakeholder Consultation Requirements For Certification Bodies Operating Oil Palm Management Certification Under Malaysian Sustainable Palm Oil (MSPO) Certification Scheme. The consultation during the audit will be carried out during the stage 2 and recertification audit of the management unit. The CB shall carry out stakeholder consultation to ensure continued compliance with the requirements of the certification standards. However, stakeholders' consultation during surveillance audit may be limited to those stakeholders who have raised concerns, complaints or disputes prior to the audit.

GGC has published the public notification on 25th October 2019 and as to accommodate a stakeholders' consultation meeting for POM. Therefore, it was conducted on 02/12/2019 in Rakyat Ketengah Perwira Sdn Bhd to gather information from the local communities in accordance to Certification Scheme and Stakeholder Consultation requirements.

During this Main Assessment (Stage 2) audit, the audit team has conducted stakeholder consultations involving both internal and external stakeholders as to understand the practices in relation to environmental, social performance and their performance with respect to the MSPO requirements. The meeting was conducted without the present of mill management.

At the start of meeting, the auditor explained the purpose of the audit followed by an evaluation of the relationship between the stakeholders before discussions continued. The auditor recorded comments made by stakeholders and verified with the mill management before incorporating into the assessment findings. There was no negative complaint or feedback received during the audit or during the field assessment when interviewing with the external and internal stakeholders. The details is as per table below:

No	Stakeholders Name	Subject raised / Identified Risk	Company response and proposed action to be taken. [What we did]	Assessment team findings [Outcome]
1.	Stakeholder – Community Surrounding	<ul style="list-style-type: none"> • Good understanding about MSPO. • Good understanding about complaint and grievance mechanism. • POM offer work opportunity for community surrounding • Series of meetings were conducted to community surrounding to brief about the MSPO's policies and objectives • CSR project was benefited by the surrounding community • FFB pricing was display at Weighbridge station • Payment to FFB supplier was made promptly • POM was provided fair contract agreement with 	No action requires	Positive findings

		third party for any transaction made		
2.	Stakeholder (Neighbouring Estate)	<ul style="list-style-type: none"> • They have good relationship with the management. • There is no conflict ever happened with mill & estate. 	No action requires	Positive findings
3.	Stakeholder (Mill workers)	<ul style="list-style-type: none"> • MSPO awareness, company policy and SOP are briefed among workers during muster call. • Personal Protective Equipment are distributed free of charged by management. • They have good understanding about complaint and grievance mechanism. • They are very happy with the management and hopes to continue their contract for a long time. • Company well managing the welfare, health and safety of their workers. • Housing facilities is provided with water and electrical supply. • They have been treated equally without any discrimination. Their salary was according to Minimum Wage Order 2018. 	No action requires	Positive findings

1.12 Recommendation

The company has established sustainability policy, objectives and procedures that define an effective system for the administration and control of sustainability management system throughout all operation activities of Rakyat Ketengah Perwira Sdn. Bhd.

The management is committed to comply with MSPO system by giving awareness training to all personnel involved in this standard to make them understand the procedures and implementation of the standard. The employees are aware of the requirements of MSPO. There was no complaint or feedback received during this Stage 2 Audit Assessment.

This report will be internally reviewed prior to certification decision by GGC and externally peer reviewed by independents panel reviewers (qualified and trained by MPOCC). During this Main Assessment (Stage 2) Audit [based on MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO)] Part 4: General Principles For Palm Oil Mills, there were 0 NCR major, 5 NCR minor and 0 AOC have been raised to the facilities that being audited.

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted was "No Major Non-Coformity". Hence, the audit objectives as mentioned in the audit plan had been achieved. Therefore, the lead auditor recommends to award the certificate of compliance MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles For Palm Oil Mills to Rakyat Ketengah Perwira Sdn. Bhd.

1.13 Date of Next Surveillance Audit

The third annual surveillance assessment visit will be scheduled after 12 months of the MSPO Certificate being issued.

1.14 Confidentiality

GGC auditors will not discuss or reveal any of the confidential information seen during the audit to any third party. Any public summary of the main assessment will be approved by the client prior to publication.

1.15 Abbreviations Used

BOD	Biological Oxygen Demand
CHRA	Chemical Health & Risk Assessment
CIP	Continuous Improvement Plan
COD	Chemical Oxygen Demand
CoP	Code of Practise
CSPO	Certified Sustainable Palm Oil
CPO	Crude Palm Oil
CSPK	Certified Sustainable Palm Kernel
DOE	Department of Environmental
DOSH	Department of Occupational Safety and Health Malaysia
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
FFB	Fresh Fruit Bunch
FGS	Finished Good Stock
GAP	Good Agriculture Practise
GHG	Greenhouse Gas
GGC	Global Gateway Certifications Sdn Bhd
HIRARC	Hazard Identification, Risk Assessment and Risk Control
ISCC	International Sustainability & Carbon Certification
MPOB	Malaysian Palm Oil Board
MSPO	Malaysian Sustainable Palm Oil
NCR	Non-Conformance Report
NGO	Non-Government Organization
OHS	Occupational Health & Safety
OHSAS	Occupational Health and Safety Assessment Series
PK	Palm Kernel
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
SEIA	Social Environmental Impact Assessment
SOP	Standard Operating
SPO	Sludge Palm Oil

SECTION II : ASSESSMENT FINDINGS BY PRINCIPLES AND CRITERIA

2.1 Principle 1 : Management commitment and responsibility

Criterion 1 Malaysian Sustainable Palm Oil (MSPO) Policy

Indicator 1 Policy for the implementation of MSPO shall be established.

Summary Sighted the "Polisi MSPO dated on 1st January 2019 which was approved by YM Tengku Ahmad Nadzri bin Tengku Musa (Pengarah Eksekutif).

The policy clearly stated that Rakyat Ketengah Perwira Sdn. Bhd is committed to ensuring that its products are produced in a sustainable manner".

As evidence, the Rakyat Ketengah Perwira Sdn. Bhd Sustainability Policies was displayed and sighted on the notice board and estate office.

In Compliance **Yes** No Not Applicable

Indicator 2 The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation.

Summary The policy stated committed to meet the sustainability requirements of MSPO and committed to continuous improvement.

In Compliance **Yes** No Not Applicable

Criterion 2 Internal audit

Indicator 1 Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.

Summary Company has established the Standard Operating Procedure Internal Audit – Doc. No: RKP - AD. Prepared by Mr. Wan Mohd Azizi bin Wan Ahmad and Approved by Mr. Ir Zainal b. Ahmad, effective date : 1st January 2019

The Internal Audit procedure has outlined the followings steps:

1. Objective
2. Plan Audit
3. Kriteria Pemilihan Juruaudit Dalaman MSPO
4. Tugas dan Tanggungjawab Audit
5. Proses Audit
6. Carta Aliran Audit

Internal Audit was conducted by En. Afzil Azami bin Alwi (Lead Auditor), En. Kamal Nasir bin Ishak, En. Asmadi bin Hasbullah and Pn. Nur Ain bt Baharuddin dated on 17th – 20th Jun 2019.

The strong and week points have been address for following scope covering;

- A. Documentation in POM
- B. Interview Session with internal stakeholder
- C. Site Visit at POM

Total Non – Conformance are 10 Major, 5 Minor were raised during the audit assessment.

In Compliance **Yes** No Not Applicable

Indicator 2 The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.

Summary Company has established the Standard Operating Procedure Internal Audit – Doc. No: RKP - AD. Prepared by Mr. Wan Mohd Azizi bin Wan Ahmad and Approved by Mr. Ir Zainal b. Ahmad, effective date : 1hb January 2019

Seen the action taken by POM Manager for all the findings done by the Sustainability Department. Seen the corrective action taken by POM for the internal findings. All the findings have been closed by the POM accordingly.

Sample of findings :

Findings : Tiada laporan untuk Internal Audit yang disediakan sehingga tarikh 17th June 2019

Root causes : Sedang melakukan audit dalaman dan belum disediakan laporan untuk audit dalaman

Corrective Action(S) : Laporan audit dalaman telah disediakan untuk lawatan pada 17hb – 20hb June 2019

In Compliance **Yes** No Not Applicable

Indicator 3 Reports shall be made available to the management for their review.

Summary Company has established the Standard Operating Procedure Management Review – Doc. No: RKP - KSP. Prepared by Mr. Wan Mohd Azizi bin Wan Ahmad and Approved by Mr. Ir Zainal b. Ahmad, effective date : 1hb January 2018

All the internal audit (MSPO) findings were available and discussed during Sustainable Management Review dated on 25th June 2019 at meeting room POM which attended by 14 person. All findings from internal audit was responded by the POM management timely.

In Compliance **Yes** No Not Applicable



Criterion 3 Management review

Indicator 1 The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.

Summary Company has established the Standard Operating Procedure Management Review – Doc. No: RKP - KSP. Prepared by Mr. Wan Mohd Azizi bin Wan Ahmad and Approved by Mr. Ir Zainal b. Ahmad, effective date : 1hb January 2018

Sighted the Management Review Meeting Minute Meeting dated on 25th June 2019 at Meeting Room, Rakyat Ketengah Perwira Sdn. Bhd.

Other than internal audit matter, legal compliance, annual budget and progress, waste management, trainings, SIA, Etc are amongst the key issues being discussed

In Compliance **Yes** No Not Applicable

Criterion 4 Continual improvement

Indicator 1 The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company.

Summary Sighted the Continual Improvement Plan for the year 2019 prepared by Mr. Wan Mohd Azizi b. Wan Ahmad (Senior Assistant Mill) and approved by Mr. Ir. Zainal bin Ahmad (Mill Manager) dated on 1st July 2019

Rakyat Ketengah Perwira Sdn. Bhd. has developed Continuous Improvement Plan year 2019 as per listed below :

A. Isu Operasi

No	Programme	Target
1	Membina bilik untuk switch board	Done
2	Membina stork khas untuk petrol	Done
3	Memasang ventilation di dalam stor	Done
4	Memasang silencer	Done
5	Memasang electrostatic precipitator	Done
6	Membina Sump untuk Steam trap	Done
7	Memasang system bomba di kawasan kilang	Done
8	Melakukan kerja – kerja pembersihan kolam	Done

B. Welfare

No	Programme	Target
1	Menambahkan kerusi menunggu untuk pemandu lori	Done
2	Memasang tempat letak topi keselamatan yan gbaru	Done
3	Menurap jalan yang berlubang	Done

In Compliance **Yes** No Not Applicable



Indicator 2 The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.

Summary The establishment of a system to improve the practices in POM are :

1. Memasang electrostatic precipitator
2. Memasang system bomba di kawasan kilang
3. Memasang ventilation di dalam stor

Sighted picture, training material and attendance list attended by the respective worker at the designated station

In Compliance **Yes** No Not Applicable

2.2 Principle 2 : Transparency

Criterion 1 Transparency of information and documents relevant to MSPO requirements

Indicator 1 The management shall communicate adequate information to other stakeholders on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms.

Summary Rakyat Ketengah Perwira Sdn. Bhd. has established the Stakeholder Communication & Consultation Procedure. Doc No: RKP-PAR;NO SEM;1;TARIKH KK:23RD Jul 2019;

The purpose of this procedure is to outline the arrangements for consultation and communication by Rakyat Ketengah Perwira Sdn. Bhd. POM with its relevant stakeholders and how their concerns and views are addressed.

Sighted stakeholders' meeting with:

1. External - 3rd April 2019; Attended by 54 participants; 2019 by Mr Wan Azizi (Senior Assistant Mill).
2. Internal - 1ST APRIL 2019 by Mr Wan Azizi (Senior Assistant Mill). Attended by 108 (Mill Workers including 37 Management workers) participants.

In Compliance **Yes** No Not Applicable

Indicator 2 Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes

Summary Rakyat Ketengah Perwira Sdn. Bhd. established Procedure of Controlling Disclosure of confidential information to third party "ASAS PROSEDUR KEBENARAN UNTUK MELIHAT DOKUMEN RAHSIA" with reference no:RKP-AP-SD;NOSEM:0;TARIKH:01JAN2019

Evidence sighted: - 62 documents being classified under Non – confidential and 20 as confidential.

In Compliance **Yes** No Not Applicable

Criterion 2 Transparent method of communication and consultation

Indicator 1 Procedures shall be established for consultation and communication with the relevant stakeholders.

Summary Rakyat Ketengah Perwira Sdn. Bhd. has established the Stakeholder Communication & Consultation Procedure. Doc No: RKP-PAR;NO SEM;1;TARIKH KK:23RD Jul 2019;

The purpose of this procedure is to outline the arrangements for consultation and communication by Rakyat Ketengah Perwira Sdn. Bhd. POM with its relevant stakeholders and how their concerns and views are addressed.

In Compliance **Yes** No Not Applicable

Indicator 2 The management shall nominate management officials at the operating unit responsible for issues related to Indicator 1 (4.2.2.1).

Summary Sighted an appointment letter of Mr Wan Azizi (Senior Assistant Mill). as person in charge for consultation and communication matters. The letter dated 1st January 2018 Signed by Mr. Ir.Zainal Bin Ahmad (Mill Manager).

In Compliance **Yes** No Not Applicable

Indicator 3 A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained.

Summary Sighted latest list of stakeholders on 17th January 2019. Prepared by Mr. Mr Wan Azizi (Senior Assistant Mill).

Total of 108 internal and 111 external stakeholders sighted in the list name.

Sighted the External Stakeholder Meeting conducted on 3rd April 2019 to surrounding communities at Dewan Cempaka, Cheneh Recreation & Resort, Bandar Cheneh Baru, Kemaman.

In Compliance **Yes** No Not Applicable

Criterion 3 Traceability

Indicator 1 The management shall commit itself to implement and maintain the requirements for traceability and shall establish a standard operation procedure for traceability.

Summary Rakyat Ketengah Perwira Sdn. Bhd. has established the MSPO Procedure; Title: Traceability; Doc No:RKP-TR;NO SEM:0;DATED:1st August 2019

Verified delivery order, receiving and dispatch slips, notice paper and weighbridge tickets that effectively carries the information of applicable traceability products

In Compliance **Yes** No Not Applicable



Indicator 2 The management shall conduct regular inspections on compliance with the established traceability system.

Summary During POM visit, sighted the weighbridge operator able to demonstrate on how the system tracks the FFB input.

Daily Monitoring on Traceability done Mr Wan Azizi (Senior Assistant Mill) mainly for inspecting the daily production record.

In Compliance **Yes** No Not Applicable

Indicator 3 The management shall identify and assign suitable employees to implement and maintain the traceability system.

Summary The person in charge for maintain the traceability system is Mr Wan Azizi (Senior Assistant Mill) and he is also responsible for all records of traceability.

Sighted appointment letter signed by Mr. Ir. Zainal Bin Ahmad (Mill Manager) dated on 1st January 2019.

In Compliance **Yes** No Not Applicable

Indicator 4 Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.

Summary The FFB / CPO weighbridge ticket/dispatch note is produced for all transaction at Rakyat Ketengah Perwira Sdn. Bhd.. The set of document consists of the following information;

- a) Weighbridge ticket
 - Date / D.O no / Quantity / w/bridge operator name
 - Total Bunches / Quality / field no
- b) Delivery Note
 - Date/ weight / w/bridge operator / MPOB licence no (L3 form)
- c) Grading report for the FFB consignment.

All the record of storage, sales, delivery or transportation of crude palm oil and palm kernel are kept and well maintained in the POM's office.

In Compliance **Yes** No Not Applicable

2.3 Principle 3 : Compliance to legal requirements

Criterion 1 Regulatory requirements

Indicator 1 All operations shall be in compliance with applicable local, national and ratified international laws and regulations.

Summary

Rakyat Ketengah Perwira Sdn Bhd has maintained the systems for documentation, checking and assessment of legal compliance with applicable laws and regulations. Inspection of records showed that maintained legal compliance with statutory requirements. Sample of permit and license sighted as below;

- i) MPOB licence for – registered under Rakyat Ketengah Perwira Sdn Bhd 46714 V , 500065604000 - valid until 31st July 2020
- ii) Diesel License – KPDKK/KMN/25-002/2/585 SK D 10000 LITERS - Valid till 25th November 2020.
- iii) Trading License – The Business, Professional. No Syarikat 46714-V Effective since 17th April 1979. Didaftar oleh Suruhan Jaya Syarikat Malaysia.

Non-Conformity – Minor

A. No evidence sighted during the audit for following;

- 1. It was noted that, Petrol and Diesel was not in the chemical register dated on 1st January 2019. According to Regulation 5 (1) of OSH Regulation (Chemical Register 2000), an employer is require to identify and register all chemical hazardous to health used at the workplace and record in a register known as REGISTER OF CHEMICAL HAZARDOUS TO HEALTH (Chemical Register)
- 2. It was noted that, Diesel was not in the Chemical Health Risk Assessment dated on 1st November 2016. According to OSH Regulation (Chemical Register 2000), the duty to perform an assessment of health risks arising from the use of chemicals hazardous to health at the place of work is mandatory whereby employers are not permitted to use any chemicals hazardous to health unless an assessment has been conducted.

B. During the site inspection of the POM, the following Non-Conformity observations were made: -

- 1. Sighted the final effluent discharged not totally through the dedicated flowmeter for effluent discharge measurement.
- 2. The effluent level especially no 5 was nearly overflow. There was no freeboard left for the ponds bund safe operation.
- 3. The diesel generator exhaust outlet was too close to the diesel tank body. This is a fire hazard.
- 4. The Operation of the laboratory hot room was without adequate exhausted air drawn out. 2 of the exhaust ventilation fans were faulty. During the site visit found the level of fumes during hexane oil extraction was unbearably high.

Thus, a minor non-conformance was raised

In Compliance Yes **No** Not Applicable



Indicator 2 The management shall list all relevant laws related to their operations in a legal requirements register.

Summary Sighted sample list of licenses available in Rakyat Ketengah Sdn Bhd as below:

- 1.Ordinan penggajian 1955
- 2.Perakuan pendaftaran Petubuhan Syarikat
- 3.Lesen Jabatan Alam Sekitar
- 4.Lesen barang kawalan Berjadual
- 5.Permit potongan gaji pekerja JTK
- 6.Jadual pematuhan Alam sekitar
- 7.Lesen MPOB
- 8.Lesen bagi pemasangan bersendirian
- 9.Had kerja lebih masa dibawah seksyen 60A Akta Kerja 1955.
- 10.Potongan upah dibawah seksyen 24 Akta Kerja 1955

In Compliance **Yes** No Not Applicable

Indicator 3 The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.

Summary Tracking system is available to identify changes in the relevant regulations through the POM management, website information and the information are communicated from the Head Office.

In Compliance **Yes** No Not Applicable

Indicator 4 The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.

Summary The person in charge of legal compliance is En Wan Mohd Azizi b Wan Ahmad (Senior Assistant Mill) dated 1st January 2018 signed by Mr. Ir Zainal bin Ahmad (Mill Manager).

In Compliance **Yes** No Not Applicable

Criterion 2 Land use rights

Indicator 1 The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.

Summary As reported, the POM was developed on State Lease Land, issued as PTG.TR2/2978 /PTK 20/4/6/82 on the plot of HSD 823.

In Compliance **Yes** No Not Applicable

Indicator 2 The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.

Summary Rakyat Ketengah Perwira Sdn Bhd operation is on a lease land. There are documents in place showing legal ownership or lease and a history of land tenure. As reported, the POM was developed on State Lease Land, issued as PTG.TR2/2978 /PTK 20/4/6/82 on

the plot of HSD 823. Located at Mukim Bandi Kemaman Terengganu for period of 60 years. Expired by 25.09.2042.

Sekatan Kepentingan: Under Menteri Besar Terengganu Jurisdiction and approval.

In Compliance **Yes** No Not Applicable

Indicator 3 Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground, where practicable.

Summary Boundaries parameter were sighted during the site inspection of the POM.

In Compliance **Yes** No Not Applicable

Indicator 4 Where there are, or have been disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).

Summary The effluent area totaling of 4 hectare owned by the Ladang Rakyat was occupied by the POM to operate its effluent treatment plant since 1983. The letter was send up to resolve the issue address to Ketua Pegawai Esekutif Ladang rakyat Terengganu Refer letter :RKPSB 6/20A (951) by Pengurus Rakyat Ketengah Perwira Sdn Bhd and duly received by the Ladang Rakyat administration on 27 November 2019. Awaiting the formal reply letter.

For the record, the Ladang Rakyat has no objection on the POM effluent station occupying the Ladang Rakyat land since 1983. As it also part of the POM's shareholder.

No disputes have been recorded in the POM area. There is no evidence of conflict present in this POM. There is no violence on instigated violence in maintaining peace because company has a clear procedures for land conflict.

In Compliance **Yes** No Not Applicable

Criterion 3 Customary land rights

Indicator 1 Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.

Summary There is no customary land within or surrounding the POM. There are also no land disputes or claims involving the POM.

In Compliance **Yes** No Not Applicable

Indicator 2 Maps of an appropriate scale showing extent of recognized customary rights shall be made available.

Summary There is no customary land within or surrounding the POM. There are also no land disputes or claims involving the POM.

In Compliance **Yes** No Not Applicable

Indicator 3 Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available.

Summary There is no customary land within or surrounding the POM. There are also no land disputes or claims involving the POM.

In Compliance **Yes** No Not Applicable

2.4 Principle 4 : Social responsibility, health, safety and employment condition

Criterion 1 Social impact assessment (SIA)

Indicator 1 Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.

Summary Survey was conducted with internal and external participants selected respondents. The respondents randomly choose among workers and other stakeholders in Rakyat Ketengah Perwira Sdn. Bhd. The SIA is Prepared by Mr. Wan Mohd Azizi bin Wan Ahmad and Approved by Mr. Ir Zainal b. Ahmad

SIA questionnaire for internal and external covered the following areas :

No	Social Impact Survey Criteria
1	Pekerjaan
2	Kesan Perusahaan Kelapa Sawit kepada Persekitaran
3	Hubungan antara penduduk setempat dan perusahaan kelapa sawit
4	Kesihatan

In Compliance **Yes** No Not Applicable

Criterion 2 Complaints and grievances

Indicator 1 A system for dealing with complaints and grievances shall be established and documented.

Summary Company has established the Standard Operating Procedure Aduan and Rungutan – Doc. No: RKP - PAR. Prepared by Mr. Wan Mohd Azizi bin Wan Ahmad and Approved by Mr. Ir Zainal b. Ahmad) effective date : 23 July 2019

This procedure is a reference to management and staff in handling of any complaints and grievance from any stakeholder including individuals, government organization and non-government organization concerning the implementation of MSPO.

Sighted Flow chart of complaints and grievances designed for External and Internal Stakeholder in the SOP.

In Compliance **Yes** No Not Applicable

Indicator 2 The system shall be able to resolves disputes in an effective, timely and appropriate manner, which is accepted by all parties.

Summary Company has established the Standard Operating Procedure Aduan and Rungutan – Doc. No: RKP - PAR. Prepared by Mr. Wan Mohd Azizi bin Wan Ahmad and Approved by Mr. Ir Zainal b. Ahmad, effective date : 23 July 2019.

The procedure and flowchart are to specify steps for identification and verification of complaints and grievance in order to ensure management is committed to an open and transparent approach to resolve grievances with the involvement of affected stakeholders.

It was confirmed through interviewed that all staff and worker are understand about this procedure. The complaints and suggestion from internal and external stakeholder was resolved in effective, timely and appropriate manner.

In Compliance **Yes** No Not Applicable

Indicator 3 A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints.

Summary All internal employee and external stakeholders' can deliver their complaints and grievances directly to the management through filling the complaints form at Office Drop Box. Sighted the complaint form and complaint box at the POM premise.

In Compliance **Yes** No Not Applicable

Indicator 4 Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time.

Summary Sighted the External Stakeholder Meeting conducted on 3rd April 2019 to surrounding communities at Dewan Cempaka, Cheneh Recreation & Resort, Bandar Cheneh Baru, Kemaman.

The agenda discussed are;
i. Introduction MSPO to all surrounding communities
ii. Explanation all MSPO Policies
iii. Explanation of all Procedures

In Compliance **Yes** No Not Applicable

Indicator 5 Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.

Summary The POM has established 'Complaint Log Book' and Grievances/Complaint Form which was reviewed and updated monthly. Usually the lodge complaints are against house defects, maintenance, request for charity and requests for electrical or carpentry works.

Sighted all internal complaints filled, responded and the records being maintained for the last 12 months.

In Compliance **Yes** No Not Applicable

Criterion 3 Commitment to contribute to local sustainable development

Indicator 1 Palm oil millers should contribute to local development in consultation with the local communities. Where the mill is an integral part of a plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.

Summary The contribution made to the internal and external stakeholders as below;

- i. Sumbangan wang bagi mengadakan program memasak bubur As syura
- ii. Sumbangan untuk mengadakan perlawanan sukan lasak terbuka Cherul
- iii. Memohon sumbangan untuk Hari Anugerah Cemerlang 2019

In Compliance **Yes** No Not Applicable

Criterion 4 Employees safety and health

Indicator 1 An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act139) shall be documented, effectively communicated and implemented.

Summary Sighted the "Occupational Safety and Health Policy". Established on 1st January 2019 which was approved by YM Tengku Ahmad Nadzri bin Tengku Musa (Pengarah Eksekutif). Local OSH Policy has been prepared in both languages (English and Bahasa Malaysia) for easily understood by all levels of its employees.

The policy outline the commitment to following :

1. Compliance with Occupational Health and Safety Act 1994 and regulation
2. Provide training to all concern on health and safety measure to promote safe and health work culture.
3. Providing information and relevant PPE as and when deem necessary
4. Assessment will be carried out as far as practical on risk of hazards in all activities carried out in the workplace and reduce the risk and hazard accordingly

In Compliance **Yes** No Not Applicable

Indicator 2 The occupational safety and health plan shall cover the following:

- a) A safety and health policy, which is communicated and implemented.
- b) The risks of all operations shall be assessed and documented.



- c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill:
- i) all employees involved are adequately trained on safe working practices; and
 - ii) all precautions attached to products should be properly observed and applied.
- d) The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).
- e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.
- f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.
- g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meetings shall be kept and the concerns of the employees and any remedial actions taken shall be recorded.
- h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.
- i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.
- j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.

Summary

Sighted the "Occupational Safety and Health Policy". Established on 1st January 2019 which was approved by YM Tengku Ahmad Nadzri bin Tengku Musa (Pengarah Eksekutif). Local OSH Policy has been prepared in both languages (English and Bahasa Malaysia) for easily understood by all levels of its employees.

The policy has been communicated to worker during the taklimat given as follows;

Sighted the Internal Stakeholder Meeting conducted on 1st April 2019 with total attendance of 37 worker, conducted at POM. The agenda discussed are i. Objective MSPO, ii. Prinsip2 MSPO, Polisi Syarikat and all procedures.

HIRARC is consist of **hazard identification** (type of work activity, hazard & effect), **Risk analysis** (Existing risk control, likelihood, severity & risk) & **Risk Control** (Recommended control measures & PIC appointed are Staff or Executive). HIRARC sighted for the followings work operation :-

1. Stesen Timbang
2. Stesen Penerimaan Buah Kelapa Sawit
3. Stesen Thresher
4. Stesen Minyak
5. Stesen Digester dan Press
6. Makmal Kilang
7. Kernel Plant

Non-Conformity – Minor

Inadequate HIRARC being assessed and documented as per Clause 4.3.1 OHSAS 18001:2007 for Tempat Menyimpan Tandan Kosong, Lombong Enap Cemar (Sludge Pit), Stor Kimia, Stor Bahan Buangan Terjadual and Water Treatment plant

Thus, a minor non-conformance was raised.

POM has a comprehensive annual training plan for the Staffs and Workers and this was sighted in the training records file for each staffs and workers. Sighted Training Needs Analysis includes:-

1. Taklimat Keselamatan
2. Latihan Asas Prosedure Kecemasan
3. Basic Occupational First Aids
4. Pengedalin Bahan Kimia
5. Latihan Pemakaian PPE
6. Etc

POM has provided appropriate PPE for all workers in their operations. PPE Issuance and replacement record. Sighted for:-

1. Staff POM
2. Worker POM

During field visit, sighted the workers have been trained with safety and the workers wear the PPE.

Company has established the Standard Operating Procedure Pengurusan Bahan Kimia – Doc. No: RKP - PPBK. Prepared by Mr. Wan Mohd Azizi bin Wan Ahmad and Approved by Mr. Ir Zainal b. Ahmad, effective date : 1st Jan 2018

The company has appointed Medi-Ihsan Occupational Safety and Health to carry out CHRA Assessment for Kilang Rakyat Ketengah Perwira Sdn. Bhd. Site visit was carried out from 25th Disember 2016 by Dr. Yasriza bin Yahaya (JKPP IH 127/171-2(08)

All worker involve in Chemical has been undergo for Medical surveillance on 7th September 2019.

The POM Managers was appointed as the Chairman of the operating units ESH committee.

Sighted letters of appointment for all the committees " Jawatan Kuasa Keselamatan dan Kesihatan Pekerja KIlang (JKKP) bagi sesi 2019 " signed by The ESH Chairman.

The OSH committee meeting has been conducted as follows :-

- a. 24th January 2019
- b. 22nd April 2019
- c. 22nd July 2019
- d. 17th October 2019

Agenda:

1. Pengesahan minit mesyuarat
2. Perkara berbangkit
3. Objective OSHA & Program
4. Pematuhan akta & undang – undang
5. Statistik, Laporan dan Siasatan kemalangan
6. Aduan dalaman dan luar
7. Latihan dan kompetensi
8. Laporan pemeriksaan tempat kerja
9. Lain – lain hal

Sighted the emergency procedure for the POM. Emergency response plan is available in local language (Malay and English). The ERP has been explained to all workers and staffs during training.

First Aid Training was conducted on 24th June 2019 by NIOSH. Sighted picture, training material and attendance list attended by 2 participants.

During field visit, sighted first aid box and records maintained by first Aiders at the work places area.

Records of all accidents are available and discussed quarterly during OSH Meeting. Any accident occurred in the POM is handled according to the national OSH department (JKKP) includes reporting any accident case, Investigation and calculation of LTA.

POM have submit JKPP 8 (I & II)/(IV) on annually basis to the DOSH. LTA calculation based on local interpretation from DOSH JKPP 8 which submitted on 6th January 2019.

In Compliance Yes **No** Not Applicable

Criterion 5 Employment conditions	
Indicator 1	The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.

Summary Sighted the "Social Policy". Established on 1st January 2019 which was approved by YM Tengku Ahmad Nadzri bin Tengku Musa (Pengarah Eksekutif).

The company has committed to carry out this policy in all company's operations through :

1. Creating equal opportunities and anti-discrimination
2. Freedom of association
3. Non-sexual harassment
4. Reproductive right
5. Free from child labour
6. The human rights & business ethics

The policy was displayed in the notice boards for POM office for reference.



In Compliance **Yes** No Not Applicable

Indicator 2 The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.

Summary All workers enjoy the same scale of pay and provided with equal housing and work facilities.

No evidence of discrimination based on race, skin color, religion, gender, national origin, ancestry, disability, marital status, and sexual orientation was found in the POM.

During interviews, it is clearly that no forced labour in the POM.

In Compliance **Yes** No Not Applicable

Indicator 3 Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.

Summary Pay and conditions are documented in the Workers' Contract Agreement and wage payment records / pay slip.

The salary is according to 'Guidelines on the Implementation on the Minimum Wages'. National Wages Consultative Council Act 2011 (Act 732) Malaysian minimum salary is RM1,100.00 as stated in the guidelines. Interview with POM staff and workers and with male and female confirmed that they understand the terms and conditions of their employment. Sighted sample of worker wages as below;

No	ID	Nationality	Wages
1	FW05000566	Indonesia	1,572.39
2	FW05001198	Indonesia	1,811.68
3	FW05000280	Indonesia	1,786.29
4	FW05000672	Indonesia	1,710.98

In Compliance **Yes** No Not Applicable

Indicator 4 Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.

Summary The payment for employees of contractors was monitored by the management through obtaining the pay slips from the contractors for all their workers.

The salary is according to 'Guidelines on the Implementation on the Minimum Wages Order 2018'. National Wages Consultative Council Act 2011 (Act 732) Malaysian minimum salary is RM 1,100.00 as stated in the guidelines.



The salary is according to 'Guidelines on the Implementation on the Minimum Wages'. National Wages Consultative Council Act 2011 (Act 732) Malaysian minimum salary is RM1,100.00 as stated in the guidelines.

Sample of pay slip for the contract workers as below;

Name : Asrsful
Emp Code : Koperasi Ladang Rakyat Terengganu
Month of September 2019 – RM 2500

In Compliance **Yes** No Not Applicable

Indicator 5 The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.

Summary POM has established a system to record their worker particular which consist of the following information ;

1. Name
2. Identity Number
3. Pay Rate
4. Designation
5. Sex
6. Date of Birth
7. Marital Status
8. Race
9. Date Joined and Resigned
10. Address

Workers employed consisted of local and Indonesian. Each employee has an employment contract.

In Compliance **Yes** No Not Applicable

Indicator 6 All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.

Summary Inspection of a sample of employee contracts confirmed that terms and conditions are clearly outlined. The contract agreement for worker covers local and foreign workers and the term and conditions are documented are above the industry minimum standard.

Employment contracts were available in language that understood by the workers. The contract provide a details about the payments and employment conditions such as period of working, working hour, medical assistance, housing, holiday, annual leave, period of notice to terminate the contract, etc.



The contract agreement is signed by employee and employer and accompanied with respective witnesses. Workers employed consisted of local and Indonesian.

In Compliance **Yes** No Not Applicable

Indicator 7 The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers.

Summary Working hours is 8 hours. From Saturday to Thursday. Total monthly working hours is 208 hours. The overtime maximum is 104 hours according to Malaysian Law.

Sighted approval from JTK, Bandar Cheneh Baru to increase overtime hour from 104 to 130hour. POM has used punch card as a working time recording system.

In Compliance **Yes** No Not Applicable

Indicator 8 The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirement applicable.

Summary The working hour and break time has been clearly stated in the Employment Contract.

Sighted in the Contract Agreement the rate of overtime which agreed by both parties.

There is no complaint received regarding payment or forced to work on overtime during site interview

In Compliance **Yes** No Not Applicable

Indicator 9 Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.

Summary Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. During interview with workers confirmed that they are being paid according the stipulated minimum wage.

No	ID	Nationality	Wages
1	FW05000566	Indonesia	1,572.39
2	FW05001198	Indonesia	1,811.68
3	FW05000280	Indonesia	1,786.29
4	FW05000672	Indonesia	1,710.98

In Compliance **Yes** No Not Applicable

Indicator 10 Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings



Summary All workers have been provided with medical and free legalization cost, Insurance, annual leave and Sick leave

In Compliance **Yes** No Not Applicable

Indicator 11 In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.

Summary The workers quarters was found habitable and in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446). Treated water and electricity were provided to the housing for free of charge.

In Compliance **Yes** No Not Applicable

Indicator 12 The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace.

Summary Sighted the "Social Policy". Established on 1st January 2019 which was approved by YM Tengku Ahmad Nadzri bin Tengku Musa (Pengarah Eksekutif).

The policy to prevent all forms of sexual harassment and violence at the workplace has been incorporated in the Social Policy

In Compliance **Yes** No Not Applicable

Indicator 13 The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.

Summary Sighted the "Social Policy". Established on 1st January 2019 which was approved by YM Tengku Ahmad Nadzri bin Tengku Musa (Pengarah Eksekutif).

The policy of Freedom of association and The human right & business ethics at the workplace has been incorporated in the Social Policy. Local or foreign workers are given the freedom which it is an optional for them to join worker union formed in estates.

In Compliance **Yes** No Not Applicable

Indicator 14 Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.

Summary Sighted the "Social Policy". Established on 1st January 2019 which was approved by YM Tengku Ahmad Nadzri bin Tengku Musa (Pengarah Eksekutif).

The policy of free from child labour at the workplace has been incorporated in the Social Policy. There are no children below ages of 18 working in Rakyat Ketengah Perwira Sdn. Bhd and this was proven through checking the list of employees as well as their biodata and through verification visits at POM. The workers were clear that no one below 18 years old should be employed.

In Compliance **Yes** No Not Applicable

Criterion 6 Training and competency

Indicator 1 All employees and contractors shall be appropriately trained. A training program shall include regular assessment of training needs and documentation, including records of training.

Summary POM has established a comprehensive annual OSH training plan for its staffs and workers and this was sighted in the training records file for each staffs and workers.

A comprehensive training was carry out as below;

1. Basic Occupational First aid on 23rd – 24th June 2016
2. Seminar Pembangunan Lestari Alam Sekitar on 13th November 2019
3. Penerangan Polisi & Kesedaran Pematuhan MSPO on 27th November 2019
4. Latihan Pemakaian PPE on 27th November 2019

In Compliance **Yes** No Not Applicable

Indicator 2 Training needs of individual employees shall be identified prior to the planning and implementation of the training program in order to provide the specific skill and competency required to all employees based on their job description.

Summary All workers involved in the operations have been adequately trained in safe working practice. As evidence, sighted the training needs analysis prepared by POM management for all workers.

In Compliance **Yes** No Not Applicable

Indicator 3 A continuous training program shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.

Summary All workers involved in the operations have been adequately trained in safe working practice. POM has a comprehensive annual training plan for its staffs and workers and this was sighted in the training need analysis.

Trainings conducted were recorded in the various trainings record and completed with attendance records, training materials and photographs of the training.

List of training which has been implemented by POM as listed below;

1. Taklimat Keselamatan



2. Latihan Asas Prosedure Kecemasan
3. Basic Occupational First Aids
4. Pengedalin Bahan Kimia
5. Latihan Pemakaian PPE
6. Etc.

In Compliance **Yes** No Not Applicable

2.5 Principle 5 : Environment, natural resources, biodiversity, and ecosystem services

Criterion 1 Environmental management plan

Indicator 1 An environmental policy and management plan which shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.

Summary Rakyat Ketengah Perwira Sdn Bhd, has established the Environmental Policy; Date on 1st January 2019. Approved by YM. Tengku Ahmad Nadzri bin Tengku Musa MUSA (Executive Director).

As stated in it Environmental Policy, Rakyat Ketengah Perwira Sdn. Bhd are committed and responsible for continual improvement in safe guarding the environment to achieve the goal of sustainable development through;

1. Mematuhi semua garis panduan dan undang-undang yang berkait dengan pemeliharaan aspek-aspek alam sekitar yang berkaitan.
2. Merancang, menilai dan melaksana tindakan yang bersesuaian bagi mengurangkan impak kepada aspek alam sekitar ekoran aktiviti-aktiviti syarikat.
3. Menyediakan latihan dan pembangunan berterusan dalam usaha untuk mewujudkan persefahaman yang lebih baik dalam kalangan pekerja di semua bahagian.
4. Menyediakan sistem yang efektif tertakluk kepada Akta Kualiti Alam Sekitar 1974 (Akta 127).

The policy and the management plan have been communicated on 1st April 2019 by Mr Wan Azizi bin Wan Ahmad (Senior Assistant Mill). Attended by 108 (Mill Workers including 37 Management workers) participants.

In Compliance **Yes** No Not Applicable

Indicator 2 The environmental management plan shall cover the following:
a) An environmental policy and objectives;
b) The aspects and impacts analysis of all operations.

Summary The policy and the management plan have been communicated on 1ST April 2019 by Mr. Wan Azizi (Senior Assistant Mill). Attended by 108 (Mill Workers including 37 management workers) participants.

Sighted the Environmental Impact Assessment, Management action plans prepared by Rakyat Ketengah Perwira Sdn. Bhd. for the POM operations below: -

- Reception station
- Sterilising, Treshing and Pressing station
- Clarification Station
- Nut and Kernel station
- Raw and Treated effluent plant
- Boiler house operation
- Power house
- Raw water treatment plant
- Product storage
- Laboratory system
- Store system
- Cafeteria
- Workshop
- Construction site

In Compliance **Yes** No Not Applicable

Indicator 3 An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.

Summary Sighted the Environmental Impact Assessment, Management Action Plans and Continuous Improvement Program prepared by Rakyat Ketengah Perwira Sdn. Bhd. to developed to mitigate the negative impacts and to promote the positive one and effectively implemented and monitored.

In Compliance **Yes** No Not Applicable

Indicator 4 A program to promote the positive impacts should be included in the continual improvement plan.

Summary Observed that the positive impact has been included into the continual improvement plan. Sighted the program for continuous improvement plan includes:

A. Isu Operasi

No	Programme	Target
1	Membina bilik untuk switch board	Done
2	Membina stork khas untuk petrol	Done
3	Memasang ventilation di dalam stor	Done
4	Memasang silencer	Done
5	Memasang electrostatic precipitator	Done



6	Membina Sump untuk Steam trap	Done
7	Memasang system bomba di kawasan kilang	Done
8	Melakukan kerja – kerja pembersihan kolam	Done

B. Welfare

No	Programme	Target
1	Menambahkan kerusi menunggu untuk pemandu lori	Done
2	Memasang tempat letak topi keselamatan yang baru	Done
3	Menurap jalan yang berlubang	Done

In Compliance **Yes** No Not Applicable

Indicator 5 An awareness and training program shall be established and implemented to ensure that all employees understand the policy, objectives and management plans and are working towards achieving the objectives.

Summary

POM has a comprehensive annual training plan for its staffs and workers and this was sighted in the training records file for each staffs and workers. The training plan for 2019 and Training need analysis was sighted. Trainings conducted were recorded in the various trainings record and completed with attendance records, training materials and photographs of the training.

Sighted Training plan and the list of trainings are as below :-

1. Taklimat Keselamatan
2. Latihan Asas Prosedur Kecemasan
3. Basic Occupational First Aid
4. Authorised Entrant and Standby Person For Confined Space Refresher
5. Hazard Identification, Risk Assesment and Risk Control (HIRARC)
6. Occupational Safety and Health ACT 1994 (OSHA 1994)
7. Pengendalian Bahan Kimia
8. Latihan Pemakaian PPE
9. Operation Training
10. Section 1 - Reception
11. Section 2 - Sterilizer
12. Section 3 - Threshing / Press
13. Section 4 - Kernel Plant
14. Section 5 - Oil Room
15. Section 6 - Boiler
16. Section 7 - Effluent & Raw Water
17. Section 8 - Laboratory
18. Section 9 - Workshop
19. Section 10 - Electrical
20. Section 11 - Store
21. Section 12 - Safety & Security Practice
22. Course for Certified Environmental Professional in the Treatment of Palm Oil Mill Effluent (CePPOME)
23. Awareness Environmental Aspect & Impact



- 24. Pengurusan Buangan Terjadual
- 25. MSPO Training
- 26. Internal Audit MSPO
- 27. Kursus & Peperiksaan Kemahiran Menggred Buah Sawit
- 28. Kursus Kemahiran & Pengetahuan Asas Rawatan Efluen Sawit
- 29. Kursus Penyelia Bengkel Kilang Sawit
- 30. MBRS For Preparers - Financial Statements

In Compliance **Yes** No Not Applicable

Indicator 6 Management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.

Summary Sighted the latest Environmental committee meeting "Mesyuarat Jawatankuasa Pengawasan Prestasi Alam sekitar " on 17th October 2019 conducted by En.Wan Mohd Azizi Wan Ahmad (Senior Assistant Mill). Attended by 10 Management Staff.

In Compliance **Yes** No Not Applicable

Criterion 2 Efficiency of energy use and use of renewable energy

Indicator 1 Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.

Summary POM has monitored diesel usage and non-renewable energy by establishing baseline values and trends within appropriate timeframe.

Non-Conformity – Minor

Electricity usage monitoring not available during audit.

POM do not demonstrate that consumption of non-renewable energies is optimized

Thus, a minor non-conformance was raised.

In Compliance Yes **No** Not Applicable

Indicator 2 Palm oil millers shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.

Summary POM has monitored diesel usage by establishing baseline values and trends within appropriate timeframe. Refer to the record in clause 4.5.2.1.

In Compliance **Yes** No Not Applicable

Indicator 3 The use of renewable energy should be applied where possible.



Summary The POM used by product of FFB production as renewable energy source are extracted fiber and shell from FFB production.

In Compliance **Yes** **No** **Not Applicable**

Criterion 3 Waste management and disposal

Indicator 1 All waste products and sources of pollution shall be identified and documented.

Summary The POM has identified types of waste and sources of the pollution as below: -

Type of Waste	SW Code	Item Description	Location	Action to be Taken
Scheduled Waste	SW 305	Spent lubricating oil	Mechanical / Electrical Workshop	Collect & record amount of relevant scheduled waste Store all scheduled waste under lock and key All containers shall be labelled with proper scheduled waste label Dispose off the items through licensed contractor
	SW 410	Rags, plastics, papers or filters contaminated with scheduled wastes		
	SW 306	Spent hydraulic oil		
	SW 409	Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes	Chemical store	Collect & record amount of empty container Store all scheduled waste under lock and key Empty chemical containers to be labelled with poisonous hazard sign (skull) and returned to supplier
	SW 102	Used battery	Mechanical / Workshop	Collect of battery. Trade-in to supplier
Domestic Waste	-	Rubbish	Linesite, Office, Workshop, Store, Shop	Collect recyclable materials (paper, glass, plastic) in recycling bins provided and send to recycle company for recycling



				Collect other domestic waste from office and linesite in bins and send to dumping area
				Create further awareness on recycling among mill staff through training and recycling campaigns
				Create awareness on Hygiene
Industrial Waste	-	POME	Mill Effluent Pond	Monitoring of final discharge water colour before release to water course
				Monitoring of bunds, drains and pipes to ensure no seepage, leakage or overflow
				Monitoring BOD level of POME discharged to ensure it is within 100mg/l
	-	EFB	Mill	EFB applied to dumping area and disposal to landfill within 14days or sell.
	-	Scrap metal	Workshop	Scrap metal is recycled, if possible, or collected by licensed contractor
	-	Fibre	Mill	Fibre applied to dumping area and used for boiler or sell.
	-	Shell	Mill	Shell applied to dumping area and used for boiler or sell.

In Compliance **Yes** No Not Applicable

Indicator 2 A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measures for:
a) Identifying and monitoring sources of waste and pollution.
b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.

Summary The POM has identified and documented the types of wastes that generated from its operation in Environmental Management Plan.

The plan has also identified source of pollution, impact, waste generated, and management control.

As evidence, used engine oil (SW305) from Vehicle and Machinery Disposed by DOE approved Contractor – Pentas Flora (Kelantan Sdn. Bhd.)

The wastes identified in the plan includes: -

- Spent lubricating oil Rags
- plastics, papers or filters contaminated with scheduled wastes
- Disposed containers,
- bags or equipment contaminated with chemicals,
- pesticides,



- mineral oil or scheduled wastes
- Used battery
- Used cartridge ink

In Compliance **Yes** No Not Applicable

Indicator 3 The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Wastes) Regulations, 2005.

Summary Company has established SOP Chemical Control "PROSEDUR PENGURUSAN BAHAN KIMIA"; Doc No: RKP-PPBK ; Rev: 0; Date on 1st January 2019 Approved by Mr. Ir. Zainal Bin Ahmad (Mill Manager).

In Compliance **Yes** No Not Applicable

Indicator 4 Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.

Summary All domestic waste collected from the workers housing complex are disposed in Rakyat Ketengah Perwira Sdn. Bhd. POM's landfill. During the site visit landfill signage with date of open 6th July 2019.

In Compliance **Yes** No Not Applicable

Criterion 4 Reduction of pollution and emission including greenhouse gas

Indicator 1 An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.

Summary The assessment of polluting activities is identified and documented in the environmental impact assessment and management plan. From the EIA, it is evaluated for the impact and aspect included in the management plan.

Non-Conformity – Minor

Data on the level of Greenhouse gases (GHG) emissions are not available during audit

Thus, a minor non-conformance was raised.

In Compliance **Yes** No Not Applicable

Indicator 2 An action plan to reduce identified significant pollutants and emissions shall be established and implemented.

Summary The assessment of polluting activities is identified and documented in the environmental impact assessment and management plan. Sighted action plans to reduce identified significant pollutants and emissions in EIA.

In Compliance **Yes** No Not Applicable

Indicator 3 Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations

Summary The POM is treating POME in accordance to the DOE Limits for final discharge into the water course to the River(Sungai Cerul).

Sighted the license from DOE: AS(B)T:31/152/000/006.

Site inspection confirms that the effluent treatment plant meets the requirements set by DOE (Jadual Pematuhan). Verification from the documents confirms that effluent discharges are sampled on a monthly basis and founds meeting requirements set by DOE

In Compliance **Yes** No Not Applicable

Criterion 5 Natural water resources

Indicator 1 The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water).
The water management plan may include:
a) Assessment of water usage and sources.
b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities.
c) Ways to optimize water and nutrient usage and reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc).

Summary Identification on water usage have been document in the water management plan. This includes consumption for domestic, boiler and processing. Summary of water consumption on POM have been reviewed. POM has been used water catchment for POM activities and linessite.

POM has been monitored the outgoing water/POME. In the water management plan, water consumption activity, efficiency monitoring for domestic water use including installing of flow meter at the point where water is extracted, and water quality test have been in place.

In Compliance **Yes** No Not Applicable

Indicator 2 Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.

Summary The effluents are discharged through land application as approved by DOE in Jadual Pematuhan.



Site inspection confirms that the effluent treatment plant meets the requirements set by DOE (Jadual Pematuhan). Verification from the documents confirms that effluent discharges are sampled on a monthly basis and founds meeting requirements set by DOE.

In Compliance **Yes** **No** **Not Applicable**

2.6 Principle 6 : Best practices

Criterion 1 Mill management

Indicator 1 Standard operating procedures shall be appropriately documented and consistently implemented and monitored.

Summary Rakyat Ketengah Perwira Sdn. Bhd. has a well-established management systems for monitoring and control of best practice implementation at its POM.

There were 30 SOPs documented for the Ketengah Rakyat Perwira Sdn Bhd operation.
Sample as below:

1. Procedure penerangan tugas
2. Procedure audit dalaman
3. Procedure aduan dan rungutan
4. Asas Procedure process
5. Asas procedure makamal

In Compliance **Yes** **No** **Not Applicable**

Indicator 2 All palm oil mills shall implement best practices.

Summary The internal audit conducted on the 17th – 20th June 2017 found the SOP for the laboratory was inadequate. There after the action taken immediately for the new set. Refer as RKP_APM SOP with effect from 1st January 2018.

In Compliance **Yes** **No** **Not Applicable**

Criterion 2 Economic and financial viability plan

Indicator 1 A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.

Summary Rakyat Ketengah Perwira Sdn. Bhd. had an annual budget for the financial year 2019 and 3 years business plan. The budget includes the projected FFB production, general charges, upkeep & cultivation, Collection and Immature areas.

Year	2020	2021	2022	2023	2024
FFB (MT)	220,000	220,000	220,000	230,000	230,000
OER %	20	20	20.10	20.10	20.10
KER %	4.80	5.0	5.0	5.0	5.0
CPO (MT)	44000	44000	44220	46230	46230
KER (MT)	10560	11000	11000	11500	11500
Total Charge / MT	60	60	60	60	60

The POM target to achieve a better OER by incremental of 0.1 percent higher in the year of 2023 onward.

In Compliance **Yes** No Not Applicable

Criterion 3 Transparent and fair price dealing,

Indicator 1 Pricing mechanisms for the products and other services shall be documented and effectively implemented.

Summary Sample of FFB contract agreement between Santong Sawit Sdn Bhd, Peladang (Bengkel) Bukit Dimang, 21800 Ajil Hulu Terangganu with Rakyat Ketengah Perwira Sdn. Bhd. for Tawaran Belian BTS. Term and condition such as Pricing formula, Payment method Basic OER and KER were documented accordingly.

Sighted the payment voucher for the BTS delivered to the mill in September 2019 dated 12th October 2019. Refer to Cek No ABB/KMN:117314 respectively.

In Compliance **Yes** No Not Applicable

Indicator 2 All contracts shall be fair, legal and transparent and agreed payments shall be made in a timely manner.

Summary Sighted the Contract Agreement between Rakyat Ketengah Perwira Sdn. Bhd. (Seller) with Wilmar Kuantan Edible Oils Sdn. Bhd. (Buyer). Contract No RPKSB CPO 11/19-1972 dated on 24th October 2019 and Invoice No. M4053 Date 26 Nov 2019.

In Compliance **Yes** No Not Applicable

Criterion 4 Contractor

Indicator 1 In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information.

Summary All the contractors aware that POM is certified under MSPO. Therefore, the contractor has been instructed by POM management to follow the MSPO standard requirement as per letter issued to all contractors on 2nd June 2019.

The policies were already communicated through the tender process and once contract sign by both parties. The contractor shall be subjected to the management system audits by auditors assigned by the management as and when deemed necessary.

In Compliance **Yes** No Not Applicable

Indicator 2 The management shall provide evidence of agreed contracts with the contractor.

Summary All the contractors are aware that POM is certified under MSPO. Therefore, the contractor has been informed by POM management to follow the MSPO standard requirement.

Sighted all contract includes an agreement signed by contractor and POM manager with term and condition which includes contractor must adhere to Rakyat Ketengah Perwira Sdn. Bhd. policies and MSPO compliances

In Compliance **Yes** No Not Applicable

Indicator 3 The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.

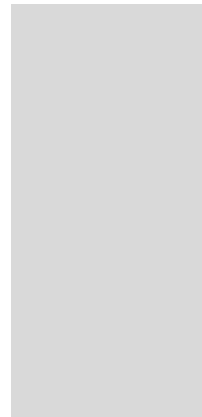
Summary The management accepted MSPO approved auditors to verify the assessments through a physical inspection, if required.

Sighted Contract Agreement Terms and Conditions on Sustainability Requirement – The Management and the Contractor agree that;

1. The Contractor shall comply with Rakyat Ketengah Perwira Sdn. Bhd. Sustainability Policy while working in the premise.
2. The Contractor shall be subjected to the management system audits by auditors assigned by the Management as and when deemed necessary. It is understood that the Contractor has obligation to comply with the certification standards along with the Management. Respective contractors shall be given a written notice prior to each of the audit.

The POM was audited by Global Gateway Certifications Sdn Bhd MSPO auditor on 2nd December 2019. The management accepted MSPO approved auditors to verify the assessments through a physical inspection, if required for audit purposed

In Compliance **Yes** No Not Applicable



2.7 Details of Audit Findings

Details Non-Conformity

Refer to Appendix B

Details of Area of Concern

No AOC being raised during audit assessment

Details of Noteworthy / Positive Findings

- 1) Proactive and highly committed shown by Rakyat Ketengah Perwira Sdn. Bhd. establishment and implementation of MSPO
- 2) Good cooperation and commitment from the management and staff
- 3) Good relationship being maintained with external stakeholders.
- 4) Good positive feedback received external stakeholders' s meeting



Appendix A: Audit Plan

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
02 nd December 2019	08:00 – 09:00	<ul style="list-style-type: none"> ➤ Opening Meeting at Rakyat Ketengah Perwira Sdn Bhd: <ul style="list-style-type: none"> • Presentation by the manager/coordinator • Presentation by Lead Auditor. ➤ Confirmation of assessment scope and finalize Auditplan. 	MRB	RMN/SS
	09:00 – 13:00	<ul style="list-style-type: none"> ➤ Document Audit: <ul style="list-style-type: none"> • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. ➤ Mill Inspection / Interview: <ul style="list-style-type: none"> • Workshop, Laboratory, Environment, OHS, Chemical Stores, Workers Welfare and Interview, Clinic, Landfill, Mill Housing, Biogas System, WWTP, Schedule Waste, POME, etc. 	MRB	RMN/SS
		10:30 – 12:30	<ul style="list-style-type: none"> ➤ Stakeholder Consultation 	MRB
	13:00 – 14:00	<ul style="list-style-type: none"> ➤ Lunch/Rest 	MRB	RMN/SS
	14:00 – 15:00	<ul style="list-style-type: none"> ➤ Continue document audit: <ul style="list-style-type: none"> • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MRB	RMN/SS
	15:00 – 16:00	<ul style="list-style-type: none"> ➤ Verify any outstanding issues and auditor discussion. 	MRB	RMN/SS
	16:00 – 17:00	<ul style="list-style-type: none"> ➤ Closing Meeting at Rakyat Ketengah Perwira Sdn Bhd: <ul style="list-style-type: none"> • Presentation of findings by the audit team • Questions & answers and Final summary by Lead Auditor ➤ End of assessment 	MRB	RMN/SS





Appendix B: Non-Conformity details

Non-Conformities Identified During Audit



Major Nonconformities:	Non-was raised during this audit.
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Minor Nonconformities:	The following NC's were raised for this audit.
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Company Name		Rakyat Ketengah Perwira Sdn. Bhd.	
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input type="checkbox"/>	Recertification
Audited Standard		Part 4 : General Principles for Palm Oil Mill	
Client Number		GGC-AL1-MSPO-2019	
NC No. / Ref.	AL1/MSPO/MINOR 01	Date Detected	2 nd December 2019
Site(s) concern	Rakyat Ketengah Pewira Sdn. Bhd.	Target Completion	Next Surveillance audit
Normative Reference and Requirement	4.4.4.2 The occupational safety and health plan should cover the following: b) The risks of all operations shall be assessed and documented.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
Description of Non-Conformity	No evidence sighted during the audit.		
NC Objective Evidence:			
b) Inadequate HIRARC being assessed and documented as per Clause 4.3.1 OHSAS 18001:2007 for Tempat Menyimpan Tandan Kosong, Lombong Enap Cemar (Sludge Pit), Stor Kimia, Stor Bahan Buangan Terjadual and Water Treatment plant			
Lead Auditor Signature:		Client Signature:	
			
Root cause Analysis (to be filled by client):			
Corrective action planned (to be filled by client):			
Preventive Action (to be filled by client):			





Review of corrective/preventive action (to be filled by Lead Auditor)	
NC Closed: <input type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Company Name	Rakyat Ketengah Perwira Sdn. Bhd.			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 4 : General Principles for Palm Oil Mill			
Client Number	GGC-AL1-MSPO-2019			
NC No. / Ref.	AL1/MSPO/MINOR 02	Date Detected	2 nd December 2019	
Site(s) concern	Rakyat Ketengah Perwira Sdn. Bhd.	Target Completion	Next Surveillance audit	
Normative Reference and Requirement	4.3.1.1 All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.			
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	No evidence sighted during the audit.			
NC Objective Evidence:				
<p>1. It was noted that, Petrol and Diesel was not in the chemical register dated on 1st January 2019. According to Regulation 5 (1) of OSH Regulation (Chemical Register 2000), an employer is require to identify and register all chemical hazardous to health used at the workplace and record in a register known as REGISTER OF CHEMICAL HAZARDOUS TO HEALTH (Chemical Register)</p> <p>2. It was noted that, Diesel was not in the Chemical Health Risk Assessment dated on 1st November 2016. According to OSH Regulation (Chemical Register 2000), the duty to perform an assessment of health risks arising from the use of chemicals hazardous to health at the place of work is mandatory whereby employers are not permitted to use any chemicals hazardous to health unless an assessment has been conducted.</p>				
Lead Auditor Signature:		Client Signature:		
				
Root cause Analysis (to be filled by client):				





Corrective action planned (to be filled by client):	
Preventive Action (to be filled by client):	
Review of corrective/preventive action (to be filled by Lead Auditor)	
NC Closed: <input type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Company Name	Rakyat Ketengah Perwira Sdn. Bhd.			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 4 : General Principles for Palm Oil Mill			
Client Number	GGC-AL1-MSPO-2019			
NC No. / Ref.	AL1/MSPO/MINOR 03	Date Detected	2 nd December 2019	
Site(s) concern	Rakyat Ketengah Perwira Sdn. Bhd.	Target Completion	Next Surveillance audit	
Normative Reference and Requirement	4.5.2.1 Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period.			
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	Electricity usage monitoring not available during audit. POM do not demonstrate that consumption of non-renewable energies is optimized			
NC Objective Evidence:				
Electricity usage monitoring not available during audit. POM do not demonstrate that consumption of non-renewable energies is optimized				
Lead Auditor Signature:		Client Signature:		
				
Root cause Analysis (to be filled by client):				
Corrective action planned (to be filled by client):				





Preventive Action (to be filled by client):	
Review of corrective/preventive action (to be filled by Lead Auditor)	
NC Closed: <input type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Company Name	Rakyat Ketengah Perwira Sdn. Bhd.			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 4 : General Principles for Palm Oil Mill			
Client Number	GGC-AL1-MSPO-2019			
NC No. / Ref.	AL1/MSPO/MINOR 04	Date Detected	2 nd December 2019	
Site(s) concern	Rakyat Ketengah Perwira Sdn. Bhd.	Target Completion	Next Surveillance audit	
Normative Reference and Requirement	4.5.4.1 An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.			
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	Data on the level of Greenhouse gases (GHG) emissions are not available during audit			
NC Objective Evidence:				
Data on the level of Greenhouse gases (GHG) emissions are not available during audit				
Lead Auditor Signature:		Client Signature:		
				
Root cause Analysis (to be filled by client):				
Corrective action planned (to be filled by client):				
Preventive Action (to be filled by client):				

Review of corrective/preventive action (to be filled by Lead Auditor)	
NC Closed: <input type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Company Name	Rakyat Ketengah Perwira Sdn. Bhd.			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 4 : General Principles for Palm Oil Mill			
Client Number	GGC-AL1-MSPO-2019			
NC No. / Ref.	AL1/MSPO/MINOR 05	Date Detected	2 nd December 2019	
Site(s) concern	Rakyat Ketengah Perwira Sdn. Bhd.	Target Completion	Next Surveillance audit	
Normative Reference and Requirement	4.3.1.1 All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.			
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	<p>1. Refers to the DOE licence condition attached mentioning the Syarat lesen premis Minyak Kelapa Sawit Mentah Jadual Pematuhan - Pelupusan Effluen: alur Air</p> <p>i. Para. 6. Sebarang pelepasan effluent melalui pintasan adalah tidak dibenarkan, sighted the final effluent discharged not totally through the dedicated flowmeter.</p> <p>ii. Para 8 (v) Penyenggaraan system pengolahan effluent.,sighted the effluent level especially no 5 was nearly overflow. There was no more freeboard left for the ponds bund level of safe operation</p> <p>2. As the Fire act 1998 mentioned as para (f) of fire hazard described any other matter or circumstances that materially increases the like hood of fire or danger to life or property that would result from outbreak of fire.</p> <p>3. The guide line on the control of chemicals hazardous to health mentioned that the Hexane -1 was harmful to health and the engineering control to control the exposure.</p>			

NC Objective Evidence:	
<ol style="list-style-type: none"> 1. Evidence of the final effluent discharged was not totally through the flowmeter. Short circuiting occurred. 2. Sighted the effluent level especially no 5 was nearly overflow. There was no freeboard left for the ponds bund safe operation 3. The diesel generator exhaust outlet was too close to the diesel tank body. This is a fire hazard. 4. The Operation of the laboratory hot room was without adequate exhausted air drawn out. 2 of the exhaust ventilation fans were faulty. During the site visit found the level of fumes during hexane oil extraction was unbearably high. 	
Lead Auditor Signature:	Client Signature:
	
Root cause Analysis (to be filled by client):	
Corrective action planned (to be filled by client):	
Preventive Action (to be filled by client):	
Review of corrective/preventive action (to be filled by Lead Auditor)	
NC Closed: <input type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Area of Concern:	Non-was raised during this audit.
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Appendix C: List of Stakeholders Contacted

Internal Stakeholders

1. Rakyat Ketengah Perwira Sdn Bhd management team and staff
2. Male and Female workers
3. Workers Representatives
4. Foreign Workers Representatives

External Stakeholders

1. MPOB Officer
2. JTK Officer
3. Community Surrounding Rakyat Ketengah Perwira Sdn. Bhd.