

GLOBAL GATEWAY CERTIFICATIONS

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

CERTIFICATION AUDIT REPORT

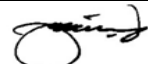
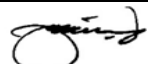

Part 4 : General Principles for Palm Oil Mills


Raub Oil Mill Sdn Bhd

-Individual Certification-

ANNUAL SURVEILLANCE AUDIT

11th March 2020

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	20/03/2020	Issued as Draft Report	Muhammad Syafiq bin Abd Razak	Lead Auditor	
B	27/03/2020	Issued as Final Report	Muhammad Syafiq bin Abd Razak	Lead Auditor	
B	09/04/2020	Final Report Approved	Muhd Jamalul Arif bin Hamid	Certifier	

Acknowledgment by Raub Oil Mill Sdn Bhd					
Rev	Date	Description	Management Representative	Role	Signature
B	09/04/2020	Acceptance of the contents	Uma Shankar A/L Balakrishnan	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. (GGC) has conducted the Certification Assessment of Raub Oil Mill Sdn Bhd. During this Annual Surveillance Audit (ASA 1), the audit team were briefed by Mill Manager, of the supply base disposition. The source of FFB supplies to Raub Oil Mill Sdn Bhd are only from their own estate [Raub Mining & Development Co. Sdn Bhd], out-growers and other smallholders.

This assessment was conducted onsite on 11th March 2020 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". The scope of certification is "Production Of Sustainable Crude Palm Oil And Palm Kernel".

1.2 Company details and Contact information

Company Name	Raub Oil Mill Sdn Bhd
Business Address	Bukit Koman, 27600 Raub, Pahang
Contact Person	Mr. Uma Shankar A/L Balakrishnan
Office Telephone	+603 355 1200/+603 355 2200
E-Mail	romsb_raub@yahoo.com

1.3 Certification Unit

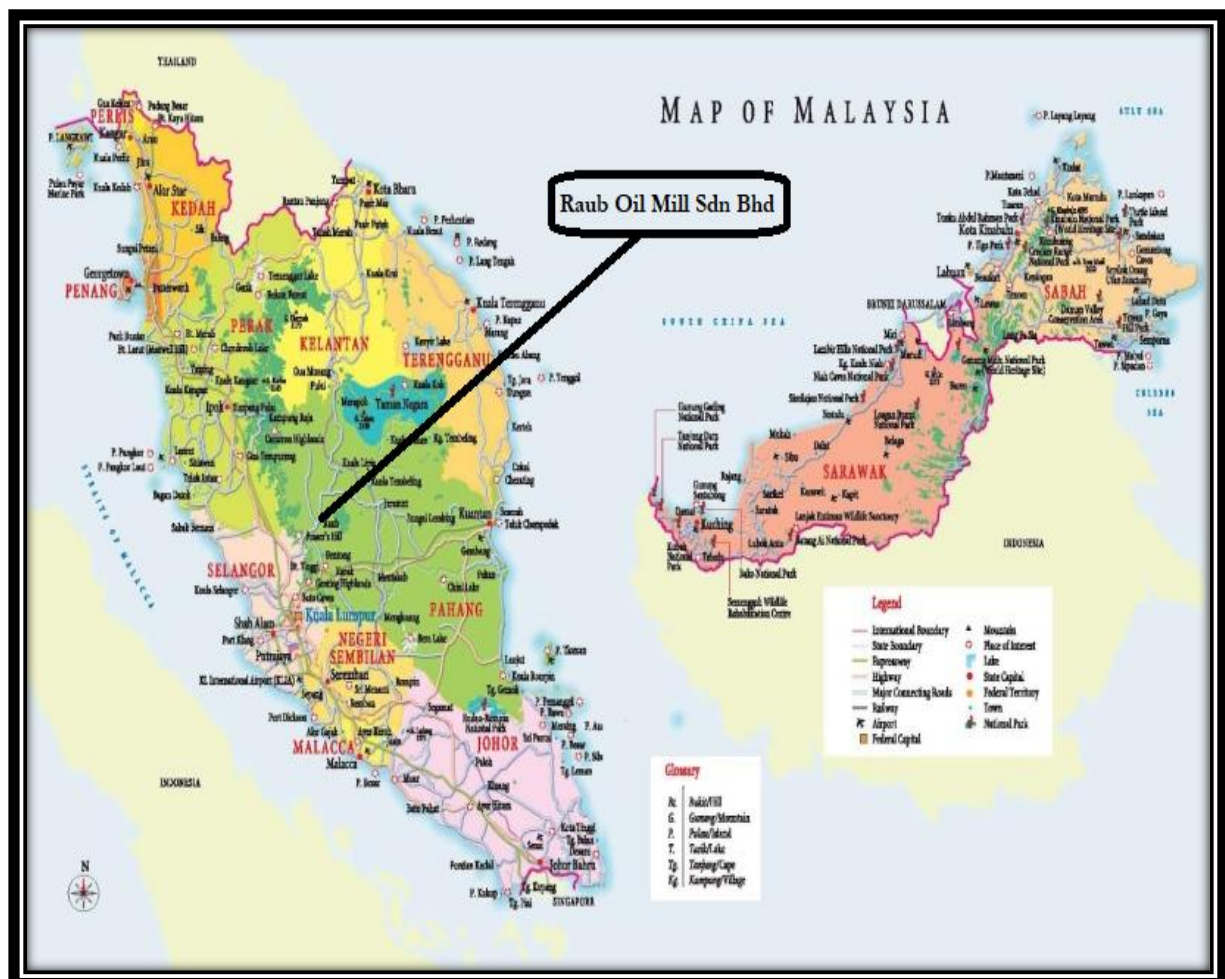
Name of the Certification Unit	Raub Oil Mill Sdn Bhd		
Mill Capacity (MT/HR)	60		
Site Address	Bukit Koman, 27600 Raub, Pahang		
GPS Reference of the site office	Longitude	E 101° 51' 15.78"	
	Latitude	N 3° 50' 37.20"	
MPOB License Information	License No.	500007904000	



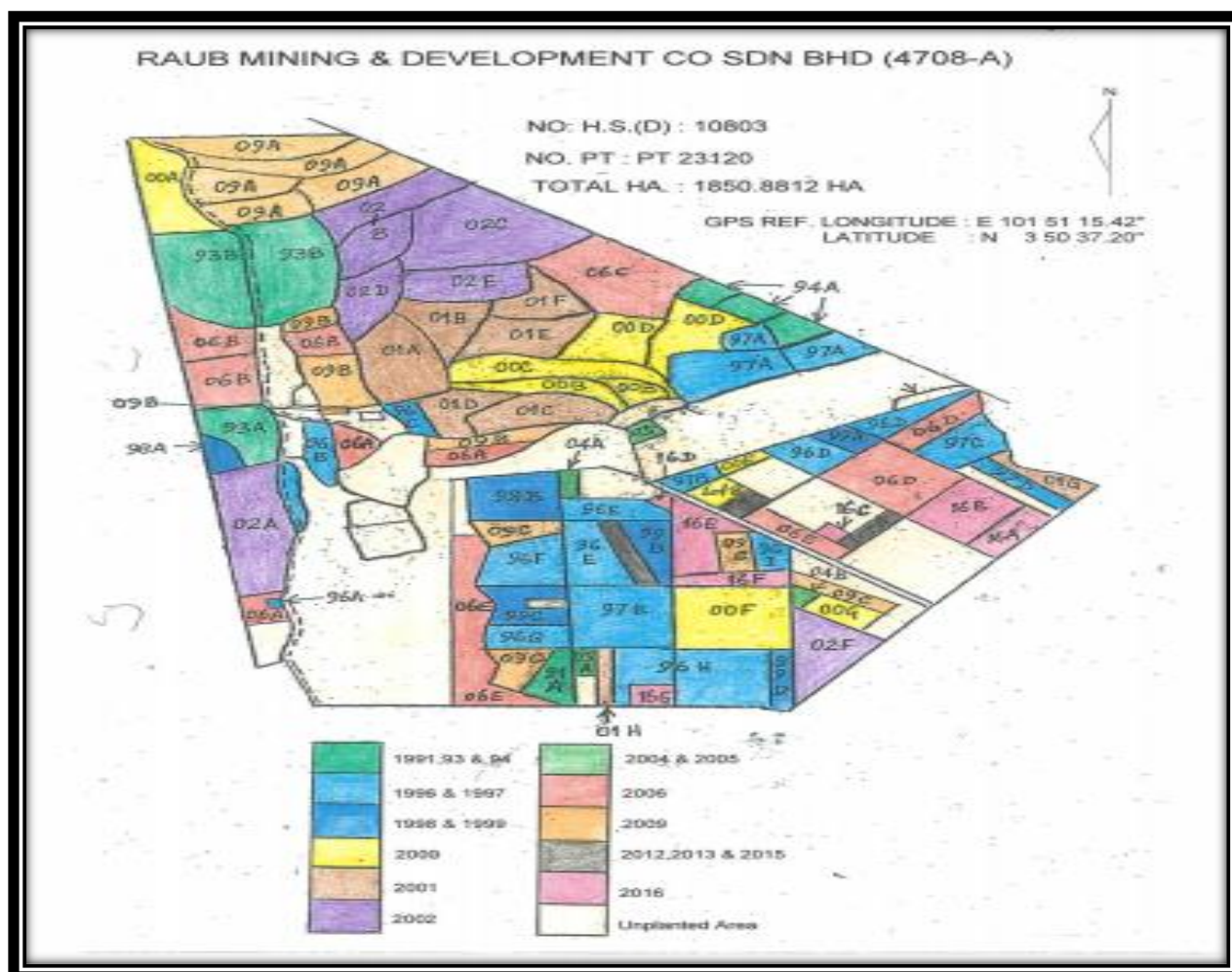
	<p>Scope of Activity</p> <ol style="list-style-type: none"> 1. "Menjual dan Mengalih – PK, CPO, SPO" 2. "Membeli dan Mengalih – FFB, PK, CPO" 3. "Menyimpan – PK, CPO, SPO" 4. "Mengilang FFB" <p>Expiry Date</p>	<ol style="list-style-type: none"> 1. "Menjual dan Mengalih – PK, CPO, SPO" 2. "Membeli dan Mengalih – FFB, PK, CPO" 3. "Menyimpan – PK, CPO, SPO" 4. "Mengilang FFB" <p>31st March 2021</p>
<p>Others Sustainability Certification</p>	<p>NIL</p>	

1.4 Map Showing Geographical Location

1) Raub Oil Mill Sdn Bhd



2) Raub Oil Mill Sdn Bhd (Share with Raub Mining & Development Co. Sdn Bhd Land Title)



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

Production for Certified Unit

Raub Oil Mill Sdn Bhd	Projected from last audit	Actual Production for 12 Months [Mar 2019-Feb 2020]	Projected Production for next 12 Months [Mar 2020-Feb 2021]
FFB Summary (MT)	21,000	25,662.14	27,000
CPO Summary (MT)	5,330	5,285.30	5,600
PK Summary (MT)	1,430	1,387.81	1,500

FFB's Own Estate & Certified Estates

Production for Uncertified Unit

Raub Oil Mill Sdn Bhd	Projected from last audit	Actual Production for 12 Months [Mar 2019-Feb 2020]	Projected Production for next 12 Months [Mar 2020-Feb 2021]
FFB Summary (MT)	187,559.00	174,878.26	189,363.00
CPO Summary (MT)	38,449.60	36,662.83	38,754.00
PK Summary (MT)	10,315.75	9,661.97	10,400.00

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-ROM001-MSPO-01-2019

Initial certificate issued date

29th April 2019

Certificate expiry date

28th April 2024

Stage 1 assessment date

18th January 2019

Stage 2 / Main Assessment

19th March 2019

Annual Surveillance 1 [ASA 1]

11th March 2020

Annual Surveillance 2 [ASA 2]

January 2021

Annual Surveillance 3 [ASA 3]

January 2022

1.7 Qualification of the Lead Assessor and Assessment Team**Lead Auditor****Name:** **Muhammad Syafiq bin Abd Razak**

Graduate in plantation management with more than 7 years working experience in various plantation company and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Fully trained in similar agriculture certification programs such as RSPO, SCCS, MSPO and etc. Qualified as Lead Auditor/Auditor in several certification programme. Involved in RSPO and MSPO assessment since 2014. Involved in audits conducted in for many different companies in Malaysia, Indonesia, Australia, Pakistan, India, Arab Saudi and Ivory Coast. Completed and certified MSPO Auditor course in 2014 (3rd Batch) held by MPOB. Member of GGC MSPO audit team.

Experienced in handling mineral and peat soil oil palm estate. Knowledgeable in chemical in control of weeds and pest & disease in Oil Palm Plantation sector. Understanding in Industrial relation and labour law. Attended OSH Act 1994 & Regulations and Factories & Machinery Act 1967 & Regulations Training. Participated in Workshop for Oil Palm Growers on Peat at Bogor, Indonesia. Completed and attended Social Impact Assessment Training at Bogor, Indonesia organized by Remark Asia. Also, has attended training for RSPO GHG calculation on year 2015 in Kuala Lumpur.

During this assessment, he assessed on the aspect of Management Commitment and Responsibility, Transparency, Compliance To Legal Requirements, Stakeholder's Consultation and Workers Welfare, Best Practices and etc. He is able to speak and understand Bahasa Malaysia and English.

Auditor**Name:** **Hj. Ahmad bin Sukiman**

He holds MSc Plantation Management from Universiti Putra Malaysia (UPM). Above 30 years of working experiences with various plantation companies and skills in Best Agriculture Practices (GAP) for plantation. Fully trained in MSPO and qualified as Lead Auditor/Auditor for MSPO. Involved in MSPO assessment since 2015. Completed and certified MSPO Auditor course in 2015 held by DQS Certification (M) Sdn Bhd and ISO 9001:2015 lead auditor course by TOMC. Member of GGC MSPO audit team.

During this assessment, he assessed on the aspect of Legal and Environment, Natural Resources, Biodiversity and Ecosystem Services Best Practices. Able to speak and understand Bahasa Malaysia and English.

Auditor**Name:** **Mohamad Razin bin Bakal**

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 compliance to Transparency and Social responsibility, health, safety and employment condition. 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 “**Raub Oil Mill 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	11 th March 2020
Name of site(s) visited	Raub Oil Mill 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	0	No action requires
Area of Concern	1	No action requires
Noteworthy /Positive Comments	7	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.

During this Annual Surveillance Audit (ASA 1), 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 A (Mill workers)	<ul style="list-style-type: none"> • They aware and have good understanding about MSPO. • They have good understanding about complaint and grievance mechanism. • Personal Protective Equipment are distributed free of charged by management. • Company well managing the welfare, health and safety of their workers. • They are very happy with the management and hopes to continue their contract for a long time. • They have been treated equally without any discrimination. Their salary was according to Minimum Wage Order 2018. • MSPO awareness, company policy and SOP are briefed among workers during muster call. 	No action requires	Positive findings

2.	Stakeholders B (Mill - Gender Committee Representatives)	<ul style="list-style-type: none"> • They aware and have good understanding about MSPO. • They have been treated equally without any discrimination. • No sexual harassment reported. 	No action requires	Positive findings
3.	Stakeholders C (Contractors)	<ul style="list-style-type: none"> • They have good understanding about MSPO. • The company has good relation with supplier and there is no issue with company's performance. • They informed that the payments were made promptly without any delay. Contract agreement were signed prior commencement of work. 	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 Raub Oil Mill Sdn Bhd. Mill Manager is in charge and ensures that facility and his subordinates comply with the requirements and procedures stated in this manual.

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 Annual Surveillance Audit (ASA 1).

This report will be internally reviewed for certification decision by GGC and external peer review by independent reviewers (Qualified by MPOCC) not required. During Annual Surveillance Audit (ASA 1) [based on MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO)] Part 4: General Principles For Palm Oil Mills, there was 1 area of concern has been raised to the facility that being audited.

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted was no major non-conformity findings. Therefore, the Lead Auditor recommends to continuing a certificate of compliance "MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles For Palm Oil Mills" to Raub Oil Mill Sdn Bhd.

1.13 Date of Next Surveillance Audit

The first 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
IPM	Integrated Pest Management
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
RSPO	Roundtable on Sustainable Palm Oil
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 Company has established MSPO Policy signed and approved by Mr. Tai Swe Chong (General Manager) date on 1st August 2018.

As evidence, sighted the policy training on 06th January 2020. Conducted by Mr. Uma Shankar A/L Balakrishnan (Mill Manager) and attended by 68 participants.

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 Company has established MSPO Policy signed and approved by Mr. Tai Swe Chong (General Manager) date on 1st August 2018.

Stated on the MSPO Policy; the Raub Oil Mill Sdn Bhd will pursue continues improvement by engaging in regular review processes and taking active steps to continually develop the skills and competencies of our employees, strengthen our procedures and leverage technological advances.

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 Internal audit will be conducted once in a year as per stated on MSPO Procedure; Internal Audit; Doc No. MSPO-01; Rev: 0, dated 01st August 2018. Prepared by Mr. Naavin A/L Muthu Krishnan (Mill Assistant Manager) and approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager).

Internal audit procedure was made available Flowchart of internal audit were available [pg. 3 of 4].

Sighted the RMDC Internal Audit plan for year 2019 prepared by Mr. Tai Swe Chong (General Manager).

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 SOP Internal Audit [Doc No. MSPO-01 Rev: 0, dated 1st July 2018] at File 7 [C2/P1]. Internal audit procedure was made available Flowchart of internal audit were available [pg. 3 of 4].

Internal audit conducted once in a year, latest internal audit conducted on 3rd – 7th January 2019, and internal report prepared by Mr. Naavin, Asst Mill Manager and approved by Mr. Uma Shankar A/L Balakrishnan, Mill Manager [Ref: 1/2019]

10 Minor NC were identified, all root cause was available and documented, sighted in audit internal audit procedures [Appendix 4].

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

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

Summary The internal audit conducted once in a year, latest internal audit conducted on 16th December 2019 – 20th December 2019 and internal report prepared by Mr. Naavin, Asst Mill Manager and approved by Mr. Uma Shankar A/L Balakrishnan, Mill Manager.

The internal audit report was documented and made available for management review. As evidence, all findings of the internal audit have been covered in management review. The status of the correction and preventive actions are being discuss and reviewed.

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 Sighted MSPO Procedure; Management Review; Doc No. MSPO-02; Rev: 0, dated 01st August 2018. Prepared by Mr. Naavin A/L Muthu Krishnan (Mill Assistant Manager) and approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager).

Management review meeting was conducted on 03rd June 2019. Management review meeting (MRM) report were made available prepared by Mr. Naavin A/L Muthu Krishnan (Mill Assistant Manager) and approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager).

Conducted at Raub Oil Mill Meeting Room. Sighted attendance record and photographs, and attended by 6 respective staffs.

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 Continual Improvement Plan dated 1st October 2019 was prepared by Mr. Naavin A/L Muthu Krishnan (Mill Assistant Manager) and approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager).

As evidence, on social:

- Issues: Housing repairs for staffs & workers
- Objective: To ensure workers have comfortable accommodation and clean environment.
- Improvement Plan: To conduct line site inspection on weekly basis
- Monitoring: Conducted every week
- PIC: Estate Manager/Assistant Manager

As evidence, on environmental:

- Issues: Scheduled Waste
- Objective: Minimize soil pollution.
- Improvement Plan: To ensure machinery in the mill is free from hydraulic oil and lubricant oil leakage as it will pollute soil and water.
- Monitoring: Site visit and scheduled waste inventory book
- PIC: Estate Manager/Assistant Manager/Foreman

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.
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Summary There is no new application of new technology implemented during the certification period. The current practices continued and guide by Mr. Tai Swe Chong (General Manager).

Management proposed to install new Air Pollution Control System [To be scheduled in future plan]. As per interviewed with Mr. Uma Shankar A/L Balakrishnan (Mill Manager) the mill in progress to install it.

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

Raub Oil Mill Sdn. Bhd. has established Standard Operating Procedures (SOP) for Stakeholders Engagement/Negotiation – MSPO 03, Rev 1.0, Effective Date on 1st December 2018. The policy has identified the procedure of arrangement for consultation and communication by Raub Oil Mill Sdn. Bhd. with their relevant stakeholders and how their concern and view are addressed.

Sighted the Internal and External Stakeholder Meeting conducted on 27th November 2019, attended by 27 participated. The meeting was collaborated between Estate and Mill which conducted at Bilik Mesyuarat Raub Oil Mill. The agenda discussed are;

- i. Briefing on Company Policy
- ii. Briefing on MSPO
- iii. Briefing on complaints and request procedure
- iv. Action Plan for existing strategic and future
- v. Other Matters.

No complaints or request made during the meeting.

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

As per interviewed with Mr. Uma Shankar A/L Balakrishnan (Mill Manager), some of the documents publicly available and some of the documents need to get permission from HQ level.

The classification of management documents as below;

Documents	Confidential	Non Confidential
Environment Policy		/
Social Policy		/
Sexual Harassment Policy		/
OSH Policy		/
Zero Burning Policy		/
Environment Assessment and Impact Report		/
Social Impact Assessment Report		/
External Audit Report		/
Stakeholder minute meeting		/
Emergency Rescue Plan and Procedure		/
Annual Financial Statement	/	
Monthly Financial Statement	/	
Marketing Document	/	

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	<p>Raub Oil Mill Sdn. Bhd. has established Standard Operating Procedures (SOP) for Stakeholders Engagement/Negotiation – MSPO 03, Rev 1.0, Date : 1st December 2018. The policy has identified the procedure of arrangement for consultation and communication by Raub Oil Mill Sdn. Bhd. with its relevant stakeholders and how their concern and view are addressed.</p> <p>Mill has shown a good communication, by publish the flow chart of Procedure “Pengurusan Aduan Pekerja/Stakeholder” at the notice board in front of mill office and housing complex. The feedback can be forward to mill management to Complain box. Sighted sample of complaint as below;</p> <p>Sample No. 1 Complainer : Nor Hairi bin Draper Complaint : i. Monyet berkeliaran di Kawasan Perumahan. ii. Monyet masuk kedalam rumah dan merosakkan harta benda. Dated : 30th April 2019 Action taken : Pihak kilang telah mengambil tindakan memasang jarring di sekitar bangunan rumah supaya monyet tidak dapat masuk. The issue solve on 6th June 2019 and verified by mill manager.</p> <p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 2	The management shall nominate management officials at the operating unit responsible for issues related to Indicator 1 (4.2.2.1).
Summary	<p>Sighted an appointment letter of Mr. Naavin A/L Muthu Krishnan (Mill Engineer) as person in charge for stakeholder matters. The letter dated 01st August 2018, signed by Mr. Uma Shankar A/L Balakrishnan (Mill Manager).</p> <p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
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	<p>Sighted latest list of stakeholders on 1st November 2019. Prepared by Ms. Chiew Yan Fern (Admin Asstn), Reviewed by Mr. Uma Shankar A/L Punir Selvam (Mill Engineer) and Approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager).</p> <p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>

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	<p>Company has established the Sustainability Procedure. Title: Traceability (Mill); No: SP-ROM-06; Rev 1.0; Date 01/10/2018. Prepared by Mr. Naavin A/L Muthu Krishnan (Mill Engineer) and Approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager).</p> <p><u>FFB Receive:</u> From: Raub Mining & Dev. Co. Sdn. Bhd. Date: 7th March 2020 Lorry No: BJS 4902 Weight: 4,100 kg.</p> <p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 2	The management shall conduct regular inspections on compliance with the established traceability system.
Summary	<p>Mill has conducted the inspection on traceability system on daily basis. Sighted in Daily In & Out Lorries. All documents will be verified by Security Department and Weighbridge Clerk.</p> <p>Inspection of traceability was carried out during the MSPO SCCS internal audit dated 25th February 2020 by Mr. Uma Shankar A/L Balakrishnan (Lead Auditor) and Mr. Naavin A/L Muthu Krishnan (Co Auditor).</p> <p>Sighted the weighbridge ticket for CPO dispatch from Raub Oil Mill (Seller) premise to the Intercontinental Specialty Fats Berhad (Buyer) dated on 6th March 2019, with total weight 39,680 kg.</p> <p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 3	The management shall identify and assign suitable employees to implement and maintain the traceability system.
Summary	<p>Mill management has assigned 1 personnel as person in charge to maintain and implement traceability system, Ms Shiew Yan Fern (Account & Admin Assistant). Sighted the appointment letter dated on 1st August 2018 which was signed by Mr. Uma Shankar A/L Balakrishnan (Mill Manager).</p> <p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.

Summary All delivery or transportation of FFB's record was properly maintained by the mill management. Sighted Daily Bunch Record, Delivery Note, Grading Chit and Mill Weighbridge Ticket kept in the office for reference.

Contract agreement of CPO transportation (ISF/LTP048/19) contract date 1st December 2019 between the mill, Raub Oil Mill Sdn Bhd and Intercontinental Specialty Fats Sdn. Bhd. was sighted.

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 Raub Oil Mill Sdn Bhd has established the MSPO Procedure on Management of Legal Compliance, Ref No. MSPO-07, Rev 0 dated 01.10.2018 prepared by Mr Naaavin A/L Muthu Krishnan (Assistant Mill Manager), approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager) with the objective to provide a guideline to ensure all the relevant legal requirement area identified and implemented.

Raub Oil Mill Sdn Bhd has established its List & summary of applicable laws and regulations that are applicable for the estate. The applicable laws include:

1. Occupational Safety and Health Act 1994 (Act 514)
2. Factories and Machinery Act with regulations 1967 (Act 139)
3. Uniform Building By Law, 1986
4. Electricity Supply Act 1990 (Act 447)
5. Petroleum (Safety Measures) Act 1984 (Act 302)
6. Fire Services Act, 1984
7. Code of Practice for Safe Working in a Confined Space, 2001
8. Industrial Code of Practice for Safe Working in a Confined Space, 2010
9. Environmental Quality Act 1974 (Act 127)
10. Local Government Act, 1976
11. Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446)
12. Employment Act 1955 (Act 265)
13. Minimum Retirement Age Act 2012
14. National Wage Consultative Council Act 2011 (Act 732), Minimum Wages Order 2018
15. Children and Young Persons (Employment) Act 1966 (Act 350)
16. Anti-Trafficking In Persons Act 2007
17. Drainage Works Act 1954
18. Employees Provident Fund Act 1991 (Act 452)
19. Employees Social Security Act 1969 (Act 4)
20. Malaysian Palm Oil Board Act 1998
21. Windfall Profit Levy Act 1988
22. Personal Data Protection Act 2010
23. Aboriginal Peoples Act 1954

24. Protection of Wildlife Act 1972
25. Dangerous Drugs Act 1952
26. Police Act 1967
27. Destruction of Disease-Bearing Insects Act 1975 (Act 154)
28. Arm Act 1960 (Act 206)
29. Industrial Relations Act 1967 (Act 177)
30. Workman Compensation Act 1952 (Act 273)
31. Immigration Act 1959/63 (Act 155)
32. Road Transport Act 1987 (Act 333)
33. Estate Hospital Assistants (Registration) Act 1965
34. Food Act, 1983
35. Wildlife Conservation Act 2010
36. Water Services Industry Act 2006
37. Employment Information Act 1953
38. Unclaimed Moneys Act 1965
39. Weights and Measures Act 1972 (Act 71)
40. Trade Union Act 1959 (Act 262)
41. Control of Supplies Act 1961
42. Employee Insurance Scheme Act 2017

Raub Mining & Development Co Sdn Bhd (Estate) has managed Mill's Linesite Inspection. Linesite inspection was carried out by Mr Nathan A/L Gunasekaran (Assistant Manager) – 4 times a month.

Monthly VMO visit conducted by Mr N. Siritaran R. Narayanan (Penolong Pegawai Perubatan U32, LPPM 2827) on 30.12.2019 covers the following area;

1. Staff Quarters – ground, Pest Control, Safety, Waste
2. Building – Cafeteria, Store

The Monthly Returns for year 2020 includes the following;

1. MPOB E-Kilang (monthly return)
2. DOE (Quarterly return)
3. E-Swis (monthly return)
4. JKPP8 (yearly return)

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 lists of permits/licenses which has to be monitored and updated periodically includes;

1. MPOB license No. 500007904000 untuk Menjual dan Mengalih PK,CPO,SPO, Membeli dan Mengalih FFB,PK,CPO Menyimpan PK,CPO,SPO dan Mengilang FFB expiry 31.03.2021.
2. Lesen Jabatan Alam Sekitar, Seksyen 18(1), Akta Kualiti Alam Sekeliling, 1974. For Raub Oil Mill Sdn Bhd, License No. 004132 expiry 30.06.2020.

3. Lesen Jadual Pematuhan, Syarat-Syarat Lesen Premis Minyak Kelapa Sawit Mentah, Jabatan Alam Sekitar for Raub Oil Mill Sdn Bhd (cap. 60mt per hour), License No 004132 for a period of 01.07.2019 to 30.06.2020. "Kaedah Pelupusan Efluen Alur Air" as per Existing Effluent Treatment Ponds, No Lukisan RAUB/ACC/06/01 dated 03.04.2006 with "takat pelepasan" of 100ppm.
4. Lesen Pelanggaran Jabatan Alam Sekitar No. 005045 untuk mengeluarkan dan melepaskan apa-apa benda berbahaya kepada alam sekitar, pencemar atau buangan ke udara dengan melanggar syarat-syarat yang boleh diterima yang ditentukan di bawah Sekdyen 21" expiry 04.06.2020
5. Lesen Perniagaan, Majlis Daerah Raub, No Akaun: L-0013913-09 for a period of 01.01.2020 to 31.12.2020
6. Akta Bekalan Elektrik 1990, Lesen Bagi Pepasangan Persendirian, No. Siri: 39086, aggregate kuasa 1,460kW expiry date 30.09.2020
7. Permit Barang Kawalan Berjadual, Peraturan-Peraturan Kawalan Bekalan 1974, Peraturan 9(2) for 20,000liter diesel, No Siri P: C000310 expiry 30.05.2020.
8. Perakuan Kelayakan Pengandung Tekanan Tak Berapi – Steriliser, 310 kilo pascal each, Ref PMT-PH/19 26201, PMT- PH/19 26202 & PMT- PH/19 26203 expiry 30.09.2020 (3 nos).
9. Perakuan Kelayakan Pengandung Tekanan Tak Berapi – Steriliser, 345 kilo pascal each, Ref PMT-PH/19 26205 & PMT- PH/19 26855 expiry 30.09.2020 (2 nos).
10. Perakuan Kelayakan Pengandung Tekanan Tak Berapi – Back Pressure Receiver, 310 kilo pascal, Ref PMT-PH/19 26200 expiry 30.09.2020 (1 nos).
11. Perakuan Kelayakan Pengandung Tekanan Tak Berapi – Back Pressure Steam Receiver, 345 kilo pascal, Ref PMT-PH/19 26204 expiry 30.09.2020 (1 nos).
12. Perakuan Kelayakan Pengandung Tekanan Tak Berapi – Bekas Udara, 1,138 kilo pascal Ref PMT-PH/19 22072 expiry 17.06.2020 (1 nos).
13. Perakuan Kelayakan Pengandung Tekanan Tak Berapi – Air Receiver, 1,034 kilo pascal, Ref PMT-PH/19 22069 expiry 17.06.2020 (1 nos).
14. Perakuan Kelayakan Pengandung Tekanan Tak Berapi – Vertical Air Receiver Tank, 1,380 kilo pascal, Ref PMT-PH/19 22071 expiry 17.06.2020 (1 nos).
15. Perakuan Kelayakan Pengandung Tekanan Tak Berapi – Air Compressor, 981 kilo pascal Ref PMT-PH/19 22070 expiry 17.06.2020 (1 nos).
16. Perakuan Kelayakan Dandang – Tiub Air Yoshimine, 2,158 kilo pascal, Ref PMD-PH/19 22073 expiry 17.06.2020 (1 nos).
17. Perakuan Kelayakan Dandang – Dandang Setim Tiub Air H2701A, 2,154 kilo pascal, Ref PMD-PH/19 26199 expiry 30.09.2020 (1 nos).
18. Perakuan Kelayakan Mesin Angkat – Demag Hoist, 15.75 kW, Ref PMA-PH/19 22067 expiry 17.06.2020 (1 nos).
19. Perakuan Kelayakan Mesin Angkat – Demag Hoist, 15.75 kW, Ref PMA-PH/19 22068 expiry 17.06.2020 (1 nos)
20. Perakuan Penentuan Timbang dan Sukat - No. Siri Alat: 1217090222 for 100mt. Stamping Date: 24.09.2019 by Metrology Corporation Malaysia Sdn Bhd.
21. No Fire Certificate – refer to Area of Concern.
22. Lesen Penggunaan Sumber Air No Lesen SWUL/LPSA/96/2019), No Siri: 0367 for Air Permukaan, Lokasi Pengambilan: Sungai Gali expiry 31.12.2019. Sighted letter of "Penangguhan Pengeluaran Lesen dan Caj Penggunaan Sumber Air Mentah" from Pejabat Setiausaha Kerajaan Pahang dated 19.12.2019.

Sighted the following documents as evidence of compliance/competency:

1. Perakuan kebolehan (Peraturan 5 (2), Akta Kilang dan Jentera, 1967, Steam Engineer Gred 2 – Mr Uma Shankar A/L Balakrishnan (841213-01-5641) No Perakuan 022/2014 effective 24.02.2014
2. Perakuan kebolehan (Peraturan 5 (2), Akta Kilang dan Jentera, 1967, Steam Engineer Gred 2 – Mr Naavin A/L Muthu Krishnan (900122-04-5041) No Perakuan 082/2017 effective 17.05.2017
3. Penjaga Jentera (Chargeman), Mr Jamal Nasir Bin Mohd Rosely (770109-06-5547), Perakuan No.: PJ-T-2-B-0241-2003 kategori A1 effective 04.11.2003.
4. Internal Combustion Engine Driver Grade Satu for Mr. Gopal A/L Perumal, IC No. 700208-02-5045, No Perakuan; PA/24/2015 effective 23.06.2015
5. Engine Driver Gred 1 for Injin Setim dan Dandang Setim, Mr Gopal A/L Perumal, IC No. 700208-02-5045, No Perakuan; PA/54/2007 effective 20.06.2007

However, one area of concern has been raised to Raub Oil Mill Sdn Bhd. Raub Oil Mill Sdn Bhd is operating without fire fighting system. This is not in compliance with Section 28 (Requirement of Fire Certificate) of Fire Services Act 1988 (Act 341) (incorporating all amendments up to 1 January 2006). As per interviewed with Mill Manager, the Raub Oil Mill Sdn Bhd in-progress to applying the Fire Certificate with the Jabatan Bomba dan Penyelamat Malaysia.

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 As per interviewed with Ms Chiew Yan Fern, she will update any new amendments or any regulations once received through the communication with internal department, legal register, communication with law/enforcement officers.

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 Miss Chiew Yan Fern (Account & Admin. Assistant)) was appointed to ensure/maintain the compliance with applicable laws and regulations of the Mill. The letter of appointment dated 01.05.2019 has been signed by the Mill Manager, Mr Uma Shankar A/L Balakrishnan.

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 The mill area of 4.273ha was built within land title of Lot 31152 (HSD 10803, PT 23120) Mukim Gali, Daerah Raub, owned by Raub Mining & Development Co. Sdn Bhd.

Sighted Perakuan Pemerbadanan Syarikat Sendirian, Akta Syarikat 1965 indicates that Raub Oil Mill Sendirian Berhad (No Syarikat 26175P) registered on 17.09.2009 is a subsidiary of Raub Mining & Development Company Sdn Bhd.

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 The mill was built within land title of Lot 31152 (HSD 10803, PT 23120) Mukim Gali, Daerah Raub, owned by its parent Company, Raub Mining & Development Co. Sdn Bhd.

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 The Perimeter Boundary Plan Lot 31152 (HSD 10803 PT 23120), Plan No. VG/324/RMD/19/P2 dated 06.11.2019 indicating the location of ten (10) boundary stones of the mill.

The mill is located at a GPS coordinate of E101°51'15.78" and N3°50'37.20".

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 mill was built within land title of Lot 31152 (HSD 10803, PT 23120) Mukim Gali, Daerah Raub, owned by its parent Company, Raub Mining & Development Co. Sdn Bhd.

No disputes have been recorded in the Mill area. There is no evidence of conflict present in this Mill. There is no violence or instigated violence in maintaining peace because company has a clear procedure 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 The mill was built within land title of Lot 31152 (HSD 10803, PT 23120) Mukim Gali, Daerah Raub, owned by its parent Company, Raub Mining & Development Co. Sdn Bhd.

There is no customary land within or surrounding the Mill. There are also no land disputes or claims involving the Mill. The company has proper legal land titles for the land ownership.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

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

Summary The mill was built within land title of Lot 31152 (HSD 10803, PT 23120) Mukim Gali, Daerah Raub, owned by its parent Company, Raub Mining & Development Co. Sdn Bhd.

There is no customary land within or surrounding the Mill. There are also no land disputes or claims involving the Mill. The company has proper legal land titles for the land ownership.

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 The mill was built within land title of Lot 31152 (HSD 10803, PT 23120) Mukim Gali, Daerah Raub, owned by its parent Company, Raub Mining & Development Co. Sdn Bhd.

There is no customary land within or surrounding the Mill. There are also no land disputes or claims involving the Mill. The company has proper legal land titles for the land ownership.

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 Company has established MSPO Procedure: Social Impact Assessment (SIA), Rev.: 0 dated 1st August 2018. The procedure has been prepared by Mr. Naavin A/L Muthu Krishnan (Assistant Mill) and Approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager)

Sighted latest SIA done by Raub Oil Mill Sdn. Bhd. conducted from 1st to 10th October 2018. Survey was conducted with 9 participants randomly selected respondents. The respondents randomly choose among workers and other stakeholders in Raub Oil Mill Sdn. Bhd. The SIA is prepared by Mr. Uma Shankar A/L Balakrishnan (Mill Manager)

The general objectives of Social Impact Assessment (SIA) are :

1. To ensure Social Impact Assessment is done as per the MSPO 2530:2013 Criteria 4.4.1
2. To ensure all activities and facilities of Raub Oil Mill Sdn. Bhd. meet all the criteria in line with its Social Policy
3. To identify social impact with the affected relevant internal stakeholders especially employees.
4. To ensure actions taken in response to the recommendations of assessment report and feedback from affected stakeholders
5. To ensure a timetable with responsibilities for mitigating the negative impacts is reviewed and updated, the implementation of this SIA management plan, monitoring, reviewing and continuous improvement.

SIA questionnaire for internal and external covered the following areas :

No	Social Impact Survey Criteria
1	Access and Use Rights
2	Economic livelihood and working condition
3	Subsistence Activities
4	Cultural and Religious Values
5	Health Facilities
6	Educational Facilities
7	Other community value, resulting from changes in improvement of transport / communication / influx of migrant labour force

No issue raised for the External Stakeholder except for Internal Stakeholder as below;

Issue:

1. Road condition: Poor road condition from RMDC main gate to mill.
2. Housing: Old blocks ceiling are damaged and light & switches malfunctioned.
3. Workers representative: Some workers interviewed did not know their representative.
4. Sexual Harassment: Most of the female workers were not aware on the policy and procedure on sexual harassment.
5. Complaint book & procedure: Some workers that interviewed not aware of complaint book and procedure
6. Employment agreement: Copy of agreement not given to workers (Passed copy to workers by Clerk).

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 Complaint & Grievance – Doc. No: MSPO-03. Prepared by Mr. Mr. Naavin A/L Muthu Krishnan (Assistant Mill) and approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager) effective from 1st August 2018.

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 company 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 Complaint & Grievance – Doc. No: MSPO-03. Prepared by Mr. Mr. Naavin A/L Muthu Krishnan (Assistant Mill) and approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager) effective from 1st August 2018

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.

Sighted sampled complaint form submitted by the internal stakeholder as below;

Sample No. 1

Complainer : Nor Hairi bin Draper

Complaint : i. Monyet berkeliaran di Kawasan Perumahan.
ii. Monyet masuk kedalam rumah dan merosakkan harta benda.

Dated : 30th April 2019

Action taken : Pihak kilang telah mengambil tindakan memasang jarring di sekitar bangunan rumah supaya monyet tidak dapat masuk. The issue solve on 6th June 2019 and verified by mill manager.

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 In order to ease the employees and relevant stakeholders to lodge the complaint, the complaints and grievances form and box are available at estate office and worker quarters.

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 Internal and External Stakeholder Meeting conducted on 27th November 2019, attended by 27 participated and conducted at Bilik Mesyuarat Raub Oil Mill. The agenda discussed are;

- i. Briefing on Company Policy
- ii. Briefing on MSPO
- iii. Briefing on complaints and request procedure
- iv. Action Plan for existing strategic and future
- v. Other Matters.

No complaints or request made during the meeting.

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 Sighted all internal complaints filled, responded and the records being maintained for the last 24 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. Donation of "Tanah Hitam" for school project – Sekolah Jenis KEbangsaan (Tamil) Raub.

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 August 2018 which was approved by Mr. Tai Swe Chong (General Manager). 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 to all applicable laws, guideline and health & Safety practices.
2. Awareness on safety and health by providing information through work instruction, supervision and continuous training.
3. Proper maintenance of all work tools, machinery, vehicle and plant.
4. Commitment to the prevention of accidents & injuries. Conducting through investigation should accidents and injuries and taking the necessary action to ensure such incidents do not occur.

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 a t quarterly intervals.

Summary

Sighted the "Occupational Safety and Health Policy". Established on 1st August 2018 which was approved by Mr. Tai Swe Chong (General Manager). Local OSH Policy has been prepared in both languages (English and Bahasa Malaysia) for easily understood by all levels of its employees. The policy is displayed in office entrance for public viewing.

The policy has been communicated to external and internal stakeholder as follows;

Sighted the Internal and External Stakeholder Meeting conducted on 27th November 2019, attended by 27 participated and conducted at Bilik Mesyuarat Raub Oil Mill. The agenda discussed are;

- i. Briefing on Company Policy
- ii. Briefing on MSPO
- iii. Briefing on complaints and request procedure
- iv. Action Plan for existing strategic and future
- v. Other Matters

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. Guard House
2. Weighbridge
3. GGB Grading
4. General Office
5. Laborotary
6. CPO Despacth
7. CPO Tank
8. Store
9. Chemical Store
10. Schedule Waste Store
11. Lubricating Store
12. Mechanical Store
13. Electrical Store
14. Boiler Store
15. Mechanical Workshop
16. Electrical Workshop
17. Diesel Storage / Skip Tank
18. Sterilizer
19. Hoisting Bay
20. Loading Bay
21. Thresher
22. EFB Press
23. Pressed Bunch Dumping Area
24. Press & Digester
25. Oil Room
26. Kernal Plant
27. PK Despatch Area
28. Boiler
29. Engine Room
30. Water Treatment Plant
31. Effluent Pond

Total HIRARC Activities: 31

Raub Oil Mill Sdn. Bhd. 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. Training record includes:-

No	Program	Actual Month Conducted
1	Women's Gender Committee Meeting	Feb 2020
2	Sexual Harassment Policy Procedure Training	Feb 2020
3	Complaint & Grievances Procedure Training	Feb 2020
4	Emergency Response Team Meeting & Training	Feb 2020
5	1 st Aid Box & CPR Techniques Training	March 2020
6	Working at Height Training	March 2020
7	CPO & PK Dispatch Training	Feb 2020
8	Loading Ramp Station	Feb 2020
9	Grading Station	Feb 2020
10	Chemical Hazard Training	Jan 2020
11	Diesel Fuelling Handling	Jan 2020
12	Press & Digestor Station	Feb 2020
13	Training on use of recycleable Material	March 2020
14	EPMC	Jan 2020 Feb 2020

Raub Oil Mill Sdn. Bhd.. has provided appropriate PPE for all workers in their operations. PPE Issuance and replacement record. Sighted for:-

- a. Field staff
- b. Harvesters
- c. Field Workers
- d. General Workers

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

Company has established the Standard Operating Procedure of Chemical Handling – Prepared by Mr. Mr. Naavin A/L Muthu Krishnan (Mill Assistant) and Approved by Mr. B. Uma Shankar A/L Balakrishnan (Mill Manager) effective date on 1st March 2019.

The company has appointed Occumed Consultation & Services Sdn. Bhd to carry out CHRA Assessment for Raub Oil Mill Sdn .Bhd. Site visit was carried out from 24th March – 9th April 2015 by Dr. Yasriza bin Yahaya (JKKP HIE 127/171/2(8)-2018/070).

According to the recommendation by the DOSH Dr. Yasriza bin Yahaya (JKKP HIE 127/171/2(8)-2018/070), the medical surveillance is not recommended as the as exposure of n-haxane is below than 50% of PEL and the low hazard rating and low exposure released.

The renewal of new CHRA report will be carried out on 20th March 2020.

Audiometric Test done by Dr. Halim Bin Ishak MD [JKKP HQ/DOC/00/387]. Baseline & Annual Audiometric Test Report [Date tested: 19th September 2018 & 2th October 2018 by Specialist Mobile Safety Supplies Sdn Bhd. [Standard Threshold Shift – every 3 months (6 employees listed). 2 cases were reported hearing impairment subsequently was referred and reported to JKKP Department on 8th January 2019. Audiometric test for year 2020 will be carried out on 20th March 2020.

Mr. Uma Shankar A/L Balakrishnan (Mill Manager) was appointed as the Chairman of the Operating Unit ESH Committee. Sighted letter of appointment for all the committees " Jawatan Kuasa Keselamatan dan Kesihatan Pekerja Ladang (JKKP) bagi sesi 2020 " signed by The ESH Chairman. OSH Meeting for year 2020 will be conducting on 23rd March 2020.

Sighted the emergency procedure for the Raub Palm Oil Mill. Emergency response plan is available in local language (Malay and English). The procedure covers Emergency procedure for Fire, Accident, Spillage of CPO, Spillage of Diesel, Spillage of Used Oil, Labtory, Store, Boiler Station, Water Treatment Plant, Effluent Treatment Plant and etc.

The ERP has been explained to all workers and staffs during safety training on 27th December 2019 attended by 23 participant at Raub Palm oil Mill meeting room. Emergency response plan include the emergency contact number, and also have Guidelines on Accident, Emergency Procedures and Exit routes as well as assembly point in file and pasted on notice board.

First Aid Training was conducted on 4th March 2020 by Mr. Uma Shankar P. and Ms. Siti Nur Aainaa Diyana (Certified First Aider). Sighted picture, training material and attendance list attended by 18 participants.

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

Raub Palm Oil Mill has submitted the JKKP 8 for year 2019 on 3rd January 2020. Based on their record, there are 2 cases reported due hearing impairment involve Mill worker in year 2019. The case has been referred to JKKP Department and subsequently the report was submitted on 8th 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	<p>Sighted the "Social and Human Right Policy". Established on 1st August 2018 which was approved by Mr. Tai Swe Chong (General Manager).</p> <p>The company has committed to carry out this policy in all company's operations through :</p>

1. Prohibition of any form of violence, harassment or discrimination against race, religion, nation origin, disability, pregnancy, age and gender.
2. Prohibition of child labour.
3. Prohibition of forced or trafficked labour.
4. Ensure that working hour are compliant with national legislation and industry standard. Overtime shall be voluntary and shall not exceed the limitations provided in the national laws, collective agreements or industry standard.
5. Respect the right of all workers to know their employment status, working condition, wages, working hour, leave entitlements and all other benefits of employment.
6. Respect for the right of workers to form and or join worker organization and trade unions of their choice and to bargain collectively.
7. Respect for our surrounding communities and a commitment to embrace open engagement and ongoing consultation with these communities and other stakeholders.
8. Respect for the rights of indigenous and local communities to give or withhold their free, Prior and inform Consent (FPIC) on lands to which they hold legal or customary rights.
9. Commitment to maintain equitable procedure to deal with employee and stakeholder complaints and grievances.
10. Commitment to uphold ethical business practices an to support of national and international authorities to establish and enforce such standard for all business.

Sighted the Internal and External Stakeholder Meeting conducted on 27th November 2019, attended by 27 participated. The meeting was collaborated between Estate and Mill which conducted at Bilik Mesyuarat Raub Oil Mill. The agenda discussed are;

- i. Briefing on Company Policy
- ii. Briefing on MSPO
- iii. Briefing on complaints and request procedure
- iv. Action Plan for existing strategic and future
- v. Other Matters.

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 Raub Oil Mill Sdn. Bhd.

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 2018 (Act 732) Malaysian minimum salary is RM1,100.00 as stated in the guidelines. Interview with staff and workers confirmed that they understand the terms and conditions of their employment. Sighted sample of worker wages as below;

No	I/C or Passport	Nationality	Gross
1	760708-06-5646	Malaysia	2,688.65
2	970120-06-5077	Malaysia	1,355.05
3	540224-06-5143	Malaysia	3,219.70
4	971229-06-5681	Malaysia	1,445.70
5	BN0751616	Bangladesh	1,417.25
6	BP0611907	Bangladesh	1,243.80
7	09487366	Nepalese	1,441.15
8	09672713	Nepalese	2,269.10
9	09063754	Nepalese	2,750.45
10	07328644	Nepalese	1,522.10

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'. National Wages Consultative Council Act 2018 (Act 732) Malaysian minimum salary is RM1,100.00 as stated in the guidelines.

Sample of pay slip for the contract workers for Min Onn Transport Sdn. Bhd. (FFB Transport)

- Payslip month of : November 2019
- Worker Name : Argunani A/L Sarhan
- Emp Code : 541006 – 02 - 5711
- Salary Earned : RM 1,226.05

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 Raub Oil Mill Sdn. Bhd. 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 consist of local, India and Indonesian.

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 sampled 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 both parties' employee and employer and accompanied with respective witnesses. Workers employed consist of local, India 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 Monday to Saturday. The overtime maximum is 104 hours according to Malaysian Law. TMS Fingerprint System installed as time recording system. Workers are paid based on the hours worked. All data are recorded in pay slips of each staffs/worker.

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 have 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 are forced to work overtime during site interview.

Working hours is 8 hours (7.00 am – 3.00 pm). From Monday to Saturday. The overtime maximum is 104 hours according to Malaysian Law. Sighted gazette public holidays 2019 displayed on notice board. Working hours is stated in workers contract agreement:

- 7.00am – 3.00pm: 1st syif
- 3.00pm – 11.00pm: 2nd syif

Seen working hours sign board displayed in Main Office entrance.

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.

Salary slips was made available, shows the deduction of workers as per the contract agreement signed by employee and employers. All deduction was made based on the agreed terms with the rate and hours worked. Sighted salary slips of:

No	I/C or Passport	Nationality	Gross
1	760708-06-5646	Malaysia	2,688.65
2	970120-06-5077	Malaysia	1,355.05
3	540224-06-5143	Malaysia	3,219.70
4	971229-06-5681	Malaysia	1,445.70
5	BN0751616	Bangladesh	1,417.25
6	BP0611907	Bangladesh	1,243.80
7	09487366	Nepalese	1,441.15
8	09672713	Nepalese	2,269.10
9	09063754	Nepalese	2,750.45
10	07328644	Nepalese	1,522.10

Interviewed staffs / workers, they were provided with salary slips, verified on site.

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 free legalization cost, PERKESO, annual leave, sick leave and etc. Since 1st Jan 2019 foreign worker are cover under PERKESO

With regards to local workers, staffs and executives, all of them are covered under EPF & PERKESO as required by the Malaysian Laws and Regulations.

Workers provided with medical and accident insurance:

- Foreign Workers Compensation Scheme (FWCS) under the Workmen's Compensation Act 1852.
- Foreign Workers Hospitalization and Surgical Scheme (SKHPPA).

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 potable water and electricity were provided to the housing for free of charge.

Estate and Mill worker is sharing same housing complex. Sighted weekly inspection done on 27th February 2019. The inspection was carried out by Mr. JR Kalai and Verified by Mr. Nathan A/L Gunasekaran.

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 and Human Right Policy". Established on 1st August 2018 which was approved by Mr. Tai Swe Chong (General Manager).

The Policy has been prepared in both languages (English and Bahasa Malaysia) for easily understood by all levels of its employees.

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

The Mill Manager was appointed as the Chairman of Gender Committee. Sighted letters of appointment for the Gender Committee for session 2020" signed by The Chairman.

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 and Human Right Policy". Established on 1st August 2018 which was approved by Mr. Tai Swe Chong (General Manager).

The Policy has been prepared in both languages (English and Bahasa Malaysia) for easily understood by all levels of its employees.

The policy of Freedom Of Association And The Human Right & Business Ethics at the workplace has been incorporated in the Social and Human Right Policy. Local or foreign workers are given the freedom which it is an optional for them to join worker union formed in mill. Thus, their freedom are not restrict by Raub Oil Mill Management.

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 "Polisi Kemasyarakatan dan Hak Asasi Manusia". Established on 1st August 2018 which was approved by Mr. Tai Swe Chong (General Manager).

The Policy has been prepared in both languages (English and Bahasa Malaysia) for easily understood by all levels of its employees.

The policy of free from child labour at the workplace has been incorporated in the Social and Human Right Policy. There are no children below ages of 18 working in the Raub Old Mill Sdn. Bhd. and this was proven through checking the list of employees as well as their biodata and through verification visits at mill. The workers were understood 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 programme shall include regular assessment of training needs and documentation, including records of training.

Summary Sighted the SOP for "Training & Competency Procedure" Doc. No: MSPO-10, Rev. No: 1.0, was established on 1st November 2018 which was approved by Mr. Tai Swe Chong (General Manager).

Raub Oil Mill Sdn. Bhd 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.

Sighted Photographs, Training material and Attendance form for all training which has been conducted in 2020 for Executive, Staff and Worker. The list of program as below;

1. Women's Gender Committee Meeting
2. Sexual Harassment Policy Procedure Training
3. Complaint & Grievances Procedure Training
4. Emergency Response Team Meeting & Training
5. 1st Aid Box & CPR Techniques Training
6. Working at Height Training
7. CPO & PK Dispatch Training
8. Loading Ramp Station
9. Grading Station
10. Chemical Hazard Training
11. Diesel Fueling Handling
12. Press & Digester Station
13. Training on use of recyclable Material
14. EPMC

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 programmes in order to provide the specific skill and competency required to all employees based on their job description.

Summary Sighted the Training Needs Analysis prepared by Mr. Naavin A/L Muthu Krishnan and Approved by Mr. Uma A/L Balakrishnan (Mill Manager) dated 10th January 2020

A Training Needs Analysis which has been identified for Executive, Staff and Worker as listed below:-

A. Safety Briefing

- i. Safety & Health Committee Meeting and Training
- ii. Emergency Response Team Meeting and Training
- iii. Personal Protective (PPE) Training
- iv. Fire Drill Training
- v. 1st Aid box and CPR Training
- vi. Fire Extinguisher Training
- vii. Fire Safety / Fighting

B. Environmental Policy

- i. Environment Performance Monitoring Comm (EPMC)

ii. Waste Management Training

C. 5s Training

D. Zero Burning Training

F. Management Training

- i. Management Review Meeting
- ii. Sustainability Team Meeting
- iii. Internal Audit Meeting
- iv. Traceability Procedure Training
- v. SCCS Awareness
- vi. MSPO Awareness / Policy Training
- vii. Legal Requirement

G. Social Training

- i. Social Policy Training
- ii. Women Gender Committee Meeting
- iii. Sexual Harassment Policy Training
- iv. Employer Consultative Committee Meeting (ECC)
- v. Document Control / Administration
- vi. Soft Skills
- vii. Problem Solving

H. Others Training

- i. Safety & Health Officer
- ii. Authorized Entrant & Standby Person (AESP)
- iii. Authorized Gas Tester & Entry Sup. (AGTES)
- iv. Effluent Treatment Plant Supv. Course
- v. FFB Grading Course
- vi. CePPOMe
- vii. CePSWaM

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3	A continuous training programme 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.
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Summary Comprehensive annual training plan for the year 2019 were made available. Best practices training/ meeting schedule 2019 was made available, and approved by Mr. Uma Shankar A/L Balakrishnan, Mill Manager.

Trainings conducted were recorded in the various trainings record and completed with attendance records, training materials and photographs of the training. The list of program as below;

No	Program	Actual Month Conducted
1	Women's Gender Committee Meeting	Feb 2020
2	Sexual Harassment Policy Procedure Training	Feb 2020
3	Complaint & Grievances Procedure Training	Feb 2020
4	Emergency Response Team Meeting & Training	Feb 2020
5	1 st Aid Box & CPR Techniques Training	March 2020
6	Working at Height Training	March 2020
7	CPO & PK Dispatch Training	Feb 2020
8	Loading Ramp Station	Feb 2020
9	Grading Station	Feb 2020
10	Chemical Hazard Training	Jan 2020
11	Diesel Fuelling Handling	Jan 2020
12	Press & Digestor Station	Feb 2020
13	Training on use of recycleable Material	March 2020
14	EPMC	Jan 2020 Feb 2020

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 Raub Oil Mill Sdn Bhd has established its policy on Environmental which applies to its estates operations signed by the General Manager, Mr Tai Swe Chong on 01.08.2018.

Based on the Environmental Policy, the Company is committed to ensuring that all operations are conducted in an environmentally responsible and sustainable manner, include:

1. Compliance to applicable laws and regulations pertaining to the environment.
2. Adopting suitable pollution measures that will enhance current practice towards sustainable development.
3. Ensuring stakeholders is aware of Company commitment through communication and consultation.
4. Reviewing all environment measures and policies from time to time.

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

Raub Oil Mill Sdn Bhd has established the MSPO Procedure on Environmental Management Plan Ref No. MSPO-06, Rev 0 dated 01.11.2018 prepared by Mr Naavin A/L Muthu Krishnan (Assistant Mill Manager), approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager) with the objective to ensure all activities and facilities which related to palm oil plantation operation of are in accordance to the legal and legislation requirements of Malaysia covering state and national level.

The management has conducted environmental aspect and impact assessment for all its' activities in year 2020. The environmental assessment findings are recorded in document titled "Raub Oil Mill Environmental Aspects & Impacts Identification and Risks Assessment prepared by Mr Naavin A/L Muthu Krishnan (Assistant Mill Manager), approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager) on 01.10.2019.

The environmental aspect & impact assessment (EAIA) register has identified columns for Activity Area, Type of Waste Generated, Aspects, Type of Impacts, Risk Assessment (Likelihood (L), Consequence (C), Score (LXC), Mitigation Measure and Monitoring Program.

The environmental impact assessment has covered 16 key Activity Area such as;

1. Effluent Pond
2. FFB Process
3. Ramp, Marshall Yard, CPO Dispatch Bay,
4. Boiler,
5. Scrap Iron Area
6. Scheduled waste store
7. Chemical store
8. Empty chemical containers store
9. Lubricant store
10. Diesel tank
11. Water pump house
12. Water treatment plant
13. Dumpsite/landfill
14. Grass cutting
15. Line site/ office
16. laboratory

As a sample evidence of the EAIA includes;

1. Activity Area: Effluent Pond
2. Type of Waste Generated: POME
3. Aspect: Discharge of POME
4. Type of Impacts: Possibilities of underground contamination via leaching through subsoil
5. Type of Impacts: Water pollution
6. Likelihood: 4
7. Consequence: 4
8. Score (LXC): 16

9. Mitigation Measure: Monitoring of water courses on a yearly basis
10. Monitoring Programme: Desludging Plan

The Environmental Management Plan describes the measurement to control leakage of turbine oil lead to water & land pollution at Power House, includes;

1. Source & Negative Impacts: Leakage of turbine oil lead to water & land pollution
2. Mitigation Plan: Daily inspection of the turbine to ensure no leakage, Mill has prepared a set of spill kit in case of emergency, refer to SW Management.
3. Monitoring: Visual inspection, maintenance scheduled waste, oil trap checklist, turbine service report
4. Person-In-Charge: Engine driver, Chargeman, Assistant Engineer, Assistant Mill Manager.

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 Environmental Improvement Plan incorporated in the Continuous Improvement Plan (Environmental) revised on 01.10.2019.

As a sample of evidence, some of the improvement plan are as follow;

Objective	Action Plan	Monitoring
Minimize water pollution	Installation of oil traps at monsoon drain before going out from mill fencing. Clean the oil trap periodically.	Site visit by QA Asst/AE/AMM
Minimize soil pollution	All spent lubricant and hydraulic oil should be sent to scheduled waste store	Site visit and scheduled waste inventory by Foreman/AE/AMM
Minimize air pollution	To install wet horizontal wet scrubber to achieve TPM below 150ppm	To be installed in 2 years
POME treated in line with regulation	Ensure POME is treated base on GSR guideline	Site visit by QA Asst/AE/AMM
Minimize waste generation	Awareness on recycling programme among staff & workers, all SW managed as per law requirement	Training report & record of SW by AE/AMM/MM

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

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

Summary The Continuous Improvement Plan for the Mill was last reviewed by Mr Naavin A/L Muthu Krishnan (Assistant Mill Manager), approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager) on 01.10.2019 includes:

1. Minimize water pollution
2. Minimize soil pollution
3. Minimize air pollution
4. POME treated in line with regulation
5. Minimize waste generation

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 5 An awareness and training programme 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 The training on environment was conducted in ensuring the policy are communicated to all levels of the workforce and stakeholders such as;

1. Effluent pond No. 11 training (final discharge) held on 22.01.2020 attended by 15psn
2. Training on use of recyclable materials (3R – reduce, reuse, recycle) held on 02.03.2020 attended by 100psn.
3. Scheduled waste management training – “Latihan pengurusan sisa pepejal secara bersistematik” held on 02.03.2020 attended by 100psn.
4. ETP Operation/testing training (BOD, COD, TN, AN, TSS, O & G) scheduled on June, October 2020.
5. Water treatment plant scheduled on June, October 2020.
6. Effluent treatment plant scheduled on June, October 2020 scheduled on June, October 2020.
7. Palm Oil Mill Effluent (POME training) – HOD scheduled on May & December 2020.
8. Environmental regulatory & Compliance monitoring committee (ERCMC) scheduled on July 2020
9. Environmental Performance Monitoring Committee held on 22.01.2020 (attended by 15psn) and 19.02.2020 (attended by 13 psn).

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 The Management Review Meeting (MRM) 02/2019 held on 03.06.2019, attended by 6 personnel, discussed the following environmental issues. Among the agenda discussed during the meeting are;

1. Review of the suitability and implementation of all the MSPO principles, criteria and indicators.

2. Review the adequacy of the documentation system
3. Review on SIA, Aspect and Impact Analysis, HIRARC, CHRA, Internal safety audit report.
4. Process performance and product conformity.
5. Customer feedback
6. Review of MSPO SCCS internal audit results.
7. Status of corrections and corrective action.
8. Change that could affect the MSPO SCCS system.
9. Recommendation of improvement
10. Complaints and grievances
11. Improvement in the effectiveness of the MSPO SCCS system and its processes.
12. Resources needed.

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 Monitoring of Diesel and Electricity Usage is conducted in 2018/2019 in terms of litre/mt FFB transported and kWh/mt FFB.

Description	July 2018 to June 2019
FFB,mt	223,052.01
Diesel, liter (genset & transportation)	101,628
Average Diesel, Liter/mt FFB	0.46
Baseline 2016/2017/2018 (diesel)	Nil
Electricity, kWh (Steam Turbine)	3,189,880
Average, kWh/mt FFB	14.30
Baseline 2016/2017/2018 (kWh)	Nil

Note: July 2018 to June 2019

Note: Diesel consumption based on the following vehicles/machineries;

1. Shovel CAT(A)
2. Shovel CAT(B)
3. Shovel CAT(C)
4. Tractor Pusher No. 1
5. Tractor Pusher No. 2
6. Tractor CL5484 – transport workers
7. Engine Room (genset to warm up generator)
8. Raub Mining & Development Co. Sdn Bhd

9. Contractor (EFB transport)

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 The estimate of direct usage of non-renewable energy and Electricity consumption for their operations in 2020;

Estimated	January to December 2020
FFB,mt	216,363
Diesel, liter (genset & transportation)	99,527
Average Diesel, Liter/mt FFB	0.46
Electricity, kWH (TNB & Steam Turbine)	3,137,264
Average, kWH/mt FFB	14.5

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

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

Summary The biomass usage as renewable energy for the generation of 3,189,880kWh for a period of July 2018 to June 2019 to processed 223,052.01mt FFB includes;

1. Shell combusted 11,762.89mt
2. Fibre combusted 30,583.52mt

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 Raub Oil Mill Sdn Bhd has established the MSPO Procedure on Waste Management Ref No. MSPO-05, Rev 0 dated 12.12.2018 prepared by Mr Naavin A/L Muthu Krishnan (Assistant Mill Manager), approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager)

Mill's chemical wastes and other scheduled wastes are disposed through a DOE registered schedule waste disposal contractor as per DOE requirements.

The appointed licensed contractor (Kualiti Alam Sdn Bhd) has disposed the following SW as stated on the Consignment Note dated 06.03.2020;

1. SW109 (waste containing mercury or its compound) – 0.0127mt

2. SW410 (Rags, plastics, papers or filters contaminated with scheduled waste) – 0.27mt
3. SW305 (spent lubricating oil) – 0.5040mt
4. SW322(Waste of non-halogenated organic solvents) – 0.16mt
5. SW306 (Spent hydraulic oil) – 0.06mt

Sighted the inventory of scheduled wastes generated from mill process as at 11.03.2020 which includes;

1. SW109 (waste containing mercury or its compound) - balance 0.00mt
2. SW305(spent lubricating oil) – balance 0.00mt
3. SW306(Spent hydraulic oil) – balance 0.000mt
4. SW322(Waste of non-halogenated organic solvents) – balance 0.00mt
5. SW410(Rags, plastics, papers or filters contaminated with scheduled waste) – balance 0.00mt

Monthly report to DOE on scheduled waste is submitted by online @ eswis.doe.gov.com

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 Raub Oil Mill Sdn Bhd has established the MSPO Procedure on Waste Management Ref No. MSPO-05, Rev 0 dated 12.12.2018 prepared by Mr Naavin A/L Muthu Krishnan (Assistant Mill Manager), approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager)

The Mill has identified the Waste Management Plan as follow;

Code	Category	Source of Pollution
SW305/306	Spent lubricating/ engine oil	Vehicles (tractors, wheel loaders, gear boxes)
SW322	Spent solvents from laboratory	Solution contaminated with hexane from lab testings for CPO quality
SW409	Dispose containers, bag or equipment contaminated with chemicals, mineral oil or scheduled waste	Unused empty pesticide containers, chemical bottles
SW109	Used light bulbs	From mill area after replacing blown light bulbs
SW102	Used batteries	From vehicles such as wheel loaders and tractors
SW410	Used personal protective equipment (PPE)	Worker's used PPE

As a sample evidence, the plan describes the measurement to control the scheduled waste include;

1. Category: Spent solvents from laboratory
2. Source of Pollution: Solution contaminated with hexane from lab testings for CPO quality.
3. Control Measure: Proper label as per guideline in Third Schedule and stored in a 55gallon plastic drum.
4. Action: Proper management & handling should contain list of scheduled waste generated and inventory of scheduled waste.
5. Monitoring: record in the SW record book and Eswis.
6. PIC: prepared by Assistant Mill Manager and reviewed by Mill Manager

The Empty fruit bunches is disposed for land application at Raub Mining & Development Co. Sdn Bhd.

Palm oil mill effluent (POME) is discharged to water stream at Sg Gali for a period of January to December 2019 amounted to 54,893m³.

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 Raub Oil Mill Sdn Bhd has established the MSPO Procedure on Waste Management Ref No. MSPO-05, Rev 0 dated 12.12.2018 prepared by Mr Naavin A/L Muthu Krishnan (Assistant Mill Manager), approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager)

The SOP described the schedule waste disposal flow as follow;

1. Schedule waste identified
2. Collection and storage of schedule waste
3. Disposal of schedule waste.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

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

Summary The domestic waste from Mill's housing area is well managed and handled by Raub Mining & Development Co. Sdn Bhd (Estate) - contracted out to Mido Recycle Sdn Bhd.

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 All by-products produced from mill operation are disposed according to the following :

1. EFB sent to Raub Mining & Development Co. Sdn Bhd (Estate) for oil palm mulching totalling to 1,825.34mt (February 2020)
2. Decanter Cake to outsider amounted to 477.57mt (February 2020)
3. For the month of February 2020, POME is discharged to water stream of Sg Gali at BOD, 9mg/L.

Sighted Summary of Emissions recorded by Raub Oil Mill Sdn Bhd for a period of July 2018 - June 2019 as below;

Product	Quantity
FFB processed, mt	235,258
CPO, mt	48,499.56
PK, mt	12,944.70
Total Emission	18,400tCO ₂ equivalent
tCO ₂ equivalent/tCPO	0.3794
tCO ₂ equivalent/tPK	1.4214

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

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

Summary As a sample evidence, the action plan to reduce identified significant pollutants describes the following;

- Source & Negative Impacts: Leakages of gearbox oil lead to water & land pollution
- Mitigation Plan: Rectify immediately any leakage to prevent wastage and clean up the spillage.
- Monitoring: Visual inspection, maintenance schedule, oil trap checklist
- Person-In-Charge: Mill Supervisor, Assistant Engineer, Assistant Mill Manager

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

POME is treated by conventional method and disposed to water stream of Sg Gali. The final discharge of POME has been analysed by Felda Agricultural Services Sdn Bhd, Jengka, Pahang issue date 02.03.2020 for sampling date receive on 26.02.2020.

Parameter	Results	DOE Limits
pH	6.3@23.3°C	5-9
Chemical Oxygen Demand, mg/L	58	N/A
Biochemical Oxygen Demand, mg/L	9	100 ppm
Suspended Solid, mg/L	73	400max
Ammoniacal-N, mg/L	0.3	150max
Total Nitrogen, mg/L	2.8	200max
Oil & Grease, mg/L	2	50max
Total Solids, mg/L	426	N/A

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:

- Assessment of water usage and sources.
- Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities.
- 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

Raub Oil Mill Sdn Bhd has established the MSPO Procedure on Water Management Plan Ref No. MSPO-08, Rev 0 dated 01.10.2018 prepared by Mr Naavin A/L Muthu Krishnan (Assistant Mill Manager), approved by Mr. Uma Shankar A/L Balakrishnan (Mill Manager) with the objective to ensure the water are been utilized effectively, minimizing pollutants that may escape from estates operations and enter to the local water systems, to avoid damage to the health and welfare of downstream users and the downstream environment.

The Water Management Plan Raub Oil Mill has been established for the mill, prepared by Mr Naavin A/L Muthu Krishnan (Assistant Mill Manager), reviewed by Mr. Uma Shankar A/L Balakrishnan (Mill Manager) and approved by Mr Tai Swe Chong. The following sources has been identified according to Identification of Water Source;

- i) Water Reservoir at Block B11 of Raub Mining & Development Co. Sdn Bhd for usage of palm oil mill operations and washing
- ii) Local Authority – Perbadanan Air Pahang (PAIP) for water consumption (drinking water) and other household usages.

Water for mill processes is derived from the water reservoir and pumped to holding tank sited on the hill. The water will then be used as follow;

- i) Not treated water will be used for FFB processing

The water management plan includes;

1. Record water usage
2. Apply way to optimize water and nutrient usage to reduce wastage (Jar Test)
3. Analyse the final discharge of effluent treatment system with third party labs and internally
4. Regular inspection to ensure no bunds, weir and dam constructed across main river or waterways.

Sighted Drinking Water Quality (PAIP) analyzed by FGV Analytical Laboratory, FGV Agri Services Sdn Bhd, Jengka, Pahang for sample received on 09.08.2019 and reported on 20.08.2019.

Parameter	Results	MOH Guidelines for Water Quality
pH	7.04	6.5 – 9.0
Oil & Grease	2.4	
Ammoniacal Nitrogen	0.1	
Free Cl ₂ , mg/L	0.05	> 0.20
Cyanide, mg/L	0.003	
Turbidity, NTU	0.13	< 5

Note: MOH – based on Ministry of Health Drinking Water Quality Standards, 2009.

The Raw Water Sample from inlet to Water Reservoir, analyzed by FELDA Analytical Laboratory, Felda Agricultural Services Sdn Bhd, Jengka, Pahang for sample received on 23.11.2018 and reported on 05.12.2018.

Test Parameter	Results
pH	7.0
BOD	2
COD	17
Total Solids (ppm)	220
Tot. Suspended Solid (ppm)	10
Ammoniacal Nitrogen	0.9
Oil & Grease	1.6

The river water quality report for Sg Gali (Upstream and Downstream) analyzed by FGV Analytical Laboratory, FGV Agri Service Sdn Bhd, Jengka, Pahang issue date 17.02.2020.

Parameters	Location	
Location	Raw Water- Upstream Sg Gali	Raw Water- Downstream Sg Gali
pH	5.93	5.39
BOD (ppm)	3	5
COD (ppm)	21	37
NH ₃ -N (ppm)	1.2	0.6
Total Susp. S (ppm)	11	24
Total Solids (ppm)	94	226
Tot. Dis Solid	87	211
Total Nitrogen	2.2	2.0
Chloride as Cl	6.19	25
Sulphate as SO ₄ ²⁻	103.5	273.4

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 POME is discharged through "Alur Air". The approved limit of BOD for discharge to "Alur Air" is 100mg/L, refer to Syarat-Syarat Lesen Premis Minyak Kelapa Sawit as per Existing Effluent Treatment Ponds, No Lukisan RAUB/ACC/06/01 dated 03.04.2006 with "takat pelepasan" of 100ppm.

Latest result of final POME discharge (outlet) sampling date : 26.02.2020 shown BOD of 9mg/L. The report of POME analysis submitted to DOE on quarterly basis using OER (online environmental report)

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 The mill processed its own estates (10%) and external suppliers (90%).

The Mill Capacity is 60 Mt/Hr - Conventional/ Horizontal Sterilizer system has been commissioned in 1977. The mill has one weighbridge which was last calibrated on 28.09.2018 by Department of Meteorology.

The mill has Standard and Safe Operating Procedure includes the following;

1. Safety & Health Policy
2. Environmental Policy
3. Guidelines of Environmental Care
4. Organization Chart
5. Process Flow

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 All palm oil mills shall implement best practices.

Summary The mill is not certified by MPOB Codes of Milling Practice (CoP). However, mill has implemented Good Milling Practice (GMP) as per their own SOP's.

As evidence, the mill is operating in accordance to Jadual Pematuhan Peraturan Kualiti Alam Sekeliling. BOD is complying with the limit stipulated in mill's compliance schedule. Final discharge analysis carried out on monthly basis. Sighted water discharge to waterway application monitoring for Raub Oil Mill Sdn Bhd.

As evidence, the mill is operating in accordance:

- Jadual Pematuhan – Syarat-Syarat Lesen Premis Minyak Kelapa Sawit Mentah, Jabatan Alam Sekitar Negeri Pahang, License No: 004132, Ref No. RAUB/ACC/06/01 valid until 30.06.2020.
- As per required in Jadual Pematuhan - Syarat-Syarat Lesen Premis Minyak Kelapa Sawit Mentah, the mill only can release the effluent to the waterway not exceed 1320 m3/day. Sighted the "Liquid Waste Monitoring Record (Influent, Effluent & Incoming Raw Water Reading) for February 2020 (to date), the final discharge is complied with the requirement in jadual Pematuhan - Syarat-Syarat Lesen Premis Minyak Kelapa Sawit Mentah.

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 Sighted the Raub Oil Mill 5 years Business Plan for year 2019 – 2024.

Item	19/20	20/21	21/22	22/23	23/24
FFB	213,559	216,363	217,493	218,250	221,900
OER (20.5%)	43,779.59	44,354.41	44,586.06	44,741.25	45,489.50

KER (5.50)	11,745.74	11,899.96	11,962.11	12,003.75	12204.50
Profit	4,6982,97.99	4,7599,86.00	4784846.00	4801500.00	4881800.00

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 The mill exercises transparent and fair pricing dealing. The pricing mechanism is well documented and implemented by both sides, the mill management and the contractor.

For FFB pricing, the pricing follow MPOB Crude Palm Oil price from the MPOB website every month. Sighted signage of FFB pricing at the gate or at weighbridge station.

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 All contracts are kept in estate office. Sighted the contract Agreement signed by contractor and Raub Mining & Development Co. Sdn Bhd. As evidence, sampled:

- Sighted the Contract Agreement between estate with Teng Yap Keong (Hire of Back Hoe) sealed on 01.01.2020
- Sighted the Contract Agreement between estate with Mahendran Mariaapan (Grass Cutting Contractor) sealed on 01.01.2020

Monthly contract payment shall be paid on or before 30 days of the following month.

As evidence sighted the invoice send by:

- Teng Yap Keong (Hire of Back Hoe) to estate on 15th January 2020. Mill paid to the contractor on 14th February 2020.; Cheque; RM 1,260.00.
- Mahendran Mariaapan (Grass Cutting Contractor) to estate on 29th February 2020. Mill paid to the contractor on 26th February 2020.; Cheque; RM 2,500.00.

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 mill is certified under MSPO. Therefore, the contractor has been instructed by estate management to follow the MSPO standard requirement.

As evidence, sighted of evidence of MSPO clause for contractor in agreement:

- Teng Yap Keong (Hire of Back Hoe) to estate on 15th January 2020. Mill paid to the contractor on 14th February 2020.; Cheque; RM 1,260.00.
- Mahendran Mariaapan (Grass Cutting Contractor) to estate on 29th February 2020. Mill paid to the contractor on 26th February 2020.; Cheque; RM 2,500.00.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

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

Summary All the contractors aware that mill will be certified under MSPO. Therefore, the contractor has been instructed by mill management to follow the MSPO standard requirement when carrying out their work in the mill premise. All the contract agreement are kept in contractors file. Sighted the contract that sign by contractors with the company.

Contract agreements between the mill and its contractors are well documented and recorded at mill office. Seen in the contract agreement both sides agreed with the term and condition.

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 mill was audited by Global Gateway Certifications Sdn Bhd MSPO auditor on 09th March 2020. Sighted audit plan dated 05th March 2020 (2nd Revised) which have been accepted by management. All the auditors are qualified MSPO auditor. As per agreed, the Raub Oil Mill Sdn Bhd accept the GGC MSPO Auditors to verify through a physical inspection if required for audit purposed.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

2.7 Details of Audit Findings

Details Non-Conformity

- See Appendix B -

Details of Area of Concern

- See Appendix B -

Details of Noteworthy / Positive Findings

- 1) Top management continuously establishes directions for the middle and upper management to execute in ways to comply with the MSPO management system in future.
- 2) The mill management has demonstrated fully commitment during the entire audit process.
- 3) The storage facilities for schedule waste, chemical and POL well-constructed, proper signage clearly displayed, and emergency preparedness well implemented.
- 4) Signages throughout office, chemical area and in the field sites, effectively maintained and appropriate to the needs of the process.
- 5) Good relationship being maintained with surrounding smallholders and villages.
- 6) Good positive feedback received from internal and external stakeholders.
- 7) Interview with sampled workers revealed, the mill management impose strict control measure on safety compliances.



Appendix A: Audit Plan

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
09 th March 2020	TBA	➤ Travelling to Raub, Pahang.	MS	MRB/ ABS
10 th March 2020	08:00 – 09:00	➤ Centralize Opening Meeting at Raub Mining & Development Co. Sdn. Bhd [Estate]: <ul style="list-style-type: none"> • Presentation by the manager/coordinator • Presentation by Lead Auditor. ➤ Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation – where applicable).	MS	MRB/ ABS
	09:00 – 13:00	Raub Mining & Development Co. Sdn. Bhd [Estate] <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. 	MS	MRB/ ABS
	10:30 – 12:30	➤ Estate inspection: <ul style="list-style-type: none"> ➤ Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	MS	MRB/ ABS
	13:00 – 14:00	➤ Lunch	MS	MRB/ ABS
	14:00 – 16:00	➤ Continue document review <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. 	MS	MRB/ ABS
	16:00 – 17:00	➤ Verify any outstanding issues, auditor discussion and end of audit for day 1.	MS	MRB/ ABS

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
11 th March 2020	08:00 – 13:00	Raub Oil Mill Sdn Bhd [Mill] <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. 	MS	MRB/ABS
	10:30 – 12:30	<ul style="list-style-type: none"> ➤ Mill inspection: <ul style="list-style-type: none"> • Workshop, Laboratory, Environment, OHS, Chemical Stores, Workers Welfare and Interview, Clinic, Landfill, Mill Housing, Schedule Waste, POME and etc. 	MS	MRB/ABS
	13:00 – 14:00	➤ Lunch	MS	MRB/ABS
	14:00 – 15:30	<ul style="list-style-type: none"> ➤ Continue document review <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. 	MS	MRB/ABS
	15:30 – 16:30	➤ Verify any outstanding issues, auditor discussion and end of audit for day 2.	MS	MRB/ABS
	16:30 – 17:30	<ul style="list-style-type: none"> ➤ Centralize Closing Meeting at Raub Oil Mill Sdn Bhd: <ul style="list-style-type: none"> ➤ Chaired by the audit Lead Auditor • Welcome and introduction by the Lead Auditor • Presentation of findings by the audit team • Questions & answers and Final summary by Lead Auditor ➤ End of assessment 	MS	MRB/ABS
12 th March 2020	TBA	➤ Travelling back from Raub, Pahang.	MS	MRB/ABS

Appendix B : Non-Conformity details

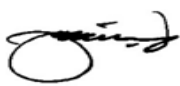
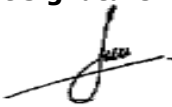
Non-Conformities Identified During This Audit	
Major Nonconformities:	Non-were raised during this audit.
Minor Nonconformities:	Non-were raised during this audit.
Area of Concern:	The following AOC was raised for this audit.


Company Name	Raub Oil Mill Sdn Bhd		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 4: General Principles for Palm Oil Mills		
Client Number	GGC-K1-MSPO-2019		
NC No. / Ref.	K1/MSPO/AOC/01	Date Detected	11 th March 2020
Site(s) concern	Raub Oil Mill Sdn Bhd	Target Completion	-
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 type="checkbox"/> Minor <input checked="" type="checkbox"/> Area of Concern		
Description of Non-Conformity	No evidence is made available during audit.		
NC Objective Evidence: Raub Oil Mill Sdn Bhd is operating without fire fighting system. This is not in compliance with Section 28 (Requirement of Fire Certificate) of Fire Services Act 1988 (Act 341) (incorporating all amendments up to 1 January 2006). As per interviewed with Mill Manager, the Raub Oil Mill Sdn Bhd in-progress to applying the Fire Certificate with the Jabatan Bomba dan Penyelamat Malaysia.			
Lead Auditor Signature:		Client Signature:	
			

Non-Conformities Identified During Previous Audit
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Major Nonconformities:	Non-were raised during this audit.
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Minor Nonconformities:	The following NC's was raised for this audit.
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Company Name	Raub Oil Mill 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 Mills		
Client Number	GGC-K1-MSPO-2018		
NC No. / Ref.	K1/MSPO/MINOR/01	Date Detected	19 th March 2019
Site(s) concern	Raub Oil Mill Sdn Bhd	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.3.1.1 Minor 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 signage displayed during site visit		
NC Objective Evidence:			
As per site visit, no signage was displayed on the diesel tank as per "Panduan Permohonan Permit Untuk Membeli Barang-Barang Kawalan Berjadual Di Bawah Peraturan-Peraturan Kawalan Bekalan 1974".			
Lead Auditor Signature:		Client Signature:	
			
Root cause Analysis (to be filled by client):			
MSPO clause were not fully understood as this is the new requirement for mill management to be adhered.			
Corrective action planned (to be filled by client):			
Mill already displayed the "Maklumat Tangki Diesel"			
Preventive Action (to be filled by client):			
Monitor and ensure this signboard is maintain as per "Peraturan-Peraturan Kawalan Bekalan 1974".			

Review of corrective/preventive action (to be filled by Lead Auditor)	
All the evidence submitted were found adequate and therefore this minor non-compliance is closed.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified: 11 th March 2020	Lead Auditor Signature: 

Appendix C: List of Stakeholders Contacted

Attendance List
Internal Stakeholders
1) Raub Oil Mill Sdn Bhd management team and staff
2) Gender Committee Representatives
3) Male and Female workers
4) Workers Representatives
5) Foreign Workers Representatives
6) NUPW
External Stakeholders
1) Mr. Ashok Dewai – Contractor
2) En. Mohiuddin Sumon – Contractor
3) Mr. Chang Tong Chuan - Min Onn Lorry Transport
4) Mr. K Sugumaran – Contractor
5) Mr. Lee Kian Aik – Contractor