

**RSPO PRINCIPLE AND CRITERIA –  
4<sup>th</sup> ANNUAL SURVEILLANCE ASSESSMENT (ASA1\_4)  
Public Summary Report**

<b>Keresa Plantations Sdn Bhd</b>
Client company Address: Level 6, Tun Jugak Tower 18, Jalan tunku Abdul Rahman 93100 Kuching Sarawak, Malaysia
Certification Unit:  <b>Keresa Palm Oil Mill and supply base</b>  Location of Certification Unit: Lot 1, Block 17, Lavang Land District 97000 Bintulu Sarawak, Malaysia

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NA 115

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## Section 1: Scope of the Certification Assessment

1. Company Details			
<b>RSPO Membership Number</b>	1-0077-09-000-00	<b>Membership Approval Date</b>	02/06/2009
<b>Parent Company Name</b>	Keresas Plantations Sdn Bhd		
<b>Address</b>	Head office : Level 6, Tun Jugah tower, 18, Jalan Tunku Abdul Rahman 93100 Kuching, Sarawak, Malaysia		
<b>Subsidiary (Certification Unit Name)</b>	Keresas Mill Sdn Bhd.		
<b>Address</b>	Lot 1, Block 17, Lavang Land District 97000 Bintulu, Sarawak, Malaysia		
<b>Contact Name</b>	Mr Thilaganarthan (Senior Manager – Sustainability/Estate Operation)		
<b>Website</b>	<a href="http://www.keresas.com.my">www.keresas.com.my</a>	<b>E-mail</b>	<a href="mailto:thila@keresas.com.my">thila@keresas.com.my</a>
<b>Telephone</b>	012-8855870/874	<b>Facsimile</b>	-

2. Certification Information			
<b>Certificate Number</b>	RSPO 559278	<b>Date of First Certification</b>	21/10/2010
		<b>Certificate Start Date</b>	20/10/2015
		<b>Certificate Expiry Date</b>	20/10/2020
<b>Scope of Certification</b>	Palm oil and Palm Kernel Production		
<b>Applicable Standards</b>	RSPO P&C MY-NI 2014; RSPO Supply Chain Certification Standard 2017 (CPO Mill – Module E)		

3. Other Certifications			
<b>Certificate Number</b>	<b>Standard(s)</b>	<b>Certificate Issued by</b>	<b>Expiry Date</b>
EU-ISCC-Cert-DE104-11421901	ISCC	GUTcert	14/07/2020
MSPO 644920 (Keresas Palm Oil Mill)	MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles for Palm Oil Mills	BSI Services Malaysia Sdn Bhd	10/11/2020
MSPO 644923 (Sujan Estate)	MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Palm Oil Plantations and Organized Smallholders		10/11/2020
MSPO 644925 (Jiba Estate)	MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Palm Oil		10/11/2020

	Plantations and Organized Smallholders		
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**4. Location(s) of Mill & Supply Bases**

Name (Mill / Supply Base)	Location [Map Reference #]	GPS Coordinates	
		Latitude	Longitude
Keresa Palm Oil Mill	Lot 1, Block 17, Lavang Land District 97000 Bintulu, Sarawak, Malaysia	03° 09' 49.6" N	113° 35' 59.1" E
Sujan Estate	Lot 1, Block 17, Lavang Land District 97000 Bintulu, Sarawak, Malaysia	03° 10' 34.3" N	113° 36' 09.0" E
Jiba Estate	Lot 1, Block 17, Lavang Land District 97000 Bintulu, Sarawak, Malaysia	03° 09' 18.0" N	113° 33' 46.0" E

**5. Description of Supply Base**

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Sujan Estate	3,078.08	-	464.62	3,542.70	86.89
Jiba Estate	2,268.82	-	211.48	2,480.30	91.47
<b>Total</b>	<b>5,346.90</b>	<b>-</b>	<b>676.10</b>	<b>6,023.00</b>	<b>88.77</b>

**6. Plantings & Cycle**

Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Sujan Estate			2,697.95	380.13		3,078.08	-
Jiba Estate				2,268.82		2,268.82	-
<b>Total (ha)</b>	-	-	2,697.95	2,648.95	-	5,346.90	-

**7. Certified Tonnage of FFB (Own Certified Scope)**

Estate	Tonnage / year		
	Estimated (Oct 2018-Sept 2019)	Actual (Aug 2018-Aug 2019)	Forecast (Oct 2019-Sept 2020)
Sujan Estate	68,000.00	66,398.27	69,000.00
Jiba Estate	49,000.00	45,081.17	49,000.00

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<b>Total</b>	117,000.00	111,479.44	118,000.00
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<b>8. Certified Tonnage of FFB (from other certified unit(s)) if applicable *</b>			
Estate	Tonnage / year		
	Estimated (Oct 2018-Sept 2019)	Actual (Aug 2018-Aug 2019)	Forecast (Oct 2019-Sept 2020)
Nil	N/A		N/A
<b>Total</b>			

<b>9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable</b>			
Independent FFB Supplier	Tonnage / year		
	Estimated (Oct 2018-Sept 2019)	Actual (Aug 2018-Aug 2019)	Forecast (Oct 2019-Sept 2020)
Dealer	141,000.00	138,525.19	125,000.00
Other Estate	15,000.00	14,565.99	12,800.00
Smallholder	15,500.00	15,841.79	13,000.00
Sg Kubud	65,000.00	60,497.74	75,000.00
<b>Total</b>	236,500.00	229,430.71	225,800.00

<b>10. Certified Tonnage</b>			
Mill Capacity: 60 MT/hr	Estimated (Oct 2018-Sept 2019)	Actual* (Aug 2018-Aug 2019)	Forecast (Oct 2019-Sept 2020)
	FFB	FFB	FFB
	117,000 mt	111,479.44 mt	118,000 mt
SCC Model: MB	CPO (OER:21.0%)	CPO (OER: 20.99%)	CPO (OER: 21.00%)
	24,570 mt	23,398.91 mt	24,780 mt
	PK (KER: 5.50%)	PK (KER: 4.34%)	PK (KER: 5.00%)
	6,435 mt	4,840.96 mt	5,900 mt

\*13months

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<b>11. Actual Sold Volume (CPO) (Aug 2018-Aug 2019)</b>					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
<b>CPO (MT)</b>	16,736.24	3,394.54	0	3,268.13	23,398.91

Conventional product = product that is produced using certified FFB but sold without RSPO claim.

<b>12. Actual Sold Volume (PK) (Aug 2018-Aug 2019)</b>					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
<b>PK (MT)</b>	4,443.07	0	0	397.89	4,840.96

Conventional product = product that is produced using certified FFB but sold without RSPO claim.

<b>13. Actual Group certification Claims</b>		
	Credit	Physical Volume (MT)
<b>IS-CSPO</b>	-	-
<b>IS-CSPKO</b>	-	-
<b>IS-CSPKE</b>	-	-

## Section 2: Assessment Process

### Certification Body:

BSI Services Malaysia Sdn Bhd  
Suite 29.01 Level 29  
The Gardens North Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur  
Tel: +603-9212 9638, Fax: +603-9212 9639  
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BSI is a leading global provider of management systems assessment and certification, with more than 80,000 certified locations and clients in over 180 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (ASI-ACC-067) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia and an office at Jakarta and Australia which involve in RSPO Certification Program.

### 2.1 Assessment Methodology, Programme, Site Visits

The on-site assessment was conducted from 17-20/09/2019. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The major NC close out on-site assessment was conducted on 18/11/2019. The audit programmes are included in Section 2.3.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. RSPO Principles & Criteria 2013 (MYNI-2014) and RSPO Supply Chain Certification Standard 2017 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates (or smallholders) of its supply base.

- The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula  $N = (0.8\sqrt{y}) \times (z)$  where y is the number of estates and where z is the multiplier defined by risk assessment
- As for the smallholders, the sample were determined following the RSPO Management System Requirements and Guidance for Group Certification of FFB Production (2016). The sampling of smallholders were based on the formula  $(0.8\sqrt{y}) \times (z)$ ; where y is total number of independent group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix I.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each



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meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.5.

All the previous nonconformities are remains closed. The assessment findings for the initial assessment/annual surveillance assessment are detailed in Section 3.4.

This report is structured to provide a summary of assessment finding as attached in the Appendix A. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

For Initial and Re-certification assessment, the report was externally reviewed by RSPO approved Certification Reviewer prior to certification decision by BSI.

For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

**The following table would be used to identify the locations to be audited each year in the 5 year cycle**

<b>Assessment Program</b>					
<b>Name (Mill / Supply Base)</b>	<b>Year 1 (Recertification)</b>	<b>Year 2 (ASA 1_1)</b>	<b>Year 3 (ASA 1_2)</b>	<b>Year 4 (ASA 1_3)</b>	<b>Year 5 (ASA 1_4)</b>
Keresa Palm Oil Mill	√	√	√	√	√
Sujan Estate	√	√	√	√	√
Jiba Estate	√	√	√	√	√

**Tentative Date of Next Visit:** July 27, 2020 – July 30, 2020

**Total No. of Mandays:** 13.0 mandays including one day SC audit for mill

**2.2 BSI Assessment Team:**

<b>Team Member Name</b>	<b>Role</b> <i>(Team Leader or Team member)</i>	<b>Qualifications</b> <i>(Short description of the team members)</i>
Valence Shem	Team Leader	He holds Bachelor Degree in Industrial Technology, graduated from University of Science Malaysia in 1998 and has 9 years working experience in oil palm plantation industry. He has been in the management system auditing line since 2009 for various standards such as ISO 140001, RSPO P&C, RSPO SCCS and SMETA. He completed the ISO 14001 Lead Auditor Course in 2008, ISO 9001 Lead

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		Auditor Course in 2013, Endorsed RSPO P&C Lead Auditor Course in 2011, Endorsed RSPO SCCS Lead Assessor Course in 2012 and MSPO Awareness Training in 2014. He had been involved in RSPO auditing since 2009 in various companies in Malaysia. During this assessment, he assessed on the aspects of legal, environmental & biodiversity, agriculture best practices and the supply chain element. He is able to communicate in Bahasa Malaysia and English.
Hu Ning Shing	Team Member	She holds Bachelor Degree in Science majoring in Applied Chemistry, graduated from University of Malaya on 2011. She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSPO and RSPO in her previous certification body. She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia. During this assessment, she assessed on the aspects of social. She is fluent in Bahasa Malaysia and English languages.
Muhamad Naqiuddin Mazeli	Team Member	He hold Bachelor of Science Horticulture at University Putra Malaysia. He has 11 years working experience in oil palm plantation industry as sustainability team. Joining the sustainability team, he managed, implement and monitors the RSPO, ISCC, MSPO and ISO9001 and ISO 18001 certification requirements for the estates, mills, refineries and Smallholder scheme. He also support in providing training related to RSPO, MSPO and other certifications where applicable to the operations during previous company. He is a trained as Safety and Health Officer, Food Safety System (FSSC and ISO 22000) for Mill and refineries, ISO 9001, ISO 45001 and already attend HCV training with Proforest. During this assessment, he assessed on the aspects of legal, mill best practices, estate best practices, safety and health, environmental and workers and stakeholders consultation. He is fluent in Bahasa Malaysia and English languages.

**Accompanying Persons:**

No.	Name	Role
	Nil	

**2.3 Assessment Plan**

The assessment plan was sent to client prior to the assessment.

PRELIMINARY AGENDA					
Date	Time	Subjects	Valence	Hu Ning Shing	Naquiuddin
Tuesday 17/09/2019  <b>Jiba Estate</b>	0830-0900	Opening meeting: <ul style="list-style-type: none"> <li>Opening presentation by audit team leader</li> <li>Confirmation of assessment scope and finalize audit plan (including stakeholder’s consultation)</li> </ul>	√	√	√
	0900-1300	<b>Jiba Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Scheduled waste management, worker housing, clinic, Landfill, , etc.	√	√	√
	1000-1300	<b>Stakeholder consultations:</b> Consultation with relevant stakeholders which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.	-	√	-
	1300-1400	Lunch break			
	1400-1630	<b>Jiba Estate</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.).	√	√	√
	1630-1700	Interim closing briefing	√	√	√
	Wednesday 18/09/2019  <b>Keresia POM</b>	0900-1300	<b>Keresia Palm Oil Mill</b> Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders, etc.	√	√
1300-1400		Lunch Break			

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PRELIMINARY AGENDA					
Date	Time	Subjects	Valence	Hu Ning Shing	Naquidd in
	1400-1630	<b>Keres a POM</b> Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc.	√	√	√
	1630-1700	Interim closing briefing	√	√	√
Thursday 19/09/2019	0900-1300	<b>Sujan Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Scheduled waste management, worker housing, clinic, Landfill, , etc.	√	√	√
	1300-1400	Lunch break			
	1400-1630	<b>Sujan Estate</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.).	√	√	√
	1630-1700	Interim closing briefing	√	√	√
Friday 20/09/2019	0830-1130	<b>Keres a POM</b> <b>RSPO Supply Chain</b> Site visit: Incoming of FFB and outgoing of CSPO & CSPK – weighbridge, ramp, storage area, loading bays, etc. Documentation review: RSPO SCC general requirements, internal audit, management review, sales and purchasing documents, mass balance accounting and other relevant documents and records.	√	-	√
	1130-1200	Audit team discussion & preparation for closing meeting	√	-	√
	1200-1230	Closing meeting	√	-	√

### Section 3: Assessment Findings

#### 3.1 Normative requirement applied for this assessment:

- Keresia Plantation Sdn Bhd Multiple Management Units / Time Bound Plan
- RSPO P&C 2013 Generic
- RSPO Group Certification Standard 2016
- RSPO Supply Chain Certification Standard 2017
- RSPO P&C GA-NIWG 2017
- RSPO P&C INA-NIWG 2016
- RSPO P&C MY-NIWG 2014
- RSPO P&C PNG-NIWG 2017

#### 3.2 Time Bound Plan progress for multiple management units

Time Bound Plan		
Requirement	Remarks	Compliance
Does the plan include all current subsidiaries, estates and mills?	Yes	Yes
Have all the estates and mills certified within five years after obtaining RSPO membership?	Yes	Yes
Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three-year from the date of acquisition. Certification plan for the new acquisition shall be available.	No	Yes
Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting?	As of this year, no changes as per submitted to ACOP.	Yes
Have there been any isolated lapses in implementation of the plan? If yes a <b>Minor</b> non-compliance shall be raised	No	Yes
Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to proceed with implementation of the plan? If yes a <b>Major</b> non-compliance shall be raised	No	Yes
Have there been any stakeholder comments?	No	Yes
Un-Certified Units or Holdings		
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none"> <li>• Primary forest.</li> </ul>	Sg Kubud Estate – leased land belongs to community.	Yes

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<ul style="list-style-type: none"> <li>Any area required to maintain or enhance HCVs in accordance with RSPO P&amp;C criterion 7.3.</li> </ul>	As per HCV assessment report, HCV cleared. Keresia in discussion with RSPO on the liability issue. Not yet finalised.	
Any new plantings since January 1 <sup>st</sup> 2010 shall comply with the RSPO New Plantings Procedure.	New plantings at Sg Kubud Estate completed NPP.	Yes
Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6. The RSPO RaCP tracker shall be checked to confirm for any land conflicts/Liabilities <a href="https://www.rspo.org/certification/remediation-and-compensation/racp-tracker">https://www.rspo.org/certification/remediation-and-compensation/racp-tracker</a> . The progress on the Liabilities shall be verified and reported.	Sg Kubud Estate – leased land belongs to community.  As per HCV assessment report, HCV cleared. Keresia in discussion with RSPO on the liability issue. Not yet finalised. Concept Note has been submitted to RSPO and still pending for approval.	Yes
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3.	No labor disputes for Keresia Plantations	Yes
Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1	No non-compliances as of today for Keresia Plantations	Yes
Did the company conduct internal audit against the uncertified management units requirement? If yes, a positive assurance statement shall be available.	Yes. Internal audits are done by TQM Team	Yes

**3.3 Progress of scheme smallholders and/or outgrowers (if applicable to this assessment)**

<b>Progress of scheme smallholders or outgrowers towards compliance with relevant standards</b>		
<b>Requirement</b>	<b>Remarks</b>	<b>Compliance</b>
Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification?  OFI shall be raised if after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.	Not applicable.	NA

### 3.4 Details of findings

The nonconformity is listed below. The summary report of the assessment by criteria is listed in Appendix A.

During the 4<sup>th</sup> annual surveillance assessment there were four (4) Major nonconformities & four (4) Minor nonconformities raised. The Keresia Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1821398-201903-M1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 2.1.3 (Minor NC escalated to Major NC)
<b>Date Issued</b>	20/09/2019	<b>Due Date</b>	18/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/11/2019
<b>Statement of Nonconformity:</b>	Mechanism to ensure the compliance of Sarawak Labour Ordinance is not implemented effectively.		
<b>Requirement Reference:</b>	A mechanism for ensuring compliance shall be implemented.		
<b>Objective Evidence:</b>	Based on document reviewed on the payslips for the workers found that deduction of salary of petrol was done due to the workers purchased the petrol from the management without approval from authority. This indicator was escalated to major NC due to the recurrence of minor NC raised during last assessment.		
<b>Corrections:</b>	Employee who request petrol from estate management for personal usage has been advised to request in writing. Their request will be forwarded to the Director General (DG) of Sarawak Labour for consideration.		
<b>Root Cause Analysis:</b>	Petrol deduction was made by Estate management upon request by the workers. However, the Estate Management have not checked the requirement as stated in Sarawak Labour Ordinance.		
<b>Corrective Actions:</b>	No unlawful deduction to be made to any employee prior obtaining permit from JTK as stated in Sarawak Labour Ordinance .		
<b>Assessment Conclusion:</b>	<u>On-site verification:</u> Evidence verified: 1) A directive letter from Keresia’s Sr. Manager, Sustainability & Estate Operations to all the estates and mill manager, dated 27/9/2019 to inform that no petrol deduction from the workers’ pay with immediate effect. 2) Sampled of workers’ payslips (employee no.: 11874, 10816 & 10563) for the month of September 2019 showed that no petrol deduction was made. 3) Letters from Sujan and Jiba estates, dated 24/9/2019, to the Director General of Labour Department (Bahagian Bakun, Sarawak), to apply for		

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	<p>permit to deduct the workers' pay for petrol supply. The response from the department was still pending at the point of on-site visit.</p> <p>The evidence of corrective actions implementation was found to be adequate to close the NCR.</p>
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Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1821398-201903-M2	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 6.5.1 Major
<b>Date Issued</b>	20/09/2019	<b>Due Date</b>	18/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/11/2019
<b>Statement of Nonconformity:</b>	No evidence to show that the 5 workers and 2 loaders who worked on public holiday have been paid according to Sarawak Labour Ordinance, Section 104, Subsection (6) (b).		
<b>Requirement Reference:</b>	Documentation of pay and conditions shall be available.		
<b>Objective Evidence:</b>	<p>Sujan Estate:            Verified on the Daily Muster Chit# 28276 for Stapang 3 dated 13/8/2019 found that workers have worked on public holiday (2nd day of Hari Raya Haji). However, reviewed on the Daily FFB Record generated by the i- ECS for August 2019 found that no records of FFB for 13/8/2019 for the harvesters but tonnage for loaders on 13/8/2019 was captured in Daily FFB Despatched by Division August 2019. Interviewed with management confirmed that it is an offer day of work if there is an issuance of Daily Muster Chit and signed by Field Conductor, Assistant Manager and Manager. However, no evidence to show that the workers have been paid twice of the ordinary rate per piece as per Sarawak Labour Ordinance, Section 104, Subsection (6) (b).</p> <p>Sampled of the workers as below:            i. Employee No.: 10679 (loader)            ii. Employee No.: 11963 (loader)            iii. Employee No.: 11569 (harvester)            iv. Employee No.: 11605 (harvester)            v. Employee No.: 11701 (harvester)            vi. Employee No.: 12135 (harvester)            vii. Employee No.: 12225 (harvester)</p>		
<b>Corrections:</b>	The balance wages for the 7 sample workers were paid on 25th September 2019.		
<b>Root Cause Analysis:</b>	Poor monitoring from the estate management especially on worker who worked on Public Holiday before keyed-in into iECS system (KPSB's checkroll system ).		
<b>Corrective Actions:</b>	No work will be offered by the company on weekday rest and public holidays. A circular will be forwarded to the estate management duly acknowledge .		
<b>Assessment Conclusion:</b>	<p><u>On-site verification:</u>            Evidence verified:            1) A directive letter dated 27/9/2019 from the Sr. Manager, Sustainability/Estate Operations to all the estates and mill managers to inform that no employee shall be compelled to work on rest day and public holiday as per Labour Ordinance, Section 104, Subsection (6) (b). However,</p>		



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	<p>if the workers turn up for work on rest days or public holidays on their own accord, the estate management is still liable to pay accordingly as per law.</p> <p>2) Payment records to show the workers have been paid according to legal requirements for the month of September 2019. The records of payment did not appear in the payslips and paid separately on the 4/10/2019.</p> <p>3) Interview with workers (employee no.: 11792, 12157, 10559, 10654, 11215) showed that they are paid accordingly for working on public holiday.</p> <p>The evidence of corrective actions implementation was found to be adequate to close the NCR.</p>
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Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1821398-201903-M3	<b>Clause &amp; Category (Major / Minor)</b>	SCCS 5.11.1 Major
<b>Date Issued</b>	20/09/2019	<b>Due Date</b>	18/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/11/2019
<b>Statement of Nonconformity:</b>	The logo of RSPO logo was used without complying with RSPO Rules on Market Communication and Claims.		
<b>Requirement Reference:</b>	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.		
<b>Objective Evidence:</b>	Found RSPO Logo was been using Safety and Health brochure. However, no permit from RSPO.		
<b>Corrections:</b>	1) To appoint PIC. 2) To apply permit from RSPO		
<b>Root Cause Analysis:</b>	No PIC and awareness to PIC regarding the RSPO Rules on Market Communication and Claims.		
<b>Corrective Actions:</b>	The PIC to update latest requirement on the RSPO "Rule on Market Communication and Claims" on logo procedure.		
<b>Assessment Conclusion:</b>	<p><u>On-site verification:</u> Evidence verified:</p> <ol style="list-style-type: none"> <li>1) E-mail conversation between Keresas and RSPO Secretariat, dated 27/9/2019 with regards to license application for the use of RSPO Trademark logo</li> <li>2) Completed application form of "Use of RSPO Corporate/Trademark Logo", which was submitted to RSPO on 27/9/2019.</li> <li>3) A letter dated 1/10/2019 from Keresas's Assistant General Manager – Operations &amp; Sustainability to Nur Atma Binti Ridwan (Total Quality Management Executive), to appoint her as the RSPO Logo Usage Coordinator. Among the tasks described in the letter are: <ul style="list-style-type: none"> <li>• Ensuring the company usage on RSPO Trademark and the Label in accordance with the instructions set out in the Rules on Communications &amp; Claims</li> <li>• To ensure the validity of existing Company's RSPO Trademark License</li> <li>• To update latest requirement on the RSPO Rule on Market Communication and Claims logo procedure</li> </ul> </li> <li>4) RSPO Trademark License #1-0077-09-100-00, validity 27/9/2019-26/9/2021, licensee Keresas Plantations Sdn Bhd. However, at the point of verification</li> </ol>		

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	<p>RSPO trademark logo is no longer in used. The logo used in the safety brochure earlier on has been deleted.</p> <p>The evidence of corrective actions implementation was found to be adequate to close the NCR.</p>
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Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1821398-201903-M4	<b>Clause &amp; Category (Major / Minor)</b>	SCCS E.4.2 Major
<b>Date Issued</b>	20/09/2019	<b>Due Date</b>	18/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/11/2019
<b>Statement of Nonconformity:</b>	The notification to CB with regards to projected overproduction was not adequately done.		
<b>Requirement Reference:</b>	The site shall inform the CB immediately if there is a projected overproduction.		
<b>Objective Evidence:</b>	<p>There is an overproduction of CSPO and CSPK for the license period of 21/10/2017 to 20/10/2018 i.e. 3,787.94 mt of CSPO and 1,046.02 mt of CSPK. There was also a notification to CB to apply for volume extension.</p> <p>However, the applied extended volume was only 238 mt of CSPO and 0mt for CSPK. It was not adequate to cover the actual overproduction.</p>		
<b>Corrections:</b>	PIC will notify CB the projected overproduction of CSPO & CSPK for year 2018 accordingly.		
<b>Root Cause Analysis:</b>	No follow-up and no system to detect the overproduction by the person in charge.		
<b>Corrective Actions:</b>	A system in Microsoft Excel will be established, containing data of license period, total of current CSPO & CSPK. PIC will update the data and report to Mill Manager on month end.		
<b>Assessment Conclusion:</b>	<p><u>On-site verification:</u></p> <p>After a rechecking of the license period under review, it was actually 21/1/2018 to 20/12/2018 (11 month) instead of 21/10/2017 to 20/10/2018. When compared to the actual productions of CSPO and CSPK for the same period, it was confirmed that there is no overproduction occurred. Thus, the NCR is closed. Nonetheless, the effectiveness of the corrective action implementation shall be verified in the next assessment.</p>		

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1821398-201903-N1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.1.2 Minor
<b>Date Issued</b>	20/09/2019	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	Mechanism to check the consistency of implementation of Foreign Workers Employment Procedure was ineffective.		

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<b>Requirement Reference:</b>	A mechanism to check consistent implementation of procedures shall be in place.																													
<b>Objective Evidence:</b>	<p>According to Foreign Workers Employment Procedure (Effective Date: 2007), Section 2.4 Work Permit Applications for Foreign Workers:</p> <p>b. All foreign workers must be sent for medical examination within 3 – 5 working days of their arrival at estate/ mill at any recognized medical centres in Sarawak.</p> <p>c. The Human Resource Executive (Foreign Workers Unit) to prompt Insurance Agent to issue Insurance Guarantee and/ or SPIKA for the new workers.</p> <p>d. Insurance Agent to provide Insurance Guarantee and/ or SPIKA within 2 working days.</p> <p>Section 2.7 Renewal of Worker Permit/ PLKS:</p> <p>a. The Human Resource Department will apply for the extension three (3) months before the expiry date.</p> <p>Based on evidence of medical check-up report, insurance guarantee, letter submitted to Immigration Department Sarawak (Permohonan Visa Masuk dan Pas Lawatan Kerja Sementara (PLKS) untuk Menggaji Tenaga Kerja Indonesia for newly recruited foreign workers and Permohonan untuk Melanjutkan PLKS Pekerja Indonesia for existing foreign workers) found that they did not follow timeline mentioned in the SOP above.</p> <p>New Workers:</p> <p><u>Keresas POM:</u></p> <table border="1" data-bbox="502 1189 1460 1601"> <thead> <tr> <th>Employee No.</th> <th>Date Joined</th> <th>Date of Medical Check Up</th> <th>Date of Insurance Guarantee</th> <th>Date of submission letter to Immigration</th> </tr> </thead> <tbody> <tr> <td>E0824</td> <td>2/6/2019</td> <td>4/7/2019</td> <td>3/9/2019</td> <td>3/9/2019</td> </tr> <tr> <td>E0825</td> <td rowspan="5">23/7/2019</td> <td rowspan="5">28/7/2019</td> <td rowspan="5">24/7/2019</td> <td rowspan="5">5/9/2019</td> </tr> <tr> <td>E0826</td> </tr> <tr> <td>E0827</td> </tr> <tr> <td>E0828</td> </tr> <tr> <td>E0829</td> </tr> </tbody> </table> <p><u>Jiba Estate:</u></p> <table border="1" data-bbox="502 1682 1401 1848"> <thead> <tr> <th>Employee No.</th> <th>Date Joined</th> <th>Date of Medical Check Up</th> <th>Date of Insurance Guarantee</th> <th>Date of submission letter to Immigration</th> </tr> </thead> <tbody> <tr> <td>12221</td> <td>8/7/2019</td> <td>31/7/2019</td> <td>20/8/2019</td> <td>3/9/2019</td> </tr> </tbody> </table> <p><u>Renewal of Permit:</u></p> <p><u>Keresas POM:</u></p>	Employee No.	Date Joined	Date of Medical Check Up	Date of Insurance Guarantee	Date of submission letter to Immigration	E0824	2/6/2019	4/7/2019	3/9/2019	3/9/2019	E0825	23/7/2019	28/7/2019	24/7/2019	5/9/2019	E0826	E0827	E0828	E0829	Employee No.	Date Joined	Date of Medical Check Up	Date of Insurance Guarantee	Date of submission letter to Immigration	12221	8/7/2019	31/7/2019	20/8/2019	3/9/2019
Employee No.	Date Joined	Date of Medical Check Up	Date of Insurance Guarantee	Date of submission letter to Immigration																										
E0824	2/6/2019	4/7/2019	3/9/2019	3/9/2019																										
E0825	23/7/2019	28/7/2019	24/7/2019	5/9/2019																										
E0826																														
E0827																														
E0828																														
E0829																														
Employee No.	Date Joined	Date of Medical Check Up	Date of Insurance Guarantee	Date of submission letter to Immigration																										
12221	8/7/2019	31/7/2019	20/8/2019	3/9/2019																										

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Employee No.	Expiry Date of Permit	Date of Submission of renewal to Immigration
E0786	1/10/2019	3/9/2019
E0785		
E0789		
E0791	10/10/2019	
E0793		
E0792		
E0790		
E0730	22/10/2019	

**Sujan Estate:**

Employee No.	Expiry Date of Permit	Date of Submission of renewal to Immigration
11580	2/10/2019	3/9/2019
12001	8/10/2019	
11569	11/10/2019	
10644	6/9/2019	

Besides, the following workers' permit submitted for renewal of permit after the expiry date of permit.

Employee No.	Expiry Date of Permit	Date of Submission of renewal to Immigration
10308	1/3/2019	3/9/2019
11912	27/7/2019	

<b>Corrections:</b>	The input in the masterlist will be revised and to be acknowledge by the person in charge and immediate superior (Estate Managers & Mill Manager).
<b>Root Cause Analysis:</b>	Mechanism of reviewing is not effective and PIC failed to follow SOP .
<b>Corrective Actions:</b>	1) To prepare a standard internal memorandum format for renewal of work permit by estate and mill's clerks. 2) Monthly monitoring on expiry date of permit and passport by estate and mill's clerk and to be coordinated with the HR department .
<b>Assessment Conclusion:</b>	The CAP is accepted and evidence of effective implementation shall be verified in the next assessment.

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1821398-201903-N2	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.1.3 Minor

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<b>Date Issued</b>	20/09/2019	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	The scheduled wastes inventory records were not prepared using the correct format.		
<b>Requirement Reference:</b>	1) Records of monitoring and any actions taken shall be maintained and available, as appropriate. 2) Waste Management Procedure in Keresa Plantations & Keresa Mill Sdn Bhd., Clause 4, which reads, "Update the inventory in Jadual Kelima for all scheduled wastes generated".		
<b>Objective Evidence:</b>	The inventory recording for scheduled wastes at Sujan Estate was not done in accordance to the established procedure which made reference to Schedule 5 of the EQA (SW) Reg., 2015.		
<b>Corrections:</b>	To use the right format (Jadual Kelima) Environmental Quality Act 1974, Regulation 2005.		
<b>Root Cause Analysis:</b>	PIC lack of knowledge and ignorance of the fact that he should use the latest format. Found still using the old format.		
<b>Corrective Actions:</b>	a. Appointment letter for Person In Charge. b. PIC to update the inventory data in e-SWIS and trained the subordinates. c. Proper inventory will be always maintained with monitoring of storage period.		
<b>Assessment Conclusion:</b>	The CAP is accepted and evidence of effective implementation shall be verified in the next assessment.		

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1821398-201903-N3	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.7.5 Minor
<b>Date Issued</b>	20/09/2019	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	The records of accident was inadequately reviewed.		
<b>Requirement Reference:</b>	Records of all accidents shall be kept and periodically reviewed.		
<b>Objective Evidence:</b>	JKKP 8 for Mill that was sent on 17 Jan 2019 for year 2018 accident record did not include the accident happened on 2 May 2018 (Gasifier plant accident).		
<b>Corrections:</b>	To submit the JKKP 8 forms to DOSH with details.		
<b>Root Cause Analysis:</b>	No monitoring system.		
<b>Corrective Actions:</b>	To appoint PIC for Mill and Estate and report on quarterly basis the status of accidents (if any) to Acting Safety Officer during OSH meeting.		
<b>Assessment Conclusion:</b>	The CAP is accepted and evidence of effective implementation shall be verified in the next assessment.		

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<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1821398-201903-N4	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 5.6.1 Minor
<b>Date Issued</b>	20/09/2019	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	Some inconsistencies of data were found in the RSPO GHG Calculator.		
<b>Requirement Reference:</b>	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.		
<b>Objective Evidence:</b>	Verification on the RSPO GHG Calculator ver. 4 found the following issues: <ul style="list-style-type: none"> <li>• The consumptions of diesel at the mill from the operation of machinery (tractor, shovel, forklift, gasifier plant) were not included in the calculation without clear justification</li> <li>• EFB figure in the calculator (33,475.94 mt) is not tally with the company's accounting system (i-scale)(51,924.54 mt)</li> <li>• The purpose of PKS sold to a buyer was not known whether or not for generation of energy</li> <li>• There is a 77.67 Ha of peat area declared for Sujan Estate in the calculator. However, the origin of the figure was unclear.</li> </ul>		
<b>Corrections:</b>	a) All data on fossil fuel to include all machineries in the mill (tractor, shovel, forklift, and gasifier plant). b) EFB-Not applicable for correction. c) We will write an official letter to the PKS buyer to gain information on the purpose of the purchasing PKS from us. d) To obtain justification letter from our Agronomist, Mr. Chong Choon Fong on peat land at Sujan Estate and a report from our Agronomist on the actual hectare of peat land at Sujan Estate will be furnished.		
<b>Root Cause Analysis:</b>	a) The consumptions of diesel at the mill not included operation of machinery (tractor, shovel, forklift, gasifier plant) - The data keyed-in into GHG calculator was not reviewed. b) The actual EFB data is default value but due to lack of knowledge no one realise the data during audit. c) The purpose of PKS sold to a buyer was not known whether or not for generation of energy is due to lack of engagement/communication with stakeholder. d) There is a 77.67 Ha of peat area declared for Sujan Estate in the calculator. However, its origin of the figure was unclear. This is due to the hard copy was found missing/misplaced.		
<b>Corrective Actions:</b>	a) EFB figure will be reviewed fortnightly by the respective PIC (Estate & Mill's Representative). b) Training will be given to person in-charge. c) A stakeholder meeting will be conducted with PKS buyers and all details will be recorded including the purpose of PKS sold. d) GHG data (input data) should be compiled in hard & soft copy. Before submission, the Executive will verify and review all the data to avoid errors.		

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<b>Assessment Conclusion:</b>	The CAP is accepted and evidence of effective implementation shall be verified in the next assessment.
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<b>Opportunity for Improvements</b>	
OFI #	Description
<b>OFI 1</b>	<p><b>1821398-201903-I1</b></p> <p><b><u>Indicator 5.6.2</u></b></p> <p><u>Details:</u> The management plan for GHG reduction can be further improved by including the measurable target and timeframe.</p>

<b>Positive Findings</b>	
PF #	Description
<b>PF 1</b>	

**3.4.1 Status of Nonconformities Previously Identified and Observations**

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1668121-201808-M1	<b>Clause &amp; Category (Major/Minor)</b>	Indicator 6.5.3 Major
<b>Closed (Yes/No)</b>	Yes	<b>Date of nonconformity closure</b>	7/11/2018
<b>Statement of Nonconformity</b>	CAP for the closure of previous Minor NC was insufficient where the quarterly monitoring of drinking water by estate & mill does not include the problematic parameter (Total Coliform) and annual inspection by Pegawai Kesihatan Bahagian Bintulu has yet to be conducted. (Minor escalated to Major)		
<b>Requirement Reference</b>	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.		
<b>Objective Evidence</b>	<ul style="list-style-type: none"> <li>• Sighted the letter by Pejabat Kesihatan Bahagian Bintulu; Ref. # PKBB/KMAM/600-2(166); Dated 30/8/2017 on the requirement of correct chlorine dosage for drinking water treatment process in the estate plant (Keperluan Dalam Penedosan Klorin Dengan Kadar Yang Betul Bagi Proses Rawatan Air Minum Di Loji Ladang). The attached document of Borang Pengumpulan Data Analisis Group 1 (In Situ Test); dated 22/8/2017 and Lampiran 1 (Attachment 1) Borang S1B (Air Terawat) Jabatan Kimia Malaysia Permintaan Analisis Bakteria; Kod Balai KKS75 dated 23/8/2017 shown bacteria (Total Coliform) was detected in sample S02 (Treatment plant – treated) and S05 (Stesen 2 Kantin).</li> <li>• Latest external analysis for the drinking water sample was done by ESI Laboratory Sdn. Bhd.; Certificate of Analysis # KPSB/12-10/017; Lab # ELS/KPSB/04/017/17; Date sample received: 12/10/2017; Date sample reported: 16/10/2017. Analysis of Total Coliform Count (TCC), MPN/100mL was done for sample marking as following:</li> </ul>		

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	<p>o D1 (before water tap entering crèche water tank); TCC result: &lt;1 MPN/100mL</p> <p>o D2 (after water tank entering Robert’s house); TCC result: &gt;2419 MPN/100mL</p> <p>o D3 (after water pipe entering Augustus’s house water tank); TCC result: 160 MPN/100mL</p> <p>• Jiba Estate Water Monitoring Record – parameter monitored Turbidity, pH, TDS &amp; TSS (no Total Coliform Content)</p>
<b>Corrective Action</b>	<p>1. Conducting Quartely Monitoring by Estate/Mill. The parameters monitored including 'Total Coliform' by sending sample of water for analysis to the independent laboratory.</p> <p>2. Diconnecting of the rain gutter for each house to avoid mixing with treated water.</p> <p>3. Half yearly monitoring by Pegawai Kesehatan Bintulu.</p> <p>Corrective action plan (CAP) accepted. Verification of CAP taken was done off-site due to availability of evidence that can be sufficiently submitted electronically via email as following:</p> <ul style="list-style-type: none"> <li>- Pegawai Kesehatan Bintulu visit request records</li> <li>- Housing water supply monitoring records</li> <li>- Independent lab analysis records; Certificate of Analysis # KPSB/10-10/032; Date: 16/10/2018</li> </ul> <p>Evidence verified confirmed the CAP effective to address the issue. Hence, Major Nonconformity closed on 7/11/2018.</p>
<b>Assessment Conclusion</b>	<p><u>ASA1 4 verification:</u></p> <p>Jiba Estate has continuously monitored on the disconnecting water tank (rain harvesting &amp; water treatment) and cleaning of water tank on monthly basis to ensure no connecting of rain gutter and contamination into the water tank. Besides, a drinking water sample has sent for testing on Total Coliform Count and E-Coli on 9/8/2019 and results found as below:</p> <p>Parameter Sujan Estate Keresia Mill Jiba Estate (Water treatment) Jiba Estate (Staff Housing)</p> <p>Total Coliform Count 2400 690 &lt;1 580</p> <p>E-Coli 30 &lt;1 &lt;1 &lt;1</p> <p>They have the mitigation plan to resend the drinking water to the laboratory for the respective testing. They took action to resend the drinking water testing for parameter Total Coliform Count on 19/9/2019.</p>

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1668121-201808-M2	<b>Clause &amp; Category (Major/Minor)</b>	Indicator SCCS 5.3.1 Major
<b>Closed (Yes/No)</b>	Yes	<b>Date of nonconformity closure</b>	7/11/2018
<b>Statement of Nonconformity</b>	The elements in the latest RSPO SCCS, ver. 2017 has yet to be included in the current written procedures.		



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<b>Requirement Reference</b>	The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following: <ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> </ul>
<b>Objective Evidence</b>	The elements in the latest RSPO SCCS, ver. 2017 has yet to be included in the following documents: i) Supply Chain Procedures for FFB, CSPO & CSPK (MB), dated October 2017, first edition ii) Mass Balance (CPO), dated January 2017, first edition iii) Mass Balance (PK), dated January 2017, first edition iv) Internal Audit Procedure, dated July 2015, rev 1 (25/8/2017) v) Management Review Procedure, dated September 2015, version 1.0
<b>Corrective Action</b>	To review the procedures every 3 years or whenever new elements implemented by RSPO.  Corrective action plan (CAP) accepted. Verification of CAP taken was done off-site due to availability of evidence that can be sufficiently submitted electronically via email as following: - Keresia POM Supply Chain Procedure; Dated August 2018 Evidence verified confirmed the CAP effective to address the issue. Hence, Major Nonconformity closed on 7/11/2018.
<b>Assessment Conclusion</b>	<u>ASA1 4 verification:</u> Keresia POM already using RSPO Supply Chain Certification Standards 2014 (Revised June 2017) and been included in Supply chain procedure dated 1 August 2018. The procedure already include the management review and internal audit in the procedure. From the procedure the internal audit was done annually by management. The record of management was maintained adequately. The appointment letter for Mr Thilaganathan as management representative for implementation of these requirements and compliance with all applicable requirements was available dated 1 July 2019.

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1668121-201808-M3	<b>Clause &amp; Category (Major/Minor)</b>	Indicator SCCS 5.3.2 Major
<b>Closed (Yes/No)</b>	Yes	<b>Date of nonconformity closure</b>	7/11/2018
<b>Statement of Nonconformity</b>	The internal audit for RSPO supply chain has yet to be conducted.		
<b>Requirement Reference</b>	The site shall have a written procedure to conduct annual internal audit to determine whether the organization; i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. ii) effectively implements and maintains the standard requirements within its organization		
<b>Objective Evidence</b>	There is no evidence that the internal audit for RSPO supply chain has been conducted.		
<b>Corrective Action</b>	To prepare proper audit guidelines/checklist for RSPO SCCS.		

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	<p>Corrective action plan (CAP) accepted. Verification of CAP taken was done off-site due to availability of evidence that can be sufficiently submitted electronically via email as following:</p> <ul style="list-style-type: none"> <li>- Notice &amp; records of Keres a POM RSPO Supply Chain Internal Audit dated 4-7/9/2018</li> </ul> <p>Evidence verified confirmed the CAP effective to address the issue. Hence, Major Nonconformity closed on 7/11/2018.</p>
<b>Assessment Conclusion</b>	<p><u>ASA1 4 verification:</u>  The latest Internal audit was done on 4 July 2019 by Nur Atma, TQM Executive and result from internal was no finding. The internal audit was followed as per requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p>

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1668121-201808-M4	<b>Clause &amp; Category (Major/Minor)</b>	Indicator SCCS 5.8.1 Major
<b>Closed (Yes/No)</b>	Yes	<b>Date of nonconformity closure</b>	7/11/2018
<b>Statement of Nonconformity</b>	Training plan on RSPO Supply Chain Standards has yet to be established.		
<b>Requirement Reference</b>	The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff.		
<b>Objective Evidence</b>	There is no evidence that the training plan on RSPO Supply Chain Standards has been established.		
<b>Corrective Action</b>	<p>To plan RSPO Supply Chain training on yearly basis.</p> <p>Corrective action plan (CAP) accepted. Verification of CAP taken was done off-site due to availability of evidence that can be sufficiently submitted electronically via email as following:</p> <ul style="list-style-type: none"> <li>- Keres a POM annual training schedule 2018/2019</li> <li>- Notice &amp; records of RSPO Supply Chain (FFB, CPO &amp; PK) Training dated 21/9/2018</li> </ul> <p>Evidence verified confirmed the CAP effective to address the issue. Hence, Major Nonconformity closed on 7/11/2018.</p>		
<b>Assessment Conclusion</b>	<p><u>ASA1 4 verification:</u>  The training on Supply chain and traceability was done on 23 August 2019 in Keres a Mill Conferenace room, attended by 7 person that handle critial control point. The training plan was available in training need and plan document dated Jan 2019.</p>		

Summary of Total Number of Nonconformity			
Nonconformity			

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<b>NCR Ref #</b>	1668121-201808-M5	<b>Clause &amp; Category (Major/Minor)</b>	Indicator SCCS 5.13.1 Major
<b>Closed (Yes/No)</b>	Yes	<b>Date of nonconformity closure</b>	7/11/2018
<b>Statement of Nonconformity</b>	Management reviews has yet to be conducted.		
<b>Requirement Reference</b>	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken.		
<b>Objective Evidence</b>	There is no evidence that the annual management reviews has been conducted.		
<b>Corrective Action</b>	<p>To conduct management review immediately after internal audit.</p> <p>Corrective action plan (CAP) accepted. Verification of CAP taken was done off-site due to availability of evidence that can be sufficiently submitted electronically via email as following:</p> <ul style="list-style-type: none"> <li>- Minutes of meeting: Keresa Mill Supply Chain Management Review Meeting; Date: 24/9/2018</li> </ul> <p>Evidence verified confirmed the CAP effective to address the issue. Hence, Major Nonconformity closed on 7/11/2018.</p>		
<b>Assessment Conclusion</b>	<p><u>ASA1 4 verification:</u> The management has conducted the management review meeting annually where the last meeting was conducted on 2/8/2019 for the period from January 2019 to December 2019.</p>		

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1668121-201808-N1	<b>Clause &amp; Category (Major/Minor)</b>	Indicator 5.1.2 Minor
<b>Closed (Yes/No)</b>	Yes	<b>Date of nonconformity closure</b>	20/9/2019
<b>Statement of Nonconformity</b>	The mitigation measures in accordance to the established procedure has yet to be developed.		
<b>Requirement Reference</b>	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons.		
<b>Objective Evidence</b>	The significant aspects register and their mitigation measure in accordance to the Procedure Manual [ref. no.: KPSB 1/2012; Doc. No.: Aspect Impact 1/2012] Identification of Environmental Aspects and Evaluation of Environmental Impacts has yet to be established.		
<b>Corrective Action</b>	To review the mitigation measure if any changes in the operation.		
<b>Assessment Conclusion</b>	<p><u>ASA1 4 verification:</u> Based on the Procedure Manual Ref. No.: KPSB 1/2012; Doc. No.: Aspect Impact 1/2012, clause 6.9, any significant environmental impacts shall be prioritized and registered in the Significant Aspects and Impacts Registrar Form by SHO or TQM units. The identified significant environmental aspects were registered in "Significant Environmental Aspects and Impacts Registrar" form, doc. No.: KPSB 1/2018, e.g. dated 1/9/2018 (Jiba). The registrar includes the mitigation measures of all the identified significant environmental aspects.</p>		

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Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1668121-201808-N2	<b>Clause &amp; Category (Major/Minor)</b>	Indicator 6.1.5 Minor
<b>Closed (Yes/No)</b>	Yes	<b>Date of nonconformity closure</b>	20/9/2019
<b>Statement of Nonconformity</b>	Relevant social impact with regards to smallholders was lacking of particular attention.		
<b>Requirement Reference</b>	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).		
<b>Objective Evidence</b>	The list of SIA tabulated in table of Social Aspect, Positive Impact, Promoting Measures, Negative Impact and Control Measures has been established has been established as Social Impact Assessment Keresa Plantations & Mill; Assess date: 19-20 July 2018; Next Assess: Year 2019; Date Report: 25/7/2018.		
<b>Corrective Action</b>	To review if any changes in operation or surroundings by stakeholders.		
<b>Assessment Conclusion</b>	<p><u>ASA1_4 verification:</u>            A management plan for social impact assessment (smallholder/ long house people) was developed on 26/7/2019 to cover the social aspect such as economy, safety, infrastructure and welfare. Positive impacts and negative impacts were recorded in the management plan based on interviewed and meeting with the representatives of long house. Sampled of the negative impacts and control measure as below:            Negative impact: A farm owner complaint that her farm has been trespassed by workers where her empty drum was cut into two parts. Her farm was located near to Sujan Estate.            Control Measure: Security continuously checking/ inspecting boundary area.</p>		

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1668121-201808-N3	<b>Clause &amp; Category (Major/Minor)</b>	Indicator 2.1.3 Minor
<b>Closed (Yes/No)</b>	No (escalated to Major)	<b>Date of nonconformity closure</b>	N/A
<b>Statement of Nonconformity</b>	The clauses of the acts below were not adequately addressed.		
<b>Requirement Reference</b>	A mechanism for ensuring compliance shall be implemented.		
<b>Objective Evidence</b>	<p>Lapses of the following Acts / Regulations / Rules were sighted in the legal register.</p> <ol style="list-style-type: none"> <li>1) Electrical Ordinance Electricity Rules 1999               <ol style="list-style-type: none"> <li>a) No Electrical Chargeman at the Mill</li> <li>b) Frequency of mill visit by Electrical Visiting Engineer was once every three months instead of monthly visit.</li> </ol> </li> <li>2) Act 139 Factories and Machinery (Person In Charge) Regulations 1970               <ol style="list-style-type: none"> <li>a) No First Grade Engine Driver in charge of the boiler.</li> </ol> </li> </ol>		
<b>Corrective Action</b>	Sustainability department to regulate proper info dissemination related to legal		
<b>Assessment Conclusion</b>	<p><u>ASA1_4 verification:</u>            Lapses of the following Acts / Regulations / Rules were sighted in the legal register.</p> <ol style="list-style-type: none"> <li>1) Electrical Ordinance Electricity Rules 1999</li> </ol>		

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	<p>No Electrical Chargeman at the Mill          Already available refer license PJ10700460          b) Frequency of mill visit by Electrical Visiting Engineer was once every three months instead of monthly visit.          Comment: The Electrical visiting engineer latest visit dated 27 May 2019 by Ir. Looi Huat Chuan from LAJ Keuruteraan          Act 139 Factories and Machinery (Person In Charge) Regulations 1970          No First Grade Engine Driver in charge of the boiler.          JKPP/SW/DE/04/(045) Richard Lai Ak Chuan Gred 1</p> <p>Nonetheless, the non-conformity is escalated to major due to other issues raised under same Indicator.</p>
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<b>Opportunity for Improvements</b>	
<b>OFI #</b>	<b>Description</b>
<b>OFI 1</b>	<p>1668121-201808-I1  <b>Indicator 4.1.2</b>            Details :            Improvement needed for the implementation of the following:            a) Three monthly Inspection of Workers’ Housing was performed by Medical Assistant and Clinical Assistant instead of Weekly inspection            b) No Visiting Medical Officer since December 2011</p> <p>ASA1_4 verification:            Linesite inspection was carried out on weekly basis as per the requirements by verified on the records. The last inspection was carried out on 6/9/2019 and 13/9/2019 in Jiba Estate and Sujan Estate, 7/9/2019 and 14/9/2019 in Keresa POM. Besides, VMO visit has arranged to be conducted on September 2019.</p>

<b>Opportunity for Improvements</b>	
<b>OFI #</b>	<b>Description</b>
<b>OFI 1</b>	

**3.4.2 Summary of the Nonconformities and Status**

<b>CAR Ref.</b>	<b>Category (Major / Minor)</b>	<b>P&amp;C Indicator</b>	<b>Issued Date</b>	<b>Status &amp; Date (Closure)</b>
1213818N1	6.10.3	Minor	25/7/2015	“Open” - escalated to Major NC
1387081M1	4.7.1	Major	7/10/2016	Closed on 5/12/16
1387081M2	4.6.11	Major	7/10/2016	Closed on 5/12/16
1387081M3	4.6.2	Major	7/10/2016	Closed on 5/12/16
1387081M4	7.1.1	Major	7/10/2016	Closed on 5/12/16
1387081M5	7.3.1	Major	7/10/2016	Closed on 5/12/16

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1387081M6	7.3.2	Major	7/10/2016	Closed on 5/12/16
1387081M7	7.7.1	Major	7/10/2016	Closed on 5/12/16
1387081M8	7.8.1	Major	7/10/2016	Closed on 5/12/16
1387081M9	7.2.1	Major	7/10/2016	Closed on 5/12/16
1387081M10	6.1.3	Major	7/10/2016	Closed on 5/12/16
1387081M11	6.9.2	Major	7/10/2016	Closed on 5/12/16
1387081M12	6.13.1	Major	7/10/2016	Closed on 5/12/16
1387081M13	6.5.1	Major	7/10/2016	Closed on 5/12/16
1387081M14	6.5.2	Major	7/10/2016	Closed on 5/12/16
1387081M15	6.12.1	Major	7/10/2016	Closed on 5/12/16
1387081M16	4.1.1	Major	7/10/2016	Closed on 5/12/16
1387081M17	4.6.6	Major	7/10/2016	Closed on 5/12/16
1387081M18	5.3.2	Major	7/10/2016	Closed on 5/12/16
1387081N1	4.7.3	Minor	7/10/2016	Closed on 6/10/17
1387081N2	4.7.6	Minor	7/10/2016	Closed on 6/10/17
1387081N3	2.1.2	Minor	7/10/2016	Closed on 6/10/17
1387081N4	7.1.2	Minor	7/10/2016	Closed on 5/12/16
1387081N5	7.3.3	Minor	7/10/2016	Closed on 5/12/16
1387081N6	7.3.4	Minor	7/10/2016	Closed on 5/12/16
1387081N7	7.3.5	Minor	7/10/2016	Closed on 5/12/16
1387081N8	7.4.1	Minor	7/10/2016	Closed on 5/12/16
1387081N9	7.4.2	Minor	7/10/2016	Closed on 5/12/16
1387081N10	7.7.2	Minor	7/10/2016	Closed on 5/12/16
1387081N11	7.8.2	Minor	7/10/2016	Closed on 5/12/16
1387081N12	7.2.2	Minor	7/10/2016	Closed on 5/12/16
1387081N13	1.3.1	Minor	7/10/2016	Closed on 6/10/17
1387081N14	4.4.1	Minor	7/10/2016	Closed on 6/10/17
1387081N15	4.8.2	Minor	7/10/2016	Closed on 6/10/17
1534040-201709-M1	4.7.2	Major	6/10/2017	Closed on 6/11/17
1534040-201709-M2	2.1.1	Major	6/10/2017	Closed on 6/11/17
1534040-201709-M3	SCCS E3.1	Major	6/10/2017	Closed on 6/11/17
1534040-201709-M4	5.1.1	Major	6/10/2017	Closed on 6/11/17
1534040-201709-M5	4.4.2	Major	6/10/2017	Closed on 6/11/17
1534040-201709-N1	4.6.10	Minor	6/10/2017	Closed out on 7/8/18

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1534040-201709-N2	6.5.3	Minor	6/10/2017	Escalated as Major NC 7/8/18
1668121-201808-M1	6.5.3	Major	10/08/2018	Closed out on 7/11/18
1668121-201808-M2	SCCS 5.3.1	Major	10/08/2018	Closed out on 7/11/18
1668121-201808-M3	SCCS 5.3.2	Major	10/08/2018	Closed out on 7/11/18
1668121-201808-M4	SCCS 5.8.1	Major	10/08/2018	Closed out on 7/11/18
1668121-201808-M5	SCCS 5.13.1	Major	10/08/2018	Closed out on 7/11/18
1668121-201808-N1	5.1.2	Minor	10/08/2018	Closed out on 20/09/2019
1668121-201808-N2	6.1.5	Minor	10/08/2018	Closed out on 20/09/2019
1668121-201808-N3	2.1.3	Minor	10/08/2018	Escalated to Major Nonconformance
1821398-201903-M1	2.1.3	Major	20/09/2019	Closed out on 18/11/2019
1821398-201903-M2	6.5.1	Major	20/09/2019	Closed out on 18/11/2019
1821398-201903-M3	SCCS 5.11.1	Major	20/09/2019	Closed out on 18/11/2019
1821398-201903-M4	SCCS E.4.2	Major	20/09/2019	Closed out on 18/11/2019
1821398-201903-N1	4.1.2	Minor	20/09/2019	"Open"
1821398-201903-N2	4.1.3	Minor	20/09/2019	"Open"
1821398-201903-N3	4.7.5	Minor	20/09/2019	"Open"
1821398-201903-N4	5.6.1	Minor	20/09/2019	"Open"

**3.5. Stakeholders Consultation**

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Keresa Palm Oil Mill Certification Unit's environmental and social performance, legal and any known dispute issues.

Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. Any comment which is not complying to the RSPO P&C requirements have been incorporated as an assessment finding.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as below.

<b>List of Stakeholders Contacted</b>	
<b>Internal Stakeholders</b> Workers (mill and estates) Workers' representatives	<b>Union/Contractors/Local Communities</b> Long houses representatives CLC teacher



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Gender committee	
<b>Government Departments</b> Nil	<b>NGO</b> Nil

IS #	Description
1	<b>Feedbacks:</b> Workers' Representatives – They have good awareness on RSPO. They have signed and understand the terms and conditions stated in employment contract. They informed that they were treated equally without discrimination. Their wages have achieved Minimum Wage Order 2018. They aware of the complaint procedures.
	<b>Management Responses:</b> The company will continue to ensure compliance to legal requirements.
	<b>Audit Team Findings:</b> No other issues.
2	<b>Feedbacks:</b> Gender Committee's Representative – She informed that no case of sexual harassment and violence reported so far. Monitoring from the Chairman of Women & Children Association through the complaint form.
	<b>Management Responses:</b> The company will monitor to ensure investigation and action will be taken accordingly if there is any case of sexual harassment and violence reported.
	<b>Audit Team Findings:</b> No further issue.
3	<b>Feedbacks:</b> Representatives from Long Houses – They informed that they are aware of RSPO. They have been invited to attend stakeholder meetings organized by the company. They also been told and communicated regarding the terminated of KSGS programme. Payment of FFB was made promptly by the company. No land dispute case reported so far. They told that Keresas has provided assistance such as loan of fertilizer and trainings to them on handling of oil palm. They are aware of the complaint procedure.
	<b>Management Responses:</b> The management will provide assistance whenever needed.
	<b>Audit Team Findings:</b> No other issues.
4	<b>Feedbacks:</b> CLC Teacher – She informed that the management has given full support on maintaining the classroom and providing free chairs and tables for the school. Part of her salary was paid by the company. She is aware of the complaint procedure.
	<b>Management Responses:</b> Management will continue to support whenever needed.
	<b>Audit Team Findings:</b> No other issue.



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<b>Formal Signing-off of Assessment Conclusion and Recommendation</b>	
<p>The audit objectives have been achieved and the certificate scope remains appropriate. Based on the results of this audit, it is concluded that Keresia Palm Oil Mill has complied with the RSPO P&amp;C MY-NI 2014 &amp; RSPO Supply Chain Certification Standard (June 2017) and audit criteria identified within the audit report. It is deemed that the management system continues to achieve its intended outcomes. Therefore, it is recommended that the certification of Keresia Palm Oil Mill is approved and continued.</p>	
<b>Report prepared by</b>	<b>Acceptance of Assessment Conclusion</b>
<b>Name:</b> Valence Shem	<b>Name:</b> THILA GANARTHAN
<b>Company Name:</b> BSI Services Malaysia Sdn Bhd	<b>Company Name:</b> KERESIA PLANTATIONS SDN BHD
<b>Title:</b> Lead Auditor	<b>Title:</b> ASSISTANT GENERAL MANAGER
<b>Signature:</b> 	<b>Signature:</b> <i>(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)</i> 
<b>Date:</b> 27/11/2019	<b>Date:</b> 27   11   2019

**Appendix A: Summary of Findings**

Criterion / Indicator		Assessment Findings	Compliance
<b>Principle 1: Commitment to Transparency</b>			
<b>Criterion 1.1:</b> Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.			
1.1.1	There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Random interviews with the Mill and Estate employees had shown that the organization had provided adequate information as required by this criteria. Among those sighted include: o Land titles / user rights o Safety and health plan o Plans and impact assessments relating to environmental and social impacts	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	The respective operating units visited maintained records of information request and response. The requests were attended promptly as sighted in the file Action Request.  Most of the requests were internal i.e. housing repair request by the workers raised during JCC Meeting.	Complied
<b>Criterion 1.2:</b> Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			

Criterion / Indicator	Assessment Findings	Compliance	
1.2.1	<p>Publicly available documents shall include, but are not necessary limited to:</p> <ul style="list-style-type: none"> <li>• Land titles/user rights (Criterion 2.2);</li> <li>• Occupational health and safety plans (Criterion 4.7);</li> <li>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</li> <li>• HCV documentation (Criteria 5.2 and 7.3);</li> <li>• Pollution prevention and reduction plans (Criterion 5.6);</li> <li>• Details of complaints and grievances (Criterion 6.3);</li> <li>• Negotiation procedures (Criterion 6.4);</li> <li>• Continual improvement plans (Criterion 8.1);</li> <li>• Public summary of certification assessment report;</li> <li>• Human Rights Policy (Criterion 6.13).</li> </ul> <p>- Major compliance –</p>	<p>Documents related to Occupational health and safety plans, Environment Plans &amp; Impact assessment and Pollution Prevention &amp; reduction plans were sighted at the mill, Sujan Estate and Jiba Estate. The following sample documents were seen:</p> <ul style="list-style-type: none"> <li>• Land title:H16-10 (5.2) &amp; BP 9/12B- Keresa Plantations Sdn Bhd (Lease 99 years, 6,023 Ha).</li> <li>• OSH Policy signed by Managing Director Graeme Iain Brown dated 17.10.2017 and OSH plans including monitoring of OSH performance.</li> <li>• The environment impact and aspect assessment including pollution plans and reductions.</li> <li>• The environment impact and aspect assessment including pollution plans and reductions.</li> <li>• The mitigation plans and monitoring of the mitigations</li> <li>• Standard operating procedures.</li> <li>• Human Right Policy, dated 30/11/2016 by Managing Director.</li> <li>• Records of request</li> </ul>	Complied
<p><b>Criteria 1.3:</b>            Growers and millers commit to ethical conduct in all business operations and transactions.</p>			
1.3.1	<p>There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.</p> <p>-Minor compliance</p>	<p>Keresa Plantations Sdn Bhd has circulated a memorandum regarding the "<i>Kenyataan Dasar Kod &amp; Kelakuan</i>" dated 7/11/2017 for committing the code of ethical conduct and integrity. The memorandum has been briefed to all the workers during morning muster. The latest briefing was carried out on 10/9/2019 in Keresa POM and 7/9/2019 in Sujan Estate.</p>	Complied
<p><b>Principle 2: Compliance with applicable laws and regulations</b></p>			
<p><b>Criterion 2.1:</b>            There is compliance with all applicable local, national and ratified international laws and regulations.</p>			

Criterion / Indicator	Assessment Findings	Compliance
2.1.1 Evidence of compliance with relevant legal requirements shall be available. - Major compliance -	<p>Keresas POM has obtained approval from Jabatan Tenaga Kerja Sarawak to allow the overtime to be 120 hours per month. Seen the permit with Serial No.: JTKSWK.HKLM/003/121/(BAKUN) dated 17/8/2012.</p> <p>There are total 5 children in Keresas Plantations Sdn Bhd and Keresas Mill Sdn Bhd are under process of legalization with Consulate of Indonesia and Immigration Department. Seen the 1<sup>st</sup> letter dated 18/2/2019 for the legalization process for total 18 children and some of them have been legalised. A follow up carried out on 12/7/2019 regarding the status of the other 5 children with Consulate of Indonesia. Currently, there are still waiting for the response from consulate and immigration.</p> <p>Diesel license – KPDNKK Q007046 valid until 27 Jan 2020            MPOB license for Nursery – 51606611000 valid until 29 Feb 2020</p>	Complied
2.1.2 A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	A Procedure for Legal Compliance (BMP2.2) dated 15 Mar 2010 has been established. All operating units visited have Legal & Other Requirements Register (LORR) covering all applicable regulatory requirements.	Complied

Criterion / Indicator		Assessment Findings	Compliance
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance -	<p>Based on document reviewed on the payslips for the workers found that deduction of salary of petrol was done due to the workers purchased the petrol from the management without approval from authority.</p> <p>Lapses of the following Acts / Regulations / Rules were sighted in the legal register. 1) Electrical Ordinance Electricity Rules 1999</p> <ul style="list-style-type: none"> <li>a) No Electrical Chargeman at the Mill Already available refer license PJ10700460</li> <li>b) Frequency of mill visit by Electrical Visiting Engineer was once every three months instead of monthly visit.</li> </ul> <p>Comment: The Electrical visiting engineer latest visit dated 27 May 2019 by Ir. Looi Huat Chuan from LAJ Keuruteraan</p> <p>Act 139 Factories and Machinery (Person In Charge) Regulations 1970</p> <ul style="list-style-type: none"> <li>a) No First Grade Engine Driver in charge of the boiler. JKKP/SW/DE/04/(045) Richard Lai Ak Chuan Gred 1</li> </ul> <p>Sustainability department to regulate proper info dissemination related to legal, Using Legal register Inspection done quarterly by TQM executive. From record monitoring last reviewed dated 1 July 2019.</p>	Escalated to Major nonconformance
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	The TQM Sustainability Department at Head Office is in-charged of tracking and identifying changes in the applicable laws. Methods used include website information and this change in information is subsequently communicated by them to the Operating Units.	Complied
<p><b>Criterion 2.2:</b>            The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p>			

Criterion / Indicator		Assessment Findings	Compliance																						
2.2.1	Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -	<p>The land was collaboration between Rh. Anchai and Keresa Plantation Sdn Bhd as per agreement dated April 2009 and land title was available as per below:-</p> <table border="1"> <thead> <tr> <th>Agreement/Grant</th> <th>Ha</th> </tr> </thead> <tbody> <tr> <td>Anchai Ak Sabuk</td> <td>17.78</td> </tr> <tr> <td>Keleman Ak Barak</td> <td>12.0</td> </tr> <tr> <td>Encharang Ak Adon</td> <td>11.6</td> </tr> <tr> <td>Semun Ak Ajan</td> <td>7.44</td> </tr> <tr> <td>Lawa Ak Adon</td> <td>6.84</td> </tr> <tr> <td>Uki Ak Nguang</td> <td>8.40</td> </tr> <tr> <td>Jetan Ak Empalah</td> <td>1.68</td> </tr> <tr> <td>Baol Ak Adon</td> <td>18.16</td> </tr> <tr> <td>Piliet Ak Encharang</td> <td>10.48</td> </tr> <tr> <td>Lot 1(H16-10 (5.2)</td> <td>6023</td> </tr> </tbody> </table>	Agreement/Grant	Ha	Anchai Ak Sabuk	17.78	Keleman Ak Barak	12.0	Encharang Ak Adon	11.6	Semun Ak Ajan	7.44	Lawa Ak Adon	6.84	Uki Ak Nguang	8.40	Jetan Ak Empalah	1.68	Baol Ak Adon	18.16	Piliet Ak Encharang	10.48	Lot 1(H16-10 (5.2)	6023	Complied
Agreement/Grant	Ha																								
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2.2.2	Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	The legal boundaries was clearly demarcated, sampling on Jiba estate demarcated clearly between Rumah Lawai and Field J9701. For Sujan estate the boundaries was between Field 06K3 and Golden Hope.	Complied																						
2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	There is no land dispute in the certification unit and supply base at the time of audit. The land leased by Keresa and land ownership documents verified	Complied																						

Criterion / Indicator		Assessment Findings	Compliance
2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. -Major compliance	There is no land dispute in the certification unit and supply base at the time of audit. The land leased by Keresia and land ownership documents verified	Complied
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	There is no land dispute in the certification unit and supply base at the time of audit. The land leased by Keresia and land ownership documents verified	Complied
2.2.6	To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	There is no land dispute in the certification unit and supply base at the time of audit. The land leased by Keresia and land ownership documents verified	Complied
<b>Criterion 2.3:</b> Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.			
2.3.1	Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). - Major compliance -	Based on the assessed documents of ownership and interviews with representatives of local communities from the longhouses, it is confirmed that the estates' lands are legally owned by the company and no other users were identified within the land area.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities’ decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company’s title, concession or lease on the land.</p> <p>- Minor compliance -</p>	<p>Based on the assessed documents of ownership and interviews with representatives of local communities from the longhouses, it is confirmed that the estates’ lands are legally owned by the company and no other users were identified within the land area.</p>	<p>Complied</p>
<p>2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>-Minor compliance</p>	<p>Based on the assessed documents of ownership and interviews with representatives of local communities from the longhouses, it is confirmed that the estates’ lands are legally owned by the company and no other users were identified within the land area.</p>	<p>Complied</p>
<p>2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>-Major compliance</p>	<p>Based on the assessed documents of ownership and interviews with representatives of local communities from the longhouses, it is confirmed that the estates’ lands are legally owned by the company and no other users were identified within the land area.</p>	<p>Complied</p>
<p><b>Principle 3: Commitment to long-term economic and financial viability</b></p>		



Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 3.1:</b>			
There is an implemented management plan that aims to achieve long-term economic and financial viability.			
3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	The business plan was available for 2019 until 2023, this include Harvesting, Budgeted major Contract works, Upkeep & Maintenance Detail, estate general charges and others. The POM business plan consists of FFB yield, CPO, OER, and KER, costs of production, etc. In estate, the Program and tight monitoring on use of pesticides while at the same time continue to expand the IPM program and (c) social components (Health and Safety at Workplace and Community program) and also aspect and impact of environment to control in using Diesel usage and other matter. The replanting programme also been put in business budget.	Complied
3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -	The replanting programme was available in Jiba estate for 5 year programme start from 2019 until 2023. Replanting will be start on 2020. The total hectare will be replant was 458 ha. For Sujan estate replanting programme will be initiate on year 2022 until 2023 with total 380.13 Ha.	Complied
<b>Principle 4: Use of appropriate best practices by growers and millers</b>			
<b>Criterion 4.1:</b>			
Operating procedures are appropriately documented, consistently implemented and monitored.			

Criterion / Indicator	Assessment Findings	Compliance	
4.1.1	<p>Standard Operating Procedures (SOPs) for estates and mills are documented</p> <p>- Major compliance -</p>	<p>Keresia POM has established Standard Operating Procedures (SOPs) covering work processes as a guidance document to operate the mill. It covers work processes from weighbridge station, receipt and grading of FFB at ramp, cooking of FFB in sterilizer and its subsequent processes to extract crude palm oil (CPO) all the way to storage of CPO, then dispatch of CPO and Palm Kernel (PK). Other associated activities include SOP for operation of boiler, Water Treatment Plant, associated machineries and ancillary equipment and their maintenance, waste stream handling (effluent treatment plant, empty bunch yard, fiber and ash), etc.</p> <p>Keresia Mill establish SOP for operation on best practice management and including regarding to Safe work practices and etc. such as SOP Control Of Hazardous Energy establish dated on June 2017.</p>	<p>Complied</p>

<p>4.1.2</p>	<p>A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -</p>	<p>Visit by Mr Pelochan Singh (Diector of TSNK Enterprise) visited 2 month once to ensure the consistent implementation of procedure. In the report its cover all area including Grading of FFB, Sterilisation station, Press Station, Oil station, Stripper station, Power plant, Empty Bunch press, water treatment, Kernel Plant, Store, effluent and Operation programme. Others visit that cover in term environment, Ms Carollyne from DOE Bintulu have visited the mill dated 29 Julai 2019, its cover regarding compliance to "Jadual Pematuhan"</p> <p>According to Foreign Workers Employment Procedure (Effective Date: 2007), <b>Section 2.4 Work Permit Applications for Foreign Workers:</b></p> <ul style="list-style-type: none"> <li>b. All foreign workers must be sent for medical examination within 3 – 5 working days of their arrival at estate/ mill at any recognized medical centres in Sarawak.</li> <li>c. The Human Resource Executive (Foreign Workers Unit) to prompt Insurance Agent to issue Insurance Guarantee and/ or SPIKA for the new workers.</li> <li>d. Insurance Agent to provide Insurance Guarantee and/ or SPIKA within 2 working days.</li> </ul> <p><b>Section 2.7 Renewal of Worker Permit/ PLKS:</b></p> <ul style="list-style-type: none"> <li>a. The Human Resource Department will apply for the extension three (3) months before the expiry date.</li> </ul> <p>Based on evidence of medical check-up report, insurance guarantee, letter submitted to Immigration Department Sarawak (Permohonan Visa Masuk dan Pas Lawatan Kerja Sementara (PLKS) untuk Menggaji Tenaga Kerja Indonesia for newly recruited foreign workers and Permohonan untuk Melanjutkan PLKS Pekerja Indonesia for existing foreign workers) found that they did not follow timeline mentioned in the SOP above.</p>	<p>Minor nonconformance</p>
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		<b><u>New Workers:</u></b>					
		<b><u>Keresia POM:</u></b>					
		<b>Employee No.</b>	<b>Date Joined</b>	<b>Date of Medical Check Up</b>	<b>Date of Insurance Guarantee</b>	<b>Date of submission letter to Immigration</b>	
		E0824	2/6/2019	4/7/2019	3/9/2019	3/9/2019	
		E0825	23/7/2019	28/7/2019	24/7/2019	5/9/2019	
		E0826					
		E0827					
		E0828					
		E0829					
		<b><u>Jiba Estate:</u></b>					
		<b>Employee No.</b>	<b>Date Joined</b>	<b>Date of Medical Check Up</b>	<b>Date of Insurance Guarantee</b>	<b>Date of submission letter to Immigration</b>	
		12221	8/7/2019	31/7/2019	20/8/2019	3/9/2019	
		<b><u>Renewal of Permit:</u></b>					
		<b><u>Keresia POM:</u></b>					
		<b>Employee No.</b>	<b>Expiry Date of Permit</b>		<b>Date of Submission of renewal to Immigration</b>		
		E0786	1/10/2019		3/9/2019		
		E0785					
		E0789					
		E0791	10/10/2019				
		E0793					
		E0792					

Criterion / Indicator		Assessment Findings			Compliance
		E0790			
		E0730	22/10/2019		
		<b>Sujan Estate:</b>			
		<b>Employee No.</b>	<b>Expiry Date of Permit</b>	<b>Date of Submission of renewal to Immigration</b>	
		11580	2/10/2019	3/9/2019	
		12001	8/10/2019		
		11569	11/10/2019		
		10644	6/9/2019		
		Besides, the following workers' permit submitted for renewal of permit after the expiry date of permit.			
		<b>Employee No.</b>	<b>Expiry Date of Permit</b>	<b>Date of Submission of renewal to Immigration</b>	
		10308	1/3/2019	3/9/2019	
		11912	27/7/2019		
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	The record was available, sampling 'Kad Pemeriksaan Peralatan & Mesin' later been implement dated 1 July 2019 regarding to checking electric junction by workers and staff.			Minor nonconformance
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -	The Keresa Mill has establish the supplier record, there are 3 dealer, 4 estate and 93 smallholder and own estate. Keresa POM maintains a daily record of all FFB received from third parties. Verification of the quantity of FFB received from third parties and the relevant transportation documents such as delivery order, weighbridge ticket and daily FFB received records showed that the figures were authentic.			Complied

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.2:</b>			
Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -	For good agriculture practices, management already establish standard procedures such as manuring procedures Sop number 4.viii.effective date 1 Jan 2009 version 2. The procedure gives the guideline on determining nutritional requirements, technics of applying fertilisers, type of fertilisers to be applied, timing to apply, dosage and placement. No changes in SOP. For implementation of SOP, in Belungai Div (Jiba estate) dated 28 Julai 2018 implementation of Mix 13/0/22/1.5B at Field 9804 verified as per recommendation from agronomist and as per Standard procedures.	Complied
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance -	The record of fertiliser was available in Jiba estate and Sujan estate maintain under document fertilizer application & work verification report. The application of fertiliser in the field was recorded in "Manuring Application Monitoring Chit" and Fertilizer Application summary.	Complied

Criterion / Indicator	Assessment Findings	Compliance																																				
4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	<p>The soil sampling was available dated September 2015 prepared by Abdul Aziz Bin Zainal Abidin, from the report there are 10 type of soil series as per below detail:-</p> <table border="1" data-bbox="981 507 1870 1173"> <thead> <tr> <th>Soil Type</th> <th>Ha</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Ajoh Series</td> <td>31</td> <td>0.51</td> </tr> <tr> <td>Bekenu Series</td> <td>187</td> <td>3.10</td> </tr> <tr> <td>Bekenu/Nyalau Series</td> <td>402</td> <td>6.67</td> </tr> <tr> <td>Bekenu/Serikei Series</td> <td>1,017</td> <td>10.88</td> </tr> <tr> <td>Merit</td> <td>2,000</td> <td>40.63</td> </tr> <tr> <td>Nyalau Series</td> <td>145</td> <td>2.41</td> </tr> <tr> <td>Silantek</td> <td>726</td> <td>12.05</td> </tr> <tr> <td>Semilajau Series</td> <td>3</td> <td>0.05</td> </tr> <tr> <td>Semilajau/Peat association</td> <td>91</td> <td>1.51</td> </tr> <tr> <td>Tukau/Lupat Association</td> <td>432</td> <td>7.17</td> </tr> <tr> <td>Total</td> <td>6,024</td> <td>100</td> </tr> </tbody> </table> <p>In Jiba estate no peat area. Agronomist (Mr Chong Choon Fong) from CCF Agro Services already visit dated 4-6<sup>th</sup> Nov 2018. The recommendation of fertiliser was available and been implement accordingly.</p>	Soil Type	Ha	%	Ajoh Series	31	0.51	Bekenu Series	187	3.10	Bekenu/Nyalau Series	402	6.67	Bekenu/Serikei Series	1,017	10.88	Merit	2,000	40.63	Nyalau Series	145	2.41	Silantek	726	12.05	Semilajau Series	3	0.05	Semilajau/Peat association	91	1.51	Tukau/Lupat Association	432	7.17	Total	6,024	100	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	EFB application is done as part of nutrient recycling strategy and recorded regularly. All EFB were sourced from Keresas POM. The best practice of EFB application is described in the best practice procedure and agronomist report. Records of EFB application were available for verification. Based on the records, dated from 1 Sept 2019 – 15 Sept 2019 : 794.94 MT transport by Keresas Transport S/B to Jiba Estate.	Complied
<b>Criterion 4.3:</b> Practices minimise and control erosion and degradation of soils.			
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	The map of peat area and Slopes was available in map title "Map Showing Type Of Soil Classification" and "Map Showing Keresas Wet Land And Contour Elevation" at Keresas Plantation prepared by David Esop Ak Tading (AmTQM) GIS Executive.	Complied
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	The management strategy for planting on slopes is addressed in the Keresas Plantations SOP (Section 3.0 Development). Based on the SOP, terrace to be constructed at slopes exceeding 8° gradients. Cover crop shall also be planted to minimize erosion. The implementation of the Procedure was evident during field visit.	Complied
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	Road maintenances programme was available latest was on 16 May 2019. The road maintenances programme was include Road Repair, Road Gravelling and Drain Desilting. This can refer as per Work Order No: 5416 for implementation record.	Complied
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	Peat management was available however the peat soil was not demonstrable. Refer to 5.6.3. Peat Management procedure was available referred Keresas/Peat Management/01 dated 10 Sept 2019.	Complied
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	The peat soil field will be replanting on 2025 and the drainability assessment will be done a year before replanting as per Peat Management plan dated Jan 2019.	Complied



Criterion / Indicator		Assessment Findings	Compliance
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	The management of fragile and problem soil was available and been assess during aspect and impact on environment dated Jan 2019. The action will maintain water table between 45-60 cm and will be monitored periodically.	Complied
<b>Criterion 4.4:</b> Practices maintain the quality and availability of surface and ground water.			
4.4.1	An implemented water management plan shall be in place. - Minor compliance -	Keresa Certification Unit has developed its Water Management Plan (WMP) for 2019. It monitored water quality of outgoing waters to identify any adverse effect from the mill and estate activities. The plan takes into account the efficient use of resources, ensure amongst others that the use of water did not impact on other users, avoid contamination of ground and surface water, and appropriate treatment of mill effluent. The WMP also promote to meet water conservation requirements under Sarawak Water Resource Enactment 1998 and Interim National Water Standards for Malaysia.	Complied
4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. - Major compliance -	The visited estates have maintained their allocated riparian zones in accordance to their established guideline (Riparian/Buffer Zone management Guideline, dated Dec 2016). Based on site visit, it was noted that there was no trace of agrochemical application at the allocated riparian zones. The zones were also clearly demarcated using wooden pegs painted with red & white. Interview with the sprayers showed that the workers understand the restriction and the consequence of agrochemicals application in the riparian zones.	Complied
4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -	The mill applies the biological system with multiple ponds in series for its treatment of effluent. The quality of discharged effluent was analysed every month and the parameters are T, pH, BOD, COD, TS, SS, O&G, AN and TN. Last 12 months results were verified where highest BOD = 24 ppm while lowest = 5.9 ppm were recorded. The results complied with the regulated requirement i.e. 100 ppm.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	Mill has maintained monitoring of water usage for processing FFB which recorded on daily basis. Water for processing is obtained from Sungai Sujan. An average of 1.97 m <sup>3</sup> /mt FFB in 2018 and 2.61 m <sup>3</sup> /mt FFB as at Aug 2019 water was used for FFB processing recorded.	Complied
<b>Criterion 4.5:</b> Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.			
4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	IPM plan was available dated 12 July 2019 form the plan they want to planted tunera subulata, previous year record was 1036 point cover 12 field sampling on filed 9713,9801 and 9810.	Complied
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	IPM plan – dated 30 August 2019at Jiba Main office conducted by TQM Unit; Mr Thilaganarthan, Miss Nur Atma and Mdm Eliza. Attended by 10 person included staff, manager and assistant.	Complied
<b>Criterion 4.6:</b> Pesticides are used in ways that do not endanger health or the environment			
4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. - Major compliance -	The justification of all pesticide used was available under Principle 4 File 8 under title Justification in SOPs On the Use Of Pesticide. It cover insecticide, rodenticide and others, all chemical been selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species	Complied

Criterion / Indicator		Assessment Findings	Compliance						
4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -	<p>The record of pesticide usage was available. In the record show all chemical been using with their active ingredients. The A.I per ha was as per below :-</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>A.I/Ha</th> </tr> </thead> <tbody> <tr> <td>Jiba</td> <td>Average - 0.00162 (application area 2426.83)</td> </tr> <tr> <td>Sujan</td> <td>Average - 0.0181 (Application area 16539.07)</td> </tr> </tbody> </table>	Estate	A.I/Ha	Jiba	Average - 0.00162 (application area 2426.83)	Sujan	Average - 0.0181 (Application area 16539.07)	Complied
Estate	A.I/Ha								
Jiba	Average - 0.00162 (application area 2426.83)								
Sujan	Average - 0.0181 (Application area 16539.07)								
4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -	<p>Use of pesticide is minimized and part of the IPM programme. To reduce chemical use the planting of beneficial plants (Cassia cobanensis, Tunera subulata, Tunera unifoliar) were sighted along the main road at the estates.</p> <p>The Documented IPM procedure include:</p> <ol style="list-style-type: none"> <li>Identification of pest,</li> <li>Implementation monitoring</li> <li>Biology control</li> <li>Pesticides use</li> <li>Records keeping</li> <li>IPM Training</li> </ol> <p>No prophylactic use of pesticides in Keresa Plantation, this verified with interview with management and documentation verification.</p>	Complied						

Criterion / Indicator		Assessment Findings	Compliance
4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -	Paraquat was eliminated. At the time of assessment there were no class 1a or 1b pesticides sighted in the chemical register and store. Alternatives such as Glyphosate were used with the elimination of Paraquat. No changes from previous audit.	Complied
4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -	Pesticide handlers and operators were given training on the safe handling and application of the pesticides in accordance with products label and Safety Data Sheet. Suitable personal protective equipment and application equipment were provided to the operators. All precautions attached to the products were explained by Assistant Managers and Mandores to agrochemical handlers and it was found understood by them. This was noted during the interview with workers at the visit work units (field operation, workshop and chemical store). No changes from previous audit refer to 4.8.2	Complied
4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	The store for all pesticide was according to the best practice and standard procedures. The 20-liter used agrochemical containers were recycled for carrying premix agrochemical to field. Other plastic container sizes were properly disposed of (see Criterion 5.3).  The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During site visit it was found that the stocks of pesticides were stored in the Chemical Store appropriately where secondary containment trays were provided. The chemical store was securely locked, ventilated, PPE signage posted at entrance and complies with the requirements of the regulation. No changes from previous audit.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	Pesticides had been applied using the Best Management Practices that minimize risk and impacts including the provision of PPE to Pesticides handlers. The pesticide operators were found to understand the use of the right nozzle, spray drift, spray quality and run-off as well as proper donning of PPE provided. The quantity of agrochemicals required for various field conditions are documented and justified through agronomist advisory. No changes from previous audit.	Complied
4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -	No aerially spray in Keresas Plantation Sdn Bhd. No changes from previous audit.	Complied
4.6.9	Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	Employees handling pesticides (Storekeeper, Sprayers and Manurers) were given knowledge and skills required by the TQM to cover safe handling of chemicals in accordance with their product label, Safety Data Sheet, Standard Operating Procedures and demonstration practices. It is done in the interest of Best Management Practices that minimize risk and impacts to them. Interviews with the agrochemical handlers found that they were able to demonstrate safe handling of pesticides. No changes from previous audit.	Complied
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Disposal methods of all the identified wastes have been addressed in Keresas's established procedures. Based on the site visit, it was observed that the practice to reduce, reuse and recycle of materials has been implemented throughout the company within mill and estates. Interview with the employees showed that they have a good understanding on wastes disposal.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.11</p>	<p>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.            - Major compliance -</p>	<p>Medical surveillance was done annually latest report was on 10 August 2019 by Dr Nishaal Gopalakrishnan (JKKP HQ/18/DOC/00/00817) from Klinik Medan Central, Bintulu. Total workers been send was 22 person and all workers was fit to work with chemical.</p> <p>Medical surveillance for Sujan estate, done on 10 August 2019 by Dr Nishaal Gopalakrishnan (JKKP HQ/18/DOC/00/00187) from Klinik Medan Sentral attend by 26 Person. All workers was fit to work with Chemical.</p>

Criterion / Indicator		Assessment Findings	Compliance
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	Interviews of female workers confirmed knowledge of the policy of transfer to alternative duties if they wished to continue working when pregnancy was confirmed or breastfeeding. No changes from previous audit.	Complied
<b>Criterion 4.7:</b> An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:			
4.7.1	A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -	Keresa Certification Unit has maintained an approved Health and Safety Policy dated 17.10.2017 signed by the Managing Director. It was sighted displayed prominently on notice boards. As stated in Keresa Plantations' website to the public a copy of the Health and Safety Policy (and other six policies that help them realize their goals towards sustainability) can be made available upon request within 3 -5 working days. There also is an established Health and Safety Plan that is organized to meet the spirit of the OH&S Policy. The OSH plan was available dated Jan 2019, the OHS plan covers all activities at the mill and estates. They include documented information established for Hazard identification, risk assessment and determining control (HIRARC), the need to comply to all applicable legal requirements, establishment of OHS objectives, the implementation of operational controls, allocation of resources to execute OHS programs, OHS performance monitoring, evaluation of effectiveness of action taken and reporting, and the need to correct deviations to meet the OHS objectives and continual improvement	Complied

<p>4.7.2</p>	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.          - Major compliance -</p>	<p>The procedure for safety and health was establish by management dated 4 May 2016 referred LMR.HSE.SHC.100</p> <p>CHRA report was available dated 26 January 2018 for Jiba and Sujan estate by ESI Sampling Sdn Bhd refer report HQ/14/ASS/00/343-2018/001. HIRARC was available for all activity including, manuring, harvesting and spraying dated 12 September 2019.</p> <p>Audiometric test already done (OSH19/0004/SLY) on 14 July 2019 at Global OSH Services Sdn Bhd, this test been attend by 30 person including operator for, boiler, engine room, and other place that effect with noise hazard.</p> <p>In Mill one fatality accident happen in Keresia Accident dated 2 May 2019 at Gasifier Plant during welding work happen. The JKPP 6 been sent on 4 May 2019 to DOSH office and within 24 hour for immediate inform to DOSH regarding to fatality accident. The investigation by management and DOSH been done on 5 May 2019 and already update the HIRARC for immediate and preventive action. HIRARC review on 24 May 2019 after proposal with DOSH, the action been verified during assessment, interview and document review. HIRARC is the methodology adopted by Keresia CU to assessits operational risks related to all OHS activities. Both mill and estates continued to use and maintain the HIRARC guideline. Its register was last reviewed on 11/7/2019. Risk assessment sampled were at Reception of FFB and grading by Graders, operation of vertical Sterilizer, Boiler and Combustion Engines, Oil clarification station, sampling of CPO, treated water at WTP and effluent discharge, CPO despatch bay, Kernal Silo, Harvesting, Manuring, Spraying and Workshop activities, etc. Precautions attached to products were found observed.</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance												
		<p>Their related operational controls including use of SOP, posting of OHS warning signages, OHS related training and wearing of required PPE were addressed.</p> <p>The hazard identification, risk assessment and risk control records, as well as CHRA reports were verified during this assessment.</p> <p>Personal Chemical exposure monitoring been done for workshop (Fe oxide) and Lab (n-Hexane) dated 27 March 2018 by Ms Zurich Avit Jok (JKKP HIE 127/171-3/1(212)) from ESI Sampling. From the result as per below all detect under PEL (Permission exposure Limit):-</p> <table border="1"> <thead> <tr> <th>Subject</th> <th>Mg/m<sup>3</sup></th> <th>PEL</th> </tr> </thead> <tbody> <tr> <td>n-Hexane</td> <td>18.91</td> <td>176.0</td> </tr> <tr> <td>Welding fume</td> <td>0.996</td> <td>5.0</td> </tr> <tr> <td>Chemical mixer</td> <td>0.57</td> <td>4.5</td> </tr> </tbody> </table>	Subject	Mg/m <sup>3</sup>	PEL	n-Hexane	18.91	176.0	Welding fume	0.996	5.0	Chemical mixer	0.57	4.5	
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n-Hexane	18.91	176.0													
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4.7.3	<p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>- Minor compliance -</p>	<p>The training was conducted accordingly at mill and estates. Cross refer indicator 4.8.1 Awareness and OHS training program had been carried out. All workers involved had been adequately trained in safe working practices. The objective was to ensure all workers involved have been adequately trained in understanding SDS (Safety Data Sheet), Safe Work Practices, the correct use of PPE and Emergency response. During the site visit, it was noted that the PPE will be replaced by the workers when damaged or lost.</p> <p>The chemical stores visited at both Jiba and Sujan estates were found to be adequately organized, properly labelled, securely locked, ventilated and person in charge understands the OHS procedures. SDS were placed at the chemical stores and is available. The person in charge understands the information written in SDS. The Store Keepers interviewed understood actions to be taken should chemicals spills occur and the Safe Work Practice in disposing Scheduled Wastes items.</p>	Complied												

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.4</p>	<p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.                      - Major compliance -</p> <p>OSH meeting conducted by management a month once, latest record was on 25 July 2019 referred no mm KM.SHC-07/2019 in KMSB Conference Room at Keres Mill. Previous record was on 28 June 2019 and 29 May 2019. The person that responsible to Safety was Mr Dheenash Raj dated letter appointment 1/1/2019 (KM/SHC.01/03/2019).</p>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance	
<p>4.7.5</p>	<p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>- Minor compliance -</p>	<p>Keresia Plantation already establish Emergency Response Plan for all accident happen such as ERP for fire, Bund Break, Chemical &amp; Fertilizer spillage, Suicide Attempt and Prevention, Bush Fire, Injury and illness required medical attentions, flooding, poisoning and workplace violence.</p> <p>First aid was provided at strategic station in the mill. The item provided in the first aid box as per Prosedur kerja Selamat (1.0): Peti Kecemasan dated 30/11/2018. Latest training was conducted 6/9/2019. Noted during site visit, the first aid box at boiler room, workshop and gasifier plant was adequate. The first aid box inspection was conducted on weekly basis. Sighted the sampled first aid box inspection records for lab, boiler and workshop dated 6/9/2019, 30/8/2019, 24/8/2019 and 17/8/2019. In estate First Aid Training been done on 16 Nov 2018 by Management attended by first aider, mandore and staff.</p> <p>The record of an accident was available under OSH document. The JKPP 8 dated sent Jan 2019.</p> <p>In Sujan Estate, JKPP 8 record dated 17 Jan 2019 was available. From the record, Sujan have record 1 accident happen in 2018 with LTI was 16. JKPP 6 latest was on 22 Apr 2019 and HIRARC already been reviewed dated 25 Apr 2019.</p> <p>In Mill, Found JKPP 8 for Mill that send on 17 Jan 2019 for year 2018 accident record was not include accident happen on 2 May 2018 (Gasifier plant accident)</p>	<p>Minor nonconformance</p>

Criterion / Indicator		Assessment Findings	Compliance												
4.7.6	All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -	SOCISO as per Borang A latest was on August sampling on 71774169, 71585219 & 71994667  FWCS – from Allianz General Insurance company (Malaysia) Berhad referred policy 18PKU5002489-00 valid from 20 March 2018 until 21 November 2019 sampling:- B7963168,B7963170, B8225486, AT156528 and AT156533. For workers in Sujan estate, the insurance sampling on 18PKU5004129-00 cover 12 workers.	Complied												
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	LTA record was available as per detail below:- <table border="1" data-bbox="981 678 1832 783"> <thead> <tr> <th></th> <th>Jiba Estate</th> <th>Sujan Estate</th> <th>Keresia Mill</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>2.93</td> <td>3.31</td> <td>2.31</td> </tr> <tr> <td>2018</td> <td>2.40</td> <td>1.12</td> <td>2.11</td> </tr> </tbody> </table>		Jiba Estate	Sujan Estate	Keresia Mill	2017	2.93	3.31	2.31	2018	2.40	1.12	2.11	Complied
	Jiba Estate	Sujan Estate	Keresia Mill												
2017	2.93	3.31	2.31												
2018	2.40	1.12	2.11												
<b>Criterion 4.8:</b>															
All staff, workers, smallholders and contract workers are appropriately trained.															
4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. - Major compliance -	A formal training program on all aspects of RSPO Principles and Criteria has been established and implemented. 34 Training Topics for various categories of operators, including all field and office staff, with regards to individual duties and training needs had been identified. Training program planned for year 2019 was consistently implemented although on some occasion actual vs planned training date differ. About 55% of training had been conducted up to August 2019. Evidence of adequate and appropriate training on safe working practices were provided to: - workers exposed to machinery and high noise levels, - workers working with hazardous chemicals, - harvesters - pesticides operators - Fertilizer Applicators - First Aiders	Complied												

Criterion / Indicator	Assessment Findings	Compliance	
4.8.2	<p>Records of training for each employee shall be maintained.</p> <p>- Minor compliance -</p>	<p>The estates visited has established training program including for pesticides handlers. The training was given by the Manager, Asst. Manager, Supervisor or Chemical/Equipment Supplier with knowledge on chemical handling. Sighted the training records as follows:</p> <p>Sujan estate</p> <ul style="list-style-type: none"> <li>i. Sprayer training dated 16/1/2019</li> <li>ii. Correct spraying technique for circle and path spraying training dated 5/5/2019</li> <li>iii. Quality and fertilizer application training dated 8/6/2019</li> <li>iv. Safety briefing, SOP and HIRARC training dated 6/8/2019</li> <li>v. Pesticides handling training and PPE inspection dated 29/8/2019</li> <li>vi. First aid training was conducted on 27/7/2019 and 11/9/2019.</li> </ul> <p>In Jiba estate sampling as per below:-</p> <ul style="list-style-type: none"> <li>i.Tractors drivers training by Kubota dated 13/9/2019</li> <li>ii. First Aid training dated 11/9/2019</li> <li>iii. Fire drill training dated 10/9/2019</li> <li>iv. 3R campaign and training dated 6/9/2019</li> <li>v. manuring application and PPE training dated 3/9/2019</li> <li>vi. Basic harvesting for new harvester dated 25/8/2019</li> <li>vii. Integrated Pest Management training dated 24/8/2019</li> <li>ix. Company Policy, SOP, MSPO and RSPO briefing dated 5/8/2019</li> <li>x. Awareness of HCV Habitat and Protection area briefing dated 4/8/2019</li> </ul>	<p>Complied</p>

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

**Criterion 5.1:**

Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.

Criterion / Indicator		Assessment Findings	Compliance
5.1.1	An environmental impact assessment (EIA) shall be documented. - Major compliance -	EIA was done in 1996 by Chemsain Konsultant Sdn Bhd. The report entitled "Preliminary Environmental Impact Assessment" [ref. #CK/EIA/085/96, dated Sep 1996] was available for verification. Apart from that, an assessment of environmental impacts was also conducted internally according to Procedure Manual Ref. No.: KPSB 1/2012; Doc. No.: Aspect Impact 1/2012.  Identification of Environmental Aspects and Evaluation of Environmental Impacts. The results of evaluation were documented in "Environmental Aspect Impact Identification and Evaluation Form". The assessment had covered all of the estates activities which included harvesting & evacuation and field upkeep. Among the environmental impact considered were depletion of natural resources, global warming, air pollution, water pollution, land contamination and community impacts.	Complied
5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	Based on the above procedure clause 6.9, any significant environmental impacts shall be prioritized and registered in the Significant Aspects and Impacts Registrar Form by SHO or TQM units. The identified significant environmental aspects were registered in "Significant Environmental Aspects and Impacts Registrar" form, doc. No.: KPSB 1/2018, e.g. dated 1/9/2018 (Jiba). The registrar includes the mitigation measures of all the identified significant environmental aspects.	Complied

Criterion / Indicator		Assessment Findings	Compliance
5.1.3	<p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>- Minor compliance -</p>	<p>With regards to EIA approval (by NREB, dated 20/11/1995 [ref.:(2)NREB/6-3/59]) for Oil Palm Plantations on Lot 494, Lavang Land District, Bintulu Division, Sarawak, Keresia submits the Environmental Management Report quarterly to the Natural Resources &amp; Environmental Board of Sarawak. The last four reports available for verification are dated Jul-Sep 2018, Oct-Dec 2018, Jan-Mar 2019 and Apr-Jun 2019 by the appointed consultant (ESI Sampling Sdn Bhd). Among the issues assessed in this activity were bio-diversity conservation, river bank protection, control of soil erosion and sedimentation, protection of air quality, protection of water quality, control of noise pollution, control of solid wastes, social-economic aspects and public health and safety.</p>	Complied
<p><b>Criterion 5.2:</b>            The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and and operations managed to best ensure that they are maintained and/or enhanced.</p>			
5.2.1	<p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).</p> <p>- Major compliance -</p>	<p>Environmental and Biodiversity Review was conducted by Wild Asia &amp; Integrated Environmental Consultants Sdn. Bhd. in 2010. Report ref.: M672/10/E&amp;BioD; review: V5; dated May 2010 was available for verification. Methods used were vegetation assessment through satellite image, discussion with the members of the local community and direct comparison against the surrounding forest and Temuda land (on assumption that this is similar to what had been presented on the Project Site). Based on the report there is no HCV in the areas apart from riparian zones along a few rivers crossing through the estate. The riparian areas have been identified and clearly demarcated using wooden pegs painted with red.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan. - Major compliance -	There was no rare, threatened or endangered species identified and reported at both of the visited estates. Nonetheless, signage to restrict hunting was put up at strategic places in the estates such as entrance gates and boundary with local community.	Complied
5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. - Minor compliance -	Education to workforce generally given through briefing at the muster ground/induction and signage of animal hunting restriction. Interview with workers showed that they were aware of the restriction.	Complied
5.2.4	Where a management plan has been created there shall be ongoing monitoring: • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. - Minor compliance -	Management plan is not necessary since no HCV and RTE identified by the HCV assessor. Nonetheless, the management continue to monitor its riparian zones mainly in term of agrochemicals application.	Complied
5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. - Minor compliance -	There was no HCV set-aside that needs any negotiation process with the local communities.	Complied
<b>Criterion 5.3:</b> Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			



Criterion / Indicator	Assessment Findings	Compliance
5.3.1	<p>All waste products and sources of pollution shall be identified and documented.                      - Major compliance -</p> <p>Based on documented pollution prevention plan (KM 4-1 Waste Register RSPO/ISCC), among the waste products identified and documented were general wastes and scheduled waste. Sources of waste were from the mill, estates and housing area.</p> <p>Common waste identified including domestic waste and scheduled wastes. Other specific type of waste generated by the mill is organic (biomass) waste which is also a source of renewable energy consists of fibres, shells, empty fruit bunches, boiler ashes and decanter solids.</p> <p>For estates, its reusable and recyclable wastes identified included empty fertilizer bags and triple rinsed empty chemical containers, plastic, glass and paper.</p> <p>Other specific activities such as mill maintenance and estate vehicle workshop generate few categories of scheduled wastes such as spent oil, spent hydraulic oil, contaminated containers and contaminated filters &amp; rags. Clinic operation generated clinical wastes.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
5.3.2	<p>All chemicals and their containers shall be disposed of responsibly.                      - Major compliance -</p> <p>At Keresia Mill, empty contaminated containers were stored and disposed as scheduled waste. For the estates, the empty chemical containers were returned to the supplier after undergone the triple rinsing procedure. Records of the empty chemical containers movement were well maintained. Scheduled wastes were disposed in accordance to EQ (SW) Reg., 2005 where authorised vendors were assigned to collect the SW from the premises. Consignment notes were available for verification e.g.</p> <p>Jiba Estate: KRS286B0219001 (SW305) and KRS286B0419001 (SW307). Receipt to evident that pesticide containers were collected to recycling vendors was also available for verification, e.g. receipt no. F9049, dated 6/9/2019.</p> <p>Sujan Estate: KRS286B0219001 (SW305), KRS286B0119001 (SW410) and KRS286B0619001 (SW404).</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.                      - Minor compliance -</p>	<p>Documented pollution prevention plan (KM 4-1) emphasized on the pollution prevention plan. Based on the site visit, it showed the implementation of reducing, reusing and recycling of wastes was continued by the mill and estates.</p> <p>Domestic/general wastes were segregated at the collection point from offices and housing for recyclable wastes before disposed to the designated landfill. Landfill operation was guided by "Guidelines for Landfill Establishment for Domestic Wastes in Keresa Plantations &amp; Mill". Among the criteria:</p> <ul style="list-style-type: none"> <li>• at least 100m from nearest river</li> <li>• 400m from residential area</li> <li>• Method: sandwich and trench</li> </ul> <p>For scheduled wastes, the handling was done according to the legal requirement where a scheduled wastes were at in each operating unit. Verification of consignment notes and inventory records showed that the scheduled wastes were disposed in accordance to the legal requirements.</p> <p>Clinical wastes from the clinic were disposed to Bintulu Specialist Hospital Sdn. Bhd. through the authorised clinical waste collection and disposal contractor appointed by the company.</p>	<p>Complied</p>
<p><b>Criterion 5.4:</b>                      Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		

Criterion / Indicator	Assessment Findings	Compliance
5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	<p>Mill utilization of fossil fuels (diesel for generator set) was monitored and control through stores stocks and materials checking reported on monthly basis. Effective maintenance plan and productive operation plan for generator set including regular servicing of generator sets as well as efficient operation of FFB process to fully utilize the free source of fuel i.e. biomass (fibre and shell) were implemented.</p> <p>The quantity of biomass consumed was also monitored to achieve the expected percentage of fibre (60 – 70%) and shell (3%) quantities being consumed. The company has optimized the use of renewable energy. The mill production output records and the renewable energy used were monitored monthly. The Mill monitors and reports energy usage monthly to head office through monthly report.</p>	<p>Complied</p>
<p><b>Criterion 5.5:</b>            Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.</p>		
5.5.1 There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	<p>Keresia Plantations has established and implemented Best Management Practice (KP 2) approach through its standard operations and procedures (KP2-4 SOPs –Field Policy Manual).</p> <p>Under its conservation measures chapter entitled Environment Conservation (SOP # 7.iii; version 2 dated 1 Jan 2009), all mitigations measures for plantation activities including land preparation or replanting shall be in compliance with the approved Environment Impact Assessment (EIA) by Natural Resource and Environmental Board of Sarawak.</p> <p>There was no trace of open burning observed during the site visit.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	At the point of assessment, there was no land preparation for replanting. There was also no trace of any open burning observed during the site visit.	Complied
<b>Criterion 5.6:</b> Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			
5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -	The Environmental Aspect and Impact Register (last reviewed on 23.4.2018) identified operation of boiler as a source of air pollution. Current monitoring was through online boiler smoke density and alarm and six-monthly boiler stack monitoring of dust particulate.  Dark smoke emission monitoring has been carried out as per required frequency stipulated in mill's compliance schedule. In addition, smoke density meters were calibrated consistently every 6 monthly. Based on site visit, the smoke density meters were found to be in good condition.	Minor nonconformance

Criterion / Indicator	Assessment Findings	Compliance
<p>5.6.2</p>	<p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.            - Major compliance</p> <p>Based on KM 4-1 Baseline Waste ID, main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH4) emission through POME treatment and fossil fuel consumption.</p> <p>The plan to reduce fossil fuel has been established in October 2017. The plans are:</p> <p>Installation and implementation of gasifier project to supply electricity which therefore reduce the dependence on generator set. Status: currently it is still in provisional stage where some refinement to be addressed.</p> <p>Installation of solar energy at the office and housing area to reduce the dependence on generator set. Status: currently only the security post were installed with solar panel.</p> <p>Nonetheless, the management plan for GHG reduction can be further improved by including the measurable target and timeframe (OFI).</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
5.6.3	<p>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.</p> <p>- Minor compliance -</p> <p>RSPO GHG calculator ver. 4 was used to calculate the GHG emission of the certification unit for 2018 performance. Verification of data through inspection of various records such as store issuance records and SAP system showed that the input data was authentic and verifiable.</p> <p>The mill has also conducted its smoke emission monitoring through complying its DOE’s compliance schedule (<i>Jadual Pematuhan</i>) and reports were well maintained for verification e.g.:</p> <ul style="list-style-type: none"> <li>• Stack sampling were conducted twice a year as per Compliance Schedule requirement. The following reports were verified: <ul style="list-style-type: none"> <li>- SESB/S.S/KMSB/MAY/2019/B029 dated 13/5/2019, result: 0.118 g/Nm<sup>3</sup> for boiler #1</li> <li>- KMSB/ST-B2/2019/1 dated 23/1/2019, result: 0.373 g/Nm<sup>3</sup> for boiler #2</li> </ul> </li> </ul> <p>The regulated limit is 0.15 g/Nm<sup>3</sup>. The mill has acknowledged the non-compliance of its boiler No. 2 and DOE has granted them a contravene license. Current status: payment has been made to DOE for the application [ref.: receipt no. 201938121800R300113, dated 28/6/2019 from DOE Sarawak]</p>	Complied

**Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.**

**Criterion 6.1:**  
Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.

Criterion / Indicator	Assessment Findings	Compliance	
6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	Keresia Plantations Sdn Bhd has carried out satisfaction survey social impact assessment on August 2019. The survey was carried out on 21/8/2019 for Jiba Estate, 22/7/2019 for Sujan Estate and 23/7/2019 for Sg. Kubud. Workers were sampled to participate in the survey. The survey has covered the categories such as work terms and conditions, social provisions and environment, safety & health. Total 64 workers were participated. Besides, meeting with smallholders and local communities was conducted to collect information from them. The last meeting was carried out on 24/7/2019 with total 19 participants.	Complied
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	Evidence of participation of workers, smallholders and local communities in the social impact assessment was sighted through the survey form and the attendance list of the meeting with smallholders and local communities.	Complied



Criterion / Indicator	Assessment Findings	Compliance
<p>6.1.3</p> <p>Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation.</p> <p>- Major compliance -</p>	<p>Management plan for Social Impact Assessment (Stakeholder/ Worker), Social Impact Assessment (Smallholder/ Long House People) and meeting minutes with the local communities were developed to mitigate the negative impacts and promoting positive impacts accordingly. The date of management plan was 26/7/2019.</p> <p>Sampled of the negative impacts and control measures as below:</p> <ul style="list-style-type: none"> <li>i. Negative Impact: The prices of goods at canteen more expensive compare to price in town. Control Measure: Canteen inspection &amp; meeting with canteen operator. Action: The management has carried out pricing monitoring on 18/4/2019 between the canteen in each estates and 2 markets outside the estate to ensure no huge difference in pricing of same goods. Action Taken: Assistant General Manager has conducted meeting on</li> <li>ii. Negative Impact: Landfill with full with solid waste. Control Measure: 3R system, Scheduled waste disposal correctly to Trieneken &amp; E-concern.</li> </ul>	<p>Complied</p>
<p>6.1.4</p> <p>The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties.</p> <p>- Minor compliance -</p>	<p>The management plan will be reviewed on yearly basis and the last review was conducted on 26/7/2019.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	A management plan for social impact assessment (smallholder/ long house people) was developed on 26/7/2019 to cover the social aspect such as economy, safety, infrastructure and welfare. Positive impacts and negative impacts were recorded in the management plan based on interviewed and meeting with the representatives of long house. Sampled of the negative impacts and control measure as below: <ul style="list-style-type: none"> <li>i. Negative impact: A farm owner complaint that her farm has been trespassed by workers where her empty drum was cut into two parts. Her farm was located near to Sujan Estate.</li> <li>ii. Control Measure: Security continuously checking/ inspecting boundary area.</li> </ul>	Complied
<b>Criterion 6.2:</b> There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	Keresa Plantations Sdn Bhd has developed Complaint & Grievance Procedures (Ref. No.: SOC 3.2, Rev. Date: April 2019, Ver. 2.0) for the communication and complaint purpose. Besides, Workers Monthly Dialogue was conducted for the workers to have direct communication with the management. The last meeting was carried out on 28/5/2019.	Complied
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Estate Manager of Jiba Estate and Sujan Estate has been appointed by Senior Manager of Sustainability & Estate Operations and Total Quality Management Executive appointed by Deputy General Manager to be the representative for handling Complaint & Grievances in the estate and mill respectively. Appointment letter dated 1/6/2019, 1/7/2019 and 1/1/2017 was sighted respectively. Responsibility & authority was clearly stated in the appointment letter.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -	Stakeholder registry was generated that has included the stakeholders such as local communities, government authorities, smallholders, suppliers and contractors. Various meetings were conducted for relevant parties such as meeting with representatives of long houses on 24/7/2019, workers monthly dialogue on 28/5/2019 in Jiba Estate and JCC meeting on 3/7/2019 in both Jiba and Sujan Estate, JCC meeting on 23/8/2019 in Keresa POM. Issues and requests were recorded with proposed action in the meeting minutes. Besides, monthly meeting with the contractors (FFB transporter) was carried out to discuss any issues related to the work for that particular month. The last meeting was held on 10/9/2019. Interviewed with the representatives from the long houses confirmed that they have been invited and attended to the meeting organized by the company.	Complied
<b>Criterion 6.3:</b>			
There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.			
6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -	Keresa Plantations Sdn Bhd has implemented Complaints & Grievance Procedures (Ref. No.: SOC 3.2, Rev. Date: April 2019, Ver. 2.0) to record any complaints and grievances from internal and external stakeholders. The complaint can be lodge via complaint box, email or writing and raise to Manager/ Supervisor. Timeline to address the complaint or grievance has identified accordingly. Total 21 days for the management to address all the complaints and grievances. Complaint Form was implemented accordingly. Besides, a memorandum of Complaints & Grievances dated 1/12/2009 has been circulated where the company will handle all the complaints and grievances fair and transparent. The procedure has been briefed to all the workers in the mill on 19/7/2019.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>6.3.2 Documentation of both the process by which a dispute was resolved and the outcome shall be available.                      - Major compliance –</p>	<p>Complaints and requests from workers were reported through JCC meeting and Complaint Summary for whole Keresia Plantations Sdn Bhd and Keresia Mill Sdn Bhd was established. Sampled of the complaint forms and evidences as below:</p> <ul style="list-style-type: none"> <li>i. Complaint No.: 0452 dated 22/8/2019 in Jiba Estate                              Issue: Motorcyclists was speeding at the junction near Rambutan bridge during morning time.                              Action taken: The management has informed regarding this issue during morning muster on 24/8/2019 to not speeding while driving. Besides, a bump has constructed at the area with photo evident sighted. The issue was closed on 24/8/2019.</li> <li>ii. House No.: Block A Bilik No. 5 dated 12/4/2019 in Keresia POM                              Issue: Plug point and ceiling fan was broken.                              Action taken: Plug point was replaced on 12/4/2019 and seen the Purchase Order# 13137 dated 25/4/2019 for the purchase of ceiling fan. The complainant has acknowledged on the completion of the work done.</li> <li>iii. Complaint No.: 0407 dated 10/12/2018 in Sujana Estate                              Issue: Water pipe in the kitchen found broken.                              Action taken: Seen the Local Purchase Order# 16288 dated 22/12/2018 for the purchase of brass water tap ½” for the respective complaint and the complaint has resolved on 21/12/2019.</li> </ul>	<p>Complied</p>
<p><b>Criterion 6.4:</b>                      Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>		

Criterion / Indicator		Assessment Findings	Compliance
6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	Keresia Plantations & Mill has developed Procedures for Identification of Customary Land Rights & Compensation (Ref. No.: SOC 3.3, Issue Date: December 2009, Ver. 1.0) to ensure that the company is operating on land that is both legal and does not diminish the rights of indigenous people or customary rights of other users. All the acquisition of customary lands need to seek through FPIC process. Agreement and compensation process has been clearly outlined in the procedure. If there is any land dispute, Grievance policy will be implemented to solve the issue.	Complied
6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. - Minor compliance -	SOP as per indicator 6.4.1.	Complied
6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. - Major compliance -	There was no any land dispute has been reported since last audit verified through interviewed with the representatives from long houses.	Complied
<b>Criterion 6.5:</b> Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.			

<p>6.5.1</p>	<p>Documentation of pay and conditions shall be available. - Major compliance -</p>	<p>Mill and estates have employed local and foreign workers. All the mill and estates workers are under direct employment. The payslip has included basic pay, allowances and working days. Payslip for September 2018, October 2018, January 2019, February 2019 and August 2019 was sampled based on the crop summary as below:</p> <ul style="list-style-type: none"> <li>a. Employee No.: 11530 (JE)</li> <li>b. Employee No.: 10029 (JE)</li> <li>c. Employee No.: 11401 (JE)</li> <li>d. Employee No.: 11509 (JE)</li> <li>e. Employee No.: 10082 (JE)</li> <li>f. Employee No.: E0610 (KPOM)</li> <li>g. Employee No.: E0753 (KPOM)</li> <li>h. Employee No.: E0752 (KPOM)</li> <li>i. Employee No.: E0785 (KPOM)</li> <li>j. Employee No.: E0765 (KPOM)</li> <li>k. Employee No.: 11406 (SE)</li> <li>l. Employee No.: 10014 (SE)</li> <li>m. Employee No.: 11792 (SE)</li> <li>n. Employee No.: 11913 (SE)</li> <li>o. Employee No.: 11842 (SE)</li> </ul> <p>All the sampled workers have achieved the minimum wage order.</p> <p><b><u>Sujan Estate:</u></b> Verified on the Daily Muster Chit# 28276 for Stapang 3 dated 13/8/2019 found that workers have worked on public holiday (2nd day of Hari Raya Haji). However, reviewed on the Daily FFB Record generated by the i-ECS for August 2019 found that no records of FFB for 13/8/2019 for the harvesters but tonnage for loaders on 13/8/2019 was captured in Daily FFB Despatched by Division August 2019. Interviewed with management confirmed that it is an offer day of work if there is an issuance of Daily Muster Chit and signed by Field Conductor, Assistant Manager and</p>	<p>Major nonconformance</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>Manager. However, no evidence to show that the workers have been paid twice of the ordinary rate per piece as per Sarawak Labour Ordinance, Section 104, Subsection (6) (b). Sampled of the workers as below:</p> <ul style="list-style-type: none"> <li>i. Employee No.: 10679 (loader)</li> <li>ii. Employee No.: 11963 (loader)</li> <li>iii. Employee No.: 11569 (harvester)</li> <li>iv. Employee No.: 11605 (harvester)</li> <li>v. Employee No.: 11701 (harvester)</li> <li>vi. Employee No.: 12135 (harvester)</li> <li>vii. Employee No.: 12225 (harvester)</li> </ul>	

<p>6.5.2</p>	<p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.          - Major compliance -</p>	<p>Employment contract are available and explained in language that understood by workers. The terms and conditions such as working days, overtime, holiday entitlement, maternity leave, period of notice and medical leave has clearly stated in the contract. The contract was signed by the workers and sampled of contracts as below:</p> <ul style="list-style-type: none"> <li>i. Employee No.: 12114 (JE)</li> <li>ii. Employee No.: 12128 (JE)</li> <li>iii. Employee No.: 12130 (JE)</li> <li>iv. Employee No.: 12185 (JE)</li> <li>v. Employee No.: 10418 (JE)</li> <li>vi. Employee No.: E0610 (KPOM)</li> <li>vii. Employee No.: E0240 (KPOM)</li> <li>viii. Employee No.: E0753 (KPOM)</li> <li>ix. Employee No.: E0791 (KPOM)</li> <li>x. Employee No.: E0818 (KPOM)</li> <li>xi. Employee No.: 11842 (SE)</li> <li>xii. Employee No.: 11913 (SE)</li> <li>xiii. Employee No.: 12045 (SE)</li> <li>xiv. Employee No.: 12211 (SE)</li> <li>xv. Employee No.: 11794 (SE)</li> </ul> <p>Besides, for workers who workers more than 2 years (Indonesian) have signed an extension contract and sampled extension contracts as below:</p> <ul style="list-style-type: none"> <li>i. Employee No.: 10082 (JE)</li> <li>ii. Employee No.: 11530 (JE)</li> <li>iii. Employee No.: 10143 (JE)</li> <li>iv. Employee No.: 10170 (JE)</li> <li>v. Employee No.: 11509 (JE)</li> <li>vi. Employee No.: 11406 (SE)</li> <li>vii. Employee No.: 10563 (SE)</li> <li>viii. Employee No.: 11918 (SE)</li> </ul>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance															
		Interviewed with the workers confirmed that they understood the terms and conditions in the employment contracts.																
6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance –	<p>All the workers were provided with basic amenities such as free accommodation, water, electricity and medical facilities. CLC and crèche were established in the plantations to provide education and childcare to the children.</p> <p>Jiba Estate has continuously monitored on the disconnecting water tank (rain harvesting &amp; water treatment) and cleaning of water tank on monthly basis to ensure no connecting of rain gutter and contamination into the water tank. Besides, a drinking water sample has sent for testing on Total Coliform Count and E-Coli on 9/8/2019 and results found as below:</p> <table border="1"> <thead> <tr> <th>Parameter</th> <th>Sujan Estate</th> <th>Keresas Mill</th> <th>Jiba Estate (Water treatment)</th> <th>Jiba Estate (Staff Housing)</th> </tr> </thead> <tbody> <tr> <td>Total Coliform Count</td> <td>2400</td> <td>690</td> <td>&lt;1</td> <td>580</td> </tr> <tr> <td>E-Coli</td> <td>30</td> <td>&lt;1</td> <td>&lt;1</td> <td>&lt;1</td> </tr> </tbody> </table> <p>They have the mitigation plan to resend the drinking water to the laboratory for the respective testing. They took action to resend the drinking water testing for parameter Total Coliform Count on 19/9/2019.</p>	Parameter	Sujan Estate	Keresas Mill	Jiba Estate (Water treatment)	Jiba Estate (Staff Housing)	Total Coliform Count	2400	690	<1	580	E-Coli	30	<1	<1	<1	Complied
Parameter	Sujan Estate	Keresas Mill	Jiba Estate (Water treatment)	Jiba Estate (Staff Housing)														
Total Coliform Count	2400	690	<1	580														
E-Coli	30	<1	<1	<1														
6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food. - Minor compliance –	Keresas demonstrated their efforts to monitor and improve workers' access to adequate, sufficient and affordable food through the provision of canteen at mill and sundry shops at both Sujan and Jiba estates. Prices of foods and sundries were displayed at all premises. Interviewed with the workers found that they are satisfied with the prices of foods and goods supplied by the sundry shops.	Complied															

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 6.6:</b> The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.			
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	Keresia Plantations Sdn Bhd and Keresia Mill Sdn Bhd has implemented Freedom of Association Policy dated 1/12/2009 where the company creates a culture with transparency. They respect the rights of workers to join or not to join any workers' association. The policy has been briefed to all the workers during morning muster and the latest briefing was conducted on 10/9/2019 in Keresia POM and 7/9/2019 in Sujan Estate.	Complied
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	Keresia Plantations Sdn Bhd and Keresia Mill Sdn Bhd has established Joint Consultative Committee (JCC) for the workers communicate with the management once a year. The last meeting was carried out on 3/7/2019 with total 19 participants from workers' representatives from Jiba and Sujan estates and management representatives for estates and 23/8/2019 with total 13 participants for Keresia POM. Meeting minutes was sighted with issues reported were recorded in the minutes. Proposed actions were informed during the meeting as well by the management.	Complied
<b>Criterion 6.7:</b> Children are not employed or exploited.			
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	Keresia Plantations Sdn Bhd and Keresia Mill Sdn Bhd has developed Minimum Age Policy dated 1/12/2009 where the company does not employed children in the company. The minimum age of employment is 18 years old. Document reviewed on the master list of employees confirmed that the minimum age of workers is 18. Interviewed with the workers also confirmed that there was no children working in the company.	Complied
<b>Criterion 6.8:</b> Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			

Criterion / Indicator		Assessment Findings	Compliance
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	Keresia Plantations Sdn Bhd and Keresia Mill Sdn Bhd has developed Equal Opportunities Policy Statement dated 1/12/2009 where the company supports the principle of fairness and non-discrimination, and aims to treat individuals with dignity and respect, free from unlawful and unethical discrimination based on gender, race or ethnic origin, disability, sexual orientation, age or faith. The policy has been briefed to all the workers during morning muster and the latest briefing was conducted on 10/9/2019 in Keresia POM and 7/9/2019 in Sujan Estate.	Complied
6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. - Major compliance -	Interviewed with the workers consisted of different gender and ethnic confirmed that the company treats all of them equally without any discrimination. They are, provided with similar benefits such as free accommodation, water and electricity supplies, offered overtime to everyone who wants to work and free medical treatment to everyone.	Complied
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	In the policy mentioned above, the company will ensure provide equal opportunity on every aspects inclusive of recruitment of workers, training and promotion.	Complied
<b>Criterion 6.9:</b>			
There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	Keresia Plantations Sdn Bhd has developed Prevention of Sexual Harassment & Domestic Violence in the Workplace Policy dated 1/12/2009 that the company will treat sexual harassment and domestic violence as any other form of misconduct and will be disciplined appropriately if found engaged in the misconduct. The policy has been briefed to all the workers during morning muster and the latest briefing was conducted on 10/9/2019 in Keresia POM and 7/9/2019 in Sujan Estate.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	Keresa Plantations Sdn Bhd has developed Reproductive and Pregnancy Rights dated 7/11/2017 where the company respects the rights of women to pregnant with compliance with regulations. The company encourages the mother to breastfeed at least 9 months. The policy has been briefed to all the workers during morning muster and the latest briefing was conducted on 10/9/2019 in Keresa POM and 7/9/2019 in Sujan Estate.	Complied
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	Women & Children Association was established in Keresa Plantations & Keresa Mill Sdn Bhd to monitor if there is any case of sexual harassment and violence reported in the compound. Last meeting was carried out on 26/7/2019 with attendees from all estates and mill. There was no case of sexual harassment and violence reported verified through interviewed with female workers and the President of association since last audit. The policies above are managed and monitor through the company's Grievance Procedure if there is any case. Activities were carried out such as competition of Zumba and volleyball.	Complied
<b>Criterion 6.10:</b> Growers and mills deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	The current and past price of FFB has been displayed at the weighbridge area. Interviewed with the smallholders that they are aware of the pricing of FFB.	Complied
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	Sampled the payment receipts to the smallholders for the FFB that they sold to the mill as below: i. Receipt No.: SH02315 for the crops from 2/8/2019 – 14/8/2019 and payment made on 23/8/2019 with Ref. No.: 0536043/FFB PYT ii. Receipt No.: SH02300 for the crops from 10/8/2019 – 13/8/2019 and payment made on 23/8/2019 with Ref. No.: 0536012/FFB PYT iii. Receipt No.: SH02334 for the crops from 3/8/2019 – 13/8/2019 and payment made on 23/8/2019 with Ref. No.: 0536038/FFB PYT Interviewed with the smallholders confirmed that payment was made promptly and they are understand of the pricing mechanism of FFB.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Sampled of letter of award with the contractors as below: i. Company No.: 056979-U for FFB transportation at Keresia Plantations Sdn Bhd which valid until 31/12/2019. ii. Company No.: MRI/2013/787 for FFB transportation at Keresia Plantations Sdn Bhd which valid until 31/12/2019. iii. Company No.: 166/2005 for EFB transportation at Keresia Mill Sdn Bhd and Keresia Plantations Sdn Bhd which valid until 31/12/2019. iv. Company No.: 1151285-H for rental of tractor which valid until 30/4/2024.	Complied
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	The pricing and payment terms were clearly stated in the letter of award. Sampled of the invoices submitted by contractors and payment records as below: i. INV# I-000215 dated 30/6/2019; Payment on 26/7/2019, Ref. No.: 0766 ii. INV# 0187 dated 30/6/2019; Payment on 26/7/2019, Ref. No.: 0784 iii. INV# WH-190707 dated 31/7/2019; Payment on 23/8/2019, Ref. No.: 0552	Complied
<b>Criterion 6.11:</b> Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	Keresia Plantations Sdn Bhd has made contribution to the local communities such as donation to the affected workers’ families in Lombok of the earthquake on August 2018. Besides, the company has provided job opportunity to the disable person to work in clinic as assistant. The company also provided free transportation to send the children to CLC located in Jiba Estate. They have supplied free amenities such as mineral waters, chairs and tables to CLC for the purpose of children.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	Not applicable as there was no scheme smallholder involved in the certification unit.	Not applicable
<b>Criterion 6.12:</b> No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	The company has recruited all the employees with legal identification for local and valid passport and work permit for foreign workers. Contract of employment was signed by the workers prior to work. Sampled of foreign workers with valid work permit as below: <ul style="list-style-type: none"> <li>a. Permit No.: PE 8224398 valid until 4/7/2020 (JE)</li> <li>b. Permit No.: PE 8235136 valid until 4/7/2020 (JE)</li> <li>c. Permit No.: PE 7040319 valid until 10/4/2020 (JE)</li> <li>d. Permit No.: PE 6652737 valid until 8/1/2020 (JE)</li> <li>e. Permit No.: PE 7062188 valid until 20/5/2020 (JE)</li> <li>f. Permit No.: PE 6869865 valid until 21/2/2020 (KPOM)</li> <li>g. Permit No.: PE 7040290 valid until 2/4/2020 (KPOM)</li> <li>h. Permit No.: PE 7060426 valid until 15/4/2020 (KPOM)</li> <li>i. Permit No.: PE 6653400 valid until 10/10/2019 (KPOM)</li> <li>j. Permit No.: PE 6869867 valid until 21/2/2020 (KPOM)</li> <li>k. Permit No.: PE 8509939 valid until 9/8/2020 (SE)</li> <li>l. Permit No.: PE 8509960 valid until 21/8/2020 (SE)</li> <li>m. Permit No.: PE 8221052 valid until 26/6/2020 (SE)</li> <li>n. Permit No.: PE 7980008 valid until 19/5/2020 (SE)</li> <li>o. Permit No.: PE 8509953 valid until 20/8/2020 (SE)</li> </ul>	Complied
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	Interviewed with the foreign workers confirmed that no contract substitution has occurred. The terms and conditions explained to them at their country of origin were similar to what they have signed in Malaysia.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	<p>Keresia Plantations Sdn Bhd and Keresia Mill Sdn Bhd has developed Special Labour Policy dated 18/9/2019 signed by General Manager where the policy has included the aspects as below:</p> <ul style="list-style-type: none"> <li>i. Statement of the non-discriminatory practices</li> <li>ii. No contract substitution</li> <li>iii. Post-arrival orientation programme to focus especially on language, safety, labour laws, cultural practices</li> <li>iv. Decent living conditions to be provided.</li> </ul> <p>The company has implemented no discrimination towards all the employees as per Criterion 6.8. Besides, the company provided free and decent housing facilities to all the workers verified through site visit and interviewed with workers. In addition, interviewed with workers confirmed that no contract substitution occurred in the company as they offered the similar terms and conditions. They even provided induction training to all the new workers to explain on the employment contract, culture and OSH awareness. Seen the attendance list for the latest batch of new workers in Keresia POM dated 14/8/2019.</p>	Complied
<p><b>Criterion 6.13:</b>            Growers and millers respect human rights.</p>			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	<p>Keresia Plantations Sdn Bhd has established Human Rights Policy dated 7/11/2017 where the company ready and committed to support and respect the human rights. The policy has been briefed to all the workers during morning muster and the latest briefing was conducted on 10/9/2019 in Keresia POM and 7/9/2019 in Sujana Estate.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation.	Keresia Plantations Sdn Bhd has established Community Learning Centre (CLC) located in Jiba Estate. There are total 18 students during the time of audit. The company has provided basic facilities such as chairs and tables, cleaning utensils and curtains installation. Besides, the company also supplied free mineral water and snacks to the children. The company maintains the building of the CLC. Besides, respective estates have arranged free transportation to send the children to CLC every day.	Complied
<b>Principle 7: Responsible development of new plantings</b>			
Keresia Palm Oil Mill Certification Unit and supply base did not carry out any new plantings since November 2005. Therefore, Principle 7 is not applicable during this surveillance assessment. The immature areas are replanted area.			
<b>Principle 8: Commitment to continual improvement in key areas of activity</b>			
<b>Criterion 8.1:</b> Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.			



Criterion / Indicator	Assessment Findings	Compliance
<p>8.1.1</p> <p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction in use of pesticides(Criterion 4.6);</li> <li>• Environmental impacts (Criteria 4.3, 5.1 and 5.2);</li> <li>• Waste reduction (Criterion 5.3);</li> <li>• Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);</li> <li>• Social impacts (Criterion 6.1);               <ul style="list-style-type: none"> <li>• Optimising the yield of the supply base.</li> </ul> </li> </ul> <p>- Major compliance -</p>	<p>The action plan for continual improvement for the mill &amp; estates is basically incorporated with its management action plan which focuses on economic, social and environmental values, e.g.:</p> <ul style="list-style-type: none"> <li>- Training needs/assessment pilot system</li> <li>- OSH site audit &amp; workplace assessment</li> <li>- Annual audit of social policies, records &amp; procedures</li> <li>- Annual environmental audit</li> <li>- Reduction of wastes amount</li> <li>- Tight monitoring of the consumption and follow the pesticide/herbicide Act procedure when usage is unavoidable</li> </ul>	<p>Complied</p>

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**Appendix B: Approved Time Bound Plan**

Keresia Plantations Sdn Bhd operates one palm oil mill and two estates. Palm Oil Mill, two estates and associated smallholder are certified since 2010. Kubud estate was planted in 2012 without prior HCV assessment. This issue was brought to RSPO voluntarily by the company to RSPO Technical Director on 17 September 2013. This area is under compensation mechanism and not certified. The timeline to certify Kubud Estate is depends on the approval of the Keresia Plantations Sdn Bhd’s compensation proposal by RSPO.

No	Production Units	Location	Status	TBP	Remark
	<b>Keresia Plantation</b>			To be completed by 2020 based on ACOP 2015	Company leased land from community and developed into oil palm Sg Kubud Estate to help the community. The land was opened by community since early 1900 through shifting cultivation. Kubud Estate yet to be included in the TBP because the community developed the land without prior HCV. This case was voluntarily reported to RSPO by Keresia and we are in the process of getting exemption from RSPO due to the land was originally cleared through shifting cultivation in early 1990s by the community and belongs to the community through Native Customary Right.
	Sujan Estate	Lavang Land District, Bintulu, Sarawak	Certified 2010		
	Jiba Estate	Lavang Land District, Bintulu, Sarawak	Certified 2010		
	Sg Kubud Estate	Lavang Land District, Bintulu, Sarawak	Pending for compensation proposal by RSPO		

**Appendix C: GHG Reporting Executive Summary**

The GHG emissions that were produced in **2018** for **Keresia POM** and supply base was calculated using the PalmGHG Calculator version 3.0.1. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

- i. Estates area planted data
- ii. Fuel consumed
- iii. Mill datas include CPO produced, PKO Produced and FFB Processed
- iv. Fertilizer consumed data for both estates and smallholders.

The summary of the Net GHG emitted in **2018** for **Keresia Palm Oil Mill** and supply base are as following:

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	1.38
PKO	1.38

Extraction	%
OER	20.90
KER	4.39

Production	t/yr
FFB Process	272399.40
CPO Produced	56919.30
PKO Produced	11970.92

Land Use	Ha
OP Planted Area	7321.03
OP Planted on peat	1230.04
Conservation (forested)	0
Conservation (non-forested)	0
<b>Total</b>	<b>8551.07</b>

**Summary of Field Emission and Sink**

	Own Crop*		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB
<b>Emission</b>								
Land Conversion	84455.74	0.56					84455.74	0.56
CO <sub>2</sub> Emission from fertilizer	10491.39	0.07					10491.39	0.07
NO <sub>2</sub> Emission from peat	9207.71	0.06					9207.71	0.06
NO <sub>2</sub> Emission from fertiliser	10852.52	0.07					10852.52	0.07
Fuel Consumption	1791.63	0.01					1791.63	0.01
Peat Oxidation	67159.62	0.44					67159.62	0.44
<b>Sink</b>								
Crop Sequestration	-80047.51	-0.53						

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Conservation Sequestration	-	-						
Total	103911.10	0.68					103911.10	0.68

\*Note: Includes both estates and smallholders

**Summary of Mill Emission and Credit**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emission</b>		
POME	396.05	0
Fuel Consumption	410.06	0
Grid Electricity Utilisation	0	0
<b>Credit</b>		
Export of Grid Electricity	0	0
Sales of PKS	-9732.10	-0.06
Sales of EFB	0	0
Total	-8925.99	-0.05

**Summary of Kernel Crusher Emission and Credit (if applicable)**

Emissions	tCO <sub>2</sub> e
PK from own mill	0
PK from other source	0
Fuel Consumptions	0
<b>Total Crusher emissions</b>	<b>0</b>

\*This mill has no kernel crusher operation.

<b>Palm Oil Mill Effluent (POME) Treatment:</b>	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	100

<b>POME Diverted to Anaerobic Digestion:</b>	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	0

**Appendix D: General Chain of Custody Requirements for the Supply Chain**

<b>5.1 Applicability of the general chain of custody requirements for the supply chain</b>			
	<b>Requirement</b>	<b>Evidence</b> For any N/A raised, justification is required.	<b>Compliance</b> (Yes / No or N/A)
5.1.1	The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.	Keresia Mill Sdn Bhd takes legal ownership and physically handles its RSPO certified oil palm products i.e. CPO and PK.	Yes
5.1.2	Traders and distributors require a licence obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.	Keresia Mill is not a trading company. Therefore, this requirement is not applicable.	N/A
5.1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.	The parent company (Keresia Plantations Sdn Bhd) is the member of RSPO.	Yes
5.1.4	Processing aids do not need to be included within an organization’s scope of certification.	Keresia POM is not refinery, therefore no processing aids are not used in the milling process.	N/A
<b>5.2 Supply chain model</b>			
5.2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	The mill has been receiving FFB from both certified and non-certified suppliers. Declassification of the CPO or PK was done in the correct order i.e. MB to conventional only	Yes
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Keresia POM was MB certified and it was sales the products in two ways, it was MB or conventional only.	Yes

<b>5.3. Documented Procedures</b>			
5.3.1	The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following: <ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> </ul>	Keresia POM already using RSPO Supply Chain Certification Standards 2014 (Revised June 2017) and been included in Supply chain procedure dated 1 August 2018. The procedure already include the management review and internal audit in the procedure. From the procedure the internal audit was done annually by management. The record of management was maintained adequately.	Yes
	<ul style="list-style-type: none"> <li>• Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> </ul>	The latest Internal audit was done on 4 July 2019 by Nur Atma, TQM Executive.	Yes
	<ul style="list-style-type: none"> <li>• Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization’s procedures for the implementation of this standard.</li> </ul>	The appointment letter for Mr Thilaganathan as management representative for implementation of these requirements and compliance with all applicable requirements was available dated 1 July 2019.	Yes
5.3.2	The site shall have a written procedure to conduct annual internal audit to determine whether the organization; <ul style="list-style-type: none"> <li>i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</li> </ul>	The latest Internal audit was done on 4 July 2019 by Nur Atma, TQM Executive and result from internal was no finding. The internal audit was followed as per requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.	Yes
	<ul style="list-style-type: none"> <li>ii) effectively implements and maintains the standard requirements within its organization</li> </ul>	The latest Internal audit was done on 4 July 2019 by Nur Atma, TQM Executive and result from internal was no finding. The internal audit was followed as per requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.	Yes
<b>5.4. Purchasing and goods in</b>			

5.4.1	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment/delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number</li> </ul>	<p>When FFB delivered to the mill from the estates, the transporters presented FFB chits to the mill weighbridge clerk in order the FFB to be received by the mill. All the information required by the supply chain standard was found to be available in the FFB chits and weighbridge tickets.</p>	Yes
	<ul style="list-style-type: none"> <li>• Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> </ul>	<p>The information was available in various documents such as mentioned above.</p>	Yes
	<ul style="list-style-type: none"> <li>• The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group shipments. Refer to section 5.7.1 of this document for further guidance.</li> </ul>	<p>Certified FFB are sourced from Keresas own plantation only, i.e. Jiba and Sujana. The Keresas POM does not receive any third party's certified FFB.</p>	Yes

	<ul style="list-style-type: none"> <li>A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (<a href="http://www.rspo.org">www.rspo.org</a>) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.</li> </ul>	The certified suppliers are certified under the same certificate with the mill. Therefore, no checking of validity is necessary.	Yes
	<ul style="list-style-type: none"> <li>The validity of licence for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements / announcements.</li> </ul>	NA – the mill does not purchase FFB from any certified trader.	N/A
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.	Addressed in Mass Balance (CPO or PK) procedure clause 7.2 Over declared CSPO/CSPK. Based on the procedure, where there is an over-declared products whereby non-certified palm oil products were sent as certified products. Downgrading must be done and the amount of over-declared palm oil shall be removed from sustainable product account.	Yes
<b>5.5. Outsourcing activities</b>			
5.5.1	<p>In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mil cannot outsource processing activities like refining or crushing.</p> <p>This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organization (not the tank farm manager).</p>	Ref.: Agreement between Keresia Mill Sdn Bhd and CPO & PK transport companies. The validity of all the agreements is 2 years. Since the mill is using mass balance model, there is not much SC requirements applicable to transporter and no necessity to spell it out in the agreement.	Yes



5.5.2	Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: a. The site has legal ownership of all input material to be included in outsourced processes;	Not applicable. No outsourcing activity with regards to processing of FFB or PK.	N/A
	b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.	Not applicable. No outsourcing activity with regards to processing of FFB or PK.	N/A
	c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.	Not applicable. No outsourcing activity with regards to processing of FFB or PK.	N/A
	d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.	Not applicable. No outsourcing activity with regards to processing of FFB or PK.	N/A
5.5.3	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	Not applicable. No outsourcing activity with regards to processing of FFB or PK.	N/A
5.5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products.	Not applicable. No outsourcing activity with regards to processing of FFB or PK.	N/A
<b>5.6. Sales and goods out</b>			
5.6.1	The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form. <ul style="list-style-type: none"> <li>The name and address of the buyer;</li> </ul>	Based on the sampled transactions, all the required information by the supply chain standard was available in various sales documents such as:	Yes

	<ul style="list-style-type: none"> <li>The name and address of the seller;</li> <li>The loading or shipment/ delivery date;</li> <li>The date on which the documents were issued;</li> <li>A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>The quantity of the products delivered;</li> <li>Any related transport documentation;</li> <li>Supply chain certificate number of the seller;</li> <li>A unique identification number</li> </ul>	<ul style="list-style-type: none"> <li>Sales contracts</li> <li>Tax invoice</li> <li>Mill weighbridge tickets – seal no. included (6 – 8 seals)</li> <li>Buyer’s weighbridge ticket</li> <li>MPOB form</li> <li>Palm Kernel delivery note</li> <li>CPO/PK Dispatch record book</li> </ul>	
	<ul style="list-style-type: none"> <li>Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> </ul>	Information is complete and available in various documents as mentioned above.	Yes
	<ul style="list-style-type: none"> <li>For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.</li> </ul>	Announcement registered in PalmTrace system is done by the Sr. Group Internal Audit Manager based in Keresas HQ, Kuching. Based on PalmTrace transaction report, there were 20 shipping announcements of CSPO and 23 shipping announcements for CSPK made since the last assessment.	Yes
<b>5.7. Registration of transactions</b>			
5.7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> <li>are mills, traders, crushers and refineries and;</li> <li>take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, Refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable.</li> </ul>	The registration of PalmTrace is carried out by the Sr. Group Internal Audit Manager based in Keresas HQ, Kuching. All transaction will be registered in the PalmTrace.	Yes

5.7.2	The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> <li>Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.</li> </ul>	Based on the announcement summary, all the registrations were found to be in order.	Yes
	<ul style="list-style-type: none"> <li>Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.</li> </ul>	Not applicable. Products are not sold beyond refinery.	N/A
	<ul style="list-style-type: none"> <li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li> </ul>	Based on the MB accounting, the removal of volumes was done correctly when the products were sold under other scheme such as ISCC.	Yes
	<ul style="list-style-type: none"> <li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li> </ul>	Based on the announcement summary, all the confirmations were found to be in order.	Yes
<b>5.8. Training</b>			
5.8.1	The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff.	The training on Supply chain and traceability was done on 23 August 2019 in Keresia Mill Conferenace room, attended by 7 person that handle critial control point. The training plan was available in training need and plan document dated Jan 2019.	Yes
5.8.2	Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed.	As spelt out in its supply chain procedure, Clause 4.0, records are to be maintained minimum of 5 years. Based on training records, last training that related to supply chain was conducted on 23 August 2019 and attended by 8 persons from various departments and levels such as Total Quality	Yes

		Management (TQM), Purchasing, Weighbridge and Administration.	
<b>5.9. Record Keeping</b>			
5.9.1	The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements.	All the sampled records related to the movements of RSPO certified materials and products were found to be accurate, complete, up-to-date and accessible such as weighbridge ticket, Contract, Internal Audit record and others.	Yes
5.9.2	Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	As spelt out in its supply chain procedure, Clause 4.0, records are to be maintained minimum of 5 years.	Yes
5.9.3	The organization shall be able to provide the estimate volume of palm oil/palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	Not applicable. The product of the facility is containing 100% palm oil.	N/A
<b>5.10. Conversion factors</b>			
5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ); RSPO Rules for Physical Transition of Oleochemicals and its Derivaties. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries.	Conversion factor of CPO and PK production is depending on the actual OER and KER. Previous period under review's average were 21.05% (OER) & 4.26% (KER).	Yes
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	The facility is using the actual extraction rate and therefore updating of rates is not necessary.	Yes
<b>5.11. Claims</b>			

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5.11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	The company does not make any claims regarding the use of or support of RSPO certified oil palm products through verified the company website, purchase order, contract, delivery order and any other company communication method. Found RSPO Logo was been using Safety and Health brochure however no permit from RSPO.	Major nonconformance
<b>General corporate communications</b>			
4.1	A corporate communication is one made by any RSPO member that highlights its membership of the RSPO and/or its commitment to the principles of the RSPO. Corporate communication is an 'off-product' claim.	Keres POM does not use any RSPO trademark or logo in any general corporate communication by verified through the company website, invoices, letter head, contract with customers and others relevant records.	Yes
4.2	In corporate communications a member is allowed to: a. Display its RSPO membership status b. Display the RSPO web address (www.rspo.org) c. State that the member supports the work of the RSPO d. State the member's history with regard to the RSPO. e. Use the RSPO trademark to promote its membership of the RSPO. Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text 'Check our progress at www.rspo.org' where the link must lead to the member's profile page.	Keres POM does not use any RSPO trademark or logo in any general corporate communication by verified through the company website, invoices, letter head, contract with customers and others relevant records	Yes
4.3	In corporate communications RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.	No trademark has been used and therefore no statement been made for the trademark used.	Yes
4.4	Members must ensure that all communication is consistent, clear and cannot mislead consumers or other stakeholders as to the certified content of oil palm products in the member's own products.	The products, CPO and PK are not using the RSPO trademark.	Yes

4.5	Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.	RSPO corporate logo was not use. Nonetheless, the facility is aware with the requirements of the RSPO Rules on Market Communications and Claims.	Yes
<b>Business to business communications</b>			
5.1	Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products.	The trading been done between Keresa Plantation Sdn Bhd with Bintulu Edible Oil Sdn Bhd for CPO and PK, Sampling on Trade confirmation dated 26 August 2019 refer contract no: BEO/36P1908/0240L,BEO/36P1908/0238L and for PK contract P/19/R/0919.	Yes
5.2	When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made.	From the selling dispatch weighing ticket there already stating the Supply chain model and certificate number sampling on Dispatch Weighing ticket number 008901, 008900 and 008897.	Yes
5.3	Where a distributor or wholesaler takes title to products containing certified sustainable oil palm products, the requirements of the RSPO SCCS can follow either of two options: a. If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the product to the manufacturer using the manufacturer’s SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation. b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.	Keresa Oil Mill does not use any RSPO trademark or logo in any business to business communication by verified through the company website, invoices, letter head, contract with customers and others relevant records.	Yes
5.4	A certified member can provide information to its customers detailing the presence of certified palm oil contained within a product even if it is not eligible for a product-specific under RSPO rules. The end product must	Keresa Oil Mill does not use any RSPO trademark or logo in any business to business communication by verified through	Yes

	not be labelled as certified or sold in such a way that implies RSPO certification. For example, a retailer or food service company may require a breakdown of all palm based ingredients within an end product and the certified status of each. This information may be provided by a certified RSPO member without constituting a product-specific claim.	the company website, invoices, letter head, contract with customers and others relevant records.	
<b>Business to consumer communication</b>			
6.1	Only RSPO members that have supply chain certification are allowed to make business to consumer claims about the certified sustainable oil palm products contained within product(s), which are known as 'product-specific' claims. Product-specific claims are voluntary.	Keresas Oil Mill does not use any RSPO trademark or logo in any business to business communication by verified through the company website, invoices, letter head, contract with customers and others relevant records.	Yes
6.2	Only RSPO members who have supply chain certification are authorised to use the RSPO trademark and/or RSPO label, with the exception of RSPO Credits and of retailers in accordance with 6.8 below.	Keresas Oil Mill does not use any RSPO trademark or logo in any business to business communication by verified through the company website, invoices, letter head, contract with customers and others relevant records.	Yes
6.3	When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.	Keresas Oil Mill does not use any RSPO trademark or logo in any business to business communication by verified through the company website, invoices, letter head, contract with customers and others relevant records.	Yes
6.4	Business to consumer communication shall not include information about the claimant's RSPO membership status.	Keresas Oil Mill does not use any RSPO trademark or logo in any business to business communication by verified through the company website, invoices, letter head, contract with customers and others relevant records.	Yes
6.5	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	Keresas Oil Mill does not use any RSPO trademark or logo in any business to business communication by verified through the company website, invoices, letter head, contract with customers and others relevant records.	Yes

6.6	Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.	Keresas Oil Mill does not use any RSPO trademark or logo in any business to business communication by verified through the company website, invoices, letter head, contract with customers and others relevant records.	Yes
6.7	Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim.	Keresas Oil Mill does not use any RSPO trademark or logo in any business to business communication by verified through the company website, invoices, letter head, contract with customers and others relevant records.	Yes
6.8	RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body (CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food service company will need to demonstrate that the use of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on <a href="http://www.rspo.org">www.rspo.org</a> .	Keresas Oil Mill does not use any RSPO trademark or logo in any business to business communication by verified through the company website, invoices, letter head, contract with customers and others relevant records.	Yes
<b>MODULE A – IDENTITY PRESERVED &amp; SEGREGATED SPECIFIC RULES</b>			
<b>Certified oil palm content (IP)</b>			
	For IP, 95% or above of the oil palm content must be RSPO IP-certified.	N/A for Keresas POM because Keresas POM was Mass Balance Mill	N/A



	For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.	N/A for Keresia POM because Keresia POM was Mass Balance Mill	N/A
	Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the volume of non-certified oil palm products must be covered by the purchase of RSPO Credits of equivalent volume.	N/A for Keresia POM because Keresia POM was Mass Balance Mill	N/A
<b>Labelling and trademark (IP)</b>			
	Members are allowed to use the RSPO label in one of the following ways: a. RSPO trademark which includes the tag 'CERTIFIED' or b. RSPO trademark which includes the tag 'This product contains certified sustainable palm oil'. Wherever a RSPO trademark is displayed, the applicable trademark license number must be shown immediately under or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4pt (1.4 mm or 0.06 inch). In on-pack communications, the RSPO trademark can be printed anywhere on the pack.	N/A for Keresia POM because Keresia POM was Mass Balance Mill	N/A
<b>Messaging (IP)</b>			
	Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements: <ul style="list-style-type: none"> <li>The oil palm products contained in this product have been certified to come from RSPO sources. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>By choosing this product, you are sure it contains RSPO-certified palm oil. For more information: <a href="http://www.rspo.org">www.rspo.org</a></li> <li>RSPO-certified sustainable oil palm products were kept apart from other oil palm products throughout the supply chain. <a href="http://www.rspo.org">www.rspo.org</a></li> </ul>	N/A for Keresia POM because Keresia POM was Mass Balance Mill	N/A

	<ul style="list-style-type: none"> <li>• Certified sustainable oil palm products can be traced back to RSPO-certified mills and plantations. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• The entire supply chain is monitored by independent, RSPO-accredited auditors. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• RSPO-certified sustainable palm oil has been produced to stringent environmental and social criteria. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• References to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown by company records.</li> </ul>		
<b>5.12. Complaints</b>			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Keresia POM has established Managing Customer Feedback procedure SOC 3.2 dated December 2009, Chapter 3, revision 2 (April 2019). The procedure has outlined the mechanism of handling customer complaints. Besides, a Communication and Consultation Management Guidelines was developed to effectively communicate with the internal and external stakeholders pertaining matter related to sustainability. No complaint record during audit verification.	Yes
<b>5.13. Management Review</b>			
5.13.1	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken.	The management has conducted the management review meeting annually where the last meeting was conducted on 2/8/2019 for the period from January 2019 to December 2019.	Yes
5.13.2	The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> </ul>	The last review meeting was conducted on 2/8/2019 for review period from January 2019 to December 2019. The input to management review has included all the information such as results of internal audit, customer survey, recommendation for improvement and status of preventive and corrective action.	Yes

	<ul style="list-style-type: none"> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>		
5.13.3	<p>The output from the management review shall include any decisions and actions related to:</p> <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>	Output from the management review meeting has been discussed during the management review meeting which has included resource needs and improvement of the effectiveness of the management systems and its processes.	Yes

**Appendix E : CPO Mill Supply Chain Assessment Report (Module E - CPO Mills: Mass Balance)**

Requirements	Evidence For any N/A raised, justification is required.	Compliance (Yes / No or N/A)
<b>E.1 Definition</b>		
E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.	Keresia Palm Oil Mill receives and processes both certified and non-certified FFB. Therefore, it uses the Mass Balance supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified and non-certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified Products.	Yes
<b>E.2 Explanation</b>		
E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.	Yes
E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).	All registrations and reporting requirements for the supply chain were through the RSPO Palmtrace. Estimation of CSPO and CSPK are available in the Palmtrace as well as the allocation for credits.	Yes
<b>E.3 Documented procedures</b>		
E.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:	a) The facility has its complete and up to date procedures as mentioned in Clause 5.3 above.	Yes

<p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</p>	<p>b) The mill manager, Sr Assistant Mill Manager and TQM Executive are the persons assigned to have overall responsibility [ref.: Mass Balance (CPO or PK) Procedures, clause 3.3].</p>	
<p>E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBS.</p>	<p>The receiving and processing certified and non-certified FFBS procedure is addressed in the same procedure mentioned in RSPO P&amp;C Indicator 4.1.1.</p>	<p>Yes</p>
<p><b>E.4 Purchasing and goods in</b></p>		
<p>E.4.1 The site shall verify and document the volumes of certified and non-certified FFBS received.</p>	<p>The accompanying documents of incoming FFB from own estate are FFB chits which has the info about name of estate, date of delivery, field number and number of bunches. Upon arrival at the mill, the mill issues its weighbridge ticket as confirmation of receipt.</p> <p>For non-certified third party crop, the mill keeps a list of its registered suppliers. The mill issues weighbridge ticket as confirmation of receipt of FFB.</p>	<p>Yes</p>
<p>E.4.2 The site shall inform the CB immediately if there is a projected overproduction.</p>	<p>There is an overproduction of CSPO and CSPK for the license period of 21/10/2017 to 20/10/2018 i.e. 3,787.94 mt of CSPO and 1,046.02 mt of CSPK. There was also a notification to CB to apply for volume extension. However, the applied extended volume was only 238 mt of CSPO and 0 mt for VSPK. It was not adequate to cover the overproduction.</p>	<p>Major non-conformance</p>
<p><b>E.5 Record keeping</b></p>		

<p>E.5.1 a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p> <p>(b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)</p>	<p>Keresia POM is using the three-monthly basis to record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK.</p> <p>Based on the accounting system, the deliveries were correctly deducted in accordance to its conversion ratio.</p> <p>Based on verification of MB accounting which the mill opt for three-monthly basis recording, it was found that the certified CSPO and CSPK was always delivered from positive stock. There was no short sale made.</p>	<p>Yes</p>
<p>E.5.2 In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement</p>	<p>NA – there is no outsource of PK processing.</p>	<p>N/A</p>

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**Supply Chain Declaration** *(Applicable For Appendix E)*

<b>A. Monthly Records of Certified and Uncertified FFB Received since the last audit (Aug 2018-Aug 2019)</b>				
<b>No.</b>	<b>Month - Year</b>	<b>Volume of FFB from certified supply bases (mt)</b>	<b>Volume of FFB from uncertified supply bases (mt)</b>	<b>Total FFB/Month (mt)</b>
1	Aug-18	10,210.06	19,289.16	29,499.22
2	Sep-18	11,357.92	19,875.86	31,233.78
3	Oct-18	11,611.33	21,538.88	33,150.21
4	Nov-18	10,606.22	20,277.73	30,883.95
5	Dec-18	8,784.55	18,712.76	27,497.31
6	Jan-19	6,807.70	16,673.90	23,481.60
7	Feb-19	5,688.14	14,034.83	19,722.97
8	Mar-19	6,706.69	15,349.44	22,056.13
9	Apr-19	6,936.50	16,207.70	23,144.20
10	May-19	7,699.79	16,395.39	24,095.18
11	Jun-19	7,320.15	14,239.98	21,560.13
12	Jul-19	8,008.18	17,149.91	25,158.09
13	Aug-19	9,742.21	19,682.17	29,424.38
Total		111,479.44	229,427.71	340,907.15

<b>B. Monthly Records of Certified CPO &amp; PK since the last audit (Aug 2018-Aug 2019)</b>			
<b>No.</b>	<b>Month - Year</b>	<b>Certified CPO (mt)</b>	<b>Certified PK (mt)</b>
1	Aug-18	2,177.81	425.76
2	Sep-18	2,464.67	498.61
3	Oct-18	2,395.42	537.60
4	Nov-18	2,232.61	476.22
5	Dec-18	1,731.43	385.64
6	Jan-19	1,399.32	291.65
7	Feb-19	1,197.94	242.89
8	Mar-19	1,433.89	280.34
9	Apr-19	1,462.91	291.33
10	May-19	1,656.99	320.31
11	Jun-19	1,481.60	305.98

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12	Jul-19	1,748.19	338.43
13	Aug-19	2,016.14	446.19
	Total	23,398.91	4,840.96

<b>C. Records of Certified CPO &amp; PK Sold under PalmTrace to Buyers since the last audit (if any) (July 2018-July 2019)</b>				
No.	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (mt)	Certified PK Sold (mt)
1	Buyer 1	1xxxxxxx72	16,736.24	4,443.07
	Total		16,736.24	4,443.07

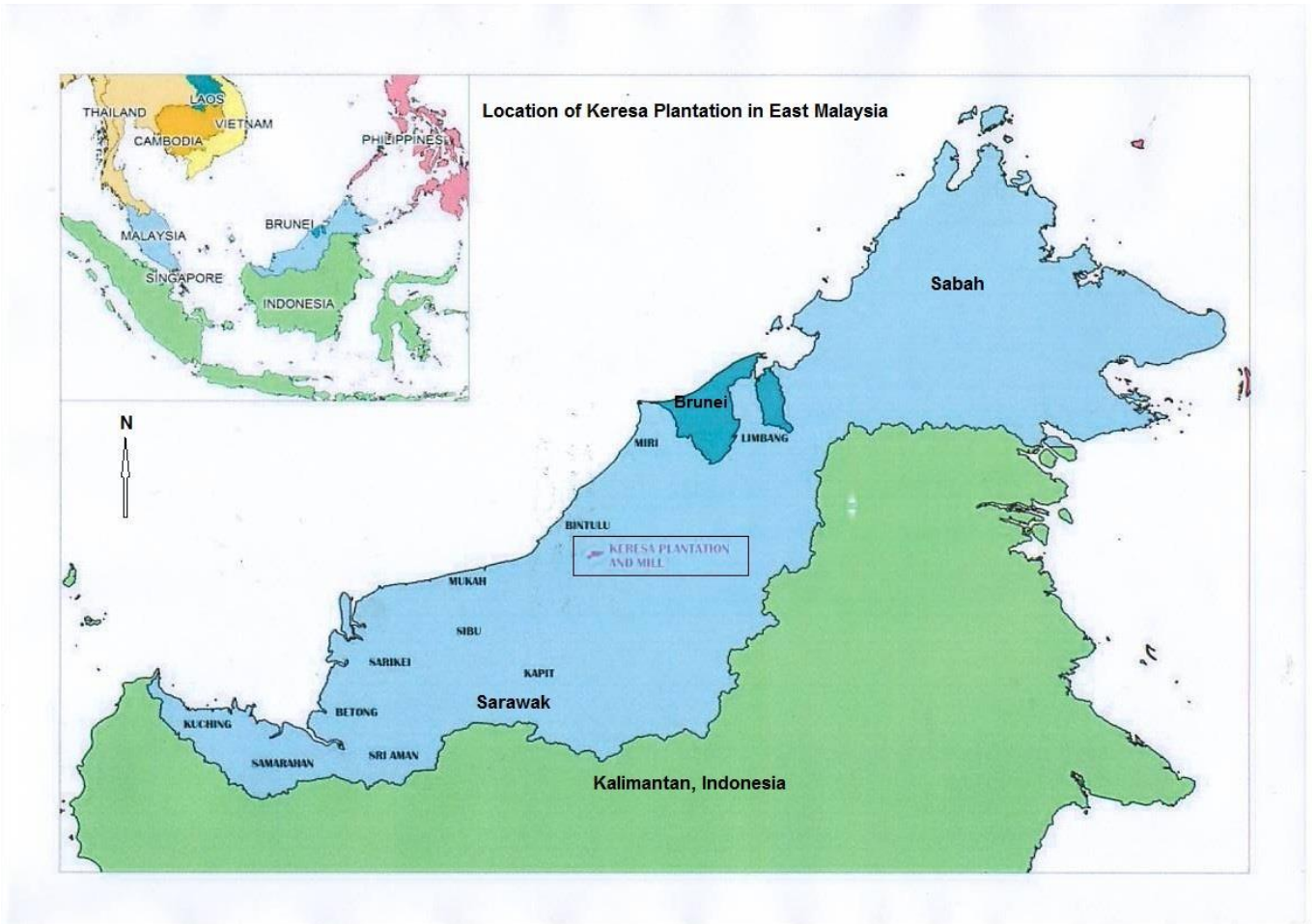
<b>D. Records of CPO &amp; PK Sold under other schemes to Buyers since the last audit (if any) (July 2018-July 2019)</b>				
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
1	Buyer 1	ISCC	3,394.54	
	Total		3,394.54	

<b>E. Records of CPO &amp; PK Sold as conventional to Buyers since the last audit (if any) (July 2018-July 2019)</b>				
No.	Buyers Name	CPO Sold (mt)	PK Sold (mt)	
1	Buyer 1	3,268.13	397.89	
3	Total	3,268.13	397.89	

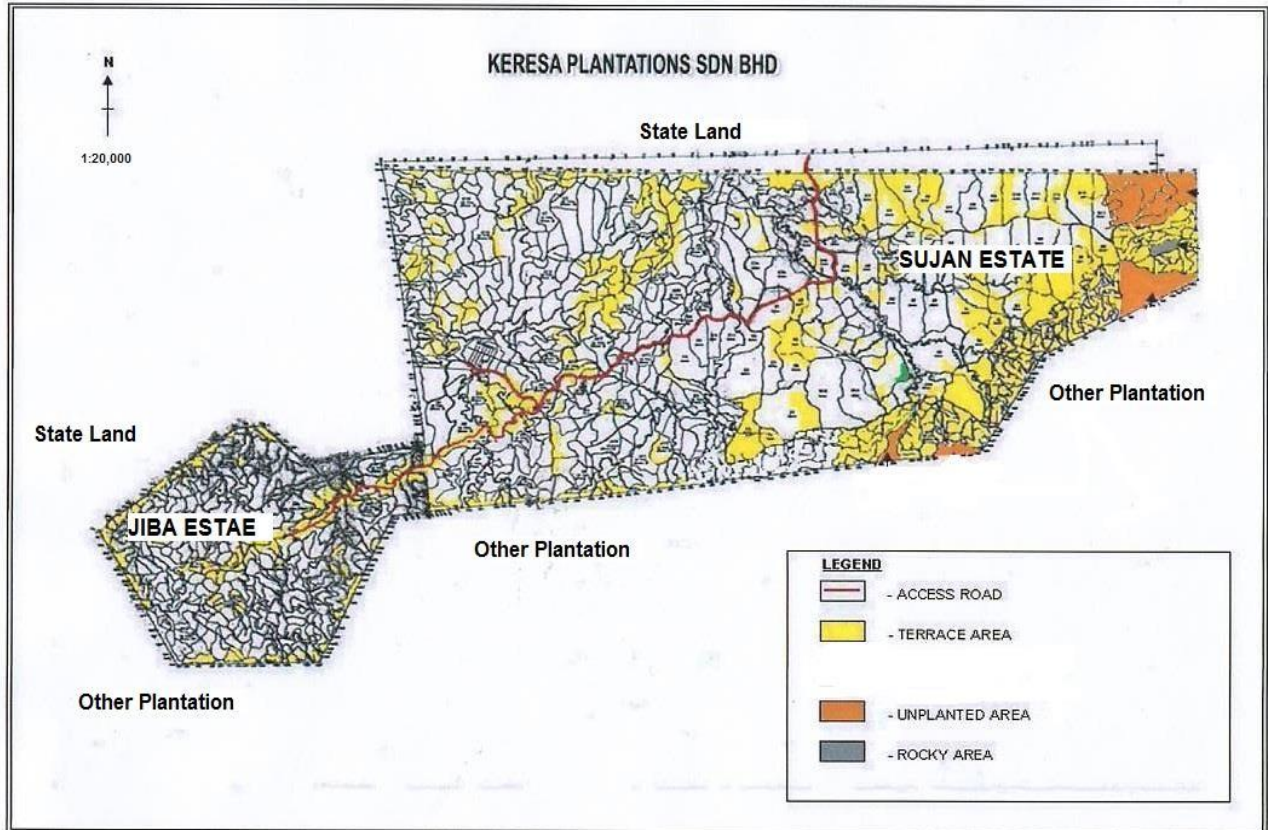
<b>F. Records of Certified CPO Sold under RSPO Credits to Buyers since the last audit (if any) (July 2018-July 2019)</b>			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (mt)
Nil			



**Appendix F: Location Map of Keresia Palm Oil Mill and Supply bases**



**Appendix G: Sujan & Jiba Estate Field Map**



**Appendix H : List of Smallholder Sampled** *(If applicable – scheme/associated/group certification)*

**NA**

## Appendix I : List of Abbreviations

a.i	Active Ingredient
BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CSPO	Certified Sustainable Palm Oil
CSPKO	Certified Sustainable Palm Kernel Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
IP	Identity Preserved
IS - CSPO	Independent Smallholder Certified Sustainable Palm Oil
IS – CSPKO	Independent Smallholder Certified Sustainable Palm Kernel Oil
IS – CSPKE	Independent Smallholder Certified Sustainable Palm Kernel Expeller
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MB	Mass Balance
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
P&C	Principles & Criteria
RTE	Rare, Threatened or Endangered species
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure