

MY05153 Kumpulan Kris Jati Sdn Bhd Audit Summary Report

Organization:	Kumpulan Kris Jati Sdn Bhd		
Address:	<p>Lot 6875, Jalan Ayer Lama, 68000 Ampang, Selangor. Tel: 03 4289 7965, Fax: 03 4289 7884 Contact Person: Dr. Shaikhah Phone No : 012 277 2428</p> <p>Contact Person: Mr. Frankie Patrick (Head of Safety & Sustainability Department) : Mr. Mohd Fadli Sham Bin Encek Dewet (Sr. Mill Eng. In-charge) Contact No.: 014 553 1343 : 085 282 120 Email: Frankie.patrick@tbp.com.my</p> <p><u>Trusan Palm Oil Mill</u> KM 15, Jalan Trusan, P.O.Box 455, 98857 Lawas, Sarawak</p> <p><u>Intan Estate MPOB Licence: 514305002000 (1.08.2018 – 31.07.2019)</u> Km 15, Jalan Trusan P.O. Box 292, 98857 Lawas, Sarawak</p> <p><u>Merapok Estate MPOB Licence: 504130102000 (1.04.2018 – 31.03.2019)</u> Km 25, Jalan Lawas – Merapok, 98857 Lawas, Sarawak</p> <p><u>Trusan Estate</u> Km 15, Jalan Trusan, P.O. Box 292, 98857 Lawas, Sarawak</p>		
Standard(s):	MSPO MS2530-3:2013 Part 3: Plantation and Organised Smallholders MSPO MS2530-4: 2013 Part 4 : Palm Oil Mills	Accreditation Body(s): DEPARTMENT STANDARDS of MALAYSIA (DSM)	
Representative:	Mill MSPO MANAGEMENT		
Site(s) audited:	1.Trusan Palm Oil Mill (40/MT/hr) 2.Intan Estate 3.Merapok Estate 4.Trusan Estate	Date(s) of audit(s):	5th - 8th March 2019
EAC Code:	Nil	NACE Code:	Nil
Lead auditor:	Abdul Khalik Bin Arbi	Additional team member(s):	Jeffrey Denis Ridu
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1. Audit objectives

The objectives of this audit were:

- to confirm that the management system conforms with all the requirements of the audit standard;
- to confirm that the organization has effectively implemented the planned management system;
- to confirm that the management system is capable of achieving the organization's policy objectives.

2. Scope of certification

- 1. Production of Fresh Fruit Bunches (FFB) for Plantations in compliance to the MSPO Certification Standard MS2530-3:2013 Part 3: General Principles for Oil Palm Plantations and Organized Smallholders**
- 2. Processing of Fresh Fruit Bunches (FFB) and Production of Crude Palm Oil (CPO) and Palm Kernel (PK) in compliance to the MSPO Certification Standard MS2530-4:2013 Part 4: General Principles for Palm Oil Mills**

The audit covered the MS 2530-4:2013 and MS 2530-3: 2013 requirements.

Validation of processes for production and service provision

Has this scope been amended as a result of this audit?

Yes No

This is a multi-site audit and an Appendix listing all relevant sites and/or remote locations has been established (attached) and agreed with the client

Yes No

3. Current audit findings and conclusions

The audit team conducted a process-based audit focusing on significant aspects/risks/objectives required by the standard(s). The audit methods used were interviews, observation of activities and review of documentation and records.

The structure of the audit was in accordance with the audit plan and audit planning matrix included as annexes to this summary report.

The audit team concludes that the organization has has not established and maintained its management system in line with the requirements of the standard and demonstrated the ability of the system to systematically achieve agreed requirements for products or services within the scope and the organization's policy and objectives.

Number of nonconformities identified: 1 Major 4 Minor

Therefore the audit team recommends that, based on the results of this audit and the system's demonstrated state of development and maturity, management system certification be:

Granted / Continued / Withheld / Suspended until satisfactory corrective action is completed.

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4. Previous Audit Results

The results of the last audit of this system have been reviewed, in particular to assure appropriate correction and corrective action has been implemented to address any nonconformity identified. This review has concluded that:

- Any nonconformity identified during previous audits has been corrected and the corrective action continues to be effective.
- The management system has not adequately addressed nonconformity identified during previous audit activities and the specific issue has been re-defined in the nonconformity section of this report.

5. Audit Findings

The audit team conducted a process-based audit focusing on significant aspects/risks/objectives. The audit methods used were interviews, observation of activities and review of documentation and records.

The management system documentation demonstrated conformity with the requirements of the audit standard and provided sufficient structure to support implementation and maintenance of the management system. Yes No

The organization has demonstrated effective implementation and maintenance / improvement of its management system. Yes No

The organization has demonstrated the establishment and tracking of appropriate key performance objectives and targets and monitored progress towards their achievement. Yes No

The internal audit program has been fully implemented and demonstrates effectiveness as a tool for maintaining and improving the management system. Yes No

The management review process demonstrated capability to ensure the continuing suitability, adequacy and effectiveness of the management system. Yes No

Throughout the audit process, the management system demonstrated overall conformance with the requirements of the audit standard. Yes No

Certification claims are accurate and in accordance with SGS guidance N/A Yes No

6. Significant Audit Trails Followed

The specific processes, activities and functions reviewed are detailed in the Audit Plan. In performing the audit, various audit trails and linkages were developed, including the following primary audit trails, followed throughout:

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	: Mr. Mohd Fadli Sham Bin Encek Dewet (Sr. Mill Eng. In-charge) Contact No.: 014 553 1343 : 085 282 120 Email: Frankie.patrick@tbp.com.my		
MPOB License No.:	1.Palm Oil Mill :500300104000 2.Intan Estate MPOB Licence: 514305002000 (1.08.2018 – 31.07.2019) 3.Merapok Estate MPOB Licence: 504130102000 (1.04.2018 – 31.03.2019)		
Scope of Activity:	<ol style="list-style-type: none"> 1. Menjual dan mengalih (FFB, PK, CPO, SPO) 2. Membeli dan mengalih (FFB, PK, CPO) 3. Menyimpan (PK, CPO, SPO) 4. Mengilang (FFB) 		
Visit Number:	02 (Stage 2)	Actual Visit Date:	5th March 2019
Next Surveillance Audit	March 2020		
Visit Due by Date:	Nil	For auditor information only	
Lead Auditor:	Abdul Khalik Arbi		
Audit Member:	Jeffrey Denis Ridu		
Additional Attendees and Roles	Nil		
Standard(s):	MS2530-3:2013 Part3: General Principles for Plantation and Organised Smallholders MS2530-4:2013 Part 4: General principles for Palm Oil Mills		
Audit Language:	English & Malay		
Audit Scope:	<ol style="list-style-type: none"> 1. The audit covered Three (3) site performing the following scope: 2. Operations, comprising of management systems, production of FFB (Fresh Fruit Bunches), documentation and site assessment for mills. 3. Operations, comprising of management system, processing of FFB (Fresh Fruit Bunches), documentation and site assessment for estate 		

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AUDIT PLAN

Date	Time	Audit or	Organizational and Functional Units/ Processes and activities	Key Contact
4 th March 2019	1145 am 1250 pm	AKA, JDR	Flight Kuching to Miri Arrived at Miri Airport	Estate/ Mill Personnel
	1450 pm 1535 pm		Flight Miri To Lawas Arrived at Lawas Airport	
5th March 2019 Day 1	8.00 am	AKA, JDR	Depart to Trusan POM Arrive at Trusan POM Opening Meeting Audit Process (Site Visit) MS2350 Part 4 <ul style="list-style-type: none"> • Principal 1: Management commitment and responsibility • Principle 2: Transparency • Principle 3: Compliance to legal requirements • Principal 4: Social responsibility, health, safety and employment condition • Principal 5: Environment, natural resources, biodiversity and ecosystem services • Principal 6: Best Practice 	Mill Personnel
	12.30pm		Lunch	
	1.00pm		Continue Audit Process (Document review, Policies, local law compliances, deduction and pay slip, Safety and health procedures, environment procedure, minimum wages monitoring, social benefits)	
	4.00pm		Auditor Discussion	
	5.00pm		Pra-Closing	
	6.00pm		Depart to Lawas Town	

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Date	Time	Auditor	Organizational and Functional Units/ Processes and activities	Key Contact	
6 th March 2019 (Day 2)	8.00 am	AKA, JDR	Depart to Intan Estate Arrive at Intan Estate Audit Process (Site Visit) <ul style="list-style-type: none"> • Principal 1: Management commitment and responsibility • Principle 2: Transparency • Principle 3: Compliance to legal requirements • Principal 4: Social responsibility, health, safety and employment condition • Principal 5: Environment, natural resources, biodiversity and ecosystem services • Principal 6: Best Practice • Principal 7: Development of New Planting 	Estate Personnel	
	8.30 am				
	12.30pm				Lunch
	1.00pm				Continue Audit Process (Document review, Policies, local law compliances, deduction and pay slip, Safety and health procedures, environment procedure, minimum wages monitoring, social benefits)
	4.00pm				Auditor Discussion
	5.00pm				Pra Closing
	6.00pm				Depart to Lawas Town

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Date	Time	Auditor	Organizational and Functional Units/ Processes and activities	Key Contact
7 th March 2019 (Day 3)	8.00 am 8.30 am	AKA, JDR	Depart to Trusan Estate Arrive at Trusan Estate Audit Process (Site Visit) <ul style="list-style-type: none"> Principal 1: Management commitment and responsibility Principle 2: Transparency Principle 3: Compliance to legal requirements Principal 4: Social responsibility, health, safety and employment condition Principal 5: Environment, natural resources, biodiversity and ecosystem services Principal 6: Best Practice Principal 7: Development of New Planting 	Estate Personnel
	12.30pm		Lunch	
	1.00pm		Continue Audit Process (Document review, Policies, local law compliances, deduction and pay slip, Safety and health procedures, environment procedure, minimum wages monitoring, social benefits)	
	4.00pm		Auditor Discussion	
	5.00pm		Pra Closing	
	6.00pm		Depart to Lawas Town	

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Date	Time	Auditor	Organizational and Functional Units/ Processes and activities	Key Contact
8 th March 2019 (Day 4)	8.00 am 8.30 am	AKA, JDR	Depart to Merapok Estate Arrive at Merapok Estate Audit Process (Site Visit) <ul style="list-style-type: none"> • Principal 1: Management commitment and responsibility • Principle 2: Transparency • Principle 3: Compliance to legal requirements • Principal 4: Social responsibility, health, safety and employment condition • Principal 5: Environment, natural resources, biodiversity and ecosystem services • Principal 6: Best Practice • Principal 7: Development of New Planting 	Estate Personnel
	12.30pm		Lunch	
	1.00pm		Continue Audit Process (Document review, Policies, local law compliances, deduction and pay slip, Safety and health procedures, environment procedure, minimum wages monitoring, social benefits)	
	4.00pm		Auditor Discussion	
	5.00pm		Closing Meeting for All	
	6.00pm		Depart to Lawas Town	
9 th March 2019	8.10 am 8.55 am 10.05 am 11.10 am		Flight Lawas to Miri Arrived at Miri Airport Flight Miri To Kuching Arrived at Kuching Airport	

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Location and Maps

The GPS locations of the state are shown in Table 1.

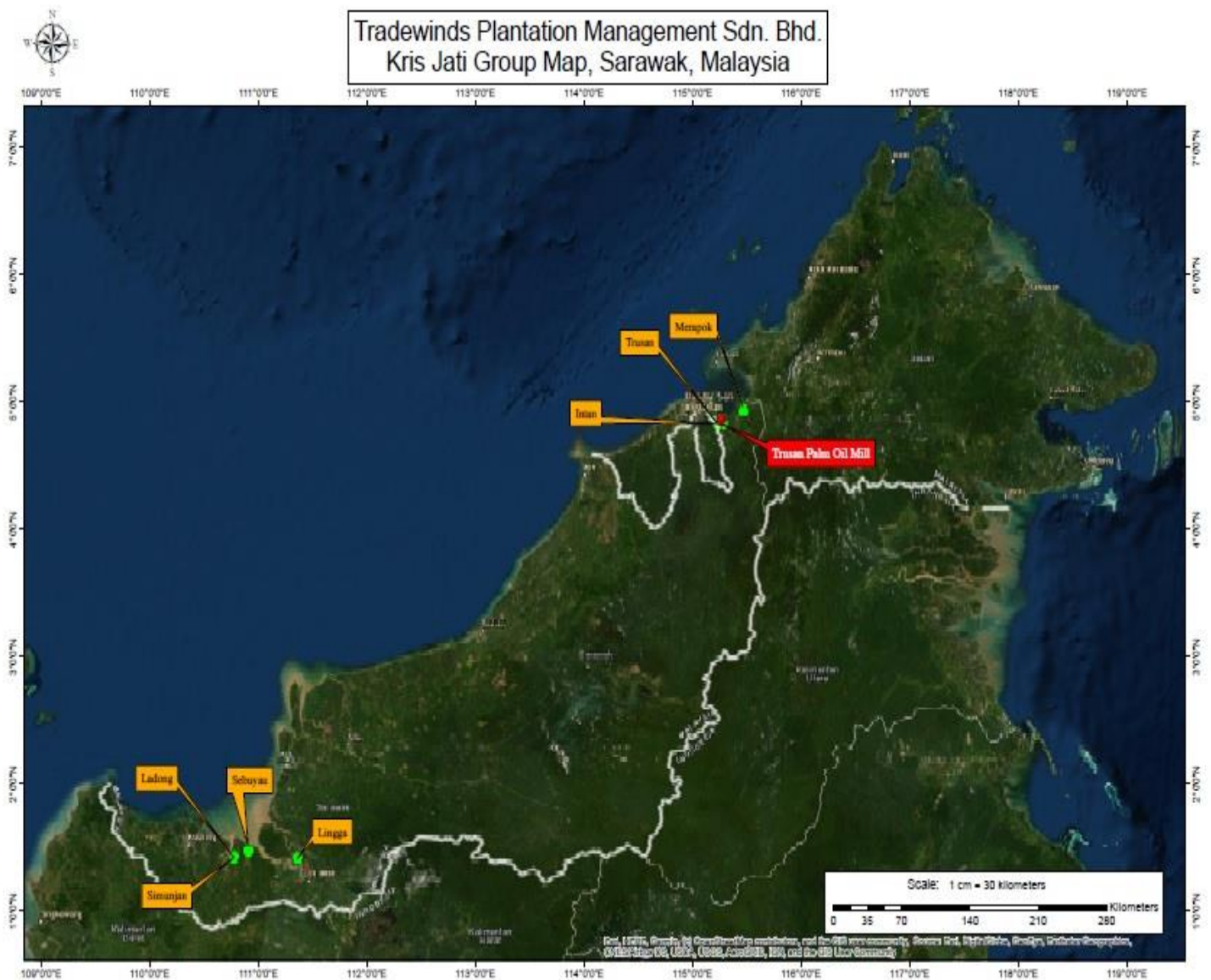
Table 1: Estate & Mill Location Coordinate and Land Size (Ha)

Supply Base / Estates:	Location Address:	GPS Coordinate(s):	Area Certified(HA):
Trusan Estate	Km 15, Jalan Trusan, P.O. Box 292, 98857 Lawas, Sarawak	4 ⁰ 50'44.5" N 115 ⁰ 17'14.3" E	4504.18
Merapok Estate	Km 25, Jalan Lawas – Merapok, 98857 Lawas, Sarawak	4 ⁰ 56'39.5" N 115 ⁰ 25'12.4" E	1757.28
Intan Estate	Km 15, Jalan Trusan P.O. Box 292, 98857 Lawas, Sarawak	4 ⁰ 51'49.5" N 115 ⁰ 18'15.0" E	2186.79
Sebuyau Estate	Lot 167, Menuku Land District, 94850, Sebuyau Sarawak	1 ⁰ 26'59.4" N 110 ⁰ 58'16.0" E	1615.00
Ladong Estate	P.O Box 30, 94800 Simunjan Sarawak	1 ⁰ 21'58.6" N 110 ⁰ 44'19.9" E	2823.15
Simunjan Estate	Sedilu Gedong District Simunjan 94800 Samarahan, Sarawak	1 ⁰ 21'58.6" N 110 ⁰ 44'19.9" E	2222.69

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Mill:	Location Address:	GPS Coordinate(s):	Mill Capacity:
Trusan Palm Oil Mill	Km15, Jalan Trusan, Simpang Sundar, 98857 Lawas, Sarawak	4°49'43.9"N 115°15'59.2"E	40 MT/H

Figure 1: Kumpulan Kris Jati Sdn Bhd Locality Map



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Description of Mill Production

The FFB are sourced from the estate which are individually managed by estate under Kumpulan Kris Jati Sdn Bhd. The Palm Oil Mill processing data as per referred in table 2

Table 2: Actual and Projected Mill Processing Data

Trusan Palm Oil Mill	Actual FY (2018)		Projected (FY 2019)		FFB Process (2018)
	CPO (mt)	PK (mt)	CPO (mt)	PK (mt)	mtt
Own source	18,359.01	3,722.22	20,338.50	4,693.50	104,300.00
External source	12,970.01	2,994.99	19,500.00	4,500.00	100,000.00

Stakeholder Consultation and List of Stakeholders Contacted

A public announcement was made 30 days prior to the audit.

<https://www.sgs.com/en/certified-clients-and-products/fcm/malaysia/-/media/5c0244807ad74525a18a65f17b5f0aff.ashx>

Stakeholder consultation took place in the form of meetings and interviews. Due to this is the main assessment, meetings with stakeholders were held in the respected estate office. Detail can be referred to **Appendix 2:**

Comment on MS2530-3: Part 3 : General Principles for Plantation and Organised Smallholders Compliance Status:

Comment on Principle 1	<p>The MSPO Policy was sighted available as per MSPO requirement dated 1st October 2018</p> <p>The policy contain commitment on MSPO requirement and also mention on continuous improvement in their operations. The policy was signed by Mr Charles Chow Kok Cheng (Ketua Pegawai Eksekutif) dated 1st Based on the MSPO Policy Statement referred, the organization does highlight their commitment thriving for continual improvement their resources and technology to operate in sustainability manners. The policy is communicated to the workers during the first time of employment. The policy is displayed at the notice board in the office and made accessible to all employees. October 2018.</p> <p>The continuous improvement plan (CIP) can be divided into various</p>
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	<p>aspects.</p> <p>For Social aspects, Continuous Improvement Plans are included in the SIA, Management Action Plans & Continuous Improvement Plans Ref No. SIA/LAWAS/001 dated 31st January 2019.</p> <p>For Environmental aspects, CIP can be seen as per Water Management Plan (WMP) Reference No. WMP/LAWAS/001 dated 11th January 2018 - 5.0 Water management plans for estates of SBU Lawas.</p> <p>Potential High Conservation Value Assessment Report for Intan estate Ref No. HCV/LAWAS/INTAN/001 dated 27th February 2019 is for:</p> <ul style="list-style-type: none"> (a) To identify potential HCV area within Intan Estate. (b) To determine impact of estate operation on the HCV area. (c) To ensure continuous awareness on the HCV area. (d) To protect the HCV area. (e) To ensure conformation to all activities are within the laws/Acts and legislation of state and nation. <p>The Environmental Management Plan (EMP) ref no. EMP/LAWAS/INTAN/001 dated 25th February 2019 - 10.0 Continuous Improvement Plans:</p> <ul style="list-style-type: none"> (a) IPM programs. (b) Efficient energy and renewable energy programs. (c) Waste management improvement. (d) Reduction of pollution & emission. (e) Zero burning practices etc <p>The continuous improvement plan (CIP) can be divided into various aspects</p> <p>For Social aspects, Continuous Improvement Plans are included in the SIA, Management Action Plans & Continuous Improvement Plans Ref No. SIA/LAWAS/001 dated 31st January 2019.</p> <p>An excerpt taken from the SIA:</p> <p>10.9 Continuous Improvement of Prevention and Eradication of Sexual Harassment in the Workplace.</p> <p>10.9.4 Among the points to be addressed during training would be:(a)Reasons why sexual harassment should be eradicated from the</p>
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	workplace.
Comment on Principle 2	<p>The Complaint and Grievance Procedure is available. Refer to Doc No. TPB/SSP/001 Ref No. SSP/3.2 Issue No. 02 dated November 2018.</p> <p>The flowchart for Complaints and Grievances Procedure is as per item 5.0 with timeline for issues to be resolved.</p> <p>Example in Intan estate, The grievance and complaints box & forms are available at the estate office.</p> <p>An example of complaint received by filling in the provided form as below: No.: 1, date: 4/1/2019, Name of complainant: Paja, a worker, Issue: spoiled switch. Management has taken action on 6/1/2019 by fixing the lamp in Room 2 of Block H. A book “Buku Aduan Pekerja” is also sighted.</p> <p>January 2019 as per Ref No. MSPO/P2/C2/IN1. The procedure to request information from estate is established as per Doc Ref No. USA/MSPO/PS/C1/IN1 dated 8th January 2019.</p> <p>It was informed by estate management that the procedure will be communicated during stakeholders meeting expected by end of March 2019.</p> <p>Major 1: 4.2.2.1 Stakeholders meeting was not yet conducted for all estates.</p>
Comment on Principle 3	<p>The estate is operating in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>Example in Intan Estate some of the list of compliance with laws and regulations as follow:</p> <p>i. MPOB Licence No. Licence: 514305002000 Period: 1/08/2018 till 31/07/2019 Activities: 1) Menjual dan Mengalih FFB Estate hectarage: 2,847.8 Ha</p> <p>ii. Provisional Lease of State Land a) Lot 490, Trusan Land District containing approximately 1,740 hectares. b) Lot 493, Trusan Land District containing approximately 446 hectares. Total = 2,186 Ha</p> <p>The estate has listed all laws applicable to their operations in a legal</p>

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	<p>requirement register as evident in File Principle 03E - Compliance to Legal Requirements.</p> <p>Intan Estate Compliance to Legal Requirements as per Ref No. Intan/MSPO/P3/C1/IN1/IN2 Rev. 0 dated 1st January 2019.</p> <p>Merapok Estate Compliance to Legal Requirements as per Ref No. MSPO/MRPK/P3/C1/IN1/IN2 Rev. 0 dated 4th April 2019.</p> <p>Trusan Estate Compliance to Legal Requirements as per Ref No. MSPO/TRSN/P3/C1/IN1/IN2 Rev. 0 dated 1st January 2019.</p> <p>Appointment letter for Legal Officer in charge for updating legal register dated 1st January 2019 at Intan Estate. The appointed person is Mr Abdul Wahab Bin Isa.</p> <p>Appointment letter for Legal Officer in charge for updating legal register for Merapok Estate dated 1st October 2018. The appointed person is Ms Noorhasimah Binti Abdullah. Letter signed by Mr Mohamad Mahbudin Bin Abu Bakar, Senior Assistant Manager in-charge.</p> <p>Appointment letter for Legal Officer in charge for updating legal register for Trusan Estate dated 19th December 2018. The appointed person is Ms Madelin Anak Nuing. Letter signed by Mr Borhan Bin Md Noor, Senior Manager.</p>
<p>Comment on Principle 4</p>	<p>It was sighted Social Impact Assessment was made available during the audit conduct. It was incorporated in on report name (Social Impact Assessment, Management Action Plans and Continuous Improvement Plans) for Lawas area, which consists of Trusan Estate, Intan Estate, Merapok Estate and Trusan Palm Oil Mill) with reference number: SIA/LAWAS/001.</p> <p>Based on the report, there was time frame to tackle issue raised by the relevant stakeholders if any issue raised.</p> <p>List of stakeholders for all estates divided into:</p> <ol style="list-style-type: none"> a. Contractor b. Vendors/ Supplier c. Government d. Service Provider e. Consultant f. Surrounding Community <p>a) It was sighted the safety and health policy was display and sign by Mr Charles Chow Kok Cheng (CEO) 1st October 2018. The policy</p>

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	<p>was displays at site office, workers camp, and storage area.</p> <p>Among the safety objective:</p> <ul style="list-style-type: none"> - Pematuhan kepada Akta Keselamatan dan Kesihatan Pekerjaan 1994 dan peraturan-peraturan yang dibuat dibawahnya. - Pematuhan kepada Kod Amalan yang diluluskan untuk setiap industry. - Menyediakan maklumat dan arahan pekerjaan yang jelas dan pengawasan yang teratur untuk menghapuskan atau megurangkan risiko keselamatan dan kesihatan kakitangan. <p>Intan Estate It was sighted the safety and health meeting was conduct quarterly. The date of meeting conducted list as below:</p> <ul style="list-style-type: none"> - 14th March 2018 (1st Meeting) - 28th Jun 2018 (2nd Meeting) - 29th October 2018 (3rd Meeting) - 22nd December 2018 (4th Meeting) <p>Based on minutes meeting for the last JKKP meeting year 2018, one of harvester name Rahman Beta accident by part of body (leg) cut by sharp object. Action had been taken by the management by provide training for personnel involved. It was sighted training was conduct on 13.12.2018 regarding the "Cara-cara selamat menuai BTS di dalam lading dan pengenalan mengenai pengurusan ladang".</p> <p>Merapok Estate Based on record meeting in File 2.0 Safety and Health Committee Meeting Minutes. Quarterly meeting was conduct as below:</p> <ul style="list-style-type: none"> - 13.03.2018 (1st Meeting) - 27.06.2018 (2nd Meeting) - 14.09.2018 (3rd Meeting) - 29.11.2018 (4th Meeting) <p>In the last minutes meeting of year 2018 discuss issues on:</p> <ol style="list-style-type: none"> a. Surat Perlantikan Ahli JKKP Tahun 2019 b. Others matter such as commitment from employer towards safety culture and training. <p>Trusan Estate Based on record meeting in File 2.0 Safety and Health Committee Meeting Minutes. Meeting was conduct as below:</p> <ul style="list-style-type: none"> - 12.02.2018 (1st Meeting) - 23.05.2018 (2nd Meeting) - 03.08.2018 (3rd Meeting) - 20.11.2018 (4th Meeting)
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	<p>- 21.12.2018 (5th Meeting)</p> <p>In the last minutes meeting of year 2018 discuss issues on:</p> <ol style="list-style-type: none"> a. Agenda kes kemalangan pekerja bernama Sukardi. b. Punca-punca berlakunya kemalangan c. Cara mengatasi/ penambahbaikan d. Menilai semula SOP e. Laporan unit-unit: Unit kesihatan dan kebersihan. f. Hal-hal berbangkit <p>Intan Estate</p> <p>b) All operation risk was assessed and documented in the HIRARC Form. List of operations assess as below:</p> <ul style="list-style-type: none"> - FFB Checker - EFB Application - Spraying - Wiping - Slashing - Pruning - Trunk Injection - Driver <p>Risk assessment has been updated on 1st January 2019. Next review of the HIRARC will be on 1st January 2020. HIRARC can be verified in File 3 HIRARC.</p> <p>Merapok Estate</p> <p>All operation risk was assessed and documented in the HIRARC Form. List of operations assess as below:</p> <ul style="list-style-type: none"> - Office - Housing and office maintenance - Harvesting - Manuring - Census - Pruning - Spraying - Driver (Tractor/ Lorry and Others) - Rubbish Pit Collection - CBS Driver and Loader CBS - Road Maintenance - General Repair <p>Risk assessment has been updated on 20th April 2018. Next review of the HIRARC will be on 20th April 2019. HIRARC can be verified in File 3 HIRARC.</p> <p>Merapok Estate</p> <p>All operation risk was assessed and documented in the HIRARC Form. List of operations assess as below:</p> <ul style="list-style-type: none"> - FFB Checker
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	<ul style="list-style-type: none"> - EFB Application - Spraying - Wiping - Slashing - Pruning - Trunk Injection - Driver <p>Intan Estate</p> <p>c) It was sighted Occupational Safety and Health (OSH) Plan 2019 was made available in the estate. Currently, for year 2019. In the training programmed year 2019. Proposed training to be conduct list as below:</p> <ol style="list-style-type: none"> 1. Safety Day 2. Safety & Health Committee Meeting 3. Disposal of Scheduled Waste 4. Review of HIRARC 5. Review of CHRA Form F 6. Review of Chemical Register 7. Review of OSH Plan 8. Certificate of fitness Renewal (Air Compressor) 9. Permits & Licence Renewal 10. List of legal Register Review (MSPO List) 11. Safety Documents Review 12. JKPP 8 Form Submission 13. JKPP 6 & 7 Submission 14. Accident Report Updating 15. Workplace Inspection 16. Training Programme 17. Health Screening <p>It was sighted, labelling was properly labelled as per requirement in Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997.</p> <p>The individual training record was done all in summary for all workers. It clearly marking training had been attend.</p> <p>Merapok Estate</p> <p>It was sighted Occupational Safety and Health (OSH) Plan 2019 was made available in the estate. Currently, for year 2019. In the training programmed year 2019. Proposed training to be conduct list as below:</p> <ol style="list-style-type: none"> 1. Safety Day 2. Disposal of Scheduled Waste 3. Review of HIRARC 4. Review of CHRA Form F 5. Review of Chemical Register 6. Review of OSH Plan 7. Permits & Licence Renewal 8. Safety Documents Review 9. JKPP 8 Form Submission
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	<p>10. JKKP 6 & 7 Submission 11. Accident Report Updating 12. Workplace Inspection 13. Training Programme</p> <p>Trusan Estate It was sighted Occupational Safety and Health (OSH) Plan 2019 was made available in the estate. Currently, for year 2019. In the training programmed year 2019. Proposed training to be conduct list as below:</p> <ol style="list-style-type: none"> 1. Harvesting 2. Chemical handler 3. Nursery 4. Manuring 5. Driver 6. OSHA Meeting Bil: 01/19 7. FFB Loader 8. Safety General Briefing 9. Nursery 10. P&D 11. OSHA Meeting Bil: 02/19 12. Harvesting 13. Manuring 14. Chemical Handler 15. P&D 16. OSHA Meeting Bil:03/19 17. Driver 18. FFB Loader 19. Workshop 20. Fire Drill 21. OSHA Meeting Bil:04/19 <p>d) It was sighted record of PPE was made available in the estate record. List of name samples as below:</p> <p>Intan Estate</p> <ul style="list-style-type: none"> - Saripa (Sprayer) - Samsiah Galib (Sprayer) - Ancu Modin (Harvester) <p>It can be verified in File name 12 Workplace Inspection checklist.</p> <p>Merapok Estate</p> <ul style="list-style-type: none"> - Abdul Rahim (Mando for Harvester) - Jimmy Lalong (Harvester) - Alfirdus (Harvester) <p>It can be verified in File PPE record.</p> <p>Trusan Estate</p>
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	<ul style="list-style-type: none"> - Abdul Rahim (Mando for Harvester) - Jimmy Lalong (Harvester) - Alfidus (Harvester) <p>It can be verified in File Issuance PPE.</p> <p>Intan, Merapok and Trusan Estates</p> <p>e) The has a Safe Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to OSH (Classification Packaging and Labelling) Regulation 1997 and OSH (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. It can be verified in File 10, Safe Operation Procedure. The procedure covers (in example):</p> <ul style="list-style-type: none"> <input type="checkbox"/> Purpose <input type="checkbox"/> Scope <input type="checkbox"/> Responsibility <input type="checkbox"/> Definition <input type="checkbox"/> Procedures <input type="checkbox"/> Issuing of chemical <input type="checkbox"/> Exposure control and personnel protection <input type="checkbox"/> First aid measure <input type="checkbox"/> Related records <p>SOP can verified in the file 10.</p> <p>Intan Estate</p> <p>f) It was sighted appointment letter for safety and health committee available in the file 1 OSH Policy & Organization Chart Section: Appointment Letter & Acceptance Letter. List of the name list as below:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Mr. Arhas@Haras Bin Abdurrachman (Estate Manager) as Chairman. <input type="checkbox"/> Mr. Abdul Wahab Bin Isa (Assistant Manager) as Secretary. Attended HIRARC Safety Committee and OSH Documentation on 16 – 18 April 2018. <p>And others, which can be verified in file 1 OSH Policy & Organization Chart Section: Appointment Letter & Acceptance Letter.</p> <p>Merapok Estate</p> <p>It was sighted appointment letter for safety and health committee available in the file 1 OSH Policy & Organization Chart Section: Appointment Letter & Acceptance Letter. List of the name list as below:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Mr. Mohamad Mahbudin Abu Bakar (Estate Manager) as Chairman. <input type="checkbox"/> Mr. Muhammad Ariffuddin Bin Muhammad Ghazali (Assistant Manager) as Secretary.
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	<p>And others, which can be verified in file 1 OSH Policy & Organization Chart Section: Appointment Letter & Acceptance Letter.</p> <p>Trusan Estate It was sighted appointment letter for safety and health committee available in the file 1 OSH Policy & Organization Chart Section: Appointment Letter & Acceptance Letter. List of the name list as below:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Mr. Borhan Bin Md Noor (Senior Manager, SBU Lawas) as Chairman. <input type="checkbox"/> Mr. Mohd Hazrin Bin Mohd Hatta (Senior Assistant Manager) as Secretary. <p>And others, which can be verified in file 1 OSH Policy & Organization Chart Section: Appointment Letter & Acceptance Letter.</p> <p>g) It was sighted the safety and health meeting was conduct quarterly. The date of meeting conducted list as below: Intan Estate</p> <ul style="list-style-type: none"> - 14th March 2018 (1st Meeting) - 28th Jun 2018 (2nd Meeting) - 29th October 2018 (3rd Meeting) - 22nd December 2018 (4th Meeting) <p>Based on record meeting in File 2.0 Safety and Health Committee Meeting Minutes. Quarterly meeting was conduct as below: Merapok Estate</p> <ul style="list-style-type: none"> - 13.03.2018 (1st Meeting) - 27.06.2018 (2nd Meeting) - 14.09.2018 (3rd Meeting) - 29.11.2018 (4th Meeting) <p>Intan and Merapok Estates Regular safety & health meetings (every 3 months) have been conducted by Safety and Health Committee; where issues about safety and health are discussed. Minutes of meeting are available in File 2 Safety and Health Committee Meeting Minutes.</p> <p>It was sighted the safety and health meeting was conduct quarterly. Latest meeting conducted on 22nd December 2018 (4th Meeting) for Intan Estate and 29th November attended by the committee members (workers representative and employer representative). The members comprise of workers and estate staff.</p>
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	<p>Trusan Estate</p> <p>Based on record meeting in File 2.0 Safety and Health Committee Meeting Minutes. Meeting was conduct as below:</p> <ul style="list-style-type: none"> - 12.02.2018 (1st Meeting) - 23.05.2018 (2nd Meeting) - 03.08.2018 (3rd Meeting) - 20.11.2018 (4th Meeting) - 21.12.2018 (5th Meeting) <p>h) Based on interview with admin clerk of Intan Estate. Zero record of accident achieved, it can be verified in file JKPP 8 (Intan Estate)</p> <p>Based on Akuan Penerimaan Pendaftaran JKPP 8 year 2018 for Merapok Estate, 2 accidents was recorded and investigation was done by Mr. Muhammad Ariffuddin Bin Muhammad Ghazali.</p> <p>Based on Akuan Penerimaan Pendaftaran JKPP 8 year 2018 for Trusan Estate, 2 accidents were recorded and investigation was done by Mohd Hazrin Bin Mohd Hatta.</p> <p>Intan, Merapok and Trusan Estates</p> <p>There was no records of first aid training conduct for estates personnel</p> <p>i) Records of first aid training was conduct on 21 – 23.11.2017 by Jabatan Bomba dan Penyelamat Malaysia. Attend by 20 attendees. The Trainer of the first aid train by Balai Bomba Penyelamat (BBP) Lawas.</p> <p>There was First Aider Personnel was available on site. All of the accident occur will handle by staff which train by BBP Lawas.</p> <p>First aid kit was available on site (office, store etc).</p> <p>Intan Estate</p> <p>J) There was no record of accident reported in JKPP 8 forms. However, based on minutes meeting for the last JKPP meeting year 2018, one of harvester name Rahman Beta accident by part of body (leg) cut by sharp object. Based on the record it found the estate was not implement requirement by OSHA 1994.</p> <p>Merapok Estate</p> <p>Based on Akuan Penerimaan Pendaftaran JKPP 8 year 2018 for Merapok Estate, 2 accidents was recorded and investigation was done by Mr. Muhammad Ariffuddin Bin Muhammad Ghazali.</p>
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	<p>Trusan Estate Based on Akuan Penerimaan Pendaftaran JKPP 8 year 2018 for Trusan Estate, 2 accidents were recorded and investigation was done by Mohd Hazrin Bin Mohd Hatta.</p> <p>Minor 2 : 4.4.4.2 There were no records of first aid training conducted for estates personnel for all estates.</p> <p>There was one accident recorded at Intan Estate, involving Mr. Rahman Beta (Harvester). However, it was not reported in JKPP 8 form and this does not follow requirement by OSHA 1994.</p> <p>It was found rusty metal plate lying around near Futsal court in Trusan Estate.</p> <p>Minor 3 : 4.4.5.7 Time recording system has been carried out manually for TKI on daily basis and for field. However, there was no attendance record available for Intan and Merapok Estates' staff.</p>
<p>Comment on Principle 5</p>	<p>It was sighted the Environmental and Biodiversity policy was display and sigh by Mr Charles Chow Kok Cheng (CEO) 1st October 2018.</p> <p>Intan and Trusan Estates Environmental Impact Assessment (EIA) for both estates was incorporated in one report during early stage of planting. By that its under one EIA approval. Details of EIA Approval: NREB EIA Approval Ref No.: (1) NREB/6-3/77 Dated 4th March 1997, The reference number was quote from EIA Approval, Name: Oil Palm Plantation at Lot 492 Trusan Land District, Limbang Division, Sarawak. Environmental Impact Assessment report was conduct on September 1996.</p> <p>It was observed the latest EMR 4rd Quarter 2018 (cover October to December 2018), With reference No.: NREB/6-1/2I/3.</p> <p>Merapok Estate NREB EIA Approval Ref No.: (1) NREB/6-3/77 Dated 4th March 1997, The reference number was quote from EIA Approval, Name: Oil Palm Plantation at Lot 435 and Block S5, Merapok Land District, Lawas District, Limbang Division, Sarawak. Environmental Impact Assessment report was conduct on September 1996.</p> <p>It was observed the latest EMR 4rd Quarter 2018 (cover October to December 2018), With reference No.: NREB/6-1/2I/2.</p> <p>Minor 4 : 4..5.1.3 1. Based on site visit at Workers Quarter Block L (Intan Estate), it was sighted, M-Oil was not properly disposed.</p>

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	<p>2. Oil leakage was sighted at skid tank for Trusan estate.</p>
<p>Comment on Principle 6</p>	<p>Standard Operating Procedures are available for the following:</p> <ol style="list-style-type: none"> 1. Harvesting Ref: SOPWM - OP8 Harvesting 2. Weeding Ref: SOPWM - OP7 Weeding 3. Manuring Ref: SOPWM - OP9 Manuring 4. Pest & Disease Ref: SOPWM - Pest and Disease 5. Chemical Handling Ref: SOPWM - OP6 Chemical Handling 6. Replanting Ref: SOPWM - OP1 Replanting 7. Water management Ref: SOPWM - OP2 Water management <p>Basic Policy Guidelines Book 1 & 2 Chapter 1 to 16 which is used for whole of Tradewinds Plantation Berhad Group.</p> <p>Chapter:</p> <ol style="list-style-type: none"> 1- Plantation Development 2- Oil Palm Nursery 3- Land Preparation 4- Planting/Replanting 5- Agronomic Practices 6- Road Maintenance 7- Water Management 8- Manuring 9- Pests & Diseases 10- Harvesting 11- Mechanization 12- Crop Forecasting 13- Estate Produce 14- General 15- Animal Husbandry 16- Security <p>Intan Estate Progress Report December 2018, December 2017 and Progress Report January 2019 seen for Intan Estate. Monthly progress Report for January 2019 for Intan Estate (Ref: IN/MR/19/01-sha).</p> <p>Merapok Estate Progress Report December 2018, December 2017 and Progress Report January 2019 seen for Merapok Estate.</p> <p>Monthly progress Report for January 2019 for Merapok Estate (Ref:</p>

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	<p>MER/MR/19/01-sha). Trusan Estate Progress Report December 2018, December 2017 and Progress Report January 2019 seen for Trusan Estate.</p> <p>Estate Monthly progress Report for January 2019 for Trusan Estate is evident.</p>
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Comment on MS2530-4: Part 4 : General Principles for Palm Oil Mills

<p>Comment on Principle 1</p>	<p>The MSPO Policy was sighted available as per MSPO requirement dated 1st October 2018</p> <p>The policy contain commitment on MSPO requirement and also mention on continuous improvement in their operations.</p> <p>The policy was sign Mr Charles Chow Kok Cheng (Ketua Pegawai Eksekutif). Dated: 1st October 2018</p> <p>The policy consists of</p> <ul style="list-style-type: none"> - Amalan perladangan dan pengilangan yang baik - Komited untuk menyumbang kepada pembangunan social yang mampan. - Ketelusan dalam mengendalikan aduan dan rungutan. - Pelaksanaan, prinsip dan kriteria MSPO - Menggunapakai system pengurusan yang mampan. - Komited kepada penambahbaikan yang berterusan. <p>Internal audit was conduct on 13th – 14th August 2018.</p> <p>From mill internal audit, eight NC and four Observation was raised. All findings was closed on 4th July 2018</p> <p>Among issues raised in the internal audit.</p> <ol style="list-style-type: none"> i. Grievance mechanism – No action was written in the remark column stated the complaint has been resolved. ii. Legal Requirement – Personnel responsible for monitoring compliances of legislation was not appointed. iii. Non-compliance to Environmental Quality Act 1974; Environmental Quality (Scheduled Waste) Regulation 2005.
<p>Comment on Principle 2</p>	<p>The management has provided Traceability Procedure dated 16th July 2018.</p> <p>Within the procedure, traceability flowchart was sighted.</p>

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	<p>Example 1 ; 15th January 2019</p> <p>Receiving FFB : 11.890 mt FFB Delivery Note: 3925 From Estate: LITADAM (External) Time: 12.58 pm Vehicle No: SAB 9801G Grading record : Ripe : 82% (100 FFB) Over Ripe: 8% (Both FFB Process)</p> <p>Example 2 ; 15th January 2019</p> <p>Receiving FFB : 5.06 mt Despatch Note: 00000605 From collector: Gohs Plantation Service Sdn Bhd (External) Time: 17.44 pm Vehicle No: SAB 8628H Grading record :</p>
<p>Comment on Principle 3</p>	<p>It was observed the operation of mill was comply with applicable local state and national law.</p> <p>Highlight here some of the list of compliance with law regulations as follow:</p> <p>i. MPOB Licnence No. Licence: 500300104000 Period: 1.08.2018 till 31.07.2019 Activities: 1) Menjual dan Mengalih PK, CPO, SPO 2) Membeli dan Mengalih FFB 3) Menyimpan PK, CPO, SPO 4) Mengilang FFB</p> <p>ii. Perakuan Bomba No.: JBPM:SK/7/3/2016 Period: 29.08.2017 till 28.08.2018</p> <p>It was sighted the mechanism to track the changes of new amendments in laws can be verified in File Principle 3, Compliance with Legal Requirements, with Doc.No: TPS/SSP/001</p>
<p>Comment on Principle 4</p>	<p>It was sighted safety and health policy was communicate by display at mill office and mill operation area.</p>

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	<p>It was sighted, HIRARC was made available in the mill management record. Which consists of</p> <ol style="list-style-type: none"> a. Penggredan Buah Tandan Segar b. Loading Ramp c. Sterilizer d. Capstan e. Digestion & Press f. Oil Room g. Kernel Plant h. Boiler i. Engine room j. Incinerator k. Membaiki rail dalam sterilizer l. Kerja-kerja pengantian worm screw & press cage m. Ganti Expeller Am & Stiring Arm Digester n. Ganti Bearing o. Etc. <p>The document of HIRARC can be verified in File 41.2 Hazard Identification, Risk Assessment & Risk Controls (HIRARC). The occupational safety and health plan known as 'Annual Training Programme Jan – Dec 2019 ' cover the following:</p> <p>Topics listed that include:</p> <ol style="list-style-type: none"> 1. OSH, Quality and MSPO Awareness Training. 2. Induction training 3. Legal and requirement training 4. First aid and CPR training 5. Fire drill 6. Spillage drill 7. LOTO training 8. Penggunaan dan penjagaan PPE 9. Confine space training 10. SWP, SOP & HIRARC FFB Reception& Grading. 11. SWP, SOP & HIRARC loading ramp 12. SWP, SOP & HIRARC steriliser 13. SDS, SWP & HIRARC Capstan and etc. <p>Currently for March 2019 the latest training was conduct on 1.03.2019 on Latihan SOP Kernel Plant, attended by 14 attendees. Content of the training list as below:</p> <ol style="list-style-type: none"> a. Operator Rules. b. Responsibility. <p>It was observed the HIRARC report was available at the mill. It discussed work activities such as:</p> <ol style="list-style-type: none"> i. Penggredan buah ii. Menurunkan buah dari lori
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	<p>iii. Mengisi buah muda ke dalam lori</p> <p>iv. Menarik cages daripada capstan</p> <p>v. Membuka sliding gate</p> <p>In each of the station identified, the following is tabulated :</p> <ul style="list-style-type: none"> - 1. Hazard Identification - 2. Risk analysis - 3. Risk control <p>PPE Issuance record was made available at general store area. PPE record issuance was recorded at Trusan POM in File 4.5.1 Record of PPE.</p> <p>Example:</p> <p>PPE Given : Safety helmet , hand gloves and safety boots Name : Syukran Bin Bungsu Department: Processing</p> <p>It was observed, the mill management had established SOP for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. The Procedure name is Safe management of Chemical, with document no.: SWP – 05, with effected date on 1st May 2013. However, based on SOP sighted it was not up to date, currently there were use</p> <p>The management had appointed Mr.Awgku Khairul Hadi B. Awgku Abdul Malek for responsible person for safety and health aspect dated on 26th Mac 2018.</p> <p>The management had conduct JKPP meeting as per requirement by OSHA Act 1994, quarterly basis. Based on document record by personnel incharge, the JKPP meeting was conduct as below:</p> <ul style="list-style-type: none"> a. JKPP 1/2018 (Dated: 26.03.2018) b. JKPP 2/2018 (Dated: 28.06.2018) c. JKPP 3/2018 (Dated: 26.09.2018) d. JKPP 4/2018 (Dated: 31.12.2018) <p>The last JKPP meeting for year 2018 was discuss on:</p> <ul style="list-style-type: none"> a. Hasil pemeriksaan tempat kerja b. Kemalangan, Kemalangan Nyaris, Kejadian Berbahaya, Keracunan Pekerjaan dan Penyakit Pekerjaan. c. Latihan, Promosi dan Penguatkuasaan d. Isu lama yang belum diselesaikan e. Isu-isu berbangkit.
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	<p>It can be verified in File 4.7.1 Minute Meeting JKPP ERP document was made available: 4.3.1 Emergency Response Plan, Trusan POM. Based on Emergency Layout plan was found still lacking for mill operation area.</p> <p>First aider :</p> <p>1. Awangku Mohd Sufri Bin Awang Miamit Job Description : Polis bantuan Expired : 17th August 2019</p> <p>2. Muhammad Safwan Bin Sapar Job Description : Electric Chargeman Expired : 17th August 2019</p> <p>First aid box : Available at 6 location 1. Workshop, Mill office, Mill Supervisor hut, FFB Grader Hut, Store room and laboratory.</p> <p>It was sighted Occupational Safety and Health Committee was made available in the mill record. Which chair by Mr Mohd Fadli Sham Bin Encek Dewet.</p> <p>The management had conduct JKPP meeting as per requirement by OSHA Act 1994, quarterly basis. Based on document record by personnel incharge, the JKPP meeting was conduct as below:</p> <p>a. JKPP 1/2018 (Dated: 26.03.2018) b. JKPP 2/2018 (Dated: 28.06.2018) c. JKPP 3/2018 (Dated: 26.09.2018) d. JKPP 4/2018 (Dated: 31.12.2018)</p> <p>It can be verified in File 4.7.1 Minute Meeting JKPP It was sighted, annual training plan for year 2019 was made available in mill management. Training</p> <p>Minor 1 : 4.4.4.2</p> <p>1. Based on HIRARC, PPE were provided to Graders at loading ramp area. Referring to PPE issuance record, PPE provided to them such as Helmet, Gloves and Safety Shoes. However, based on site inspection at ramp area, majority of the workers were not using gloves during loading and unloading activity. Based on interview with the workers, the gloves were not suitable to be used for that task.</p>
<p>Comment on Principle 5</p>	<p>It was sighted the Environmental and Biodiversity policy was display and sign by Mr Charles Chow Kok Cheng (CEO) 1st October 2018. The management has provided continual improvement plan for Trusan Palm Oil Mill for 2018. Item incorporate in the plan are list as below:</p> <p>i. Air pollution</p>

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	<ul style="list-style-type: none"> ii. Noise pollution iii. Water pollution iv. Odour pollution <p>The continual improvement plan will be monitored by the mill management through their quarterly meeting.</p> <p>Environmental policy and objectives list as below:</p> <ul style="list-style-type: none"> i. To comply with relevant environmental statutory and regulatory requirements. ii. Continuously addressing environmental and biodiversity issue through implementation of beneficial biodiversity conservation programs iii. Continuous training and information updates relating to environmental and biodiversity awareness for all stakeholders. iv. Incorporate environmental factors into business decisions. <p>Based on the “Jadual Pematuhan” from “Jabatan Alam Sekitar” with no. license: 003005, date period: 1st July 2018 till 30th June 2019, Type of produce: Minyak Kelapa Sawit Mentah and Kaedah pelupusan: Alur Air</p> <p>Palm oil mill effluent discharge show as below:</p> <table border="1"> <thead> <tr> <th>Parameters</th> <th>Compliance</th> <th>Reading</th> </tr> </thead> <tbody> <tr> <td>BOD</td> <td>50 mg/l</td> <td>3.4 mg/l</td> </tr> <tr> <td>TSS</td> <td>100 mg/l</td> <td>ND (<2.0)</td> </tr> <tr> <td>Oil and Grease</td> <td>25 mg/l</td> <td>ND (<2.0)</td> </tr> <tr> <td>Nitrogen Ammonia</td> <td>100 mg/l</td> <td>ND (<1)</td> </tr> <tr> <td>Total Nitrogen</td> <td>100 mg/l</td> <td>4 mg/l</td> </tr> <tr> <td>pH</td> <td>5-9</td> <td>8.4</td> </tr> <tr> <td>Temp</td> <td>450C</td> <td>27.60C</td> </tr> </tbody> </table> <p>Based on the results produce by accredited laboratory DYNAKEY Laboratoies Sdn Bhd with Certificate No. 20190128-06-0 dated: 28th January 2019 was comply with the Effluent discharge guide by Department of Environment (DoE).</p> <p>It was observed the monitoring record for stack monitoring was conduct twice a year and it was available during audit conduct detail recorded as below:</p> <ol style="list-style-type: none"> 1. Stack Emission Monitoring Report for Boiler No. 2 (2nd Half of year 2018). 	Parameters	Compliance	Reading	BOD	50 mg/l	3.4 mg/l	TSS	100 mg/l	ND (<2.0)	Oil and Grease	25 mg/l	ND (<2.0)	Nitrogen Ammonia	100 mg/l	ND (<1)	Total Nitrogen	100 mg/l	4 mg/l	pH	5-9	8.4	Temp	450C	27.60C
Parameters	Compliance	Reading																							
BOD	50 mg/l	3.4 mg/l																							
TSS	100 mg/l	ND (<2.0)																							
Oil and Grease	25 mg/l	ND (<2.0)																							
Nitrogen Ammonia	100 mg/l	ND (<1)																							
Total Nitrogen	100 mg/l	4 mg/l																							
pH	5-9	8.4																							
Temp	450C	27.60C																							
<p>Comment on Principle 6</p>	<p>The management has provided SOP on Mill Operations with regards to MSPO which includes:</p> <ol style="list-style-type: none"> 1.Environmental Aspect, Environmental Impact (WSPOM-L3-ML01) 2.Energy Management (WSPOM-L3-ML02) 3.Waste Management (WSPOM-L3-ML03) 4.Natural Water resources 5.Employment (WSPOM-L3-ML01) 6.Training & Competency 7.Site Management (WSPOM-L3-ML01) 8.Hazard Identification, Risk Assessment, Risk Control (WSPOM-L3- 																								

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	<p>ML01)</p> <p>9.General Safety & Health</p> <p>10.Personal Protective Equipment (WSPOM-L3-ML03)</p> <p>11.Accident Investigation & Reporting (WSPOM-L3-ML04)</p> <p>12.Emergency Preparedness and Response (WSPOM-L3-ML05)</p> <p>13.Chemical Handling (WSPOM-L3-ML06)</p> <p>14.Social Impact (WSPOM-L3-ML01)</p> <p>15. Complaints & Grievances (WSPOM-L3-ML02)</p> <p>16.Local Sustainable Development (WSPOM-L3-ML03)</p> <p>17.Internal Audit (WSPOM-L3-ML01)</p> <p>18.Management Review</p> <p>19.Transparent Method</p> <p>20.Traceability</p> <p>21. Legal Requirements</p> <p>22.Economic & Financial Viability Plan</p> <p>23.Transparent & Fair price Dealing (WSPOM-L3-ML07)</p> <p>Under No.7 Site Management for the Mill, there are Working Instructions Standard such as:</p> <p>1. FFB Grading Manual (WSPOM-L4.1-ML02)</p> <p>2. FFB Reception Station (WSPOM-L4.1-ML01)</p> <p>3. Sterilization Station (WSPOM-L4.1-ML03)</p> <p>4. Boiler Station (WSPOM-L4.1-ML09)</p> <p>The SOP will be amended by the Head of Mill and approved by Top Management represented by Mr Andrew Esi, Mill Manager.</p>
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7. Nonconformities

Corrective Action Request and Observation MS2530-3 Part 3: General Principles for Plantations and Organised Smallholders

Non Conformity	N°1 of 4		Major 1			
	Date Recorded>	8 th March 2019	Due Date>	8 th May 2019	Date Closed>	23 rd April 2019
Department / Function:	Administrative		Standard Ref.: Indicator		MSPO 2350-Part 3 4.2.2.1	
Document Ref.:	MSPO Part 3		Issue / Rev. Status:		Closed	
Details of Nonconformity:	Transparent method of communication and consultation was found not adequate.					
Objective Evidence:	Stakeholders meeting was not yet conducted for all estates.					
Close-out evidence:	<p>Stakeholder consultation meeting has been conducted on 23rd March 2019. The operating units has provided evidence via Attachment 1 for the report of the meeting.</p> <p>From their procedure as sighted in the close out evidence, Stakeholder consultation will be conducted once in two years or when necessary. Estate and Safety and Sustainability will monitor the schedule accordingly.</p> <p>The submission of evidence has been sighted and accepted by auditors</p>					

Non Conformity	N° 2 of 4		Minor 2			
	Date Recorded>	8 th March 2019	Due Date>	8 th May 2019	Date Closed>	23 rd April 2019
Department / Function:	Administrative		Standard Ref.: Indicator		MSPO 2350-Part 3 4.4.4.2	
Document Ref.:	MSPO Part 3		Issue / Rev. Status:		Closed	
Details of Nonconformity:	Implementation of safety and health aspect was found not adequate.					
Objective Evidence:	<p>There were no records of first aid training conducted for estates personnel for all estates.</p> <p>There was one accident recorded at Intan Estate, involving Mr. Rahman Beta (Harvester). However, it was not reported in JKKP 8 form and this does not follow requirement by OSHA 1994.</p> <p>It was found rusty metal plate lying around near Futsal court in Trusan Estate.</p>					
Close-out evidence:	<p>There were no records of first aid training conducted for estates personnel for all estates.</p> <p>1. First aid training was conducted on 25th April 2019 by <i>Pejabat Kesihatan Daerah Lawas</i>.</p>					

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	<p>Refer to Attachment 2 for letter from <i>Pejabat Kesehatan Daerah Lawas</i>. First aid training will be included in the yearly Training Plan. Refer to Attachments 3 for the Training Plan.</p> <p>2.The JKPP 8 form has been updated which include Mr Rahman Beta. Refer to Attachment 4 for the updated form. NADOPOD training has been conducted on 26th March 2019 by Mill Engineer Safety. Refer to Attachment 5 for the record for the record of training. Safety and Sustainability Department will conduct training on 2nd May 2019. NADOPOD training will be included in the yearly training Plan. Refer to Attachment 6.</p> <p>3.The rusty metal has been cleared. Refer to Attachment 7.The monitoring of waste will be done through workplace inspection (3 months once interval). The compliance will be monitor by Assistant in-charge.</p> <p>The submission of evidence has been sighted and accepted by auditors</p>
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Non Conformity	N° 3 of 4	Minor 3			
	Date Recorded>	8 th March 2019	Due Date>	8 th May 2019	Date Closed> 23 rd April 2019
Department / Function:	Administrative		Standard Ref.: Indicator		MSPO 2350-Part 3 4.4.5.7
Document Ref.:	MSPO Part 3		Issue / Rev. Status:		Closed
Details of Nonconformity:	Establishment of time recording system for both employees and employer was found lacking				
Objective Evidence:	Time recording system has been carried out manually for TKI on daily basis and for field. However, there was no attendance record available for Intan and Merapok Estates' staff.				
Close-out evidence:	Attendance record has been prepared and implemented. Refer to Attachment 8a for Intan Estate and Attachment 8b for Merapok Estate. The system will be monitored by Chief Clerk. The submission of evidence has been sighted and accepted by auditors				

Non Conformity	N° 4 of 4	Minor 4			
	Date Recorded>	8 th March 2019	Due Date>	8 th May 2019	Date Closed> 23 rd April 2019
Department / Function:	Administrative		Standard Ref.: Indicator		MSPO 2350-Part 3 4.5.1.3
Document Ref.:	MSPO Part 3		Issue / Rev. Status:		Closed
Details of Nonconformity:	Implementation of environmental aspect was found not adequate.				
Objective Evidence:	1.Based on site visit at Workers Quarter Block L (Intan Estate), it was sighted, M-Oil was not properly disposed.				

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	2.Oil leakage was sighted at skid tank for Trusan estate.
Close-out evidence:	<p>1.Based on site visit at Workers Quarter Block L (Intan Estate), it was sighted, M-Oil was not properly disposed.The M-Oil container has been collected and store in the designated area. Refer to Attachment 9. Monthly housing inspection will be conducted and assistant in charge will monitor the compliance.</p> <p>2.Oil leakage was sighted at skid tank for Trusan estate. The containment wall has been repaired. Refer to Attachment 10 for the photo.</p> <p>The submission of evidence has been sighted and accepted by auditors</p>

Corrective Action Request and Observation

MS2530-4 Part 4: General Principles for Palm Oil Mills

Non Conformity	N° 1 of 1		Minor 1			
	Date Recorded>	8 th March 2019	Due Date>	8 th November 2019	Date Closed>	23 rd April 2019
Department / Function:	Administrative		Standard Ref.: Indicator		MSPO 2350-Part 4 4.4.4.2	
Document Ref.:	MSPO Part 3		Issue / Rev. Status:		Closed	
Details of Nonconformity:	Safety and Health Practices was found lacking					
Objective Evidence:	Based on HIRARC, PPE were provided to Graders at loading ramp area. Referring to PPE issuance record, PPE provided to them such as Helmet, Gloves and Safety Shoes. However, based on site inspection at ramp area, majority of the workers were not using gloves during loading and unloading activity. Based on interview with the workers, the gloves were not suitable to be used for that task.					
Close-out evidence:	<p>A survey on sustainability of the PPE has been done on 20th March 2019. Refer to attachment 11 for the survey.</p> <p>Based on the survey new type glove (rubberized cotton hand glove) has been proposed and agreed by Grader. A training on PPE for Grader had been conducted on 22nd March 2019. Refer to Attachment 12 for the photo of grader wearing new glove and Attachment 13 for the record of training.</p> <p>The HIRARC will be reviewed after the survey. Refer to Attachment 14 for reviewed HIRARC.</p>					

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Nonconformities detailed here shall be addressed through the organization's corrective action process, in accordance with the relevant corrective action requirements of the audit standard, including actions to analyse the cause of the nonconformity and prevent recurrence, and complete records maintained.

- Corrective actions to address identified major nonconformities shall be carried out immediately and SGS notified of the actions taken within 30 days. An SGS auditor will perform a **follow up visit** within 60 days to confirm the actions taken, evaluate their effectiveness, and determine whether certification can be granted or continued.
- Corrective actions to address identified major nonconformities shall be carried out immediately and **records with supporting evidence sent to the SGS auditor** for close-out within 60 days.
- Corrective Actions to address identified minor non conformities shall be documented and sent by the client to the auditor within 9 months before next schedule annual surveillance for review. If the actions are deemed to be satisfactory they will be followed up at the next scheduled visit.
- Corrective Actions to address identified minor non-conformities have been detailed on an action plan and the intended action reviewed by the Auditor, deemed to be satisfactory and will be followed up at the next scheduled visit.
- Appropriate immediate action taken in response to each non-conformance as required.

Note:- Initial, Re-certification and Extension audits – recommendation for certification cannot be made unless check box 4 is completed. For re-certification audits the time scales indicated may need to be reduced in order to ensure re-certification prior to expiry of current certification.

Note: At the next scheduled audit visit, the SGS audit team will follow up on *all* identified nonconformities to confirm the effectiveness of the corrective actions taken.

8. General Observations & Opportunities for Improvement

Positive Observations:

- The support from Kumpulan Kris Jati Sdn Bhd personnel, especially the ground staff contribute to the smoothness and successful of the audit process.
- The spirit of unity and enthusiasm of the personnel towards achieving MSPO certification is impressive.
- The unit has dedicated staffs who are assets to the company. Their cooperative, knowledgeable and hospitality are commendable
- Organised documentation & highly commitment towards certification

Important Observations and Opportunities for Improvements:

- The management should review the Standard Operation Procedure (SOP) for monitoring and continues improvement accordingly to ensure all aspect of the operation covered. Including grievance & complains SOP, safety & health SOP and domestic waste management SOP.

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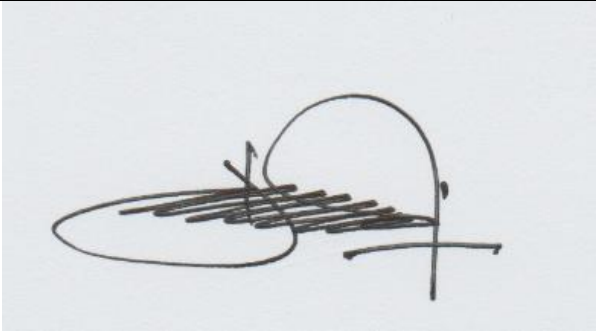

Appendix 2: List of Stakeholders Interviewed

Stakeholder	Type of Stakeholder	Issues raised	Comments/Action Taken
Goh Joo Soon (Proprietor of Collection Centre) Goh Plantation Services Sdn. Bhd.	External	No issues raised by the stakeholder	NIL
Musidi Bin Talib (Manager) Kimco General Construction	External	No issues raised by the stakeholder	NIL
Vincent Choy (Supervisor) L & Brothers Construction Sdn Bhd	External	No issues raised by the stakeholder	NIL
Muhamad Bukhon Bin Sulaiman (Estate Manager) Felcra Sundar Awat-Awat Plantation Sdn Bhd	External	No issues raised by the stakeholder	NIL
Ong Sin Liong (Owner of Company) Syarikat Bibi	External	No issues raised by the stakeholder	NIL
Mr Buyong Duyong (Neighbour of smallholder)	External	No issues raised by the stakeholder	NIL
Malan Sinau	Internal	No issues raised by the stakeholders	NIL

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Mariam Tibang	External	No issues raised by the stakeholder	NIL
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The Acknowledgement

Signed on behalf Kumpulan Kris Jati Sdn Bhd	Signed on behalf SGS Malaysia Sdn Bhd
 <p>Mr. Borhan Bin Md Noor Senior Manager, SBU Lawas 8th March 2019</p>	 <p>Mr. Abdul Khalik Bin Arbi Lead Auditor 8th March 2019</p>