



RSPO PRINCIPLES AND CRITERIA PUBLIC SUMMARY REPORT

**Kwantas Corporation Berhad
(Haranky Palm Oil Mill and its supply base)
KM40, Simpang Haranky Estate,
91100 Jalan Kinabatangan, Lahad Datu,
Sabah, Malaysia**

RSPO Membership No.: 1-0150-14-000-00

Certificate No.	BVC-RSPO-20171201-1
Issue Date	01 DECEMBER 2017
Expiry Date	30 DECEMBER 2022
Assessment Type	Date of Assessment
Main Assessment	24-27 Jul 2017
Annual Surveillance Assessment 01	
Annual Surveillance Assessment 02	
Annual Surveillance Assessment 03	
Annual Surveillance Assessment 04	

PUBLIC SUMMARY INFORMATION

BV Contract Number	BVKL/LCW/2017/Q161 (Rev 2)	Contract Date	27 May 2017
Company Name	Kwantas Corporation Berhad (Haranky Palm Oil Mill)		
Parent Company Name	Kwantas Corporation Berhad		
Company Address	KM40, Simpang Haranky Estate, 91100 Jalan Kinabatangan, Lahad Datu, Sabah, Malaysia		
Country	Malaysia		
Contact Person	Mr. M. Badrul Nizam (Plantation Administration Manager)	Contact Details	K-63-3rd Floor, Signature Office KK Times Square, Off Coastal Highway, 88100 Kota Kinabalu, Sabah Tel: +6088 486 555 Fax: +6088 486 777
Company e-mail	mohd.badrul@kwantas.com.my	Website	www.kwantas.com.my
Certification Scope	Production of RSPO Certified Crude Palm Oil (CPO) and Palm Kernel (PK) at Haranky Palm Oil Mill and its supply base under module E (CPO Mill: Mass Balance) system.		
Supply Chain Module	Module E: CPO Mills- Mass Balance;		
POM Capacity	60MT/Hour	Total Estates	02 estates
Annual FFB Produced (MT)	26,304.00MT (Jul 2017 to Jun 2018)		
Annual CSPO Produced (MT)	5,523.84MT	Annual CSPO Sold (MT)	n.a
Annual CSPK Produced (MT)	1,446.72MT	Annual CSPK Sold (MT)	n.a

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LIST OF ABBREVIATION

Short Form	Meanings
CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
CU	Certification Unit
DID	Department of Drainage and Irrigation, Malaysia
DOE	Department of Environment, Malaysia
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
EMS	Environmental Management System
EQA	Environmental Quality Act
ERT	Endangered, Rare and Threatened species
FFA	Free Fatty Acids
FFB	Fresh Fruit Bunches
Ha	Hectare
HCV	High Conservation Value
HDPE	High Density Polyethylene
IPM	Integrated Pest Management
ISO	International Organization for Standardization
IUCN	International Union for Conservation of Nature and Natural Resources
K	Potassium
kW	Kilowatt
m	Meter
Mg	Magnesium
mm	Millimeter
MT	Metric ton
N	Nitrogen
NGO	Non Governmental Organization
OER	Oil Extraction Rate
OSH	Occupational Safety & Health
P	Phosphate
P & C	Principles and Criteria
PK	Palm Kernel
PKE	Palm Kernel Expeller
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
SOP	Standard Operating Procedures
Sdn Bhd	Sendirian Berhad (Private Limited)
SEIA	Social and Environment Impact Assessment
Sg	Sungai
SOP	Standard Operating Procedures
SPC	Senior Plantation Controller
USECHH	Use and Standards of Exposure of Chemicals Hazardous to Health
WHO	World Health Organization

1. SCOPE OF THE CERTIFICATION ASSESSMENT

1.1 Introduction

The assessment for Kwantas Corporation Bhd (Haranky Palm Oil Mill and its supply bases) has been conducted against **Roundtable on Sustainable Palm Oil (RSPO) Principles and Criteria for the Production of Sustainable Palm Oil 2013** (Malaysian National Interpretation of RSPO Principles and Criteria for Sustainable Palm Oil Production – MYNI 2014) and **RSPO Supply Chain Certification Standard dated 21 November 2014** by **Bureau Veritas Certification Hong Kong Limited** on 24-27 Jul 2017.

Scope of the certification assessment certification includes the production of Haranky Palm Oil Mill and its supply base according to the RSPO standard requirement stated above.

Kwantas Corporation Berhad is a member of RSPO since **2 Apr 2014** with membership number **1-0150-14-000-00**. The Certification Unit (CU) is located in **KM40, Jalan Kinabatangan, Lahad Datu, Sabah, Malaysia** which consist of **02** directly Managed Estates. Total combined land areas of the CU are **1,345.02Ha** of which; **1,255.35Ha** had been planted with oil palm.

Kwantas Corporation Berhad was incorporated in 1995 as an investment holding company and listed on the Main Board of Bursa Malaysia (formerly known as Kuala Lumpur Stock Exchange) in 1996. The Kwantas Group is an integrated palm oil producer which operates oil palm plantations, mills, crushing plants, refineries, bulking and trading as well as wholesale of diesel and lubricants products. The company is committed to be part of the sustainable producer for palm oil products, thus they decided to undergo RSPO P&C Certification.

1.2 Location and Description of the Certification Unit

Overview of the Palm Oil Mill and its supply base location is simplified in the Table 1 and Table 2 below. Details and location maps of the supply base for the CU can be referred in Appendix 6, respectively.

Table 1: Location and Capacity of the Palm Oil Mill

Name of the Palm Oil Mill	Plant Capacity (MT/Hour)	GPS Coordinate		Location Address
		Longitude	Latitude	
Haranky Palm Oil Mill (Kwantas Oil Sdn Bhd)	60	5° 12' 47.10" N	118° 03' 52.02" E	KM40, Simpang Haranky Estate, 91100 Jalan Kinabatangan, Lahad Datu, Sabah, Malaysia

Table 2: Location of the Supply Base

No.	Name of the Supply Base	GPS Coordinate		Location Address
		Longitude	Latitude	
1	Haranky 01 Estate	5° 12' 55.96" N	118° 03' 43.09" E	KM40, Simpang Haranky Estate, 91100 Jalan Kinabatangan, Lahad Datu, Sabah, Malaysia
2	Haranky 02 Estate			

1.3 Description of Supply Base and Palm Oil Mill Processing Capacity

The FFB is sourced from plantations which are directly managed by the CU as listed above. The budgeted crop yields from each estate are listed in Table 3 below. Details of transactions for the Certification Unit are tabulated in Appendix 7.

Table 1: Crop Projection and Yield

Projected Production from last 12 Months (MT)	Actual Production for this Audit Year (MT)	Projected Production for next 12 Months (MT)
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			Jul 2016 to Jun 2017 (Actual)			Jul 2017 to Jun 2018 (Projection)		
FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
NA	NA	NA	33,571.71	6,858.04	1,697.35	26,304	5,523.84	1,446.72

Remark: projected FFB production from the last 12 months is not applicable because it is main assessment

1.4 Date of Planting and Cycles

1.4.1 Date of planting

The details of the CU certified area and its planting profiles are described in **Table 4** and **Table 5**.

Table 2: Land Profiles of Supply Base

Name of the Supply Base	Total Titled Area (Ha)	Planted Area (Ha)		Un-Planted Area (Ha)		
		Oil Palm	Other agricultural products	HCV	Conservation	Facilities / Others*
Haranky 01	1,122.86	1034.44	0	0.3	1.9	86.22
Haranky 02	228.21	220.91	0	7.3	0	0
Total	1,351.07	1,255.35	0	7.6	1.9	86.22

*Facilities/others include storage, housing, roads, etc.

Tables below show the details of the year of establishment of the CU's supplying estates and their planting profiles.

Table 3: Age Profiles for the Supply Base

Year of Planting	Areas (Ha)	Maturity Status	Planting Cycles
HARANKY 1 ESTATE			
1992	195.34	Mature	1 st Cycle
1993	101.29	Mature	1 st Cycle
2012	193.04	Mature	2 nd Cycle
2013	451.56	Mature	2 nd Cycle
2014	73.00	Immature	2 nd Cycle
2015	20.21	Immature	2 nd Cycle
HARANKY 2 ESTATE			
1993	138.04	Mature	1 st Cycle
1998	70.21	Mature	1 st Cycle
1997	8.50	Mature	1 st Cycle
2000	4.16	Mature	1 st Cycle
Total	1,255.35		

1.4.2 Replanting program

Name of the Supply Base	FY2017/2018 (Ha)	FY2018/2019 (Ha)	FY2019/2020 (Ha)	FY2020/2021 (Ha)	FY2021/2022 (Ha)

Haranky 01	-	90.56	109.84	96.23	
Haranky 02	-	-	-	-	138.04
Total	-	90.56	109.84	96.23	138.04

1.5 Other Certification Held by the Certificate Holder

The company did not hold any sustainable certification.

1.6 Organizational Information/Contact Person

The contact person for the Certification Unit is as below:

Contact Person : Mohd Badrul Nizam Ahamad
 Position : Plantation Administration Manager
 Company Name : Kwantas Corporation Berhad
 Company Address : K-63-3rd Floor, Signature Office, KK Times Squares, Off Coastal Highway, 88100 Kota Kinabalu, Sabah, Malaysia
 Telephone No. : +6088 486 555
 Fax No. : +6088 486 777
 e-mail Address : mohd.badrul@kwantas.com.my

1.7 Time-bound Plan/Progress against Time Bound Plan

See Appendix 1.

1.8 Partial certification

1.8.1 General

Organizations that have a majority shareholding* in and/or management control of more than one autonomous company growing oil palm will be permitted to certify individual management units and/or subsidiary companies only if all the following are complied with the requirements mentioned below.

**Majority shareholding: the largest shareholding. Where the largest shareholdings are equal (e.g. 50/50) this applies to the organisation that has management control*

Requirement	Findings/Compliance
The parent organization or one of its majorities owned and/or managed subsidiaries is member of RSPO.	Kwantas Corporation Group is a registered member with RSPO as ordinary member 1-0150-14-000-00 since 2 Apr 2014. Kwantas Corporation Berhad owned 3 production units covering 13 estates, 1 refinery, and 3 palm oil mill. This has been verified against latest ACOP documents submitted to RSPO. The listed production units covers: <ul style="list-style-type: none"> a. Haranky Palm Oil Mill b. Pintasan Palm Oil Mill c. Mewah Palm Oil Mill
For groups with complex management structures the following are required: <ul style="list-style-type: none"> a. A statement of the ultimate controlling 	All units under Kwantas Corporation Berhad are managed by same legal entity.

<p>shareholders and directors in the managing agency company/companies.</p> <p>b. Ditto in respect of each of the operating groups.</p> <p>c. Application for membership by the top asset owning company/companies.</p> <p>d. Application for membership by the managing agency company/companies</p>	
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If one of above mentioned requirements is non-compliant, this leads to a major non-conformity.

The following requirements about a time bound plan (2.2) and requirements for uncertified management units and/ or holdings (2.3) are applicable, if the registered RSPO member is the holding company or one of its subsidiaries.

1.8.2 Requirements for Time Bound Plan

Requirement	Findings/Compliance
<p>A challenging time-bound plan for certifying all its relevant entities (Relevant entities – including both the business units and parent company(s)' commitment to RSPO, membership status and involvement with palm oil for each subsidiary) is available. The time-bound plan should contain a list of subsidiaries, estates and mills.</p>	<p>Kwantas Corporation Berhad has established a challenging time bound plan.</p> <p>All production units under the group are expected to be completed by 2021 which distributed into 4 phase.</p> <ol style="list-style-type: none"> 1. Phase 1: 2016/2017 2. Phase 2: 2018 3. Phase 3: 2020 4. Phase 4: 2021 (Phase 4 is included for final 2 units which are currently under land acquisition process. Both units are going to be certified within 3 years upon completion of acquisition process.) <p>The established time bound plan covered 11 estates and 2 POM</p>
<p>The time bound plan is appropriate (in particular, the time scale is sufficiently challenging, taking into account circumstances around each entity), taking into account comments received from stakeholders following the public consultation process.</p>	<p>It was evaluated that the time bound plan has been established appropriately within 5 years period. The five years timebound has been established which incorporate 2 units which are currently under land acquisition process. Both new units are going to be certified within 3 years after completion of land acquisition.</p> <p>There is no land issues arise in the all units under Kwantas Group.</p>
<p>What is the progress of this plan since the last audit? (if the last audit was done by another CB, the time-bound plan shall be accepted at the moment of first acceptance and only check continued appropriateness shall be checked).</p>	<p>Not applicable. This is Main Assessment of the company.</p>
<p>Are there any revisions to the time-bound plan or to the circumstances of the company?</p>	<p>Not applicable. This is Main Assessment of the company.</p>
<p>If the previous question was answered with yes, the plan shall be reviewed for whether it is still appropriate, such that changes to the time-bound plan are permitted only where the organisation can demonstrate that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent).</p>	<p>Not applicable. This is Main Assessment of the company.</p>

Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance is raised. Where there is evidence of systematic failure to proceed with implementation of the plan, a major non-compliance is raised.

1.8.3 Requirements for Uncertified Management Units/or holdings

Requirement	Findings/Compliance
No replacement of primary forest or any area identified as containing High Conservation Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. Any new plantings since January 1st 2010 must comply with the RSPO New Plantings Procedure.	<p>All production units (including Haranky); under Kwantas Corporation Berhad have been established before January 2010.</p> <p>There are 2 production units in Sarawak which is currently at Early Acquisition phase.</p> <p>The company is aware of RSPO P&C requirements relating to RSPO New Planting Procedure. This has been discussed during Group Management Review. The company has started some development prior to make decision to undergo RSPO certification.</p> <p>Thus, the company has consulted RSPO secretariat for the establishment of NPP after decided to undergo RSPO certification.</p> <p>They are currently working closely with RSPO on the completion of NPP process.</p>
Land conflicts, if any, are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5. and 7.6.	<p>There is land issue in one of the estate (Pintasan 5) under Kwantas Corporation Berhad in 2008. However, the issue has been resolved involving court decision.</p> <p>For the new unit under new acquisition in Sarawak, the company has started the SIA process to identify any land conflicts issue as required by RSPO New Planting Procedure. As explained above, the company is currently consulting closely with RSPO secretariat on the NPP.</p>
Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	Not applicable. No labour disputes are available under Kwantas Corporation Berhad.
Legal non-compliance, if any, are they being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1.	No evidence of legal non-compliance has been identified under Kwantas Corporation Berhad.

For requirements above, the definition of major and minor non-compliance is stated in the RSPO P&C. For example, if non-compliance against a major indicator in a non-certified holding/management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless that is actively addressed;

Failure to address any outstanding non-compliance may lead to certificate suspension(s), in accordance with the provisions of these Certification Systems.

2. ASSESSMENT PROCESS

2.1 Assessment Methodology and Program

The assessment was conducted on 24 Jul 2017 to 27 Jul 2017 covering onsite audit involving **02** estates of the certification unit respectively. The audit covers documentation review, internal procedures, management system, field inspection as well as identification of any significant issues for both environment or social issues. Details of the actual assessment programme are given in Appendix 2 (Audit Plan). A sample of stakeholders was consulted during the assessment to get their feedback on the management doing.

The assessment was conducted based on sampling approach in which regulated under **RSPO Certification System for Principles and Criteria (June 2007)**. Therefore, total numbers of supply based assessed in the audit are **02** estates. For the purpose of sampling audit, risk assessment of the group member and group

manager was carried out prior to the certification assessment through the documentation review. The risk assessment was based on factors i.e. geographically as well as socioeconomically.

2.2 Date of Next Surveillance Visits

The next surveillance assessment shall be carried out by Bureau Veritas within nine to twelve months from the date of expiry for the trading license (Palm Trace License).

2.3 Lead Assessor and Assessment Team Qualification

Bureau Veritas holds copies of educational qualifications, certificates and audit logs for each of the audit team members. This assessment has been conducted by **03** approved assessors which hold sufficient qualification and experiences to conduct RSPO Assessment. Summary of auditors' background and qualifications are listed in Table 8 below.

Table 4: Auditors Profile and Qualification

Assessment Team Leader: Muhammad Shazaley Abdullah (MSA)		
Requirements	Description	
A minimum of post high school (post-secondary school) training in either agriculture/forestry, environmental science or social sciences;	MSA earned the degree in B. Sc. (Hons) Forestry Science from Universiti Malaysia Sabah since 2008.	
At least 5 years professional experience in area of work relevant to the assessment (e.g., palm oil management; agriculture/forestry; ecology; social science);	MSA has been working as Cadet Assistant of Oil Palm Plantation company since 2009. He then continues his career as Research Executive in Bio-Fertilizer (Mychorriza sp.) related to oil palm development. Since 2012, MSA has joined SGS Malaysia Sdn Bhd as RSPO Auditor and has qualified as RSPO Lead Auditor in 2013.	
Training in the practical application of the RSPO criteria, and RSPO certification systems;	MSA has undergone RSPO Endorsed Lead Auditor Course conducted by Wild Asia in 2013 (2013-SSP02-0044).	
Successfully completion of an ISO 9000:19011 lead assessors course;	MSA has successfully completed ISO 9001:2008 Lead Auditor Course conducted by Neville Clarke in 2013 (A17399).	
A supervised period of training in practical assessment against the RSPO criteria or similar sustainability standards, with a minimum of 15 days assessment experience and at least 3 assessments at different organisations.	MSA has conducted more than 50Mandays of RSPO P&C; ISCC or MSPO assessment as Auditor and Lead Auditor more than 3 different organizations. He has been evaluated by RSPO Accreditation Body (ASI) and Department of Standard Malaysia (DSM) for his auditing performance. For internal BVC qualification process, he has been witness by Dr. Chaipayorn Seekao as Lead Auditor in Jun 2017.	
Team Member(s): Valence Shem (VS) and Mohd Faisal Jaafar (MFJ)		
Requirement	Team Members Name	Description
Field working experience in the palm oil sector, or demonstrable equivalent.	M. Shazaley Abdullah	MSA has been working as Cadet Assistant of Oil Palm Plantation company since 2009. He then continues his career as Research Executive in Bio-Fertilizer (Mychorriza sp.) related to oil palm development. Since 2012, MSA has joined SGS Malaysia Sdn Bhd as RSPO Auditor and has qualified as RSPO Lead

		Auditor in 2013.
	Valence Shem (VS)	VS have been working as Assistant Manager in Oil Palm Plantation company for 9 years. He then joined SIRIM QAS Sdn Bhd as RSPO Lead Auditor.
	Mohd Faisal Jaafar (MFJ)	MFJ is a forester by education and working background. He graduated from Universiti Putra Malaysia in Forestry Science. He has been qualified as RSPO P&C Lead Auditor under SGS Malaysia Sdn Bhd since 2012. He has been assessing various oil palm plantations company under various certification standards (ISCC, MSPO, RSPO, etc.).
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use.	M. Shazaley Abdullah	MSA is direct experience in GAP, IPM and fertilizer usage when working as Cadet Assistant in oil palm plantation company and by training. Auditing oil palm certification standard has exposed his qualification and understanding in GAP, IPM, chemicals usage and manuring.
	Valence Shem (VS)	VS have been working as Assistant Manager of oil palm plantation company. He has been involved directly and indirectly in training and understanding of GAP, IPM, fertilizer and chemical application.
	Mohd Faisal Jaafar (MFJ)	MFJ is a qualified auditor for RSPO P&C. Experience in auditing oil palm plantation and operating certification standard (Malaysian Timber Certification System - MTCS) has exposed him to the GAP. He has undergone various training related to GAP and IPM in forestry and oil palm plantation.
Health and safety auditing on the farm and in processing facilities, for example OHSAS 18001 or Occupational, Health & Safety Assurance System.	M. Shazaley Abdullah	MSA has been working in oil palm plantation in 2009. He has undergone series of training which includes health and safety in oil palm plantation and operations.
	Valence Shem (VS)	VS have been working in oil palm plantation industries for more than 9 years. He has direct experience in handling health and safety issues in oil palm operations.
	Mohd Faisal Jaafar (MFJ)	MFJ is experienced in operating and auditing forestry and oil palm plantation. He has been qualified as RSPO P&C Auditor since 2012.
Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical	M. Shazaley Abdullah	MSA has been working in oil palm plantation in 2009. He has undergone series of training which includes workers welfare issues

accountability codes.		and social in oil palm plantation and operations.
	Valence Shem (VS)	VS have been working in oil palm plantation industries for more than 9 years. He has direct experience in handling social issues in oil palm operations. Furthermore, VS is also qualified as Lead Auditor for SMETA standard.
	Mohd Faisal Jaafar (MFJ)	MFJ is experienced in operating and auditing forestry and oil palm plantation. He has been qualified as RSPO P&C Auditor since 2012. He has been working closely with social expert and been witnessed by ASI to evaluate his capacity in auditing social requirements on oil palm industries.
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS).	M. Shazaley Abdullah	MSA has been working in oil palm plantation in 2009. He has undergone series of training which includes environmental protection and management in oil palm plantation and operations.
	Valence Shem (VS)	VS is a qualified Lead Auditor for ISO 14001. His working experience in oil palm plantation (more than 9 years) has exposed him to the environmental and ecological auditing.
	Mohd Faisal Jaafar (MFJ)	MFJ has attended ISO 14001 Lead Auditor course. He is qualified RSPO P&C auditor since 2012.
Fluent in Local Language and English	M. Shazaley Abdullah	All of the team members are fluent in English and Malay (local language).
	Valence Shem (VS)	
	Mohd Faisal Jaafar (MFJ)	

2.4 Certification Body Background

Created in 1828, Bureau Veritas is a global leader in Testing, Inspection and Certification (TIC), delivering high quality services to help clients meet the growing challenges of quality, safety, environmental protection and social responsibility.

As a trusted partner, Bureau Veritas offers innovative solutions that go beyond simple compliance with regulations and standards, reducing risk, improving performance and promoting sustainable development. Bureau Veritas core values include integrity and ethics, impartial counsel and validation, customer focus and safety at work.

Bureau Veritas is recognized and accredited by major national and international organizations. RSPO accreditation status of Bureau Veritas has been obtained by Bureau Veritas Certification Hong Kong Limited (BVC HK) since 2nd Jun 2014. The RSPO accreditation number for BVC HK is RSPO-ACC-012 for the scopes of P&C (Single Site & Group) and SCCS worldwide. It was transferred from Bureau Veritas Singapore Pte. Ltd.

2.5 Stakeholder Consultation Process

Bureau Veritas initiated the Public Stakeholder Notification (internal and external) by announcing an invitation for feedback in the RSPO websites on **20 Jun 2017**. In addition, Bureau Veritas had also sent the invitation through e-mails and letters to all the relevant stakeholders, including government agencies and Non-Governmental Organizations (NGOs) before the actual assessment is performed.

Meetings and interview with the relevant stakeholders has been arranged during the on-site assessment without interference from members of the group. Meetings were held with stakeholders to seek their views on the performance of the Certification Unit (CU) with respect to the RSPO requirements and aspects where they considered that improvements could be made; these included environmental interest groups, local government agencies and relevant authorities, social groups, and workers' unions etc. At the start of each meeting, the assessor 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. The method of consultation with the workers, contractors and staff were through random sampling from each group in each of the FFB supplying unit and oil mill (e.g. mill operators, harvesters, general workers and sprayers) visited. The consultations which were conducted at the CU's workplace had included solicitation of comments on issues relevant to principles 4, 5 and 6 of the RPSO P&C Standard. List of the stakeholders contacted and responded during the audit are available in Appendix 3.

3. ASSESSMENT FINDINGS

3.1 Summary of Findings

The assessment has been conducted as planned using the methodology described in Section 2.1 and Appendix 2: Audit Program. A total of **02** Major non-conformity and **05** Minor non-conformity against **Roundtable on Sustainable Palm Oil (RSPO) Principles and Criteria for the Production of Sustainable Palm Oil (2013) [Malaysian National Interpretation of RSPO Principles and Criteria for Sustainable Palm Oil Production 2014 (MYNI 2014)]** and **00** Major non-conformity against **RSPO Supply Chain Certification Standard (21 Nov 2014)**; requirements were raised as shown in Appendix 4.

The CU has taken necessary corrective actions in order to close the Major non-conformities raised. Minor non-conformities will be verified in the next surveillance assessment. Nonetheless, the CU has submitted their corrective action plan for the minor non-conformity and has been accepted by the assessment team. The verification comments for the non-conformities raised in the previous assessment can be seen in Appendix 5.

3.2 Principles and Criteria for Production of Sustainable Palm Oil (2013) - Generic

Principle 1: Commitment to Transparency

Principle 1: Commitment to Transparency		
Criterion 1.1: Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making		
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
Findings		Comply?
Kwantas has categorized stakeholder based on stakeholders groups covering the following: a) Relevant Government Agencies and Regulatory Authorities; b) Local Communities; c) NGO – covering social indigenous peoples NGOs, social workers association and environmental NGOs; d) Internal Stakeholders – workers representative; e) Contractors;		Yes

Principle 1: Commitment to Transparency		
<p>f) FFB Suppliers – covering both direct FFB suppliers (from local communities) and FFB Collectors (entity collecting FFB from local communities before transporting FFB to POM).</p> <p>The above stakeholder list is found to be periodically updated. The estates and mill place no restriction in providing any information to the stakeholders with respect to company’s RSPO implementation.</p> <p>The audit team observed that the latest stakeholder consultation was conducted on 13/6/2017 which was attended by 11 stakeholders representing relevant government agencies, local communities, FFB suppliers and NGOs. Based on the minutes of the meeting, the audit team observed that the stakeholders have been duly informed that they can obtain a management documents and its summary information, upon request through the utilization of the Company’s “<i>Borang Permohonan Maklumat</i>” (Request of Information Form), which outlining information on the requestor’s details (name, IC no., position, organization, contact no., address), type of info, date, type of documents and reason to request. List of the management documents that are made publicly available upon request are as follows:</p> <ul style="list-style-type: none"> • Summary of land titles; • Summary of Environmental Management Plan; • HCV related documentation such as Summary of HCV Management Plan; • Complaints and grievances procedures and mechanisms; • Land Dispute and Conflict Management Procedures; • Pollution prevention and reduction plan; • Management Policies such as: <ul style="list-style-type: none"> ○ Human Rights Policy; ○ Policy Statement of Code of Conduct; ○ Occupational Safety and Health Policy; ○ Environmental Policy; ○ Zero Burning Policy; ○ Equal Opportunity Employment & Freedom of Association Policies; ○ Child Labour Policy; ○ Sexual Harassment Policy; and ○ Policy Statement on Women Reproductive Right. • Continuous Improvement Plan. <p>As of the date of the audit, the audit team notes that there is no request of information placed from any stakeholders.</p>		
1.1.2	Records of requests for information and responses shall be maintained.	Major
Findings		Comply?
As reflected earlier, as of the date of the audit, there is no request placed from any stakeholders found. As reflected in the SOP, all records of request for information and response from any stakeholders shall be kept and maintained.		Yes
Criterion 1.2:		
Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.		
1.2.1	<p>Publicly available documents shall include, but are not necessarily limited to:</p> <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); 	Major

Principle 1: Commitment to Transparency		
	<ul style="list-style-type: none"> Continual improvement plans (Criterion 8.1); Public summary of certification assessment report; Human Rights Policy (Criterion 6.13) 	
Findings		Comply?
<p>The company maintains all the documents required by this indicator. All of the documents listed are made publicly available upon request as follows:</p> <ul style="list-style-type: none"> Land titles/user rights - 35 land titles in total Occupational health and safety plans; - action plan for 2017, prepared by Elvise MSJ, dated 5/1/2017 is available Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); - environmental management plan 2016/17, prepared by Dalton Nicco Didacus, dated 2/12/2016 is available HCV documentation (Criteria 5.2 and 7.3); - e.g. HCV report, training records, minutes of meeting, HCV patrol records are available Pollution prevention and reduction plans (Criterion 5.6); - prepared by Dalton Nicco Didacus, dated 2/12/2016 is available Details of complaints and grievances (Criterion 6.3); - available in two forms, i.e. "Fail Aduan" and "Buku Aduan Pekerja" Negotiation procedures (Criterion 6.4); - "Land Conflict Management" [SOP no. A 4.3.2, dated 1/1/2015] is available Continual improvement plans (Criterion 8.1); - "Continuous Improvement Plan", dated 27/12/2016, prepared by Mr. Badrul (Project Manager) is available Public summary of certification assessment report; - this is the initial assessment, therefore no public summary yet. Human Rights Policy (Criterion 6.13) – "Human Rights Policy", signed by Steve Kwan(Group Chief Executive Officer) , dated 1/6/2014 is available <p>All of the above information has been notified to the stakeholders on its availability status (upon request) during the Stakeholder Meeting with the latest meeting was conducted on 13/6/2017.</p>		Yes
Criterion 1.3:		
Growers and millers commit to ethical conduct in all business operations and transactions.		
1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.	Minor
Findings		Comply?
<p>A Policy committing to a code of conduct is available entitled "Policy Statement on Code of Conduct for FFB Suppliers" and "Policy Statement on Code of Conduct":-</p> <p>The above policy outlined the company's commitment to implement fair conduct of business. The policy also specifies the objective of the policy COC for FFB suppliers, a prohibition of all forms of corruption, bribery and fraudulent use of funds and resources; stated in section (1) of the policy, a proper disclosure of information in accordance with applicable regulations and accepted industry practices. The policy is found to be signed by employees upon joining and it is also available in the company's website.</p> <p>Verification during the audit confirmed that there is no evidence of violation against the signed policy observed by the audit team.</p>		Yes

Principle 2: Compliance with Applicable Laws and Regulations

Principle 2: Compliance with Applicable Laws and Regulations		
Criterion 2.1:		
There is compliance with all applicable local, national and ratified international laws and regulations.		
2.1.1	Evidence of compliance with relevant legal requirements shall be available.	Major
Findings		Comply?
<p>Legal documentation is maintained by the company covering the workers, social, environmental as per in the Summary of License Renewal for Haranky Estate & POM Licenses. Example of licenses that have been verified during the audit are as follows:</p>		No
No.	Details	Validity

Principle 2: Compliance with Applicable Laws and Regulations

1.	Scheduled Control Permit (<i>Permit Barang Kawalan Berjadual</i>) for scheduled waste storage for Haranky Estate:- License Serial No. CSA: A135122	until 14 Sept 2017	
2.	MPOB License for Haranky 1 Estate with License no. 502000202000.	until 31 March 2018	
3.	MPOB License for Haranky 2 Estate with License no. 502760102000.	until 31 October 2017	
4.	License to Employ Foreign Workers – License no. 28971-K, issued by Department of Labour Sabah	until 16 March 2018	
5.	Certificate of compliance for Air Receiver (Haranky Estate), Reg. No. PMT-SB 54665 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)	until 14 September 2017	
6.	Certificate of compliance against the safety, fire prevention, fire protection and fire fighting requirements of the Fire Services Act 1988 (Cert No. JBPM: SB/7/127/2016) issued by the Fire Department of Malaysia	until 4 May 2017 – the renewal process has been initiated since May 2017 and the inspection by the Fire Department will be held on 1 st week of August 2017.	
7.	<i>Lesen Menduduki atau Menggunakan Premis yang Ditetapkan</i> (License for Operating and Settling the Prescribed Premise) for Haranky POM issued by Department of Environment as required under the Section 18(1) of the Environmental Quality Act, 1974 :- No. 003528	30 June 2018	
8.	Certificate of compliance for Air Receiver, Reg. No. PMT 89605 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
9.	Certificate of compliance for Steam Separator, Reg. No. PMT 89606 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		Validity until 17 Apr 2017 (inspection has been conducted by DOSH on 7 June 2017. Based on the inspection conducted, the Department has concluded that all of the equipments are fit for operational and hence recommended for the issuance of the Certificate of Fitness with the new validity of 1 year from the date of the issuance certificate.
10.	Certificate of compliance for Vacuum Tank, Reg. No. PMT 89607 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
11.	Certificate of compliance for Pressure Filter (Sand Filter), Reg. No. PMT 89608 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
12.	Certificate of compliance for Bi Drum Water Tube Boiler, Reg. No. SB PMD 2599 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		However, the new Certificate of Fitness has yet to be issued by the Department.
13.	Certificate of compliance for Softener Vessel, Reg. No. SB PMT 921 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		

Principle 2: Compliance with Applicable Laws and Regulations

14.	Certificate of compliance for Spherical Tank, Reg. No. SB PMT 9058 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
15.	Certificate of compliance for Spherical Tank, Reg. No. SB PMT 9059 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
16.	Certificate of compliance for Spherical Tank, Reg. No. SB PMT 9060 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
17.	Certificate of compliance for Spherical Tank, Reg. No. SB PMT 9061 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
18.	Certificate of compliance for Vickers Babcock Water Tube, Reg. No. PMD 10220 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
19.	Certificate of compliance for Vacuum Dryer, Reg. No. PMT 56780 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
20.	Certificate of compliance for Back Pressure Steam Receiver, Reg. No. PMT 56781 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
21.	Certificate of compliance for Vertical Pressure Sand Filter, Reg. No. PMT 56897 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
22.	Certificate of compliance for Horizontal Deaerator, Reg. No. PMT 56909 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
23.	Certificate of compliance for Water Softener, Reg. No. PMT 56910 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		
24.	Certificate of compliance for Entrainment Separator, Reg. No. PMT 57014 issued by the Department of Occupational Safety and Health (DOSH) against the requirement of the Factories and Machinery (Notification, Certificate of Fitness and Inspections) Regulations, 1970 Regulation 10(2)		

Principle 2: Compliance with Applicable Laws and Regulations

25.	MPOB licence 524031004000 for receiving, processing and producing CPO Haranky POM with a capacity of 216,000m ³	1 Oct 2016 to 30 Sept 2017
26.	License to operates Palm Oil Mill issued by the Department of Environment as prescribed by the Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations, 1977 (P.U.(A) 342/1977 and Environmental Quality (Clean Air) Regulations, 1978 (P.U.(A) 280/1998 :- license no. 003528 with a maximum capacity allowed 60mt/hr	1 July 2017 to 30 June 2018

All of the foreign workers employed found to have a valid work permit issued by the Department of Immigration of Lahad Datu with the examples verified are as follows:

Name	Permit Serial No.	Validity
Hendri Beddu	2193903	Until 27 May 2018
Kasman Maro	2251493	Until 31 Oct 2017
Rohana Hakim	2232230	Until 4 Sept 2017
Oktovianus Paling	VFD6A204651C2P117	Until 19 May 2018
Amri Jumain	VFDQD581082C2P117	Until 25 Apr 2018
Asfar Sangkala	VFD49262323C2P117	Until 5 Apr 2018
Juliana Rasyid	VFDB8581993C2P117	Until 19 May 2018
Merianti Paling	VFD49194221C2P117	Until 19 May 2018
Petrius Lina Magang	VFDB8582175C2P117	Until 19 May 2018
Syamsul Suparjo	VFD6A204540C2P117	Until 05 Apr 2018
Merlinda Loro Castello	PGFB171289C2P17	Until 29 June 2018
Fitriyana Sabtu	2232421	Until 09 Sept 2017
Irmayanti Maming	PGFD857529C0B13	Until 27 Apr 2018

For any situation where the workers permit is due for expiry, the audit team observed that the company has taken action to apply for renewal prior to the expiry of the work permit. Example of formal application letter (Ref No.: P&A/02/IMM/1706-3857) dated 7 June 2017 issued by the company to the Immigration Department of Lahad Datu which has been acknowledge receipt by the Department on the same date is made available to the audit team during the audit.

Land title is also found to be maintained for both estates within the Registers of Legal Land Titles dated 1 February 2013 with the list are as follows:

Title No.	Date	Purpose
PL 096290069	11 Jan 1979	Agricultural Crop of Economic Value
CL 115415668	4 Jan 2000	Agricultural Crop of Economic Value
CL 115415659	4 Jan 2000	Agricultural Crop of Economic Value
CL 115415640	31 Mar 2000	Agricultural Crop of Economic Value
CL 115415631	4 Jan 2000	Agricultural Crop of Economic Value
CL 115415677	25 Jan 2000	Agricultural Crop of Economic Value
CL 115403112	26 Oct 1992	Oil Palm
CL 115403131	26 Oct 1992	Oil Palm
CL 115403140	26 Oct 1992	Oil Palm
CL 115403159	26 Oct 1992	Oil Palm
CL 115403168	26 Oct 1992	Oil Palm
CL 115403117	26 Oct 1992	Oil Palm

All staffs or workers working in the boiler station are found to be qualified. The audit team notes that all of them has undergone assessment and has been approved by the Department of Occupational Safety and Health (DOSH) in compliance with the Regulation No. 5(2) Factory and Machinerics (Competency Approval-Examination) Regulations, 1970. Examples of approvals verified are as follows:

- Enggal Yassin – Approval No. H/ED/67/93 dated 22 Sept 1993 (Boilerman); and
- Jamal Mohamad Nasir - Approval No. H/ED/59/08 dated 30 Oct 2008.

Besides the above, there is an Audiometric Testing Programme conducted to all workers stationed at high pitch area such as oil extraction station, kernel plant, press station, boiler plant, and engine room and water treatment. Latest programme conducted in 13 April 2017 resulted in out of 43 workers inspected, 38 of them have been declared as exposed to high pitch area (as mentioned above) with a

Principle 2: Compliance with Applicable Laws and Regulations		
<p>decibel above 85dB with normal hearing. 5 of the workers have been declared as having hearing impairment. All workers have been recommended to conduct the test to monitor their hearing loss status as per required within the Regulation 22(b) of the Factories and Machinery (Noise Exposure) Regulation, 1989.</p> <p>In addition, the Audiometric Testing Programme also resulted in the following recommendation from the occupational health doctor:</p> <ul style="list-style-type: none"> • Strict implementation and supervision on PPE and SOP to the employees exposed to noise; • Information and training and retraining pertaining to safe working environment shall be conducted at regular interval; • Workers with “Hearing Impairment” shall: <ul style="list-style-type: none"> ○ Strictly use Hearing protection devices; ○ Must be closely monitored by the supervisor; ○ Must be sent or attend information, instructions and training on noise and PPE; ○ Must be aware of his responsibility on occupational safety and health; ○ Must undergo an annual audiometric test. • Baseline audiometric test shall be done to all new workers within 6 month from the date of their employment; and • Annual audiometric test shall be done yearly to all workers exposed to noise level as follows: <ul style="list-style-type: none"> ○ Above Noise Action Level (>85dB) in Noise Monitoring Report; ○ Above the Permissible Exposure Limit (PEL) in Noise Monitoring Report; ○ Listed as having Hearing Impairment; ○ Listed as having High Tone Hearing Loss; and ○ Listed as having Standard Threshold Shifts. <p>The auditor has sampled and interviewed several workers whom have undergone the test during the field visit and the result of the interview confirmed that they have undergone the test in 2017. In addition, the interview also confirmed all recommendations made by the occupational health doctor conducting the test where they are strictly required to wear hearing protection devices.</p> <p>Despite the above, some of the requirements stipulated in mill DOE’s license (#003528) are not complied by the POM as follows:</p> <ul style="list-style-type: none"> • (5) effluent final discharge point was not labelled with “TAKAT PELEPASAN” (Emission Rate) • (9) the mill has installed overflow pipes at the last trenches of the land irrigation system to let the effluent flow out from the trenches to the environment • (16) no stack sampling was conducted in 2015 while there is only one stack sampling was conducted in 2016 • (29) No evidence that boundary noise test has been done • (37) No evidence that the location plan of water sampling stations at Koyah River has been agreed by the Dept. of Environment. <p>Major NCR 01.</p>		
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained	Minor
Findings		Comply?
<p>A system for maintaining and updating the legal requirements has been established as per in the SOP document entitled Legal Compliance System (Ref. No. A 4.1.1) dated 1 Jan 2015.</p> <p>Observed that the procedure specifies the personnel in-charge for managing and maintaining the system i.e. Plantation Admin (Manager) (reflected in Section 5 of the SOP).</p> <p>Set of legal documents and comprehensive list of international, national, sub-national and provincial</p>		Yes

Principle 2: Compliance with Applicable Laws and Regulations																																									
laws which details the requirements of company's operations is also available and specified in the document List and Summary of Applicable Laws and Regulations (SOP Ref No.: 2.0) dated 1 Jul 2017.																																									
The above document is found to be compiled and maintained at both Haranky Estates and Haranky POM.																																									
2.1.3	A mechanism for ensuring compliance shall be implemented	Minor																																							
Findings		Comply?																																							
The level of compliance of the laws and regulations are monitored through the internal auditing process performed by the Regional Office. Based on records, the latest internal audit was conducted on 5 to 9 June 2017 and that there are no non-compliances issued with respect to the implementation and maintenance of the compliance against laws and legislation.		Yes																																							
2.1.4	A system for tracking any changes in the law shall be implemented	Minor																																							
Findings		Comply?																																							
Personnel in-charge for managing and maintaining the system which also includes tracking for any changes of the laws have been appointed i.e. Plantation Admin (Manager) as per in Section 5 of the SOP (specified earlier). The audit team observed that the list of laws has been periodically updated based on the input and updates received from the LawNet which is the governing body responsible for updating and providing the latest laws and regulations in Malaysia.		Yes																																							
Criterion 2.2:																																									
The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.																																									
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																																							
Findings		Comply?																																							
Land title is also found to be maintained for both estates within the Registers of Legal Land Titles dated 1 February 2013 with the list are as follows:		Yes																																							
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As far as customary land is concerned, There is no customary land identified within the estates audited.																																									
Procedure wise, all Customary use of land for community purposes shall be identified either on maps (places of worship, burial grounds, and archaeological site) and shall be maintained.																																									
2.2.2	Legal boundaries shall be clearly demarcated and visibly maintained.	Minor																																							
Findings		Comply?																																							
Overall, the auditor observed that the estates occupation and operation comply with the terms of the land title. Boundary markers at all estates are visible and clearly marked.		Yes																																							
Verification during the field visit confirmed that the boundary markers are well maintained and placed on the ground.																																									
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																																							
Findings		Comply?																																							

Principle 2: Compliance with Applicable Laws and Regulations		
There is no disputes arises with respects to land acquisition.		Yes
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
Findings		Comply?
There is no disputes arises with respects to land acquisition.		Yes
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 neighboring communities where applicable).	Minor
Findings		Comply?
There is no disputes arises with respects to land acquisition.		Yes
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
Findings		Comply?
Verification during the audit confirmed that there is no evidence that Kwantas instigated violence in maintaining peace and order in Haranky's operations. Interview with the workers during the audit also confirmed the above.		Yes
Criterion 2.3:		
Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.		
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 neighboring communities where applicable, and relevant authorities).	Major
Findings		Comply?
Haranky does not have any land disputes. However, the company has established a system to resolve land disputes which is documented in Land Conflict Management Procedures (ref. No.: A 4.3.2) dated 1 Jan 2015.		Yes
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: 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; 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; 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.	Minor
Findings		Comply?
Haranky does not have any land disputes.		Yes
2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	Minor
Findings		Comply?
Haranky does not have any land disputes.		Yes
2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.	Major

Principle 2: Compliance with Applicable Laws and Regulations	
Findings	Comply?
Haranky does not have any land disputes.	Yes

Principle 3: Commitment to Long-Term Economic and Financial Viability

Principle 3: Commitment to Long-Term Economic and Financial Viability																																																				
<p>Criterion 3.1:</p> <p>There is an implemented management plan that aims to achieve long-term economic and financial viability.</p>																																																				
3.1.1	<p>A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.</p> <p style="text-align: right;">Major</p>																																																			
Findings																																																				
<p>Business or management plan is generally portrayed in the annual budget for both estate and mill. The annual budget with a 3 years projection is made available for verification as follows:</p> <table border="1"> <thead> <tr> <th>Details</th> <th>Management Units</th> <th>2017/18</th> <th>2018/19</th> <th>2019/20</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Crop projection</td> <td>Haranky 1</td> <td>21.00</td> <td>25.88</td> <td>23.41</td> </tr> <tr> <td>Haranky 2</td> <td>31.89</td> <td>32.61</td> <td>33.26</td> </tr> <tr> <td rowspan="2">RM/mt</td> <td>Haranky 1</td> <td>mature = RM213.44</td> <td>mature = RM203.44</td> <td>mature = RM199.75</td> </tr> <tr> <td>Haranky 2</td> <td>RM154.83</td> <td>RM156.77</td> <td>mature = RM153.01</td> </tr> <tr> <td rowspan="2">RM/Ha</td> <td rowspan="2">Haranky 1</td> <td>mature = RM4,483.20</td> <td>mature = RM4,611.15</td> <td>mature = RM4,677.03</td> </tr> <tr> <td>immature = RM5,253.93</td> <td>immature = RM4,932.13</td> <td>immature = RM11,112.34</td> </tr> <tr> <td></td> <td>Haranky 2</td> <td>RM4,954.30</td> <td>RM5,147.05</td> <td>RM5,114.10</td> </tr> <tr> <td>OER</td> <td>Haranky POM</td> <td>21.00</td> <td>21.00</td> <td>21.00</td> </tr> <tr> <td>mt CPO (including 3rd parties)</td> <td>Haranky POM</td> <td>48,300 mt</td> <td>48,300 mt</td> <td>48,300 mt</td> </tr> <tr> <td>mt PK (including 3rd parties)</td> <td>Haranky POM</td> <td>12,650 mt</td> <td>12,650 mt</td> <td>12,650 mt</td> </tr> </tbody> </table> <p>For monitoring purpose, Monthly Progress Reports for estate and mill are sent to Plantation Analysis Department to monitor the expenditure report against the budget. The progress report outlined information about production report, to-date expenses (RM/mt, RM/Ha). The progress report is found to be reviewed by the Sr. Analysis Manager of which some may requires justification and response from the estate's PIC. The estate's PIC will then have to response by giving their justification within the stipulated timeframe.</p> <p>Example of the verified progress report during the audit i.e. Verified Analysis Findings on March 2017 accounts from the Plantation Analysis Dept. Based on the report, the audit team observed that the feedback for April & May 2017 has been responded by the estate accordingly within the given timeframe.</p>		Details	Management Units	2017/18	2018/19	2019/20	Crop projection	Haranky 1	21.00	25.88	23.41	Haranky 2	31.89	32.61	33.26	RM/mt	Haranky 1	mature = RM213.44	mature = RM203.44	mature = RM199.75	Haranky 2	RM154.83	RM156.77	mature = RM153.01	RM/Ha	Haranky 1	mature = RM4,483.20	mature = RM4,611.15	mature = RM4,677.03	immature = RM5,253.93	immature = RM4,932.13	immature = RM11,112.34		Haranky 2	RM4,954.30	RM5,147.05	RM5,114.10	OER	Haranky POM	21.00	21.00	21.00	mt CPO (including 3 rd parties)	Haranky POM	48,300 mt	48,300 mt	48,300 mt	mt PK (including 3 rd parties)	Haranky POM	12,650 mt	12,650 mt	12,650 mt
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3.1.2	<p>An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.</p> <p style="text-align: right;">Minor</p>																																																			
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<p>Annual replanting programmes projected for five years are available for both estates. Cross refer to Section 1.4.2</p> <p style="text-align: right;">Yes</p>																																																				

Principle 4: Use of Appropriate Best Practices by Growers and Millers

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
Criterion 4.1:		
Operating procedures are appropriately documented, consistently implemented and monitored.		
4.1.1	Standard Operating Procedures (SOPs) for estates and mills shall be documented.	Major
Findings		Comply?
<p>The company has established a SOP for the estate plantations as evident in Oil Palm Agricultural Policy (May 2008). The documents covered all key processes in plantation such as:</p> <ul style="list-style-type: none"> a. Development and Land Clearing b. Nursery c. Planting and Supplying d. Upkeep and Maintenance e. Harvesting and Production <p>At the POM, all procedures at every process have been established as evident in Production Control Process Flow (K-PF-QMS-HPO-001). The documents has covered all operations such as:</p> <ul style="list-style-type: none"> a. FFB Receiving b. Spherical Sterilizer c. Digester d. Decanter <p>Copy of the procedure is available in both estates (Haranky 1 & 2) and POM. It is established in English and Malay. The SOP has been displayed at all points of use.</p> <p>Implementation and maintenance of the GAP is verified during Plantation Admin Department (PAD) every 6 months. However, monthly monitoring is conducted by analysis department. Latest PAD Audit Report is evident in KCB/HKY(01)-20/2017 dated 19 Jun 2017. The audit has been conducted on 5-9 Jun 2016. Routine monthly analysis has been conducted on 24 May 2017.</p> <p>The estate is regularly conducted training on all activities in the estate according to the GAP. Latest training session has been conducted on 8 May 2017 by Tn. Hj. Patolai Mencing for all field staffs and assistant manager. Field training conducted for all workers has been made on 28 May 2017.</p> <p>For the POM, training on SOP has been conducted as per OSH Plan. For example:</p> <ul style="list-style-type: none"> a. SOP Stesen Threshing (17.07.2017) – Elvise Johnny b. SOP Stesen Sterilizer (30.05.2017) – Elvise Johnny 		Yes
4.1.2	A mechanism to check consistent implementation of procedures shall be in place	Minor
Findings		Comply?
<p>Master list of all SOP is evident in Oil Palm Agricultural Policy (May 2008). The GAP is currently under reviewed process by Plantation Analysis Department (PAD). In the POM, the master lists of all SOPs are made available in Production Control Process Flow (K-PF-QMS-HPO-001). All documents revisions are clearly recorded in Document Revision History.</p> <p>All activities are closely monitored by the estate management, for example harvesting, manuring and weeding.</p> <p>Example of activities being evaluated are manuring and harvesting. It is evaluated by Field Staff, Cadet, and Estate Manager and verified by Quality Assessor. The evaluation has been made using Harvesting Inspection Record and Manuring Inspection Record (daily).</p> <p>Example of inspection record in the estate verified during the audit are:</p> <ul style="list-style-type: none"> a. 29 Jun 2017(Harvesting) b. 05 Jul 2017 (Harvesting) c. 09 Jul 2017 (Harvesting) d. 20 Jun 2017 (Manuring) e. 15 & 18 Jun 2017 (Manuring) <p>Routine audit to ensure all activities in the plantation are conducted according to the GAP is conducted by Plantation Admin Department (PAD). Latest audit has been conducted on 5-9 Jun 2017.</p> <p>The company has appointed external 3rd parties expert (IR KP Chow) for the machineries inspection. Internally, Kwantas group has conducted regular Operation Audit conducted by Operational Unit from Regional Office (Lahad Datu) to evaluate the implementation of company SOP and best practices. Latest operational audit conducted on 11-20 Apr 2016 as evident in audit report (KCB/HPOM(01)-</p>		Yes

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
005/2016).		
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate	Minor
Findings		Comply?
Monitoring of GAP implementation is made by Plantation Admin Department (PAD) and presented by Audit Report. Latest audit has been conducted on 5-9 Jun 2017. Result of the audit has been recorded in the Audit Findings and being responded by the estate in July 2017.		Yes
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB).	Major
Findings		Comply?
<p>The POM has established a SOP for third party FFB sourcing in Receiving Third Party Sourced FFB (A 7.1.1).</p> <p>Approved third party FFB suppliers are listed in FFB Supplier License List. There are 55 third parties suppliers registered in the mill on the date of audit. All FFB received from third parties will be recorded in Non-RSPO Record Book.</p> <p>Evaluation made on the record confirmed that the SOP has been implemented. For example, there is 568.360MT FFB received from external suppliers on 25 Jul 2017. The POM has practiced a Test Sheet of Mass Balance Table which recorded incoming and outgoing "Sustainable" and Non-Sustainable FFB, CPO and PK.</p>		Yes
Criterion 4.2:		
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
Findings		Comply?
<p>Section 4.9: Manuring of the GAP has been established to ensure oil palm and soil fertility. The GAP has clearly explained the Manuring Schedule for Immature Palms. For example:</p> <p>a. RP: 0.50kg/palm b. SOA: 0.20kg/palm c. MOP: 1.00kg/palm</p> <p>The SOP has been presented and trained to all workers during Estate KPI 2017 (8 Apr 2017). Implementation of the SOP/KPI has been verified using Manuring Inspection Record.</p> <p>Soil sampling has been conducted on 5 Jul 2017 by Mr. Patolai Mencing and being analysed by KDC Lab. Result has not been published. Fertilizer recommendations are made based on Leaf Sampling result dated 28 Mar 2017.</p> <p>Leaf analysis has been conducted by KDC Laboratory. Fertilizer recommendation is referred in a report provided by Mr. Foong Sang Foo (Consultant) as evident in Fertilizer Recommendation for Haranky 1 Estate (Jul 2017 to Jun 2018). For example:</p> <p>a. Block 18:</p> <ul style="list-style-type: none"> • SOA (3.75kg/palm) • RP (1.50kg/palm) • MOP (1.75kg/palm) <p>b. Block 6:</p> <ul style="list-style-type: none"> • SOA (2.00kg/palm) • RP (2.00kg/palm) • MOP (2.00kg/palm) <p>c. Block 15:</p> <ul style="list-style-type: none"> • SOA (2.00kg/palm) • RP (1.75kg/palm) • MOP (1.75kg/palm) <p>The production unit is implementing manuring program according to the fertilizer recommendation.</p>		Yes

Principle 4: Use of Appropriate Best Practices by Growers and Millers																		
For example as below:																		
	<table border="1"> <thead> <tr> <th>Block No.</th> <th>Fertilizer Type</th> <th>Recommend (kg/palm)</th> <th>Actual (kg/palm)</th> </tr> </thead> <tbody> <tr> <td>7</td> <td>MOP (Apr 17)</td> <td>2.0 (Apr 17)</td> <td>2.0 (May 17)</td> </tr> <tr> <td>14</td> <td>SOA (Feb 17)</td> <td>1.75 (Feb 17)</td> <td>NPK 3.0 (Apr 17)</td> </tr> <tr> <td>12</td> <td>SOA (Jun 17)</td> <td>1.75 (Jun 17)</td> <td>NPK 1.5 (Mar 17)</td> </tr> </tbody> </table>	Block No.	Fertilizer Type	Recommend (kg/palm)	Actual (kg/palm)	7	MOP (Apr 17)	2.0 (Apr 17)	2.0 (May 17)	14	SOA (Feb 17)	1.75 (Feb 17)	NPK 3.0 (Apr 17)	12	SOA (Jun 17)	1.75 (Jun 17)	NPK 1.5 (Mar 17)	
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4.2.2	Records of fertilizer inputs shall be maintained.	Minor																
Findings		Comply?																
<p>Records of fertilizer inputs are maintained by the production unit ad traceable using Fertilizer Program > Daily Muster Chit > Stock Card. For example:</p> <p>a. Haranky 1: Block 13</p> <ul style="list-style-type: none"> • Program: Jun 2017 (MOP=280bags) • Realization: 21, 22 and 29 Jun 2017 • Total bags applied: 280 bags <p>b. Haranky 2</p> <ul style="list-style-type: none"> • Program: Jun 2017 (MOP=172bags) • Realization: 20 Jun 2017 • Total bags applied: 172 bags <p>Application of fertilizer has been made in accordance to fertilizer recommendation report (by Mr. Foong Sang Foo). The production unit has monitored and recorded fertilizer usage per ton FFB production in Fertilizer per FFB (Haranky 1 & 2) for Period of Jul 2016 to Jun 2017 as below:</p> <p>a. Haranky 1:</p> <ul style="list-style-type: none"> • SOA: 0.32kg/MT FFB • MOP: 0.30kg/MT FFB <p>b. Haranky 2:</p> <ul style="list-style-type: none"> • SOA: 0.36kg/MT FFB • MOP: 0.36kg/MT FFB 		Yes																
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status	Minor																
Findings		Comply?																
<p>The company has established a procedure for tissue sampling (leaf analysis) as evident in Oil Palm Leaf Sampling (PLANT ADMIN/007). Frequency of the leaf sampling is once a year.</p> <p>Latest leaf sampling has been conducted on 28 Mar 2017 (ADM/17/L012). The audit team confirmed that leaf sampling has been conducted once a year whereby the previous sampling has been conducted on 11 Mar 2016 (ADM/16/L025&L034). Result of the leaf analysis has been incorporated into manuring program by appointed consultant.</p>		Yes																
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																
Findings		Comply?																
<p>The company has practice FFB Fibres application in field as nutrient recycling program. It is evident in EFB Fibre Application Program (rate: 100MT/Ha). For example, block 4 (67.77Ha) is planned to be applied with 6577MT fibres. As of Jun 2017, block 4 has been applied with 427.61MT (below target).</p> <p>Although there is no clear target for the application of EFB, Fibres or POME, the company has determine optimum dosage per hectare as below:</p> <p>a. EFB: 50MT/Ha b. Fibre: 100MT/Ha c. POME: 3MT/Ha</p>		Yes																
Criterion 4.3:																		
Practices minimize and control erosion and degradation of soils.																		
4.3.1	Maps of any fragile soils shall be available	Major																
Findings		Comply?																
Topography Map for both estates is available. There are no areas with slope greater than 25° in Haranky 1 & 2 Estate. There is no fragile soil is available in both estates.		Yes																

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
Topography map for both estates has been prepared based on scale of 1:16,000.		
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
Findings		Comply?
There is no steep slope identified in both estates. However, based on GAP, the company has established an Environmental Management Plan which clearly stated that: a. No development shall be done on slopes >25° b. Slope 12°-20° should be terraced for better result in the field. Section 3.4: Classification of Slopes in GAP also explained the management plan for planting on slopes. Site inspection confirmed no areas with slope >25° available in both estates.		Yes
4.3.3	A road maintenance programme shall be in place.	Minor
Findings		Comply?
Road maintenance program FY2016/2017 is made available during the audit. The activities included in road maintenance programme: a. Grading b. Graveling c. Patching All road maintenance program conducted are recorded in Road Maintenance Program. The programs are supported with financial budget. Latest road maintenance activities conducted in May 2017. For financial year 2016/2017, the company has allocated budget of RM133,452.00 for Road Bridge Maintenance. At the end of FY2016/2017 (Jun 2017), the company has utilized RM201,163.72.		Yes
4.3.4	Subsidence of peat soils shall be minimized and monitored. A documented water and ground cover management programme shall be in place.	Major
Findings		Comply?
There is no peat soil identified in both estates.		Yes
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
Findings		Comply?
There is no peat soil identified in both estates.		Yes
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
Findings		Comply?
There is no problematic soil identified in both estates (Haranky 1 & 2). Both estates consist of Kretam and Rumidi soil types.		Yes
Criterion 4.4:		
Practices maintain the quality and availability of surface and ground water.		
4.4.1	An implemented water management plan shall be in place.	Minor
Findings		Comply?
The company has established a water management plan as evident in Water Management Plan (Haranky Estate & Haranky Palm Oil Mill). The plan has included: a. Identification of water courses • Water catchment (3 Ponds) • Rainwater Harvesting b. Renewability of Water source is evident as both sources are collected from natural waterways and rain. c. The company has conducted a study on water requirements per person per day according to Human Water per Capita (200L/person/day). Based on the study conducted, total water requirement for domestic usage in 2016 is 55,620m ³ , however, the production unit only managed		Yes

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
	<p>to supply 26,788.04m³ in the same period.</p> <p>d. The production unit has established a water management plan which included:</p> <ul style="list-style-type: none"> • Alternative Water Sources • Riparian/Buffer • Water Catchment Pond and Waterways • Drinking Water • Palm Oil Mill Effluent • Sewage and Sanitation <p>There is no evidence of any dams constructed across the production unit. Water quality for water flowing through the estate has been evaluated based on 7 sampling points. Sampling points are map accordingly in the water management plan. Latest water sampling has been conducted on 13 May 2017. Result of water analysis is evident in Certificate of Analysis:</p> <p>a. 20170513/09A – W1 b. 20170513/09B – W2 c. 20170513/10A – W3 d. 20170513/10B – W4</p> <p>All parameters inspected from the lab have been verified against National Water Quality Standard (NWQS). It was found that all water samples meet Class IIA: Conventional Treatment Required.</p> <p>The production unit are monitoring rainfall data as evident in Rainfall Record. Result recorded are:</p> <p>a. FY2014/2015: 2242mm/year b. FY2015/2016: 1683mm/year c. FY2016/2017: 2837mm/year</p> <p>Site inspection conducted at Block 14 and 15 of Haranky 1 estate confirmed that riparian along stream are well maintained. There is signage to prevent any illegal activities (e.g.: burning, spraying, manuring, fishing) within the area. It is also sighted that riparian area has been clearly marked with Red Paint at last palm stand (5 metres). A map showing location and area reserve for riparian area is available.</p>	
4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.	Major
Findings		Comply?
	<p>The company has identified watercourses available within the plantation area. There are 3 natural water catchment identified and being utilized for domestic usage.</p> <p>Field verification has been made to all water catchment (Block 1, Block 20 and Block 22) confirmed that the area are protected. No activity (except harvesting FFB) is allowed within 20m from the water catchment.</p> <p>SOP for riparian maintenance is evident in Surface and Groundwater Management (SOP: 4.3). Site inspection conducted at Block 14 and 15 of Haranky 1 estate confirmed that riparian along stream are well maintained. There is signage to prevent any illegal activities (e.g.: burning, spraying, manuring, fishing) within the area. It is also sighted that riparian area has been clearly marked with Red Paint at last palm stand (5 metres). A map showing location and area reserve for riparian area is available.</p>	Yes
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
Findings		Comply?
	<p>The POM has established a SOP for effluent treatment process as evident in Work Instruction for Effluent Treatment (K-WI-QMS-HPO-019). Person in charge for the effluent treatment is Mr. Jusman (Lab In-Charge); Jamaludin Laijo (Operator). Training for person in charge has been provided on 8 Nov 2016.</p> <p>In practice, the POM has monitored final discharge quality (BOD) as required by <i>Jadual Pematuhan, Jabatan Alam Sekitar</i> [Department of Environment's (DOE's) Compliance Schedule] (ASSH(B)31/152/000/142). Sampling activities for the discharge quality is conducted by appointed external party, Dkesh Resources. Samples are taken every month and submitted to Department of Environment (DOE) as required in <i>Jadual Pematuhan</i> [Department of Environment's (DOE's) Compliance Schedule]. Latest sampling has been conducted on 2 Jun 2017.</p> <p>Results of the samples (3 points) have been submitted to DOE on 3 Jul 2017. Result for final discharge in Jun 2017 is 29.4mg/L; which above the approved level required by DOE (20mg/L). As part of the improvement plan, the POM has initiated new treatment process using OXYNOL-S to</p>	Yes

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
reduce the BOD level since Jun 2017. Report of the implementation of OXYNOL-S Test (by OXYNOL Malaysia Sdn Bhd) has been made available to auditor during the audit.		
The POM is holding valid license for treatment, discharge and land application of mill effluent as evident in <i>Syarat-Syarat Lesen Premis Minyak Kelapa Sawit Mentah</i> (Preconditions for Licensing of Palm Oil Mill) [ASSH(B)31/152/000/142].		
4.4.4	Mill water use per ton of fresh fruit bunches [FFB] - see criterion 5.6 - shall be monitored.	Minor
Findings		Comply?
The POM monitored mill water usage for the processing activities. Water consumption is monitored in Water Usage Mill as stated in Water Management Plan (Haranky Estate & Haranky Palm Oil Mill).		Yes
Record of water usage per MT FFB processed are as below:		
a. Jan 2017: 1.19m ³ /MT FFB		
b. Mar 2017: 1.24m ³ /MT FFB		
c. Jun 2017: 0.96m ³ /MT FFB		
Criterion 4.5:		
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
Findings		Comply?
The company has documented an Integrated Pest Management Procedure (SOP: 4.5). The procedure has included:		Yes
a. Identification (Census)		
b. Implementation & Monitoring		
c. Review		
The IPM treatment program has included:		
a. Spraying		
b. Trunk Injection		
c. Rat Baiting		
As part of biological control, the production unit promoted planting of beneficial plant and barn owl. Field inspection sighted that beneficial plant has been planted along main road as per program (50m/point). As of date of audit, Haranky 1 estate has established 50 points (out of 100 points) of beneficial plants.		
The production unit has set up target for barn owl 1 barn for every 20Ha (15 barns for Haranky 1 and 10 barns for Haranky 2). As of the date of the audit, the production unit has installed 1 barn in Haranky 1 and 1 barn in Haranky 2.		
There is no major outbreak reported in the estate. Major pest reported is rat damage. The production unit has conducted census to monitor rate of pest as evident in Rat Baiting Record. The company has set threshold level of >20% damage to begin rat baiting program. Sample of census conducted as below:		
a. Block 19		
• Census Date: 27 Mar 2017		
• Attack: 47%		
• Round 1 (100%): 3 May 2017 (100%)		
• Round 2 (70%): 7 May 2017 (77%)		
• Round 3 (40%): 11 May 2017 (38%)		
• Round 4 (20%): 17 May 2017 (16%)		
b. Block 04		
• Census Date: 26 Mar 2017		
• Attack: 57%		
• Round 1 (100%): 4 May 2017 (100%)		
• Round 2 (70%): 8 May 2017 (70%)		
• Round 3 (40%): 12 May 2017 (40%)		
• Round 4 (20%): 16 May 2017 (18%)		
c. Block 06		
• Census Date: 23 Mar 2017		
• Attack: 68%		
• Round 1 (100%): 8 May 2017 (100%)		
• Round 2 (70%): 12 May 2017 (70%)		

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	<ul style="list-style-type: none"> Round 3 (40%): 16 May 2017 (39%) Round 4 (20%): 22 May 2017 (17%) 	
4.5.2	Training of those involved in IPM implementation shall be demonstrated.	Minor
Findings		Comply?
<p>The production unit has established annual training plan as evident in RSPO Annual Training Programme. Latest IPM training has been conducted by Mr. Mohd Badrul Nizam on 23 May 2016. The training has been attended by 22 personnel including general workers. Next IPM training is planned to be conducted in Aug 2017.</p> <p>The training record is evident in Minit Mesyuarat IPM which includes the training report, training materials and attendance list.</p>		Yes
Criterion 4.6:		
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
Findings		Comply?
<p>The company has established and promoted safe working procedure as evident in <i>Prosedur Kerja Selamat (Penyembur Racun)</i> [Safe Operating Procedures (Pesticide Sprayers)]. The procedure has included:</p> <ol style="list-style-type: none"> Protective Equipment (PPE) Calibrations Method of Applications Chemical Handling <p>Training on safe use and handling of chemicals has been conducted on 15 Jul 2017. The training has been conducted by Mr. Elvise M.S. Johny (Safety Officer).</p> <p>The production unit has established a Justification on Agrochemicals Used (SOP: 4.6) for target species. Example of chemicals listed are:</p> <ol style="list-style-type: none"> Ken-Glyphosate (<i>Imperata cylindrica, Pennisetum sps</i>) Amine (<i>Asystassia</i>) Kenlyy (woodies and broad leaves) Matikus/Arakus (rat baits) <p>The plan to minimize usage of chemicals is by maintaining circle spraying in immature field and strip spray at 2 rounds per year. Implementation of Rat Baiting is evident during the audit.</p> <p>All chemicals stored in the production units are recorded in Register of Chemicals Hazardous to Health. The register has been JKPP in Feb 2016. The list has included:</p> <ol style="list-style-type: none"> Class 1: Paraquat Class 3: Glyphosate, Arakus, Kenlon 		Yes
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
Findings		Comply?
<p>The production unit has established a spraying program in both estates as evident in Work Programme 2017/2018. Spraying program for immature area is 8 rounds/year and 3 rounds/year for mature area. As part of chemical reduction plan, campaign for spraying in FY2017/2018 has been reduced to 6 rounds/year (immature) and 3 rounds/year (mature).</p> <p>Records of pesticides/weedicide use are available in Material Application for Field Usage and Daily Work Control Sheet. Example of application recorded are:</p> <ol style="list-style-type: none"> Block: 09 (Immature) <ul style="list-style-type: none"> Chemical Type: Ken-Glyphosate (41%) Volume: 26.56 Liters Date Applied: 1 Jun 2017 Block: 10 (Immature) <ul style="list-style-type: none"> Chemical Type: Ken-Glyphosate (41%) Volume: 29.39 Liters Date Applied: 1 Jun 2017 <p>The production unit has recorded to a.i used per hectare in FY2016/2017. Example of the recorded</p>		Yes

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
	a.i used is: a. Glyphosate: 1.0662 a.i/ha b. Paraquat: 0.0028 a.i/ha c. Dimethylamine: 0.3813 a.i/ha	
4.6.3	Any use of pesticides shall be minimized 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
Findings		Comply?
	The company has documented an Integrated Pest Management Procedure (SOP: 4.5). The procedure has included: a. Identification (Census) b. Implementation & Monitoring c. Review The IPM treatment program has included: a. Spraying b. Trunk Injection c. Rat Baiting As part of biological control, the production unit promoted planting of beneficial plant and barn owl. Field inspection sighted that beneficial plant has been planted along main road as per program (50m/point). As of date of audit, Haranky 1 estate has established 50 points (out of 100 points) of beneficial plants. It was sighted during the audit.	Yes
4.6.4	Pesticides that are categorized as World Health Organization 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 minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances.	Minor
Findings		Comply?
	All chemicals stored in the production units are recorded in Register of Chemicals Hazardous to Health. The register has been JKKP in Feb 2016. The list has included: a. Class 1: Paraquat b. Class 3: Glyphosate, Arakus, Kenlon Records of chemicals application is monitored in Monitoring of Chemical Usage Record 2016. As of the date of audit, the production unit still holds a stock of 148.35 Litres of Paraquat dichloride (Class 1). There is evidence showing commitment of the company to reduce the usage of Class 1 signed by Mr. Mohd Badrul. This has been verified against no new purchased been made on any Class 1 chemicals. Verification on inventory in chemicals store confirms that the remaining stock for Class 1 chemicals (Paraquat) is 148.35 Litres.	Yes
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
Findings		Comply?
	SOP for chemicals handling is evident in <i>Prosedur Kerja Selamat (Penyembur Racun)</i> [Safe Operating Procedures (Pesticide Sprayers)]. Training on safe use and handling of chemicals has been conducted on 15 Jul 2017. The training has been conducted by Mr. Elvise M.S. Johny (Safety Officer) in Malay Language. Interview conducted with sprayers confirm that they are aware of all safety measures to be implemented during applying chemicals. Although no spraying activities sighted during the audit, interview conducted by the spraying gang (Lina Magang, Alimudin Basri, Oktavianus) confirms that they has been trained on the following items: a. <i>Prosedur Kerja Selamat (Penyembur Racun)</i> [Safe Operating Procedures (Pesticide Sprayers)] b. <i>Bahaya Kimia yang Digunakan</i> (Danger of Chemicals) /CSDS/MSDS/SOP Briefing (20 Apr 2016) All MSDS for pesticides used are readily available for reference. Copies of MSDS are kept in chemical store and office. Example of available MSDS are:	Yes

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
	<p>a. 2,4D-dimethylamine (60%) b. Paraquat dichloride (13%) c. Metsulfuron methyl (20%)</p> <p>Interview conducted with sprayer gang confirms that they have been provided with appropriate and safe application equipment (Conventional Knapsack Sprayer) such as cotton and rubber gloves, respiratory mask, apron, rubber boot and goggle.</p> <p>PPE provided for all sprayers are recorded in Record of PPE Received & Issued. Verification of PPE issuance for Lina Magang and Sul Sanu (Sprayers) confirms that they have been provided with PPE and replaced without any charges. Field staff is responsible to monitor the usage of PPE on-site. All workers are checked whether sprayers are wearing PPE properly every time they are doing work as per PPE Checklist.</p>	
4.6.6	Storage of all pesticides shall be according to recognized best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3).	Major
Findings		Comply?
<p>The production unit has established a SOP for pesticide storage as evident in <i>Prosedur Kerja Selamat Penyimpanan dan Pengurusan Bahan di Stor Bahan Kimia</i> (Safe Operating Procedures Storing and Management of Chemicals in Chemical Store). Site verification conducted at chemical store confirms that all chemical has been stored according to best practice.</p> <p>Empty chemicals containers are properly stored in a locked area. It has been clearly labelled and triple rinsed. Site inspections confirmed that no empty chemicals containers being used indiscriminately/disposed in the field. Result from interview with Alimuddin Basri (Mandor for Spraying) confirmed that he is responsible to do the triple rinse before keeping in empty chemical containers store.</p>		Yes
4.6.7	Application of pesticides shall be by proven methods that minimize risk and impacts.	Minor
Findings		Comply?
<p>Work instruction for pesticides application has been clearly explained in <i>Prosedur Kerja Selamat Menyembur Racun</i> [Safe Operating Procedures Spraying].</p> <p>Although no spraying activities conducted during the audit, it was confirmed that all sprayers has been trained with safe working procedures (spraying). Training records confirmed that new workers in spraying gang, Sul Sanu (3 months joining sprayer gang) has participated in training conducted on 15 Jul 2017. Earlier, he has been provided with training <i>Penerangan Pengendali Racun & Baja</i> (Briefing on Chemical & Fertilizer Handling) conducted by Mr. Elvise on 26 Apr 2017.</p> <p>Verification during the audit confirmed that the dosage of chemical applied by sprayer are in accordance with the given label and instruction.</p>		Yes
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
Findings		Comply?
No aerial spray has been conducted in the area.		n.a
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
Findings		Comply?
<p>There is no associated smallholder involved in the production unit.</p> <p>All workers handling pesticides are regularly trained with safe working procedure. Example of latest training conducted for sprayers has been conducted on 17 May 2017. The training has been conducted by Mr. Elvise M.S. Johnny (Safety officer). Training materials has been evaluated and made available during the audit.</p> <p>Result from interview conducted with the spraying gang confirmed that they understood the safe working practices introduced by the production unit.</p>		Yes
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
Findings		Comply?

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
	<p>The production unit has established Waste Management Plan (SOP: 5.3) which identified sources and type of waste, category and responsible person. The plan has included management of:</p> <ol style="list-style-type: none"> a. Domestic Waste <ul style="list-style-type: none"> • Recyclable • Non-Recyclable b. Schedule Waste <p>Training on waste management has been conducted on 24 Oct 2016. The training has been conducted for all workers at the linesite.</p> <p>However, during inspection at the landfill conducted at Block 17, it is evident that not all waste disposed in the landfill has been segregated. It is evident that schedule waste (lubricant container) and recyclable materials (glass, plastic) been disposed in the landfill which is not compliance with the company's procedures. (Minor NC 02)</p>	No
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.	Major
Findings		Comply?
	<p>List of operators handling the pesticide is available in Summary report Medical Surveillance for April 2017. All workers handling pesticides are required to undergo annual medical surveillance at least once a year.</p> <p>Records of Annual Medical Surveillance are available in Occupational Medical Surveillance Programme Record Book as per Medical Surveillance Program for 2016. The medical surveillance has been conducted by Dr. Mohd Azizan bin Abdul Aziz (OHD: HQ/10/DOC/00/167).</p> <p>The program has listed staffs/workers which should undergo annual medical surveillance for example:</p> <ol style="list-style-type: none"> a. Sprayer b. Manuring c. Storekeeper d. Workshop (Welder) <p>Example of the records conducted on 13 Apr 2017 available for</p> <ol style="list-style-type: none"> a. Lina Magang Petrus (Fit) b. Mariana Mukhsin (Fit) c. Rufinus Igo Watun (Fit) <p>All medical treatments and record of workers handling with pesticides are kept with Hospital Assistant (Ms. Katrina Yunus).</p>	Yes
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women.	Major
Findings		Comply?
	<p>The company has indicated a commitment to prevent pregnant and breast feeding woman from handling pesticides as evident in Employment of Workers/Staff (SOP: 4.6). List of workers handling pesticides is available in Summary report Medical Surveillance for April 2017.</p> <p>The company has a system to monitor pregnancy of workers every 2 months. All workers health record is available in Medical Check Up Form. Test included in routine check-up are Blood Pressure Test and Urine Test (Pregnancy). Site inspection confirms that no pregnant woman is doing work with chemicals.</p>	Yes
Criterion 4.7:		
An occupational health and safety plan is documented, effectively communicated and implemented.		
4.7.1	<p>The health and safety plan shall cover the following:</p> <ul style="list-style-type: none"> • 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
Findings		Comply?
	<p>Policy on health and safety is available in <i>Polisi Keselamatan dan Kesihatan</i>. The policy has been established in English and Malay language. It has been approved by Mr. Steve Kwan on 24 Oct 2014. The policy covered mitigation of risk to all workers at workplace. The policy has been communicated to all workers during induction session and displayed publicly within estate compound.</p> <p>The production unit has established an Occupational Safety and Health Action Plan which indicates the plan to improve occupational health and safety. The plan includes:</p>	Yes

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
	<p>a. OSH Inspection b. OSH Training c. OSH Inspection</p> <p>The OSH Plan has been implemented based on records available in:</p> <p>a. OSH Inspection Checklist (5 May 2017) b. <i>Panduan Senarai Periksa Traktor/Trailer</i> (Guidelines for Checklist for Tractor/Trailer) (daily) c. Checklist for Air Compressor (Jun 2017) d. Monthly Inspection Report Haranky Estate (Jun 2017) e. <i>Senarai Semak Pemeriksaan Kawasan Perumahan</i> (Checklist for Linesite Inspection) (23 Jul 2017-weekly)</p> <p>The OSH plan is made available to all parties upon request. As of the date of audit, the company is meeting the OSH plan as established by the safety committee.</p> <p>At the mill, OSH plan is made available in MPOM & Haranky Mill. The OSH Plan has been approved by mill manager, Mr. Perumal Rajoo on 5 Jan 2017. Monitoring for the implementation of OSH plan is available and recorded; for example:</p> <p>a. Safety and Health Committee Training (27 Jan 2017) b. SOP Kernel Plant (10 Feb 2017) c. SOP Laboratory (14 Jul 2017) d. SOP Sterilizer (30 May 2017)</p>	
4.7.2	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.	Major
Findings		Comply?
	<p>The POM has conducted risk assessment for activities in the mill. Risk analysis has been compiled in Borang HIRARC (HROSHFC.230714.04.V0). The HIRARC has been conducted for activities such as:</p> <p>a. Engine Room b. Spherical Sterilizer c. EFB Press Station d. Workshop e. CPO Dispatch</p> <p>All accident occurred in the POM has been recorded in Accident (and Near Miss) Records. As of Jan-Jun 2017, there are 2 accident cases recorded with total MCs of 2 days. Briefing for other staff to re-fresh safety requirement has been conducted on daily basis during Taklimat Sebelum Memulakan Kerja.</p> <p>Risk analysis for estate operations are recorded in Borang HIRARC. The plan has included for example:</p> <p>a. Sprayer b. Manurer c. Chemical Store d. Driver</p> <p>However, it is evident that not all operations/activities have been conducted by HIRARC (e.g.: field upkeep-slashing; crèche; maintenance of water catchment). (Major NC 03)</p> <p>All relevant workers conducting activities in the estate has been briefed and trained on OSH, HIRARC and safety. Example of recorded training are:</p> <p>a. <i>Taklimat Keselamatan & SOP Menyembur Racun</i> (Briefing on OSH and SOP for Sprayers) (26 Apr 2017) b. <i>Taklimat Keselamatan & SOP Pemungkah Buah</i> (Briefing on OSH and SOP for FFB Loading) (4 May 2017) c. <i>Taklimat Keselamatan & SOP Penuai Buah</i> (Briefing on OSH and SOP for Harvesters) (19 Jan 2017)</p> <p>Site inspection conducted during the audit (Block 13: Harvesting and Upkeep) confirmed that all safety measures has been implemented.</p>	No
4.7.3	All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.	Major
Findings		Comply?

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
	<p>All workers involved in operations at mill are appropriately trained for safe working practices. Example of training conducted is evident, for example as below:</p> <ol style="list-style-type: none"> <i>Taklimat Keselamatan & SOP Kernel Plant</i> (OSH and SOP for Kernel Plant Briefing) (10 Feb 2017) <i>Latihan Memadam Kebakaran</i> (Fire Drill and Fire Extinguishing Training) (23 May 2017) <i>Taklimat Keselamatan & SOP Stesen Spherical</i> (OSH and SOP for Spherical Station) (30 May 2017) <p>The training has been conducted by Mr. Elvise M.S. Johnny (Safety Officer). All workers have been provided with appropriate PPEs to ensure safe working conditions. Interview conducted with Mr. Marlo (Chief Mechanic) and Mr. Enggal Yassin (Boilerman) confirms that he received complete PPE at zero cost to ensure safe working conditions. The POM has also recorded PPEs provided to all workers available in PPE Issuance Record (Stock Card). The audit team found that PPE has been issued for all workers.</p> <p>Site inspection conducted in the POM and estates confirms that all workers are using appropriate PPEs when commencing work.</p> <p>All relevant workers conducting activities in the estate has been briefed and trained on OSH, HIRARC and safety. Example of recorded training are:</p> <ol style="list-style-type: none"> <i>Taklimat Keselamatan & SOP Menyembur Racun</i> (Briefing on OSH and SOP for Sprayers) (26 Apr 2017) <i>Taklimat Keselamatan & SOP Pemungkah Buah</i> (Briefing on OSH and SOP for FFB Loading) (4 May 2017) <i>Taklimat Keselamatan & SOP Penuai Buah</i> (Briefing on OSH and SOP for Harvesters) (19 Jan 2017) 	Yes
4.7.4	The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.	Major
Findings		Comply?
	<p>The company has identified a Safety Officer whom responsible to implement OSH. The identified person is Mr. Elvise M.S. Johnny. His appointment is supported by Appointment Letter dated 8 Jun 2016.</p> <p>At the POM, a Safety Committee has been established which representing employees and employers. The committee is evident in OSH Committee 2017. Regular meeting (every 3 months) has been conducted by the OSH Committee as evident in <i>Mesyuarat Keselamatan & Kesihatan</i> (OSH Meeting). Latest meeting has been conducted on 14 Jul 2017. The meeting has been attended by 16 persons. Agenda of the meeting includes:</p> <ol style="list-style-type: none"> OSH Program Accident Cases in 2016 Workplace Inspection Others <p>In the estate, meeting between safety committees and workers are conducted every 3 months. Meeting related to safety has been conducted by Safety & Health Committee Minutes of the meeting is maintained and verified during the audit. Latest meeting has been conducted on 19 Jul 2017 which has been attended by 26 people. Result from interview with Mr. Basri (Workers Representative) confirmed that he has attended the meeting.</p>	Yes
4.7.5	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.	Minor
Findings		Comply?
	<p>Procedure for accidents investigation is available in <i>Prosedur Siasatan Kemalangan</i> (HROSHPP.230714.03.V0). Furthermore, procedure to cater emergency situation is also available in <i>Prosedur Tindakan Kecemasan</i> (i.e.: Fire, Chemical Handling, Flood). In case of emergency, the estate has established Emergency Respond Plan Team Organization.</p> <p>These procedure has been communicated to all workers during <i>Taklimat & Penerangan CHRA</i> (24 Feb 2017) and <i>Latihan Memadam Kebakaran</i> (23 May 2017). All emergency procedures have been established in English and Malay language.</p> <p>Competent first aider in the POM is Mr. Jusman (training certificate: 2 Jan 2015 by Malaysian Red</p>	No

Principle 4: Use of Appropriate Best Practices by Growers and Millers														
<p>Crescent). In the estate, competent person to handle emergency cases is Katrina Yunus (Staffnurse). Training on handling first aid has been conducted to 21 personnel from estates and POM by Mr. Borhan M. Noh (Medical Assistant) on 13 Jul 2017.</p> <p>Result from site inspection in the POM found that first aid box has been provided in certain station in the POM, however, it is evident that the provided first aid is limited and not made available at all workstation (e.g.: Control Room). Verification made against First Aid distribution Map confirms that only 3 first aid kit been provided in the POM. (Minor NC 04)</p> <p>In the estate, 11 first aid boxes have been provided to accommodate emergency situation. The first aid boxes are regularly checked (monthly) by Mr. Mohd Risal (POM) and Ms. Katrina (Estate). Accident cases are recorded in Accident (and Near Miss) Records and being reviewed in every safety committee meeting.</p>														
4.7.6	All workers shall be provided with medical care, and covered by accident insurance	Minor												
Findings		Comply?												
<p>List of all workers in Haranky POM is available in Manpower Budget FY2016/2017. As of the date of audit, there are 116 workers (16 Malaysian, 35 Filipino, 65 Indonesian) serving Haranky POM. All workers are covered under Foreign Worker Compensation Scheme Schedule and SOCSO for Locals.</p> <p>Samples of policies checked for workers in the POM are as below:</p> <ol style="list-style-type: none"> Halim Sulaiman (Policy: 701700002244 – Valid: 31 Oct 2017) Nuraini Tajuddin (Policy: 701700002244 – Valid: 31 Oct 2017) Irmayanti Sultan (Policy: 701700004844-00 – Valid: 27 Apr 2018) <p>Samples of insurance policies covering all workers and migrant workers in the estates are as below:</p> <ol style="list-style-type: none"> Basman Sima (Policy: 701700003935 – Valid: 3 Apr 2018) Kasma Harjo (Policy: 701600009039 – Valid: 28 Jul 2017) Mores Beri (Policy: 701700003938 – Valid: 5 Apr 2018) Abd Rahman Udin(New workers, currently in process for insurance policy. Handled by Head Office, Lahad Datu) <p>There is no accident cases involving insurance claim recorded in Haranky POM and Estate.</p>		Yes												
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.	Minor												
Findings		Comply?												
<p>Occupational injuries are reported to JKPP using JKPP 8 (I)/(IV). Latest submission has been made on 5 Jan 2017. In 2016, there are 5 accident cases happened in Palm Oil Mill. For both estates, all accidents/injuries has been recorded in Accident (and Near Miss) Records. Example of accident recorded and total MC taken are as below:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Accident Cases</th> <th>Total LTI No. (Day)</th> </tr> </thead> <tbody> <tr> <td>Jun 2017</td> <td>1</td> <td>1</td> </tr> <tr> <td>May 2017</td> <td>5</td> <td>5</td> </tr> <tr> <td>Apr 2017</td> <td>3</td> <td>6</td> </tr> </tbody> </table> <p>Lost Time Accident (LTA) analysis has been recorded in JKPP 8 form and submitted to JKPP on 5 Jan 2017.</p>		Month	Accident Cases	Total LTI No. (Day)	Jun 2017	1	1	May 2017	5	5	Apr 2017	3	6	Yes
Month	Accident Cases	Total LTI No. (Day)												
Jun 2017	1	1												
May 2017	5	5												
Apr 2017	3	6												
Criterion 4.8:														
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												
Findings		Comply?												
<p>Training program for POM has been combined in Occupational Safety and Health Action Plan 2017. Example of training listed are:</p> <ol style="list-style-type: none"> Fire Extinguisher Training Workplace Inspection Training SOP Sterilizer Emergency Response Plan MSDS/CSDS Training 		Yes												

Principle 4: Use of Appropriate Best Practices by Growers and Millers		
<p>f. RSPO Awareness Training</p> <p>For the estate, annual training program has been summarized in RSPO Annual Training Programme. Contents of the training includes:</p> <ol style="list-style-type: none"> RSPO Awareness Training Riparian/Buffer Zone HCV Management Schedule Waste Handling and Triple Rinse Good Agriculture Policy Integrated Pest Management <p>The training program targeted all workers and sub-contractors. Example of training conducted:</p> <ol style="list-style-type: none"> RSPO Awareness: 13 Jun 2017 Briefing on Responsibility and Safety for Contractor: 18 Jul 2017 RSPO SOP Training: 8 Nov 2016 <p>For the contractors, it is evident that all sub-contractor has signed <i>Tanggungjawab dan Penerangan Keselamatan</i> which includes their commitment to implement RSPO.</p>		
4.8.2	Records of training for each employee shall be maintained.	Minor
Findings		Comply?
All training conducted for workers who work at the POM and estates are recorded appropriately in Training Report. List of attendees of all training are recorded in Training Attendance & Evaluation Form (SOP: 4.8). It is clearly maintained by estate and POM office.		Yes

Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity

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.		
5.1.1	An environmental impact assessment (EIA) shall be documented.	Major
Findings		Comply?
<p>Guided by a procedure [Environmental Impact Assessment, SOP 5.0, dated 1/10/2016], the estate has developed their Environmental Aspect & Impact which among others covering the following operations:</p> <ul style="list-style-type: none"> Building new roads, processing mills or other infrastructure; - mainly during replanting activity Putting in drainage or irrigation systems;- mainly during replanting and drain maintenance Replanting and/or expansion of planting areas; Management of mill effluents;- covered in the mill's environmental aspect and impact evaluation Clearing of remaining natural vegetation;- covered under land clearing during replanting and spraying Management of pests and diseases palms by controlled burning – ganoderma treatment and rat control Mill operations – discharge of POME, EFB & PKS discharge, boiler operation, generation of wastes (SW & general), land clearing <p>For the case of EAI evaluation, the assessment has been conducted adequately which outlining elements such as all major activities, environmental aspect, environmental impact, risk assessment (likelihood & consequence). Score of impact is calculated by multiplying likelihood of occurrence, consequence and severity of impacts.</p> <p>Based on the process structure, inputs from stakeholders are obtained from the stakeholders' consultation meeting. Based on the meeting on 20/4/2016, there was no issue raised pertaining to environment and therefore none recorded in the EAI assessment dated 1/12/2016. Nonetheless, based on the minutes of meeting with stakeholders dated 13/6/2017 some environmental issues raised by the surrounding communities e.g. river pollution and dust generation from estate's roads. The EAI assessment is planned to be revised by Oct 2017.</p>		Yes
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

Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity		
Findings		Comply?
<p>The company has established a documented environmental management plan entitled “Environmental Management Plan 16/17” which is established separately for both Estates and Mill.</p> <p>The environmental management plan specifies the following:</p> <ul style="list-style-type: none"> • Identification of responsible person(s); • Potential impacts from current practices; • Measures to mitigate negative impacts; - under “management control” column <p>Based on the field verification, the management unit has satisfactorily implemented according to the plan for examples setting up buffer zone, avoid development at >25° slope, construction of terrace at slope between 12°-20°, cover crop planting at replanting area (CC, CM, PJ, MB), avoiding application of agrochemicals during rainy days, watering road during dry season, construction of speed humps and recycling campaign.</p>		Yes
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>	Minor
Findings		Comply?
<p>Environmental performance monitoring is recorded in “<i>Pemeriksaan Bulanan Alam Sekitar</i>”, with the latest update was conducted in June 2017. Among the action plans monitored are soil erosion, buffer zones, domestic wastes management, scheduled wastes handling, zero burning implementation. The plan is reviewed annually. Regular monitoring to evaluate the performance on Environmental Management Plan 16/17.</p> <p>Based on the monitoring report, the audit team observed that the current performance reflects the monitoring results stated in the said management plan.</p>		Yes
Criterion 5.2:		
<p>The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>		
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>	Major
Findings		Comply?
<p>High Conservation Value (HCV) assessment has been conducted and cover the following:</p> <ul style="list-style-type: none"> • Presence of protected areas that could be significantly affected by the grower or miller; • Conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered (RTE) species that could be significantly affected by the grower or miller. • Identification of HCV habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower or miller; <p>The HCV assessment was conducted by Wild Asia. Report dated July 2014 [project ref. no.: P170] is made available to the audit team for verification.</p> <p>Section 3 of the summary report states that the HCV assessment has been conducted with the consultation with the relevant stakeholders. Among stakeholders consulted were Kinabatangan Land and District Office, Kinabatangan District Police, Kinabatangan Hospital, surrounding villages [Kg Paris 1, 2, 3, Kg Koyah Bersatu], Kinabatangan land and survey district, Department of Environment (DOE), WWF Malaysia, Environment Protection Department of Sabah (EPD), Sabah Forestry Dept (Kinabatangan District), Yayasan Sabah Corp. Minute of the above stakeholder meeting is maintained and be made available.</p> <p>The HCV report also included Biodiversity overview (section 4.0) and both the planted area itself and relevant wider landscape-level considerations (Section 5.1 of the HCV report and Section 1.1 of the Summary Report).</p> <p>HCV assessment performed in accordance to the latest methodology available at global and national level, i.e. desktop review > site visit > Data analysis > Reporting > Implementation.</p> <p>List of identified HCV is reported in Section 4 of the report summary. The identified HCV specified in the report summary is as follows:-</p>		Yes

Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity		
	<ul style="list-style-type: none"> HCV 1: Area which has high bio-diversity in particular those neighbouring to Bukit Piton Forest Reserve which is classified as Class 1 Reserve Forest under the Sabah Forest Enactment, 1968. <p>In addition, the report summary also specifies the potential HCV which is listed as follows:</p> <ul style="list-style-type: none"> HCV 3: Potential Key fauna species which are listed as endangered under the Wildlife Conservation Enactment, 1997 detected in Bukit Piton FR based on the study and transect survey conducted under the joint collaboration wildlife monitoring programme between WWF and Yayasan Sabah. Among the species detected such as Orang Utan (<i>Pongo pygmaeus</i>), Proboscis Monkey (<i>Nasalis larvatus</i>), Bornean Cat (<i>Catopuma badia</i>), Flat-headed cat, (<i>Prionailurus planiceps</i>), Bornean Pygmy Elephant (<i>Elephas maximus borneensis</i>) etc. 	
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
Findings		Comply?
No RTE present within the Haranky Estate as reported by Wild Asia.		Yes
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
Findings		Comply?
<p>Haranky has policies to protect RTE species which is incorporated with Environmental Policy "Protection and Conservation of wildlife by banning all forms of hunting". The policy is signed by the Group Chief Executive Officer on 24/10/2014.</p> <p>Latest training on HCV entitled High Conservation Value (HCV) Class 1, conducted on 15/5/2016 by the Assistant Manager of the Estate and the appointed Honorary Wildlife Warden of Haranky Estate (<i>Warded Kehormat Hidupan Liar</i>). The training was attended by 69 employees from various sections i.e. workers (estate & Mill), staff (including executive).</p> <p>Among the actions taken to implement the conservation programmes are setting aside 20 m of buffer zone along the estate's boundary bordering with Bukit Piton FR. There is no application of agrochemicals allowed in the designated buffer zone.</p> <p>Signage to educate and provide awareness on the prohibited act and activities along the buffer zone has been erected. Marking of trees along the boundary with red & white paints are implemented and very visible during the inspection.</p> <p>Besides, Kwantas also periodically conducted the monitoring of wild life signs & encroachment signs on a weekly basis. For this purpose, the patrolling reports dated 5 July, 12 July and 19 July 2017 are available and are verified by the audit team. Based on the reports, the audit team observed that the patrol encounter no signs of encroachment. However, evidence of wildlife foot prints is observed during the patrol session dated 19 July 2017 of which pictorial evidence has been captured by the personnel conducting the patrol session. Interview with the appointed Honorary Wildlife Warden indicates that for any signs of wildlife either evidence of footprints, wildlife's droppings or nesting area/tree will be reported and subsequently be notified to the Department of Wildlife as well as the WWF; whose body conducting the wildlife study in Bukit Piton FR for their information and reference.</p> <p>The disciplinary rules are governed by the Wildlife Conservation Enactment, 1997 which is communicated through the HCV training by the Wild Life Department to the employees.</p>		Yes
5.2.4	Where a management plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; Outcomes of monitoring shall be fed back into the management plan. 	Minor
Findings		Comply?
No RTE present within the Haranky Estate as reported by Wild Asia.		Yes
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
Findings		Comply?

Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity		
Based on the HCV assessment, there is no HCV detected with respect to the existing rights of local communities.		Yes
Criterion 5.3:		
Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.		
5.3.1	All waste products and sources of pollution shall be identified and documented	Major
Findings		Comply?
<p>Wastes generated are identified through EAI assessment and listed in the Waste Management Plan SOP 5.3 dated 1/12/2016. Among the waste identified and registered are used lubricants, empty pesticide container, used batteries, tyre & tubes, domestic wastes (both non and recyclable wastes), domestic waste water, EFB, PK shell, POME, boiler ash.</p> <p>SW recording is done through the eSwis platform. Types of SW declared are SW305, SW306, SW409 and SW410.</p> <p>The quality of waste water from line-site is tested through a sampling process taken at nearby stream for any significant pollutant originated from line site. Latest test report is available dated 13/5/2017 (lab ref. no.: 20170513/09A) by Dynakey Laboratories Sdn Bhd (SAMM No. 576) – incoming (W1) & outgoing (W2). Based on results, there is evidence of pollutants contributed from the line-site e.g. upstream vs. downstream; whereby the levels of the following parameters are recorded:</p> <ul style="list-style-type: none"> • BOD (6ppm vs. 48ppm); • COD (45ppm vs. 383ppm); • SS (38ppm vs. 90ppm); • AN (0.02ppm vs. 8ppm). <p>The variance of the reading (increase of levels) indicating the presence of pollutants in the water derived from the line site. For this highlighted issue, the action plans have been developed under water management plan [SOP 4.0, dated 27/1/2017] i.e. to replace land drainage to concrete culvert and de-silting the septic tank. This plan is expected to be completed by June 2018. This plan also has been included in the financial budget for the FY2017/18 covering the septic tank upkeep, new toilet, construction of new drains, etc.</p> <p>Other sources of pollutions are also listed in the Waste Management Plan such as workshop, line-site, office, store, canteen, effluent pond, boiler.</p> <p>Scrap metal at mill has been sent to sister company Fordeco Construction Sdn Bhd for recycling purpose.</p>		Yes
5.3.2	All chemicals and their containers shall be disposed of responsibly.	Major
Findings		Comply?
<p>Empty chemical containers are categorised as SW by the company under the code of SW409. For the mill, all empty chemical containers i.e. from boiler operation, water treatment plant and laboratory are also categorised as scheduled wastes. The disposal of these wastes is done in accordance to the SW regulations.</p> <p>Verification of inventory records showed that the movements of the empty chemicals containers are closely monitored and in compliance with SW regulations.</p>		Yes
5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.	Minor
Findings		Comply?
Wastes are managed through the wastes management plan as mentioned in 5.3.1. There is no observation of use of fire for wastes disposal during field verification.		Yes
Criterion 5.4:		
Efficiency of fossil fuel use and the use of renewable energy is optimized.		
5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimize renewable energy shall be in place and monitored.	Minor
Findings		Comply?
<p>Plan for improving efficiency of the use of fossil fuel has been incorporated in GHG emission report & Management Plan, 2016 – among the action plans are:</p> <ul style="list-style-type: none"> • increase the usage of fibre to power the boiler to lessen the dependency of generator set; • to reduce the stopping points by reducing FFB platforms through utilization of buffalo assisted collection instead of human; and 		Yes

Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity		
<ul style="list-style-type: none"> constant road works maintenance – indicators to reflect whether the action plan is effective has been established i.e. less than 1.01 lt/mt for the mill and less than (2016 actual) for estate 		
Criterion 5.5:		
Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice		
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.	Minor
Findings		Comply?
There is no evidence of the usage of fire for replanting development.		Yes
Based on field verification, the audit team observed that no trace of burning at the replanting fields is identified. In contrast, palm trunks were felled and chipped. Commitment to zero burning is also stated in Zero Burning Policy Statement and Environmental Policy Statement, signed by the Group Chief Executive Officer dated 24/10/2014.		
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
Findings		Comply?
Not applicable as no use of fire for replanting.		Yes
Criterion 5.6:		
Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored. <i>Preamble: Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognized that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognized that it is not always feasible or practical to reduce or minimize these emissions. Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO.</i>		
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
Findings		Comply?
Assessment of all polluting activities has been conducted including gaseous emissions, particulate/soot emissions and effluent through EAI assessment. Consequently, action plans were developed thereafter.		Yes
5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimize them implemented.	Major
Findings		Comply?
The company is looking forward to establish a bio-gas plant in the near future as their commitment to reduce GHG emission from the effluent treatment plant. Nonetheless, since this project involves huge investment, the management has just reached at the early stage of planning at the point of this audit.		Yes
5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.	Minor
Findings		Comply?
Emission of GHG has been calculated using PalmGHG calculator. GHG Calculation was done for January to Dec 2016 activities. The results have been submitted to RSPO on 11/7/2017 [e-mail to Devaladevi]. Results: 1) Estate = 14,008.44 tCo2e = 0.83 tCO2/FFB = 11.31 tCO2/Ha 2) Mill = 3,760.42 tCo2e = 0.23 tCO2/FFB		Yes

Principle 6: Responsible Consideration of Employees and of Individuals and Communities Affected by Growers and Millers

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.	

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers		
6.1.1	A social impact assessment (SIA) including records of meetings shall be documented.	Major
Findings		Comply?
<p>The documented Social Impact Assessment for Haranky Unit dated 21 January 2015 is available.</p> <p>The document listed a series of sections relating to social of that specifies methodology, social assessment and continuous improvement of social impact assessment.</p> <p>The SIA covers any changes to estate/ Mill demographic, changes to national Laws and regulations, general work / labour conditions on equal opportunities, rights to freedom of association, contracts and terms and conditions of work, wages, facilities and amenities, custom and cultures and the methodology of SIA, social program and continuous improvement of SIA.</p> <p>The SIA is acted as the medium for an active impact assessment document where a reasonable amount of consideration has been given to mitigate social impacts articulated by the internal and external stakeholders; for employees and surrounding local communities affected by the plantations and mill.</p> <p>In addition a Social Action Plan is established on annual basis with a view to resolve social issues adequately, in terms of clearly outlining the responsibilities for mitigation and monitoring.</p>		Yes
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties.	Major
Findings		Comply?
<p>The SIA which has been conducted on 12-16 January 2015; conducted with the participation of the stakeholders.</p> <p>Records of meeting with the stakeholders covering the external stakeholders such as FFB suppliers and local communities; while formulizing the SIA are maintained.</p>		Yes
6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation.	Major
Findings		Comply?
<p>The document i.e. Social Action Plan Progress Monitoring Form has been established with the consultation with the internal and external stakeholders and are available and specifies the time bound plan as well as the status of implementation of each of the identified issues such as:</p> <ul style="list-style-type: none"> • new rate of wages implementation; • pricing mechanism of the FFB; <p>OSH compliance for contractorsThe Social Action Plan also incorporates the responsibilities for mitigation and monitoring of each identified social aspects.</p> <p>The audit team also observed that the monitoring and revision of the time bound is conducted and updated as necessary. The record of such revision and monitoring is maintained.</p>		Yes
6.1.4	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.	Minor
Findings		Comply?
<p>The above Social Action Plan Progress Monitoring Form observed to be updated and reviewed annually with the latest review conducted on May 2017. The audit team observed that the revision includes the changes of all identified social impact to the present and periodic practice.</p>		Yes
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).	Minor
Findings		Comply?
Not Applicable.		n.a.
Criterion 6.2:		

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers		
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
Findings		Comply?
The procedure for communication and consultation procedures is in place and is documented in document Free, Prior and Informed Consent Procedures (Ref. No.: D 2.3.1) dated 1 Jan 2015. In general, the above-mentioned procedures describe the procedures and mechanism to be taken should any stakeholders (being the external or internal) wish to communicate with the company on any issues concerning their interest.		Yes
6.2.2	A management official responsible for these issues shall be nominated.	Minor
Findings		Comply?
The company has appointed the Cadet Assistant Manager as the social liaison officer for Haranky Unit. The appointment letter for the social liaison officer has been established, authorized by the Estate Manager and be made available to the auditor during the audit.		Yes
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
Findings		Comply?
A list of stakeholders is available The stakeholders are representatives from the non- governmental organizations, village representatives, small holders, management representatives, worker representatives and workers. Meetings conducted by Haranky Estates and Mill are as below: 1. Meeting with external stakeholders (government and non-government organization), neighboring estates and smallholders, contractors/suppliers dated 13 June 2017; 2. Meeting with external stakeholders (NGOs, government and private) with regards to the updates and management of the Bukit Piton FR. The meeting was attended by 9 personnel representing the above stakeholder groups and conducted on 19 December 2016. Records of action taken in accordance to the result of the stakeholder meetings are well maintained by the company; for instance stakeholder meeting for the management of the Bukit Piton FR has resulted on the need to continuously monitor along the border; bordering the FR (Blocks 26 and 27 of Haranky 2 Estate); for any inappropriate and suspicious evidence and/or activities. Such records have been verified by the auditor during the audit. Interview with the appointed Honorary Wildlife Warden (HWW) in Haranky Estates i.e. the Estate Manager states that the monitoring report is to be presented to the stakeholders during the next meeting scheduled on October 2017 for further discussion and inputs.		Yes
Criterion 6.3:		
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
Findings		Comply?
The procedure for resolving grievances and disputes is in place and is documented in document Grievance Procedure and Dispute Resolution (Ref. No.: D 1.5.1) dated 21 June 2017. Furthermore the procedure to resolve the grievances involving land issues is established. Among others, the mechanism highlights the way of resolving the grievances through the following steps: • Direct Negotiation; • Arbitration using independent arbitrator if Direct Negotiation is not able to solve the grievance; • Native Court if Arbitration is not able to solve the grievance; and • Civil Court as the ultimate platform if Native Court is not able to solve the grievance.		Yes

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers		
<p>The audit team observed that the company has established the specific records to solicit and records all complaints and disputes arise from all stakeholders in the External/Internal Grievance Record Book.</p> <p>As of the date of the Main Assessment Audit, there are no complaints received from outsiders and workers except on certain normal matters pertaining to the broken/obsolete amenities within the workers line site and request of replacement of PPEs.</p> <p>The audit team also observed that the above procedures have been made known to all internal and external stakeholders through both JCC Meeting and stakeholders meeting respectively.</p>		
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available.	Major
Findings		Comply?
<p>The established grievance procedures specify the estimated time that required to be taken for each of the process to be addressed before proceed to the subsequent process.</p> <p>During the Main Assessment Audit the External/Internal Grievance Record Book are viewed and all request and grievances are recorded on a case by case basis stating following items:</p> <ul style="list-style-type: none"> the details of the complainant, the date complaints recorded; and the action taken following the complaints raised. <p>As of the date of the Main Assessment Audit, there are no complaints received from outsiders and workers except on certain normal matters pertaining to the broken/obsolete amenities within the workers line site and request of replacement of PPEs.</p>		Yes
Criterion 6.4:		
Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a document system that enables indigenous peoples, local communities and other stakeholders to express their views through their representative institutions.		
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
Findings		Comply?
Haranky does not have any land disputes. But a system to resolve land disputes is documented in Land Conflict Management Procedures (ref. No.: A 4.3.2) dated 1 Jan 2015.		Yes
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 transmigrates and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land.	Minor
Findings		Comply?
Haranky does not have any land disputes. But a system to resolve land disputes is documented in Land Conflict Management Procedures (ref. No.: A 4.3.2) dated 1 Jan 2015.		Yes
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
Findings		Comply?
Haranky does not have any land disputes. But a system to resolve land disputes is documented in Land Conflict Management Procedures (ref. No.: A 4.3.2) dated 1 Jan 2015.		Yes
Criterion 6.5:		
Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.		
6.5.1	Documentation of pay and conditions shall be available.	Major

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers	
Findings	Comply?
<p>In general, all of the workers are employed on a contract basis with the term of contract of every 2 years for both local and foreigners.</p> <p>With regard to documented workers contract and payment, the auditing team observed that there is evidence of documentation of rates of pay, contracts of employment, terms and conditions of employment made available in languages understood by workers or explained carefully by management personnel of the individual operating unit.</p> <p>The official appointment letter of staff (for instance the assistant manager) contain the following elements:</p> <ul style="list-style-type: none"> • Job description; • Work location; • Salary; • Increment and bonus; • Duration of employment; • Public holidays (12 days per annum, including four (4) compulsory holidays, i.e. Labour Day, Agong's Birthday, National Day and State Governor's Birthday; • Annual leave; • Medical benefit, i.e. free medical attention; • Group insurance coverage; • Employees Provident Fund (EPF); • Notice of Termination; • Transfers; • Other employment; and • Confidentiality. <p>The Employment Contract for migrant workers, in general contains the following:</p> <ul style="list-style-type: none"> • Job description i.e. General or Harvester Workers; • Contract duration and hours i.e. 8 hours – from 6am to 2 pm with resting time from 10 am to 11 am; • Work location i.e. field; • Employee responsibility; • Wage calculation (80% basic piece rate and 20% statutory benefits, i.e. public holiday, sick leave, sick pay, overtime, annual leave and rest days) with daily pay of RM 35.38/day; • Overtime; • Public holidays (11 days per annum, including four (4) compulsory holidays, i.e. Labour Day, Agong's Birthday, National Day and State Governor's Birthday; • Leave: public holidays, sick leave, hospitalisation, annual leave and rest days. All of the leave days are included in the salary and will be paid accordingly; • Facilities: housing, transportation, medical treatment at estate clinic, insurance; • Deduction of levy to the Malaysian Government; • Legal working age: 18-50 years; and • Termination of work permit. <p>With regard to salary, the company is implementing Minimum Wages Order 2016 which requires the minimum wage to be set at 920. The company starts to implement the MWO2016 in December 2016 and hence there are arrears of payment of 5 months beginning July 2016 until November 2016. Such arrears have been reimbursed to the workers in April, May and June salary. Evidence of salary arrears have been verified and are made available to the auditor during the audit.</p> <p>The audit team observed that every worker is paid above the recently government decreed minimum wage i.e. RM920/month and this is well in line with the company's commitment. The estates also encourage the workers to keep on improving their productivities in order to earn more. Samples of payslip are checked and it was evident that most workers earned more than the minimum wage. A couple of spraying workers and their mandore were interviewed on whether they understood the</p>	<p>Yes</p>

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers

various pay or deduction items contained in their payslips.

Several payslips (for month of June 2017) have been verified for the following workers:

Name	Work Field
Hendri Beddu	Harvester
Kasman Maro	Harvester
Rohana Hakim	Harvester
Oktovianus Paling	Harvester
Amri Jumain	Mandore (Harvester)
Mores Beri	Harvester
Kahar Bambang	Mandore (Sprayer)
Asfar Sangkala	Tractor Driver
Juliana Rasyid	General Worker (Sprayer)
Merianti Paling	General Worker (Sprayer)
Sima Basman	General Worker (Sprayer)
Petrius Lina Magang	General Worker (Manuring)
Syamsul Suparjo	General Worker (Manuring)
Merlinda Loro Castello	Office Girl
Fitriyana Sabtu	General Clerk
Irmayanti Maming	General Clerk

6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.	Major
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Findings	Comply?
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<p>Pay and condition of employment are clearly documented and detailed within the employment contract that among other specifies the following:</p> <ul style="list-style-type: none"> • Job description i.e. General or Harvester Workers; • Contract duration and hours i.e. 8 hours – from 6am to 2 pm with resting time from 10 am to 11 am; • Work location i.e. field; • Employee responsibility; • Wage calculation (80% basic piece rate and 20% statutory benefits, i.e. public holiday, sick leave, sick pay, overtime, annual leave and rest days) with daily pay of RM 35.38/day; • Overtime; • Public holidays (11 days per annum, including four (4) compulsory holidays, i.e. Labour Day, Agong’s Birthday, National Day and State Governor’s Birthday; • Leave: public holidays, sick leave, hospitalisation, annual leave and rest days. All of the leave days are included in the salary and will be paid accordingly; • Facilities: housing, transportation, medical treatment at estate clinic, insurance; • Deduction of levy to the Malaysian Government; • Legal working age: 18-50 years; and • Termination of work permit. 	Yes
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Several contracts verified for the following workers:

Name	Work Field
Hendri Beddu	Harvester
Kasman Maro	Harvester
Rohana Hakim	Harvester
Oktovianus Paling	Harvester
Amri Jumain	Mandore (Harvester)
Mores Beri	Harvester
Kahar Bambang	Mandore (Sprayer)
Asfar Sangkala	Tractor Driver
Juliana Rasyid	General Worker (Sprayer)
Merianti Paling	General Worker (Sprayer)
Sima Basman	General Worker (Sprayer)

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers												
	<table border="1"> <tr> <td>Petrius Lina Magang</td> <td>General Worker (Manuring)</td> </tr> <tr> <td>Syamsul Suparjo</td> <td>General Worker (Manuring)</td> </tr> <tr> <td>Merlinda Loro Castello</td> <td>Office Girl</td> </tr> <tr> <td>Fitriyana Sabtu</td> <td>General Clerk</td> </tr> <tr> <td>Irmayanti Maming</td> <td>General Clerk</td> </tr> </table>	Petrius Lina Magang	General Worker (Manuring)	Syamsul Suparjo	General Worker (Manuring)	Merlinda Loro Castello	Office Girl	Fitriyana Sabtu	General Clerk	Irmayanti Maming	General Clerk	
Petrius Lina Magang	General Worker (Manuring)											
Syamsul Suparjo	General Worker (Manuring)											
Merlinda Loro Castello	Office Girl											
Fitriyana Sabtu	General Clerk											
Irmayanti Maming	General Clerk											
	<p>Observed the employment contract has been briefed to workers by management officials during the signing of the contract as stated above. In addition, the auditing team also notes that the contract has been written in a language understood by the workers. The briefing conducted by the company's top management also is in the language understood by them.</p> <p>Interview with the workers during the audit confirmed that they have been briefed of the contract before signing. They also could demonstrate their understanding of the rules and condition stated in the contract.</p>											
6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.	Minor										
Findings		Comply?										
	<p>The organization provides adequate housing with average 2 workers in a room as well as medical is provided for free with clinics available in the estates. Workers are provided with clean treated water as well as domestic waste disposal service is available.</p> <p>There is an estate clinic with a hospital assistant to treat minor injury and sickness. Education at primary level is supported (building of school) for children from the estate as well as the surrounding area. Social, cultural and recreational activities and places of worship are supported. Public health services provided in housing areas. Physical amenities are provided, effectively operated and maintained to a standard equivalent to an urban authority.</p>	Yes										
6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food.	Minor										
Findings		Comply?										
	<p>Workers have access to the grocery shops and markets within the estates as well as the neighbouring estates and communities.</p> <p>As far as grocery shops within the estates, there is evidence of action taken by the company to monitor the goods price sold at the sundry shops within the estates by comparing the price with the neighbouring estates and town.</p> <p><i>However, the audit team observed that the monitoring process is not comprehensive whereby it is not guided with the input obtained and received from the Kementerian Perdagangan Dalam Negeri, Koperasi dan Kepenggunaan which is the enforcement and regulatory government body for the daily goods, controlled goods and their prices for Malaysia.</i></p> <p>Minor NCR 05.</p>	No										
Criterion 6.6:												
There 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 employ 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										
Findings		Comply?										
	<p>The policy statement entitled "Equal Opportunity Employment & Freedom of Association Policies" authorized by Group Chief Executive Officer dated 01 June 2014 is available.</p> <p>The company does not prohibit and has given the liberty to the workers to form and participating union at their own choice. This is confirmed when an interview with the workers during the audit showed that the workers are free to form and joining the union.</p> <p>In addition, interview also reveals that the members of the union are elected democracy manner by</p>	Yes										

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers								
the workers themselves.								
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented.	Minor						
Findings		Comply?						
<p>Haranky Estates implements JCC that is 100% democracy elected members. All members are elected in a democracy manner by their colleagues that is verified and approved by the estate's top management. Currently, the workers representative consist of 12 members covering the following working field:</p> <ul style="list-style-type: none"> • Harvester; • Carrier and Cutters; • General Workers; • Tide gate; • Driver loaders; • Sprayer; and • Manurer. <p>For mill, the committee can be divided into the following work division:</p> <ul style="list-style-type: none"> • Assistant supervisor; • Weighbridge workers; • Workshop; • Storekeeper; • Laboratory workers; • Security workers; • General workers; and • Processing workers. <p>The up-to-date organization chart also available indicating the members of the committee. An appointment letter for each of the representative is available highlighting the role and responsibilities as a member of the committee.</p> <p>In practice, all matters discussed concerning the workers right i.e. safety, health, minimum wages, child labour and anti-discrimination during the meeting will be channelled to the estate's top management by the chairman together with its top committee members.</p> <p>Since last Audit, the ECC has been conducted as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Venue</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Haranky POM</td> <td>19 May 2017</td> </tr> <tr> <td>Haranky Estate</td> <td>19 May 2017; 14 February 2017; 24 January 2017.</td> </tr> </tbody> </table>		Venue	Date	Haranky POM	19 May 2017	Haranky Estate	19 May 2017; 14 February 2017; 24 January 2017.	Yes
Venue	Date							
Haranky POM	19 May 2017							
Haranky Estate	19 May 2017; 14 February 2017; 24 January 2017.							
Criterion 6.7:								
Children are not employed or exploited.								
6.7.1	There shall be documentary evidence that minimum age requirements are met.	Major						
Findings		Comply?						
<p>Policy statement for no child labour dated 1 June 2014 endorsed by the Group CEO is available. The policy indicates that Kwantas adopted a policy of only workers above 18 years old is employed by the company.</p> <p>Employment records evidenced that employment age requirement is met whereby the audit team has verified all 97 workers (Haranky Estate) respectively. In addition, ground observation during the Main Assessment Audit also does not show evidence that the company is employing workers age below 18 years old.</p>		Yes						
Criterion 6.8:								

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers		
Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.		
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented.	Major
Findings		Comply?
<p>There is a publicly available equal opportunities policy 1 June 2014 which states the company's commitment to respect the right of female workers and does not practice discrimination based on race, caste, national, origin, disability, gender, sexual orientation, union membership, political affiliation, or age.</p> <p>The audit team observed that the policy is made available to the stakeholders in the company's website as well as being briefed to the stakeholders during the stakeholders meeting.</p> <p>Observed also that the policy is found to be posted on the company's notice board in the language understood by the workers.</p>		Yes
6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against	Major
Findings		Comply?
<p>No evidence that employees have been discriminated by the company. Interviews with field workers (Indonesian), women workers as evidence.</p> <p>Evidences of non-discriminated includes the followings:</p> <ul style="list-style-type: none"> • Priority employment for local priorities • Women right • Provide free hospitalization, clinic etc. <p>As far as complaints is concerned, the auditing team observed that there is no evidence of complaints pertaining to the discrimination against races, nationality, sex as well as workers groups.</p> <p>Interview with the workers during the Main Assessment Audit also confirmed that there is no arising complaint pertaining to the discrimination against races, nationality, sex as well as workers groups.</p>		Yes
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
Findings		Comply?
<p>The audit team observed that the company keep and maintain a record of their workers work credential and medical history within the Employee Register Documentation.</p> <p>The company is found to be implementing indiscriminatory policy during the recruitment, selection, hiring and promotion process as per stated in the Legalisation and Recruitment of Workers Document.</p> <p>The recruitment, selection and hiring of workers are based on skills, capabilities and medical fitness according to job scope. The positions held by workers are commensurate with their skills and experience i.e., Boilerman, Lab Supervisor, Engine Room Operator and Mill Supervisor at POM. General workers (foreign workers) are mostly based on medical fitness confirmed by Hospital Assistant (HA).</p>		Yes
Criterion 6.9:		
There is no harassment or abuse in the work place, and reproductive rights are protected.		
6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce.	Major
Findings		Comply?
<p>A policy on sexual harassment is signed by the Group CEO on dated 1 June 2014. The policy was also written in the Malay language and displayed on the notice boards. No evidence or practices that contradict this policy are observed.</p> <p>At POM and estates, the audit team observed that the policy is posted on the notice board outside at</p>		Yes

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers								
Muster Ground, clinic and office.								
Based on interview conducted with field, office employees and gender committee members, there are no records of sexual harassment received from employees. Grievance record book (<i>Buku Aduan Gangguan Seksual</i>) is available specifically to record complains related to sexual harassment.								
Based on records, the Gender Committee Meeting has been conducted for the visiting estates as follows:								
<table border="1"> <thead> <tr> <th>Venue</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Haranky POM</td> <td>20 October 2016</td> </tr> <tr> <td>Haranky Estate</td> <td>14 April 2017</td> </tr> </tbody> </table>		Venue	Date	Haranky POM	20 October 2016	Haranky Estate	14 April 2017	
Venue	Date							
Haranky POM	20 October 2016							
Haranky Estate	14 April 2017							
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						
Findings		Comply?						
A policy to protect the reproduction rights namely "Policy Statement on Women Reproductive Right" authorized by the Group CEO dated 1 June 2014 is available.		Yes						
At POM and estates visited, observed that the policy is communicated to all employees by displaying at the Notice Board at the office, clinic and Muster Ground area.								
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						
Findings		Comply?						
The flow chart entitled "Reporting Sexual Harassment" is available in both English and Malay languages.		Yes						
A mechanism for recording harassment is also available. No evidence or practices that contradict this policy were observed. Interview with the workers shows that the company provides fair and just treatment to women. Grievance mechanism for sexual harassment is in place. A documented sexual harassment grievance mechanism exists.								
Criterion 6.10: Growers and millers 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						
Findings		Comply?						
FFB from external suppliers are also one of FFB source for Haranky POM.		Yes						
The FFB price is determined based on the input provided by the MPOB on a monthly basis. The auditor also observed that the copy of the letter stated the periodic price set by the MPOB is paste on the notice wall at the weighbridge of the Mill.								
Random interview conducted with the FFB suppliers indicates that there is incidence of complaints and disputes (Internal and External Grievance Record Book) whereby the FFB suppliers are not satisfied with the FFB grading process performed by the FFB grader. Haranky POM has responded and stating that the grading mechanism is following the rules and guidance outlined by MPOB. Such response has been forwarded to the FFB suppliers for their information.								
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						
Findings		Comply?						
Haranky POM has transmitted the pricing mechanism and means to determine the OER for the CPO and CPKO through the Meeting that is conducted with the FFB Suppliers. Observed that the meeting was conducted on 19 May 2017.		Yes						
Following to the above meeting, the POM also has conducted a training session for the FFB suppliers pertaining to the FFB grading as well as the correct selection and harvesting of FFB to ensure that correct and ripe FFB is harvested in order to maximize the OER. The training has been conducted in Haranky POM and Haranky 1 Estate on 13 June 2017.								
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						

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers		
Findings		Comply?
Despite the above, the auditor observed that there is no evidence of contractual agreement signed between the POM and FFB suppliers.		No
Minor NCR 06		
6.10.4	Agreed payments shall be made in a timely manner	Minor
Findings		Comply?
With reference to above finding, the auditor also observed that there is no basis and guidance for the timeline of the payment of the FFB supplied to the POM by the FFB suppliers		No
Minor NCR 07		
Criterion 6.11:		
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
Findings		Comply?
<p>The individual estates and the mill have a very basic form of corporate social responsibility (CSR), which usually involves stakeholders, in particular local communities and smallholders approaching the company for contributions and donations on various occasions such as:</p> <ul style="list-style-type: none"> • Religious celebrations; • For the upkeep and maintenance of access roads to local villages, • Family day; • School sports day; • Request to use estates facilities; • Blood donation campaign; and • Providing security support for local communities. <p>Contribution to workers also is evident such as providing the usage of facilities for wedding event, the donation following to death of workers, during the wedding of the workers as well as donation for medical treatment of workers who suffer from serious illness such as cancer.</p> <p>All activities and contribution rendered are recorded in the External and Internal Grievance Record Book for each of the financial year.</p>		Yes
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
Findings		Comply?
No scheme smallholders in the supply base.		n.a.
Criterion 6.12:		
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
Findings		Comply?
<p>A policy on human rights that also includes statement on prohibition of forced labour has been established that is dated 10 Feb 2015 and signed by the Group CEO. The policy is also written in the Malay language and displayed on the notice boards. No evidence or practices that contradict this policy are observed.</p> <p>The above policy specifies the following:</p> <ul style="list-style-type: none"> • Strict compliance with all relevant national laws and regulations and where possible go beyond minimum standards; • To and enforce document standards and procedures supporting workers right to freely chosen employment; • Ensure workers are not charged or required to make a deposit for tools, PPE or anything workers 		Yes

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers		
<p>need to possess for executing their job;</p> <ul style="list-style-type: none"> • Ensure workers original identity documents should only be voluntary kept by the company, thus ensuring freedom of movement; • Ensure workers have freedom of movement or leaving the place of work or living quarters when not working; • Ensure overtime is voluntarily; • Commitment to only work with licensed recruitment agents who comply with all applicable laws and company codes of conduct; • Ensure mechanisms are in place for responding to complaints of forced labor from employees; • Develop awareness of the policy to all workers; • Check and review continually to ensure that all efforts are effective; and • To ensure that the policy is well communicated to all stakeholders. <p>No evidences of force labour evidenced during the audit.</p> <p>Interview with the workers during the audit also confirmed the above matters whereby they are required to sign the agreement on a yearly basis and that they agree to submit their passport to the company to be kept on behalf of them for safety reason. In addition, the interview also confirmed that the company does not pose any restriction for them to take their passport i.e. especially when they want to go back to Indonesia for celebrating festival.</p>		
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred.	Minor
Findings		Comply?
There is no contract substitution by the company. Based on records, the workers are found to be signing one single contract that is established as per in the Section 18 of Sabah Labour Ordinance (Chapter 67) Amendment 2005.		Yes
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented.	Major
Findings		Comply?
Haranky POM and Estates employed foreign workers that are contracted on a long-term contract basis i.e. 2 years/contract cycle. No temporary workers are employed to date. Policy on Foreign Workers is also available.		Yes
Criterion 6.13: Growers and millers respect human rights.		
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
Findings		Comply?
A policy on human rights has been established that is signed by the Group CEO on dated 1 June 2014. The policy was also written in the Malay language and displayed on the notice boards. No evidence or practices that contradict this policy are observed. The policy also has been duly communicated to the workers during the JCC Meeting as well as Gender Committee Meeting held at each of the respective estates and mill.		Yes
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.	Major
Findings		Comply?
All children of foreign workers are attending Humana School usually until age of 12. Following to the HUMANA session (after 12 years age), all of the children will be sent to Community Learning Centre (CLC) (for Indonesian Children) and another HUMANA that is located in Sandau. Both the CLC and HUMANA is located around 7 km from the estates and the children are transported to the schools using the chartered transportation appointed by the estate management. For the		Yes

Principle 6: Responsible Consideration of Employees and of Individuals and Communities affected by Growers and Millers	
transportation fees, the company is providing the subsidy for each of the children to be transported to the school.	

Principle 7: Responsible Development of New Plantings

This requirement is not applicable because there is no new planting after November 2005

Principle 8: Commitment to Continuous Improvement in Key Areas of Activity

Principle 8: Commitment to Continual Improvement in Key Areas of Activity		
Criterion 8.1:		
Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continual improvement in key operations.		
8.1.1	<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. As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides(Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); • Optimising the yield of the supply base. 	Major
Findings		Comply?

Principle 8: Commitment to Continual Improvement in Key Areas of Activity	
<p>Continuous Improvement Plan has been established as per in the document Continuous Improvement Plan (Ref. No.: 8.0 rev 2/0) dated 27 Dec 2016. The improvement plan outlined issues highlighted as per in the EALand SIA as well as other reporting means i.e. internal audit as well as external audit. Example of the items outlined are as follows:</p> <ul style="list-style-type: none"> • Compliance with legal requirement: <ul style="list-style-type: none"> ○ Minimum usage of chemical in pest control; ○ Update of the legal register – laws and regulations; ○ Supply chain and traceability (specific for POM); ○ Enhancing the knowledge of all stakeholders. • Reduction usage of Pesticides: <ul style="list-style-type: none"> ○ Reduction of paraquat – limited to immature palm; ○ Enhancement of spraying technique; ○ Maintaining balanced ground vegetation and soil conditions • Usage of Biological Control Agent <ul style="list-style-type: none"> ○ Barn owl; ○ Beneficial plant. • Environmental Impact: <ul style="list-style-type: none"> ○ Soil erosion and land slides – road maintenance programme, fronds stacking etc; ○ Construction of biogas plant – to mitigate methane emission; ○ Monitoring of BOD level; ○ Protection of Riparian Buffer zones; ○ Wildlife Corridor – maintenance of border along the Bukit Piton Forest Reserve. • Waste reduction: <ul style="list-style-type: none"> ○ FFB by-product – utilizing the EFB as part of fuel in boiler to generate electricity; ○ Applying EFB mulching on the ground ○ Scheduled Waste Management – appointing licensed scheduled waste collector ○ Implementing triple rinsing; • Pollution and Greenhouse Gas (GHG): <ul style="list-style-type: none"> ○ Stack emissions – monitoring smoke emission to be in compliance with EQA 1974; ○ GHG emission – collecting, calculating and monitor the GHG data; ○ Raising awareness – implementing policies and procedures related to environmental • Optimizing the FFB yield: <ul style="list-style-type: none"> ○ Utilization of buffalo harvesting on flat area @1 buffalo/25ha covering 700ha within the Haranky Estates. • Social Impact: <ul style="list-style-type: none"> ○ Constant engagement with stakeholders through stakeholder consultations; ○ Labour rights – workers welfare, wages etc; ○ Occupational Safety and Health; ○ Enhancing the workers housing; ○ Installation of RO water dispenser for drinking water – to be utilized by workers as a free drinking water; ○ FFB suppliers – enhance traceability and trade with FFB suppliers. 	Yes

3.3 Supply Chain Requirements

The **Haranky Palm Oil Mill** has decided to use **Module E** in this assessment. Findings and objective evidence collected during the assessment are outlined in below. Results for each indicator from each of the operational areas were evaluated to provide an assessment of conformity. A statement is provided for each of the RSPO indicators in order to support the findings of the assessment team.

3.3.1 Module D (CPO Mills): Identity Preserved

Not Applicable.

3.3.2 Module E (CPO Mills): Mass Balance

Module E- CPO Mills: Mass Balance			
D1: Definition: 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.			
E2: Explanation			
Requirements		Findings	Comply?
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 POM has projected FFB, CPO and PK production for financial year 2017/2018 in Budget 2017-2018. The projected volume for Haranky production unit FY2017/2018 are as below: a. FFB Production: • Haranky 1: 19,769.90MT • Haranky 2: 6,534.10MT b. OER Rate: 21.00% c. KER Rate: 5.5% d. CPO Production: 5,523.84MT e. PK Production: 1,146.72MT	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).	This is Main Assessment, the POM has yet to be registered in RSPO IT platform.	n.a
E3: Documented Procedures			
Requirements		Findings	Comply?
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) Complete and up to date procedures covering the implementation of all the elements in these requirements; b) 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 site's procedures for the implementation of this standard.	The POM has established written procedures relating to the implementation of RSPO Supply Chain procedure as evident in SCCS CPO Mass Balance (A6.1.1). The company procedure for supply chain is up to date and covering all elements required in RSPO Supply Chain Certification Standard 2014. The POM has identified Mr. Perumal Rajoo, Mill Manager as the Management Representative. Letter of appointment is evident dated 18 Dec 2014 signed by Mr. Lain Chen Ying, Group HR Manager.	Yes
E.3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	The company is using Mass Balance model for the Supply Chain certification. Procedure related to FFB receiving is explained in Receiving Third Party Sourced FFB. All RSPO certified FFB received will be stamped with RSPO Certified and recorded in FFB Incoming Form. As the POM choose to use MB model, processed FFBs and CPO produced are recorded into Mass Balance table.	Yes
E4: Purchasing and Goods In			
Requirements		Findings	Comply?
E.4.1	The site shall verify and document the volumes of certified and non-certified FFBs received.	As to the date of audit, the POM has not received any RSPO certified FFB.	Yes

		All incoming sustainable and non-sustainable FFB are recorded into FFB Processing Mass Balance Table.	
E.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	SCCS CPO Mass Balance procedure has indicated a mechanism to inform certification body for any projected overproduction (Section 7: Over Declaration).	Yes
E5: Record Keeping			
Requirements		Findings	Comply?
E.5.1	<ul style="list-style-type: none"> a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. 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.) For further details refer to Module C.	<ul style="list-style-type: none"> a. The POM will records all FFB received in FFB Processing Mass Balance Table. As to the date of audit, the POM has not received any RSPO certified FFB. Template of Mass Balance table is evident established on a 3 months basis. b. All volumes of CPO and PK that are delivered or deducted are correctly calculated as evident in Template of Mass Balance table. As to the date of audit, the POM has not received any RSPO certified materials. c. SCCS CPO Mass Balance procedure has clearly mentioned that the POM can only deliver in a positive stock (Section 5.5.3). 	Yes
E.5.2	In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.	Not applicable.	n.a

3.4 Non-Conformances Raised in this Assessment

As outlined, objective evidence was obtained separately for each of the RSPO Indicators and criterion for the mills and estates. The results for each indicator from each of the operational areas were evaluated to provide an assessment of conformity. A statement is provided for each of the RSPO indicators in order to support the findings of the assessment team. Details statement of non-conformance raised in this audit are summarized in Appendix 4.

3.5 Status of Non-Conformities Previously Identified

Status of non-conformities identified in previous assessment is summarized in Appendix 5.

3.6 Noteworthy Positive Comments

3.7 Issues Raised by Stakeholders

A list of stakeholders contacted and their feedback (if any) is included as Appendix 3.

4. CERTIFIED ORGANIZATION’S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

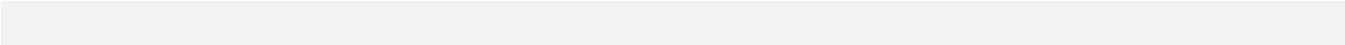
4.1 Assessment Conclusion and Recommendation

The audit team concludes that the organization has / has not established and maintained its management system in line with the **Roundtable on Sustainable Palm Oil (RSPO) Principles and Criteria for the Production of Sustainable Palm Oil 2013 (Malaysian National Interpretation of RSPO Principles and Criteria for Sustainable Palm Oil Production 2014)** and **RSPO Supply Chain Certification Standard (21 November 2014)** standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.

4.2 Acknowledgement of Internal Responsibility and Formal Sign-off Assessment Findings

Signing by the Kwantas Corporation Berhad	
I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document .	
I also confirm:	
<ul style="list-style-type: none"> • Acceptance of liability in execution of the instructions given. • That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of Bureau Veritas Certifications. • That during the closing meeting all agenda items was covered by the Lead Auditor. 	
Acknowledge by:	
Name	Mohd Badrul Nizam Bin Ahamad
Position	Plantation Administration Manager
Date	1 st Nov 2017
Signature	
	

Signing by the Bureau Veritas Certification Hong Kong Ltd.	
I the undersigned, being the Lead Auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.	
Acknowledge by:	
Name	Muhammad Shazaley Abdullah
Position	Lead Auditor
Date	30 Oct 2017
Signature	
	



APPENDIX 1: TIMEBOUND PLAN

Kwantas Corporation Berhad is a member of RSPO and has been involved in the certification since 2nd April 2014; the membership number with RSPO is 1-0150-14-000-00.

Kwantas Corporation Berhad owns and operates **01** refineries, **03** palm oil mills and **18** oil palms estates, together with **03** operating unit covering approximately **29,444.54** ha in Sabah and Sarawak, Malaysia. **Kwantas Corporation Berhad** has developed a time-bound plan for the phased implementation of the RSPO P&C, commencing with mills and estates. **Kwantas Corporation Berhad** will use the experience gained from achieving certification of the first few mills and estates to implement the RSPO P&C in parallel with the remainder of its operations.

Bureau Veritas Certification assessment team considers that **Kwantas Corporation Berhad** is on track which is reasonable and challenging, given the widespread geographic locations of its properties and the resources required.

Time Bound Plan		
Requirement	Findings and any action required	Compliance
Does the plan include all subsidiaries, estates and mills?	The plan has included all subsidiaries under the KWANTAS Group. There are 03 operating units covering 29,444.54Ha.	Yes
Is the time bound plan challenging? Age of plantations. Location. POM development Infrastructure. Compliance with applicable law.	<p>The established time bound plan is challenging in the light that out of a total of 29,444.54ha, 16,444.54ha is a newly acquired land which is a newly planted area to be assessed under the NPP Verification of the RSPO.</p> <p>All plantation production units within the time bound plan is located either in Sabah or Sarawak of Malaysian Island of Borneo with the matured planted oil palm tree is located in Sabah.</p> <p>The company has allocated adequate technical facilities and personnel appropriate to the scale and intensity of the plantation management units of Kwantas. Kwantas has a dedicated sustainability team to manage and implement the RSPO P&C.</p> <p>Aside of Haranky POM, Kwantas is also lining another two (2) POM i.e. Mewah and Pintasan POM to be certified under the RSPO P&C under separate production unit. The two POMs and its supply base are envisaged to be certified in 2018 and 2021 respectively.</p> <p>As reflected earlier, all POM and its supply bases are located in Sarawak and Sabah, hence the compliance of the laws are against the laws of Sarawak and Sabah. Aside of the sets of laws of both Sarawak and Sabah, as a Malaysian based company; Kwantas is also obliged to comply with the Federal Laws of Malaysia.</p>	Yes
Have there been any changes since the last audit? Are they justified?	Not Applicable. This is Main Assessment Audit.	N/A
If there have been changes, what	Not Applicable. This is Main	N/A

circumstances have occurred?	Assessment Audit.	
Have there been any stakeholder comments?	There are some comments articulated by the Stakeholders consulted during the audit. All of their remarks and comments has been addressed during the audit. Details are captured in the audit report.	Yes
Have there been any newly acquired subsidiaries?	The company is currently in the midst of acquiring new land (13,000Ha) in Sarawak. The land consists of state land and Native Customary Rights land. The land acquisition has included FPIC processes.	Yes
Have there been any isolated lapses in implementation of the plan?	This is Main Assessment Audit. The assessment of this section will be verified during the next audit (Surveillance Audit)	N/A
Un-Certified Units or Holdings		
Note: Companies may demonstrate compliance by clear evidence of a self-audit (i.e. an internal audit for all subsidiaries, estates and Palm Oil Mills)		
Requirement	Findings and any action required	Compliance
Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Kwantas has conducted the Internal Review through the commencement of the Internal Auditing process. The timebound plan is found to be reviewed during the internal review and the positive confirmation of the targeted time bound plan is specified in the internal review.	Yes
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none">Primary forest.Any area identified as containing High Conservation Values (HCVs).Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3.	All of the production units of Kwantas (including the newly acquired area in Sarawak) are not originally a primary forest i.e. has been planted with the oil palm plantation. As far as HCV assessment, Kwantas has conducted the HCV assessment for Mewah and Pintasan production unit. On the other hand, for the newly acquired areas in Sarawak, Kwantas is in the process of conducting the HCV assessment.	Yes
Any new plantings since January 1st 2010 must comply with the RSPO New Plantings Procedure.	As reflected earlier, Kwantas is acquiring new areas and expending its oil palm plantation which also involving new planting. For the above purpose, Kwantas has established close engagement with RSPO for the guidance on the way forward.	Yes
Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	As of the date of the audit BVC does not receive any input from any stakeholders or from Kwantas with respect to the existing land conflict occur with any entity or local communities.	Yes
Any Labor disputes are being resolved through a mutually agreed process, in	As of the date of the audit BVC does not receive any input from any	Yes

accordance with RSPO criterion 6.3.	stakeholders or from Kwantas with respect to the labor disputes occur with their workers.	
Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Kwantas has conducted the Internal Review through the commencement of the Internal Auditing process. The timebound plan is found to be reviewed during the internal review and the positive confirmation of the targeted time bound plan is specified in the internal review.	Yes
Any Legal non- compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	BVC does not receive any input from any stakeholders on the legal transgression or breach for all Kwantas' production unit, during the stakeholder notification period and during the onsite audit conducted for Haranky production unit.	Yes

APPENDIX 2: ASSESSMENT PROGRAM

Date	Time	Auditors	Location	Activity
23 Jul 2017 (Sunday)	0915 - 1435	MSA, VS		Auditors Travelling (KUL-BKI-LDU)
	1500 - 1750	MFJ		Auditor Travelling (KUL-SDK)
24 Jul 2017 (Monday)	Team 1			
	0830 - 1400	MFJ	<ul style="list-style-type: none"> DOSH Office Sandakan, Sabah; EPD Office, Sandakan, Sabah; Department of Land Office, Kinabatangan 	External Stakeholders Consultation <ol style="list-style-type: none"> Department of Occupational Safety and Health, Sandakan Environment Protection Department, Sandakan Land Survey Department, Kinabatangan
	Team 2			
	0830 - 0900		Haranky POM	Opening Meeting <ol style="list-style-type: none"> Introduction of Audit Team Introduction of BVC Malaysia General certification system process Presentation of Pre-Assessment Result Discussion on audit programme
	0900 - 1230	MSA, VS	Haranky 1 Estate	Field Inspection <ol style="list-style-type: none"> Field Operations (Spraying, Harvesting, Manuring, etc.) Boundary Stone High Conservation Value Area Riparian/Watercourses Protection Waste Management Plan Storage Facilities Workers Housing Etc.
	1230 - 1400	Lunch Break		
	1400 - 1700	MSA, VS, MFJ	Haranky 1 Estate	Document Review <ol style="list-style-type: none"> Policies Aspect and Impact Assessment (Social, Environment, Etc.) Management Plan (Water, Waste, Environment, HCV, Social, Etc.) Records (Training, Meeting, Accidents, Etc.) Integrated Pest Management Etc.
	1800	Discussion of Day 1		
25 Jul 2017 (Tuesday)	Team 1			
	0830 - 1230	MFJ	<ul style="list-style-type: none"> Immigration Department, Lahad Datu, Sabah; Gerola Estate, JC Chang Group; Kampung Paris 3; WWF Sabah Branch (Interview in Haranky 1 Estate) 	External Stakeholders Consultation <ol style="list-style-type: none"> Immigration Department, Lahad Datu Neighbouring Estate Neighbouring Communities NGO's
	Team 2			
0900 - 1230	MSA, VS	Haranky 2 Estate	Field Inspection <ol style="list-style-type: none"> Field Operations (Spraying, Harvesting, 	

				<p>Manuring, etc.)</p> <p>b. Integrated Pest Management</p> <p>c. Replanting Area (if any)</p> <p>d. Waste Management Plan</p> <p>e. Storage Facilities</p> <p>f. Workers Housing</p> <p>g. Workshop</p> <p>h. Etc.</p>
	1230 - 1400	Lunch Break		
	1400 - 1700	MSA, VS, MFJ	Haranky 2 Estate	<p>Document Review</p> <p>a. Aspect and Impact Assessment (Social, Environment, Etc.)</p> <p>b. Management Plan (Water, Waste, Environment, HCV, Social, Etc.)</p> <p>c. Records (Training, Meeting, Accidents, Etc.)</p> <p>d. Integrated Pest Management</p> <p>e. Etc.</p>
	1730	Discussion of Day 2		
26 Jul 2017 (Wednesday)	0900 - 1000	MFJ	Haranky POM	<p>Stakeholder Meeting with:</p> <ul style="list-style-type: none"> • FFB Suppliers; and • Contractors
	0900 - 1230	MSA, VS	Haranky POM	<p>Site Inspection</p> <p>a. FFB Receiving Ramp</p> <p>b. Processing Unit</p> <p>c. Delivery Areas</p> <p>d. Waste Treatment Plant</p> <p>e. Etc.</p>
	1230 - 1400	Lunch Break		
	1400 - 1700	MSA, VS, MFJ	Haranky POM	<p>Document Review</p> <p>a. Supply Chain Certification Procedure</p> <p>b. Incoming FFB Record</p> <p>c. Delivered CPO Record</p> <p>d. Mass Balance Table</p> <p>e. Quality Management Documents</p> <p>f. Etc.</p>
27 Jul 2017 (Thursday)	0900 - 1230	MSA, VS, MFJ	Haranky POM	Final Document Review
	1230 - 1400	Lunch Break		
	1400 - 1530		Haranky POM	<p>Closing Meeting</p> <p>a. Presentation of Audit Findings</p> <p>b. Discussion</p> <p>c. Recommendation for Certification</p>
28 Jul 2017	0725 - 1220	MSA, VS, MFJ		Auditors Travelling (LDU-BKI-KUL)

Note: * MSA = Muhamad Shazaley Abdullah, VS = Valence Shem, MFJ = Mohd Faisal Jaafar

APPENDIX 3: LIST OF STAKEHOLDERS CONTACTED

Contacted Smallholder	Feedback/Comments Received	Verification or Follow-Up Required by Clients / Bureau Veritas
Department of Occupational Safety and Health (DOSH), Sandakan on 24 July 2017 @9.30am	<ul style="list-style-type: none"> Accidents records and investigation. There have been accidents occur reported by Kwantas with specific accidents occurred in Haranky Unit. According to the Department, the company has been proactive to report the accidents through JKPP 6 Form. On annual basis, the company has also submitted the JKPP 8 Form to the Department in line with the regulations. 	<ul style="list-style-type: none"> The audit team has verified and confirmed that the company has been reporting all accidents occur via JKPP 6 and JKPP 8. Details of the findings are captured in the main body of the audit report.
	<ul style="list-style-type: none"> Invitation to the Occupational Safety and Health (OSH) Meeting. The Department commented on the company's effort to invite them for the OSH Meeting. The company also has provided the copy of the minutes of the meeting should the department is not able to attend the meeting. 	<ul style="list-style-type: none"> The audit team has verified and confirmed that the company has invited the department during the meeting. Details of the findings are captured in the main body of the audit report.
Environmental Protection Department, Sandakan on 24 July 2017 @10.30am	<ul style="list-style-type: none"> EIA for replanting. The department voicing their concerns on the EIA for replanting that has been conducted; but yet to be approved. 	<ul style="list-style-type: none"> The audit team has verified on the issues raised by the Department. Action has been taken by the company to appoint the consultant to perform and conduct the EIA for replanting. Currently the EIA has been completed and has been submitted to the company's HQ for further action on getting the EIA approved.
Department of Land and Survey, Kota Kinabatangan on 24 July 2017 @3.30pm	<ul style="list-style-type: none"> No pertinent issues highlighted by the Department. The company has been complying with the rules set by the department in particular the need to comply with the rules set under Land Ordinance. According to the Department, all land titles belong to Haranky has been changed to Oil Palm or Agricultural Crop for Economic Value as per its intended usage. 	<ul style="list-style-type: none"> The auditor has verified and confirmed that all land titles is for the purpose of Oil Palm or Agricultural Crops of Economic Values. Details of the findings is as per in the main body of the audit report.
Immigration Department, Lahad Datu on 25 July 2017 @9.30am	<ul style="list-style-type: none"> The Department indicates that Kwantas has been constantly engaging with them on the issuance and renewal of work permit of their workers. 	<ul style="list-style-type: none"> The audit team has verified the input received from the Department. The audit team confirms that the company is found to be maintaining the update of the workers work permit. As for renewal process, for any situation where the workers permit is due for expiry, the audit team observed that the company has taken action to apply for renewal prior to the expiry of the work permit. Example of application official letter (Ref No.: P&A/02/IMM/1706-3857) dated 7 June 2017 issued by the company to the Immigration Department of Lahad Datu which has been acknowledge receipt by the Department on the same date.
	<ul style="list-style-type: none"> Moreover, the company has been engaged through the periodical stakeholder consultation/meeting. 	<ul style="list-style-type: none"> The audit team has verified the records of the stakeholder meeting in particular the meeting held with the external stakeholder and confirmed that the Department has been invited for the meeting and that they have attended the meeting dated 13 June 2017.
Neighboring Estate (Gerola Estate) in Gerola Estate on	<ul style="list-style-type: none"> The company has been constantly engaging with the estate through the 	<ul style="list-style-type: none"> The audit team has verified the records of the stakeholder meeting in particular

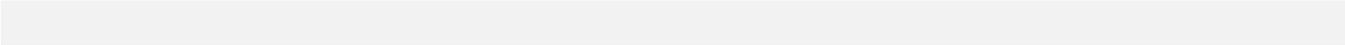
<p>25 July 2017 @11.30am</p>	<p>periodical stakeholder consultation/meeting.</p> <ul style="list-style-type: none"> Moreover, the estate has also been visited by Haranky Estate for a specific programme and schedule 	<p>the meeting held with the external stakeholder and confirmed that the estate has been invited for the meeting and that they have attended the meeting dated 13 June 2017.</p> <ul style="list-style-type: none"> As for the visit by Haranky Estate, the audit team has verified and confirmed that the latest visit has been conducted in April 2017 of which the sustainability team of Kwantas together with the Manager and Assistant Manager participated the visit.
<p>Local Communities of Kampung Paris 3 in Kg. Paris 3 on 25 July 2017 @2.30pm</p>	<ul style="list-style-type: none"> The company has been constantly engaging with the communities through the periodical stakeholder consultation/meeting. There is no other issue articulated with respect to the company's management and operations on the communities' daily livelihood. 	<ul style="list-style-type: none"> The audit team has verified the records of the stakeholder meeting in particular the meeting held with the external stakeholder and confirmed that the estate has been invited for the meeting and that they have attended the meeting dated 13 June 2017.
<p>NGO (WWF), Lahad Datu in Haranky Estate on 25 July 2017 @3.00pm</p>	<ul style="list-style-type: none"> The company has been constantly engaging with the organization through the periodical stakeholder consultation/meeting. Exchanging input and maintaining the security and safety with respect to the management of the Bukit Piton FR that is bordering the Haranky Estate. 	<ul style="list-style-type: none"> For the two inputs received from the NGO, the audit team has verified and confirmed that the company has participated the meeting with the NGO together with other stakeholder such as Yayasan Sabah, Forestry Department and Sabah Wildlife Department on the updates of the management and joint collaboration of management of the Bukit Piton FR. The meeting has been conducted on 19 Dec 2016. Besides the above, Records of action taken following to the stakeholder meetings conducted are found to be maintained by the company; for instance stakeholder meeting for the management of the Bukit Piton FR has resulted on the need to continuously monitor along the border; bordering the FR (Blocks 26 and 27 of Haranky 2 Estate); for any inappropriate and suspicious evidence and/or activities. Such records have been verified by the auditor during the audit. In addition, such action plan has also been incorporated in the Continuous Improvement Plan which is also verified by the audit team during the audit.
<p>FFB Suppliers from surrounding communities in Haranky POM on 26 July 2017 @10.00am</p>	<ul style="list-style-type: none"> Concerns pertaining to the charge imposed by the company for the suppliers (residing within the Haranky Estates) to supply the FFB to other POM 	<ul style="list-style-type: none"> Verification has been made by the auditor to determine the genuinity of the issues raised by the stakeholders. The auditor observed that Haranky POM has issued a circular dated 19 November 2015 that among other specifies that for any charge that has been imposed by the company, Haranky will reimburse the amount charged by the end of each of the month period.
	<ul style="list-style-type: none"> FFB grading process 	<ul style="list-style-type: none"> Refer to the main body of the audit report. Haranky POM has responded and stating that the grading mechanism is following the rules and guidance outlined by MPOB. Such response has been forwarded to the FFB suppliers for their information.
	<ul style="list-style-type: none"> Rejection of the FFB and process to determining the OER of the CPO and CPKO is not clear 	<ul style="list-style-type: none"> Refer to the main body of the audit report. Haranky POM has transmitted the pricing mechanism and means to

		<p>determine the OER for the CPO and CPKO through the Meeting that is conducted with the FFB Suppliers. Observed that the meeting was conducted on 19 May 2017.</p> <ul style="list-style-type: none"> • Following to the above meeting, the POM also has conducted a training session for the FFB suppliers pertaining to the FFB grading as well as the correct selection and harvesting of FFB to ensure that correct and ripe FFB is harvested in order to maximize the OER. The training has been conducted in Haranky POM and Haranky 1 Estate on 13 June 2017.
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Summary:
 In summary, the stakeholder meetings conducted found no pertinent issues against the company's operation except on some occasion which further clarification is needed to be obtained from the company during the audit to confirm the validity.

Interview sessions conducted in free atmosphere without the presence of the company's representative.

All input articulated from the stakeholders are anonymous.



APPENDIX 4: NON CONFORMITIES RAISED IN THIS AUDIT

NCR No.	M01	Date Issued	27/07/2017
Category	Major	Due Date	26/09/2017
Requirements/Indicators	2.1.1 Evidence of compliance with relevant legal requirements shall be available.		
Statements of NC	<p>Some of the requirements stipulated in mill DOE's license (#003528) were found not complied by the mill, such as item</p> <ul style="list-style-type: none"> • ((5) effluent final discharge point was not labelled with "TAKAT PELEPASAN" (Emission Rate) • (9) the mill has installed overflow pipes at the last trenches of the land irrigation system to let the effluent flow out from the trenches to the environment • (16) no stack sampling was conducted in 2015 while there is only one stack sampling was conducted in 2016 • (29) No evidence that boundary noise test has been done • (37) No evidence that the location plan of water sampling stations at Koyah River has been agreed by the Dept. of Environment. 		
Objective Evidence(s)	<p>Objectives evidence for each item is described as follows:</p> <p>(5) effluent final discharge point was not labelled with "TAKAT PELEPASAN"</p> <p>(9) the mill has installed overflow pipes at the last trenches of the land irrigation system to let the effluent flow out from the trenches to the environment</p> <p>(16) no stack sampling was done in 2015 and only one stack sampling was done in 2016</p> <p>(29) No evidence that boundary noise test has been done</p> <p>(37) No evidence that the location plan of water sampling stations at Koyah River has been agreed by the Dept. of Environment.</p>		
Root Cause Analysis	<p>Root cause analysis from the 2.1.1 finding as follows:</p> <p>(5), (9), (16), (29), & (37)</p> <p>Failure to full fill all requirements stated in JadualPematuhan item as inadequate written procedure on compliance with legal requirements, Compliance monitoring plan was not available. and legal compliance checklist was not maintained</p>		
Corrective Action	<p>Corrective action taken to overcome the NCs raised:</p> <p>(5) "TAKAT PELEPASAN" at discharge pond has been marked and correctly labelled.</p> <p>(9) Overflow pipes at the last trenches of the land irrigation has been</p>		

	<p>eradicate. Bund has been raised up, maintenance and desilting work was on going.</p> <p>(16) Stack sampling for 2017 was done on 22th March and second quarter will be conducted on next September by Envosha Sdn Bhd, DOE certified consultant.)</p> <p>(29) Boundary Noise Exposure test for HPOM was done on 16th August 2017. Monitoring conducted and report produced by Rehpro Scientific Sdn.Bhd. Acknowledgment from DOE on Noise emission monitoring report upon reviewed.</p> <p>(37) To determine new location for upstream sampling point as advised by DOE and to conduct sampling as per requirement basedon agreeable location of "StesenPengawasanKualiti Air di Huludan di Hilir Sungai Koyah".acknowledgement provided by DOE thru email from Pn.MardiahAliska,PegawaiKawalanKanan (Unit Perlesenan) JabatanAlamSekitar Sabah, on 24th August 2017.</p>		
<p>Preventive Action</p>	<p>(5), (9), (16), (29) & (37)</p> <p>HPOM was identified all legal and law requirements related to JadualPematuhan DOE's license (#003528) prepared legal compliance monitoring plan for compulsion. Annual compliance checklist has been update and monthly monitored.</p>		
<p>Verification of Corrective Action(s)</p>	<p>Corrective actions evidence have been submitted by the CU as follows:</p> <ul style="list-style-type: none"> • Pictures of "TAKAT PELEPASAN" (Discharge Point) signage had been put up • Pictures of overflow pipes had been removed • Stack Sampling report (ref.: RT033/2017/229), conducted by a competent consultant on 21/9/2017 • Boundary Noise Exposure test report (ref.: RSSB/BOUNDARYNOISE/17-004)for HarankyPOM, conducted by a competent consultant on 16/8/2017 • Location plan of the sampling points at the upstream and downstream which has been acknowledged by the DOE • Updated annual compliance checklist which is monthly monitored. <p>The corrective action and preventive action evidence was found to be adequate. The implementation of the preventive action shall be verified for effectiveness in the next assessment.</p>		
<p>Status</p>	<p>Closed</p>	<p>Date of Closure</p>	<p>19 September 2017</p>

NCR No.	m02	Date Issued	27 Jul 2017
Category	Minor	Due Date	Next Surveillance
Requirements/Indicators	4.6.10: Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated.		
Statements of NC	Disposal of waste materials at the landfill (Block 17) is not according to Waste Management Plan.		
Objective Evidence(s)	During inspection at the landfill (Block 17), it is evident that not all waste disposed has been segregated. There is also evidence of schedule waste (i.e.: used lubricant container) and recyclable materials (i.e.: glass, plastic) been disposed in the landfill.		
Root Cause Analysis	No proper final segregation process in landfill.		
Corrective Action	<ul style="list-style-type: none"> • Reviewing recyclable domestic waste plan based on collection area / source and appointment of person in charge. • For Office, workshop and store the segregation will be done on location and the items will be kept in recycle store in office complex. • Recycle store has been establish in block 17 to keep recyclable items after final segregation took place in landfill and isolating domestic waste from staff Quarters, workers line site and canteen. • To design new trenching landfill system at block 16 to maximize usage and land efficiency. 		
Preventive Action	<ul style="list-style-type: none"> • Weekly Monitoring and monthly report by Estate executive and Clinic Attendant. • Conducting regular 3R awareness, hygiene campaign and training for every level in community. 		
Verification of Corrective Action(s)	<p>The company has taken action to review their Waste Management & 3R plan for all sources in the plantation and mill area. These updated Waste Management & 3R plan has been communicated to all workers through training conducted on 17 and 22 Aug 2017. Evidence of training slides has been submitted to the auditor for verification.</p> <p>Based on the submitted evidence, the company has constructed waste segregation facilities within the housing compound (recycle bin) as well as at the landfill area (segregation house).</p> <p>The company has constructed new design of landfill system to ensure efficiently of landfill usage as submitted to the auditor through email.</p> <p>Based on the submitted evidence, the audit team is in view that the Minor NCR has adequately addressed and hence be closed.</p>		
Status	Closed	Date of Closure	14 Sep 2017

NCR No.	M03	Date Issued	27 Jul 2017
Category	Major	Due Date	26 Sep 2017
Requirements/Indicators	4.7.2: All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.		
Statements of NC	Not all operations where health and safety is an issue has been risk assessed to addressed identified issues.		
Objective Evidence(s)	It is evident that not all operations/activities in the estate have been risk assessed and recorded in Borang HIRARC (e.g.: field upkeep-slashing; crèche; maintenance of water catchment).		
Root Cause Analysis	HSE Committee would classify those activities as not risky if there are no accidents and near miss reported for those particular activities.		
Corrective Action	<p>To assess activities which are not included in the current risk assessments. HIRARC prepared by SHE officer for every estate and mill operations flows is made available to all operation units.</p> <p>a) 05 additional HIRACH prepared for Haranky estate.</p> <ol style="list-style-type: none"> 1. MEMOTONG RUMPUT MENGGUNAKAN PARANG 2. WATER CATCHMENT 3. CRECHE AYAH 4. PONDOK PENGAWAL 5. MENYELENGGARA JALAN <p>b) 09 additional HIRACH prepared for HPOM</p> <ol style="list-style-type: none"> 1. PONDOK PENGAWAL 2. MILL CLEANER 3. WIREMAN 4. BEKERJA DI TEMPAT TINGGI 5. BEKERJA DI DALAM RUANG TERKURUNG 6. CPO DISPATCH 7. PEMANDU LORI CPO 8. PEMANDU LORI UTILITI 9. MENGAMBIL PERCONTOHAN AIR 		
Preventive Action	Hazard and risk of all activities and operations in the estate and mill shall be identified and reviewed regularly.		
Verification of Corrective Action(s)	<p>The company has submitted a HIRARC Master list for both Estates and Mill operations by email to the auditor. The list has included most operations in the estate and mill. The HIRARC has been updated and reviewed by SHE Office (Mr. Elvise).</p> <p>The company has communicated the updated HIRARC to all workers by briefing at all operations as reviewed in the submitted evidence.</p> <p>Although this evidence has been submitted to address this NC, these findings will be reassessed during the next surveillance visit to evaluate the awareness and effectiveness of communication to the workers. Based on the submitted evidence, the audit team has come to a conclusion that it is sufficient to address Major NCR 03.</p>		
Status	Closed	Date of Closure	14 Sep 2017

NCR No.	m04	Date Issued	27 Jul 2017
Category	Minor	Due Date	Next Surveillance
Requirements/Indicators	<p>4.7.5:</p> <ul style="list-style-type: none"> • 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. 		
Statements of NC	First aid equipment is not available at all worksites.		
Objective Evidence(s)	It is evident that the provided first aid box in POM is limited and not made available at all workstation (e.g.: Control Room). Verification made against First Aid distribution Map confirms that only 3 first aid kits have been provided in the POM.		
Root Cause Analysis	No first aid maps being established to evaluate the sufficiency of first aid box.		
Corrective Action	<p>Site verification and justification the location of first aid boxes and make them available in the field, estate and mill sites as applicable.</p> <p>(Additional 4 units of first aid unit)</p> <ul style="list-style-type: none"> • Sterilizer station (6) = First Aid Box is located on the top floor to be easily accessed by the workers in case of emergency. • Press station (4) = First Aid Box is located on the top floor to be easily accessed by the workers in Press station and EFB press in case of emergency. • Supervisors' Room (5) = to be easily accessed by workers working on the ground Floor. • FFB Grading Area (7) = to ensure FFB receiving platform was covered in case any accident occur during unloading and FFB grading. 		
Preventive Action	<ul style="list-style-type: none"> • Training in first aid is given and any employees are reminded of accident procedure and "work change" requirements on a daily / weekly basis/ during new worker orientation programme. • To conduct risk assessment risky activities based on accident & near miss report. 		
Verification of Corrective Action(s)	<p>The company has submitted evidence of First Aid Box location as available in Pelan Lokasi First Aid. The POM has provided 7 strategic points with First Aid Box to ensure all accident cases (if any) can be cater immediately.</p> <p>The First Aid location has been communicated to all workers in the POM during shift briefing session as presented in the submitted evidence.</p> <p>By evaluating the submitted evidence, the audit team is satisfy with the evidence provided. Thus, Minor NCR 04 is closed.</p>		
Status	Closed	Date of Closure	14 Sep 2017

NCR No.	m05	Date Issued	27 July 2017
Category	Minor	Due Date	Next Surveillance
Requirements/Indicators	Indicator 6.5.4: Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food.		
Statements of NC	Growers and millers is not make demonstrable efforts to monitor and improve worker's access to adequate, sufficient and affordable food.		
Objective Evidence(s)	There is evidence of action taken by the company to monitor the goods price sold at the sundry shops within the estates by comparing the price with the neighbouring estates and town. However, the audit team observed that the monitoring process is not comprehensive whereby it is not guided with the input from the <i>KementerianPerdaganganDalamNegeri, KoperasidanKepenggunaan</i> which is the enforcement and regulatory government body for the daily goods, controlled goods and their prices of Malaysia.		
Root Cause Analysis	Remarked that current monitoring procedure on a selection of item in every four month with surrounding groceries shop and neighbouring estates sundry canteen was sufficient.		
Corrective Action	Correspondence with KPDNKK on tracking pricing method of controlled and daily use items to set as basis for goods prices in the Estate. List of groceries prices must be displayed in the sundry shop and tagged accordance to KPDNKK advised.		
Preventive Action	Monthly comprehensive monitoring method with person In-charge been identified to observing on prices fluctuation based on KPDNKK announcement or/ updates and random spot-check to ensure the compliance.		
Verification of Corrective Action(s)	<p>The company has taken action to communicate with the KPDNKK for the application to obtain the price list for all daily goods item monitored by the Department. Evidence of communication has been emailed to the audit team via email on 28 August 2017.</p> <p>Based on the evidences submitted, the audit team observed that the Department has responded and explained that the price list is available in KPDNKK's website.</p> <p>Print-screened copy of the latest price list monitored by the Department (website version) is also attached together with the email.</p> <p>The monthly-updated price list monitored by the company which also includes the price list produced and monitored by the department is made available to the audit team via the same email.</p> <p>Based on the above, the audit team is of the view that the Minor NCR has adequately addressed and hence be closed.</p>		
Status	Closed	Date of Closure	14 Sept 2017

NCR No.	m06	Date Issued	27 July 2017
Category	Minor	Due Date	Next Surveillance
Requirements/Indicators	Indicator 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.		
Statements of NC	There is no evidence available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.		
Objective Evidence(s)	The audit team observed that there is no evidence of contractual agreement signed between the POM and FFB suppliers.		
Root Cause Analysis	During earlier inception of the POM operation, HPOM has established a mutual agreement with the FFB supplier and such paperless. Agreement practice was carried on between both parties until present day as both also are on back –to-back trust basis. That was a widely practised in the industry.		
Corrective Action	A standard or/ legal contract has been draft and reviewed by the top management. Upon agreed, finalization/standardizing these endorsed contract will be circulate to all POMs assigned contractual agreement with FFB suppliers.		
Preventive Action	Briefing to all FFB suppliers during signing of contract by POM manager and to provide sufficient information on term and regulation furthermore updating on MPOB requirement and guideline.		
Verification of Corrective Action(s)	<p>The company has submitted to the audit team via email dated 28 Aug 2017, a copy of the newly established contract that is established between the company and the FFB suppliers.</p> <p>The audit team took note the details of the agreement which has addressed all necessary requirements such as contract validity, payment terms, signature between both parties, rate of the FFB supplied etc.</p> <p>Nevertheless, the audit team is off the view that though the company has established the contract, actual implementation (ground implementation) of the contract has yet to be verified until the next audit (scheduled within one year upon the issuance of the certificate).</p> <p>Based on the above, the Minor NCR is maintained and to be verified (on its implementation wise) by next Surveillance Audit.</p>		
Status	Open	Date of Closure	-

NCR No.	m07	Date Issued	27 July 2017
Category	Minor	Due Date	Next Surveillance
Requirements/Indicators	Indicator 6.10.4: Agreed payments shall be made in a timely manner.		
Statements of NC	Agreed payments are not made in a timely manner.		
Objective Evidence(s)	The audit team observed that there is no basis and guidance for the timeliness of the payment of the FFB supplied to the POM by the FFB suppliers in the light that there is no agreement that has been established between the two entities.		
Root Cause Analysis	During earlier inception of the POM operation, HPOM has established a mutual agreement with the FFB supplier and such paperless. Agreement practice was carried on between both parties until present day as both also are on back –to-back trust basis. Which was a widely practised in the industry.		
Corrective Action	A standard or / legal contract has been draft and reviewed by the top management. Upon agreed, finalization / standardizing these endorsed contract with payment timeline ratified by 16 th on following month will be circulate to all POMs as signed contractual agreement with FFB suppliers.		
Preventive Action	Briefing to all FFB supplier during signing of contract and explanation on complaint and grievance procedure by POM manager. All the details will be documented and recorded.		
Verification of Corrective Action(s)	<p>The company has submitted to the audit team via email dated 28 Aug 2017, a copy of the newly established contract that is established between the company and the FFB suppliers.</p> <p>The audit team took note the details of the agreement which has addressed all necessary requirements such as contract validity, payment terms, signature between both parties, rate of the FFB supplied etc.</p> <p>Nevertheless, the audit team is off the view that though the company has established the contract, actual implementation (ground implementation) of the contract has yet to be verified until the next audit (scheduled within one year upon the issuance of the certificate).</p> <p>Based on the above, the Minor NCR is maintained and to be verified (on its implementation wise) by next Surveillance Audit.</p>		
Status	Open	Date of Closure	-

APPENDIX 5: NON CONFORMITIES IDENTIFIED PREVIOUSLY

Not applicable. This is Main Assessment.

APPENDIX 6: LOCATION MAPS OF THE CERTIFICATION UNIT

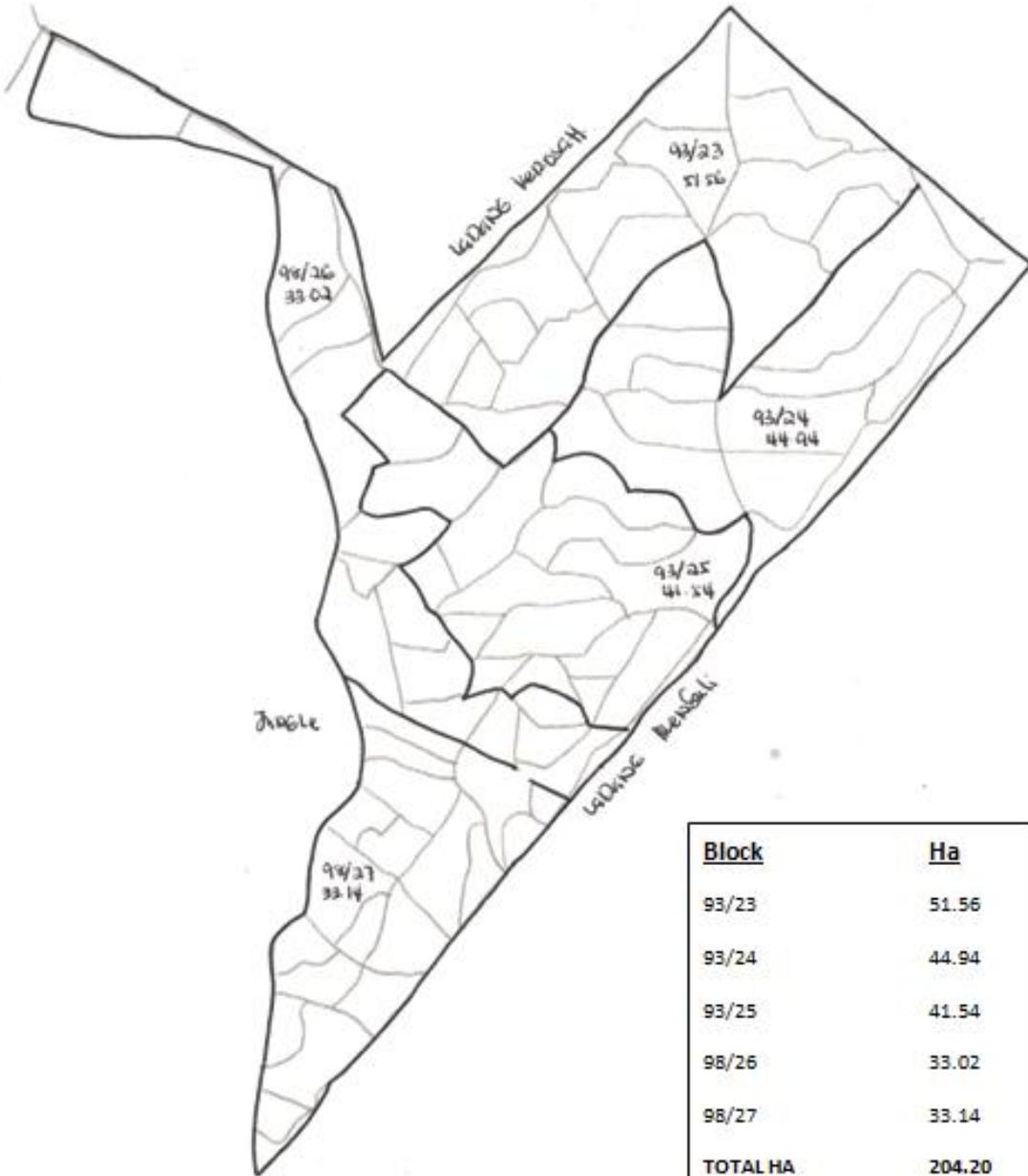
HARANKY 1 ESTATE 1034.48HA

MATURE	
Block	Ha
93/1	41.95
93/2	59.34
92/3	45.16
92/20	45.00
92/21	50.50
92/22	54.28
Total	296.63
MATURE-REPLANT	
Block	Ha
4/12	65.77
7/12	42.77
8/12	45.50
16/12	39.00
Total	193.04
MATURE 2 ND YR - HARVESTING	
Block	Ha
13/5	42.06
13/6	42.94
13/13	65.02
13/19	23.00
Total	173.02
Grand Total	662.69 Ha



REPLANT	
1 ST YR HARVESTING	
Block	Ha
13/17	43.05
13/18	38.48
13/14	34.11
13/15	46.70
Total	162.34
13/11	57.81
13/12	58.39
Total	116.20
IMMATURE	
Block	Ha
14/9	44.27
14/10	48.98
Total	93.25

**KWANTAS LAND DEVELOPMENT SDN BHD
HARANKY 2 ESTATE**



<u>Block</u>	<u>Ha</u>
93/23	51.56
93/24	44.94
93/25	41.54
98/26	33.02
98/27	33.14
TOTAL HA	204.20

APPENDIX 7: RECORDS OF CERTIFIED AND NON-CERTIFIED TRANSACTION SINCE LAST AUDIT

Monthly Records of Certified and Uncertified FFBs Received Since Last Audit (This is Main Assessment)				
Remarks:				
<ul style="list-style-type: none"> • If this is Main Assessment, the figures used are from the last 12 Months • If this is Annual Surveillance Assessment, the figures used are since last audit. 				
No.	Month – Year	Certified Supplier (MT) (Own Estate)	Uncertified Supplier (MT)	Total (MT)
01	Jul 2016	3213.69	17402.98	20675.67
02	Aug 2016	3145.07	14658.96	17823.03
03	Sep 2016	3116.80	17286.98	20403.78
04	Oct 2016	2997.98	16527.34	19525.32
05	Nov 2016	2840.32	13244.43	16084.75
06	Dec 2016	2292.99	15103.72	17396.71
07	Jan 2017	2590.98	13455.91	16046.89
08	Feb 2017	2384.71	12803.65	15188.35
09	Mar 2017	2459.56	14728.59	17188.15
10	Apr 2017	2443.59	14685.32	17328.91
11	May 2017	3051.14	14059.90	17111.06
12	June 2017	3034.88	12764.58	15799.46
TOTAL (MT)		33571.71	176722.36	210572.08

Monthly Records of Certified CPO and PK Produced Since Last Audit			
Remarks:			
<ul style="list-style-type: none"> • If this is Main Assessment, the figures used are from the last 12 Months • If this is Annual Surveillance Assessment, the figures used are since last audit. 			
No.	Month – Year	Certified CPO (MT) (Produced from Own Estate)	Certified PK (MT) (Produced from Own Estate)
01	Jul 2016	639.52	156.83
02	Aug 2016	664.98	168.70
03	Sep 2016	646.42	177.66
04	Oct 2016	619.08	160.69
05	Nov 2016	580.28	126.11
06	Dec 2016	474.19	101.81
07	Jan 2017	511.46	130.07
08	Feb 2017	470.98	116.61
09	Mar 2017	483.80	116.83
10	Apr 2017	530.30	131.65
11	May 2017	628.84	156.83
12	June 2017	608.19	153.56
TOTAL (MT)		6858.04	1697.35

Monthly Records of Certified CPO and PK Sold under Palm-Trace Platforms since Last Audit (if any)			
Remarks:			
<ul style="list-style-type: none"> • If this is Main Assessment, this table is Not Applicable. • If this is Annual Surveillance Assessment, the figures used are since last audit based on RSPO Palm Trace transaction Report. 			
No.	Transaction ID No.	Certified CPO (MT)	Certified PK (MT)
- nil -			

End of Report