



# MSPO SURVEILLANCE CERTIFICATION SUMMARY REPORT [YEAR 02] 2020



## SALCRA

### SERIAN PALM OIL MILL SDN BHD

Lot 25, Block 13, Marup Land District, km13, Jalan Ridan, Lubok Antu,  
95900, Sri Aman



#### BQAS Certification [M] Sdn Bhd

Lot 7823, Sublot 6, 2<sup>nd</sup> Floor, Block A, King Center,  
Simpang Tiga, 93350, Kuching, Sarawak.

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Accreditation No: ACB MSPO CB15

**BQAS Certification [M] Sdn Bhd**  
 REG No: 1179994-X  
 CB No: MSPO 06092019 CB 15

**SALCRA SERIAN PALM OIL MILL SDN BHD [322761-U]**

Ref No: BQ/SSPOM/SVA2/06/20

Date: 30 09 2020



CERTIFIED ENTITY	SALCRA – SERIAN PALM OIL MILL	
MSPO Standards	<input type="checkbox"/> MS2530-3:2013 General Principles for Palm Oil Plantations & Organized Smallholders	
MSPO Standards	<input checked="" type="checkbox"/> MS2530-4:2013 General Principles for Palm Oil Mills	
Type of Certification:	<input checked="" type="checkbox"/> Individual	<input checked="" type="checkbox"/> Group
Project Ref No:	BQ/SSPOM/SVA2/06/2020	
MSPO Certificate No:	BQAS P4 023-3 0420	
MSPO Certificate Validity:	30 04 2018 – 29 04 2023	
HQ Office Address:	Wisma SALCRA, No 1, Lot 2220, Block 26, MTLD, Jalan Dato Mohd Musa, 94300, Kota Samarahan, Sarawak	
Contact Person / Job Title:	Mdm Patricia Chan	Sustainability Executive
Telephone / Mobile:	082 621 904	016 831 2705
Email / Website:	patriciachan@salcra.gov.my	
Site Address:	4 Km Kedup/Mongkos Link Road, Off 13 Km Paon Limau/Mentung Marau Road, Off 20 Km Serian/Sri Aman Road, 94700 Serian, Sarawak.	
Contact Person / Job Title:	Mr Clement Joseph	Mill Manager
Telephone / Mobile:	013-8627525	013-8038215
Email / Website	clementj@salcra.gov.my	
CERTIFICATION BODY	BQAS CERTIFICATION [M] SDN BHD [1179994-X]	
Office Address:	Lot 7823, Sublot 6, 2n Floor, Block A, Kings' Center, Simpang Tiga, 93350, Kuching Sarawak.	
Contact Person / Job Title:	Wilfred S Landong	Managing Director
Telephone / Mobile:	+6 082 572043	+6 017 222 5555
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## EXECUTIVE SUMMARY

SEPOM [Serian Palm Oil Mill Sdn Bhd] is a subsidiary of SALCRA [Sarawak Land Consolidation Rehabilitation Authority].

This is a Surveillance Certification Report Year 2 [third year of certification] for SEPOM & scope is Individual certification of SEPOM under the Standards MSPO MS2530-4:2013 for Palm Oil Mills. BQAS [BQAS Certification Sdn Bhd] had been selected to conduct this Surveillance Audit taking over from another Certification Body. It is to be noted that this Audit which was scheduled earlier to be conducted in March, 2020 was forcibly delayed due to compliance requirements of COVID 19 MCO [movement control order] enforced by government authorities of Malaysia.

SEPOM is located at 4 Km Kedup/Mongkos Link Road, Off 13 Km Paon Limau/Mentung Marau Road, Off 20 Km Serian/Sri Aman Road, 94700 Serian, Sarawak. The Mill Site is situated at Geo-coordinates N00° 57' 27.82" E110° 37' 7.91"; approximately 33 kilometers from Serian Town; 30.514 hectares of Native Country land; owned by SALCRA and leased to SEPOM.

The assessment method follows principles of **3P** (Paper, Practice & People)

This certification assessment is a sampling process where management systems effectiveness & efficiency are confirmed via an Audit Trail that the Auditor established to make an accurate conclusion.

The following are pertinent information on SEPOM:

**No of Employees**

**MPOB License No / Expiry date**

**Production Capacity**

**FFB supply base**

**Annual Production Quota**

**Actual volume of FFB processed for 2019**

**Projected volume of FFB processed for 2020**

**Extraction Ratio**

**Actual production volume for 2019**

**Projected production volume for 2020**

**Projected pricing for 2020**

- **179 employees: all locals**
- No: 5002 2920 4000 / Expiry: 31/03/2021
- 60 (MT) of fresh fruit bunch (FFB) per hour
- Mainly SALCRA owned plantations & other dealers, plantations & smallholders in Serian Division
- 360,000 MT
- 329,451.24 MT
- 340,000 MT
- Oil extraction ratio @ 20.33%
- Kernel extraction ratio @ 4.49%
- Crude Palm Oil @ 66,552.14 MT
- Palm Kernel @ 14,699.82 MT
- Crude Palm Oil @ 71,400 MT
- Palm Kernel @ 17,000 MT
- CPO @ RM1882.60 per MT
- PK @: RM1,290.00 per MT

The Surveillance Audit was conducted on 30 06 2020 to 01 07 2020; 3 Auditors; 6 mandays. The purpose of this Audit is to evaluate the implementation, including effectiveness, and continuous compliance to MSPO requirements of SEPOM management systems. Assessments were done at Mill Site Office and Mill proper to assess documentation, mill facilities and mill operations. Information & data were systematically gathered & documented from interviews, observations of process and activities, field audits & review of documentations and records.

There were 4 findings classified as OFI [opportunity for improvements] on criteria 4.1.2.2 Internal Audit, 4.3.1.2 Regulatory Requirement, 4.3.2.3. Land Use Rights & 4.4.5.11 employment conditions [staff living quarters]

During the Audit, dialogues and interviews were conducted with staffs, Mill workers, Local community representatives, contractors & stakeholders to gauge understanding of MSPO principles, applications & its importance and relevance to sustainable growth and production of palm oil products. Also assessed were their opinion on working & business relationship with SEPOM management & staffs and this was found to be positive, cordial & mutually beneficial.

Mill employees are remunerated in compliance with Employment Act & minimum wage regulations; and living & housing conditions in the mill employees housing and facilities are generally above standard requirements of health & safety regulations & the relevant Housing Act. Available amenities in SEPOM include treated water, domestic waste collection & disposal, electricity and telecommunication services.

SEPOM has continuously complied & conformed to MSPO Certification standards, conditions & requirements. Conclusively, the Lead Auditor therefore recommended that SEPOM Certification under MSPO Standards MS2530-4:2013 Part 4 – General Principles for Palm Oil Mills to be continued and maintained.



## 1.0. INFORMATION: CERTIFICATION ASSESSMENT

1.1.	Type of Certification Assessment	<input checked="" type="checkbox"/>	Annual Surveillance Audit [Year 2]
1.2.	Scope of MSPO Certification	<input checked="" type="checkbox"/>	Sustainable Management of Palm Oil Mill with 60MT/Hour
1.3.	MSPO Standards	<input checked="" type="checkbox"/>	PART 4: MS2530-4:2013
1.4.	Maps and others [Refer Attachments]	<input checked="" type="checkbox"/>	Google Locations
		<input checked="" type="checkbox"/>	Mill Land Map
		<input checked="" type="checkbox"/>	Mill Layout

<b>GROUP [MULTI SITES] CERTIFICATION</b>		Ref No: BQ/SSPOM/SVA2/06/20	
Standard(s):	<input type="checkbox"/> MS 2530-1	<input type="checkbox"/> MS 2530-2	<input type="checkbox"/> MS 2530-3 <input checked="" type="checkbox"/> MS 2530-4
Other Standard and/or Edition:	MSPO SCCS		

## 2.0. INFORMATION: CERTIFIED ENTITY

Company Name	SERIAN PALM OIL MILL SDN BHD		
Company Registration No:	199401037079 (322761-U)		
Main Address:	Wisma SALCRA, No 1, Lot 2220, Block 26, MTL D, Jalan Dato Mohd Musa, 94300, Kota Samarahan, Sarawak		
Site Name:	SERIAN PALM OIL MILL SDN BHD		
Primary Function:	<input type="checkbox"/> Plantation/Organized Smallholders	<input checked="" type="checkbox"/> Mill	
Site Address:	4 Km Kedup/Mongkos Link Road, Off 13 Km Paon Limau/Mentung Marau Road, Off 20 Km Serian/Sri Aman Road, 94700 Serian, Sarawak.		

### Management Contact Details

Name: Clement Anak Joseph	Job Title: Mill Manager		
Mobile: 013-8627525	Tel: 013-8038215	Email: clementj@salcra.gov.my	
Name: Ahmad Syafiq Othman	Job Title: Mill Engineer		
Mobile: 016 5758790	Tel:	Email: asyafiq.sepom@gmail.com	
Headcount:	Local: 179	Foreign:	Total: 179

### MS 2530-4:2013 General Principles for Palm Oil Mills

MPOB License No: 5002 2920 4000	Expiry Date: 31/03/2021
<b>Scope of Activities:</b>	
<b>Activiti Berlesen</b>	<b>Keluaran Kelapa Sawit</b>
Menjual dan Mengalih	FFB, PK, CPO, SPO #
Membeli dan Mengalih	FFB #
Menyimpan	PK, CPO, SPO #
Mengilang	FFB #
Establishment Date	Registered_on 07 11 1994 No 322761-U [formerly known as Award Square Sdn Bhd]



Production Capacity:	60MT/Hour
OER Extraction Ratio: 20.33%	KER Extraction Ratio: 4.49%
PK Production Volume(actual) 2019: 14,699.82 MT	PK Production (estimate) 2020: 17,000 MT
<b>Actual: 2019</b>	<b>Forecast: 2020</b>
PK Average Pricing: RM1,143.46 /MT	PK Average Pricing: RM1,290.00/MT
CPO Production Volume: 66,552.14 MT	CPO Production: 71,400 MT
CPO Pricing: RM2045.77 /MT	CPO Pricing: RM1882.60/MT
FFB Volume: 329,451.24 MT	FFB Volume: 340,000 MT
Main Sources of FFB:	SALCRA Estates
Land Status / Ownership:	<input checked="" type="checkbox"/> Rented <input type="checkbox"/> Own Land <input type="checkbox"/> Joint Venture
Other Sustainability Certification: MSPO SCCS	Geo-Coordinates: N00° 57' 27.82" E110° 37' 7.91"
Validity/Date of Certification:	30 04 2018 to 29 04 2023

### 3.0. ASSESSMENT METHODOLOGY

This certification assessment is a SAMPLING process where management systems effectiveness & efficiency are confirmed via an audit trail that the Auditor established to make an accurate conclusion

Information gathering Data collection from	Interviews – staffs, contractors, local communities, FFB suppliers & other stakeholders <ul style="list-style-type: none"> <li>• Observation of process &amp; activities</li> <li>• Review of documentations &amp; records</li> <li>• Site visits</li> <li>• Field inspections</li> </ul>
Assessment method	Paper <ul style="list-style-type: none"> <li>• Assessing past implementations from records, reports of the management system</li> </ul> Practice <ul style="list-style-type: none"> <li>• Assessing current implementation from observing current practices</li> </ul> People <ul style="list-style-type: none"> <li>• Assessing future maintenance from interviewing personnel on understanding &amp; assessing competencies.</li> </ul>

Surveillance Audit		Audit Findings Classification	
Term	Meaning		Description
YES	Compliance	•	Fulfilled requirement of audited standard
OFI	Opportunity for improvements	•	Demonstrate conformity. There are, however, improvement opportunity identified that will benefit the organization
NO (minor NC)	Minor non conformity	•	Non-compliance to standard requirements or company's SOP; or are issues that when combined, jeopardized the functioning of the system
NO (major NC)	Major non conformity	•	Demonstrate absence or total breakdown of system to meet standard requirement, or a number of minor NC against a clause of standard requirements / at a particular area. Of last assessment that are not effectively addressed will be classified as major NC.



## 4.0. ASSESSMENT PROCESS

### 4.1. AUDIT TEAM

Assessment Stage	Name	Role
Surveillance Year 02	Wilfred S Landong	Lead Auditor
	Duke Ladin	Auditor
	Sanicas Granda	Trainee Auditor

### 4.2. AUDIT PLAN

#### 4.2.1. AUDIT OBJECTIVES

##### Surveillance Audit

- Changes to the certified client and its management system
- Verification continuous management system implementation
- Review of effectiveness of measures arising from the previous audit (if applicable)
- Confirmation of fulfillment of certification requirements
- Enquiries on aspects of certification (Complaints)
- Review of any client's statements with respect to its certified operations (e.g. promotional material, website, use of BQAS logos and marks, use of the certificate)
- Customer specific requirements

#### 4.2.2. ASSESSMENT SITES / PROGRAMS / PARAMETERS

##### MS2530-4:2013 General Principles for Palm Oil Mills

#### 4.2.2.1. Assessment Sites

Assessment were performed at:

- Mill Office – documentations & records
- Mill – processes, stores, waste & water management, workshop and related facilities
- Staff facilities – housing, amenities etc.

#### 4.2.2.2. Assessment Program

Date: 30 06 2020 – 01 07 2020

No of Auditors: 3

No of Mandays: 6

- Day 1
- Opening Meeting
  - Review Certification Audit Report



- Day 2
- Documentation Audit / Record Review at Mill Office
  - Mill – facilities inspection (chemical, schedule waste stores, workshop, effluence ponds, grading etc.)
  - Observation of milling processes, interview Mill workers/Engineers, weighbridge, laboratory etc.
  - Inspection/observation of staff/workers housing & living conditions, facilities & amenities, interview foreign workers, domestic waste treatment etc.
  - Stakeholders dialogues/interviews (contractors, FFB suppliers, local community representatives, adjacent landowners)
  - Closing meeting
  - Presentation of Audit Checklist / Report

#### 4.2.2.3. Assessment Parameters

##### Evaluate implementation, including effectiveness of the management system

- Information & evidence about conformity to all requirements
- Performance monitoring, measuring, reporting
- Reviewing against key performance objectives & targets
- Performance as regards legal compliance
- Operational control of the client's process
- Internal auditing & Management review
- Management responsibilities for policies
- Links between the normative requirements, policy
- Competence of personnel
- Customer specific requirements
- Traceability of FFB
- Use of PPE / Safety & Health training program
- Revisit other points/areas of buffer zone, Riparian reserves, boundaries
- Implementation of Policies & procedures at all stores (fertilizer, chemical, schedule waste store)
- Improvements to workers' quarters – health & safety
- Infrastructure / roads & drainage / natural water management
- Continuous improvement plan & implementation
- Implementation of Best practices
- Implementation of environmental management plan
- Stakeholders & workers interview



## 5.0. SURVEILLANCE ASSESSMENT

### 5.1. SURVEILLANCE AUDIT REPORT

#### PRINCIPLE 1: MANAGEMENT COMMITMENT & RESPONSIBILITY

##### Criterion 4.1.1: Malaysian Sustainable Palm Oil (MSPO) Policy

Indicator	Requirement	Compliance	Findings
4.1.1.1	Policy for the implementation of MSPO shall be established.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Following policies established <ul style="list-style-type: none"> <li>• MSPO Policy</li> <li>• Sexual Harassment Policy</li> <li>• Environmental and Sustainability Policy</li> <li>• Safety &amp; Health Policy</li> </ul> Signed by General Manager dated 09 03 2020
4.1.1.2	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Commitment to continual improvement encapsulated in: <ul style="list-style-type: none"> <li>• Environmental &amp; Safety Policy – 'SALCRA is committed to achieve sustainability in all ventures by incorporating good environmental management practices'</li> <li>• Continuous Improvement Plan dated 02 01 11 SEPOM-FRM 103.1</li> </ul> Viewed and verified.

##### Criterion 4.1.2: Internal Audit

Indicator	Requirement	Compliance	Findings
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Noted and verified Internal Audit are planned and conducted at least on an annual basis. Viewed IA documents <ul style="list-style-type: none"> <li>• IA for 2018 conducted on 24 09 18</li> <li>• IA for 2019 conducted on 29 10 19</li> <li>• IA for 2020 conducted on 18 06 20</li> </ul>
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	Viewed Internal Audit Report 2020 with findings as follows: <ul style="list-style-type: none"> <li>• 52 compliance</li> <li>• 8 issues of concern</li> <li>• 1 non-compliance</li> </ul> Noted CAR No 1 24 09 2018; NC P4 Criterion 4.4.4.2. Internal Auditor did not closed out the findings.

			CAR do not provide column for closure.
4.1.2.3	Report shall be made available to the management for their review.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Noted IA Report for 28 06 2020 was presented to & reviewed by SALCRA Management team led by the GM
<b>Criterion 4.1.3: Management review</b>			
Indicator	Requirement	Compliance	Findings
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Management Review is conducted at least once a year by the MSPO Steering Committee chaired by the Plantation Development Manager. Viewed Minutes of meeting of MSPO steering committee dated 21 11 2019
<b>Criterion 4.1.4: Continuous Improvement</b>			
Indicator	Requirement	Compliance	Findings
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Action Plan for Continual Improvement to be implemented in the year 2020 noted in doc. Among key projects: <ol style="list-style-type: none"> <li>1. Production – increase productivity</li> <li>2. Social – crop quality, mill workers, FFB supplier, community.</li> </ol> Environmental - Domestic waste management, methane trapping, smoke particulate filtering system, pulp and paper plant.
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Noted in the Key Focus Area And Strategies in file Management Budget for 2020 SEPOM intended to focus and achieve the result with the following strategies: <ul style="list-style-type: none"> <li>• Management of mill waste, smoke emission and improvement to CPO quality by implementation of selected Mill Waste Technology such as Eco Mat – Plant. (running in year 2020), Methane Trapping Plant</li> <li>• Management of smoke emission by using Electrostatic Precipitator</li> <li>• CPO Quality improvement to minimize chloride in CPO by mitigate formation of 3 MCPD in refinery.</li> </ul>

## PRINCIPLE 2:

## TRANSPARENCY

## Criterion 4.2.1: Transparency of information and documents relevant to MSPO requirements

Indicator	Requirement	Compliance	Findings
4.2.1.1	The management shall communicate adequate information to other stakeholders on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Evidence noted and verified management had communicated all relevant information to other stakeholders; by way of public notices, personal communications & correspondence, signages. Language used both in Bahasa & English.
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Noted & verified the following: <ul style="list-style-type: none"> <li>• Communication &amp; Consultation procedure doc ref SOP-07 01 10 18.</li> <li>• MSPO policies &amp; other relevant information on public display @ notice board in Mill office &amp; other relevant premises</li> </ul> Public notices to customers & stakeholders in Bahasa

## 4.2.2: Transparent Method of Communication &amp; Consultation

Indicator	Requirement	Compliance	Findings
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	SEPOM had established procedure and mechanism to conduct workers, stakeholder, staff meeting. Noted in file SEPOM-FRM 301.5-8 & 301.10-11 KECEKAPAN, LATIHAN & KESEDARAN.
4.2.2.2	The management shall nominate management officials at the operating unit responsible for issues related to Indicator 1	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Mill Manager, Mr Clement ak Joseph appointed as SEPOM Consultation and Communication of Stakeholder dated 11 02 2019 till 2021. Viewed & verified
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Noted and viewed in MSPO Stakeholder file the following are maintained and updated: <ul style="list-style-type: none"> <li>• List of stakeholders</li> <li>• Minutes of meetings and briefing with Mill's dated 30 04 2019 [Smallholders' briefing]</li> </ul>

## 4.2.3: Traceability

Indicator	Requirement	Compliance	Findings
4.2.3.1	The management shall commit itself to implement and maintain the requirements for traceability and shall establish a standard operation	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Traceability procedure No 901 Version 1 dated 06 06 2020 noted and viewed covering the following aspects: <ul style="list-style-type: none"> <li>• Harvester</li> </ul>



	procedure for traceability.		<ul style="list-style-type: none"> <li>Harvesting Mandore</li> <li>Farm tractor (FT) Operator</li> <li>Ramp/Bin Attendant</li> <li>Ffb lorry driver</li> <li>Auxillary Police</li> <li>Mill Weighbridge Clerk</li> <li>Estate Supervisor (ES) / Field Assistant(FA)</li> <li>Estate Clerk</li> </ul>
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The Mill engineer conduct daily inspections at various work stations and processes & does daily CPO & PK stock take; and the Mill Manager does inspection daily as well.
4.2.3.3	The management shall identify and assign suitable employees to implement and maintain the traceability system.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Cik Pelicity ak Martin appointed as Traceability Representative with effect from 2019 till 2021 and is responsible for implementing and maintaining the traceability system.
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel is maintained vide document "Monthly Mill Production & Quality Statistics" and updated every beginning month. Document viewed and verified.

**PRINCIPLE 3: COMPLIANCE TO LEGAL REQUIREMENTS**

**Criterion 4.3.1: Regulatory requirements**

Indicator	Requirement	Compliance	Findings
4.3.1.1	All operations shall be in compliance with applicable local, national and ratified international laws and regulations.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Viewed and verified legal documents pertaining to local, national, international law and regulations. As follows <ol style="list-style-type: none"> <li>Jabatan Alam Sekitar</li> <li>Dept of Occupationla Safety and Health [DOSH]</li> <li>Jabatan Kilang &amp; Jentera Sarawak</li> <li>MPOB Act</li> <li>Labour Act</li> <li>PERKESO</li> <li>KWSP</li> <li>Fire Department</li> </ol>



			<p>9. Health Dept</p> <p>10. PDRM</p> <p>11. Jabatan Bekalan Elektrik</p> <p>12. Jabatan Ketua Menteri Sarawak [PKPP]</p>
4.3.1.2	The management shall list all relevant laws related to their operations in a legal requirement register.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Viewed and verified the legal requirement register. Noted the absence of relevant Sarawak Laws &amp; Regulations</p> <ul style="list-style-type: none"> <li>• Forest Ordinance</li> <li>• NREB Ordinance</li> <li>• Wildlife Protection Ordinance</li> <li>• Land Code</li> </ul> <p>Note: Mill land is surrounded by natural water sources and secondary forested areas and hills, Apeng Forest Reserves and others landowners. Reservoir water is also drawn from Sg Simingking [less than 100 metres from the reservoir].</p>
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Legal register updated monthly.</p> <p>Example on 14 04 2020, regulations 'Perintah Kawalan Pergerakan Pemulihan [PKPP] from Jabatan Ketua Menteri Sarawak was updated.</p>
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Cik Pelicity anak Martin appointed as Wakil Legal Monitoring Compliance with effect from 11 02 2019. Letter ref SE/HR/ADM/02-19/10.</p>

**Criterion 4.3.2: Land Use Rights**

Indicator	Requirement	Compliance	Findings
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Immediate neighbors of SEPOM are Kedup 1 &amp; 2, Mongkos palm oil estates who are also owned by SALCRA. Thus non issue of palm milling activities diminishing the land use rights of other users.</p>
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Serian Palm Oil Mill is located at Lot 233, Block 11, Sg Kedup Land District on a 30.514 hectares native country land own by SALCRA. Land is subleased to SEPOM on annual rental basis and tenure of 15 years effective 28 08 2010. Sighted and verified</p>



			Memorandum of Sublease [Section 158] Form L signed on 31 <sup>st</sup> May, 2010.
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground, where practicable.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	2 boundary peg were inspected at geo-coordinates: <ul style="list-style-type: none"> <li>• N00° 57'311" E110° 37' 414"</li> <li>• N00° 57'291" E110° 37' 430"</li> </ul> Boundary marker [wooden peg] is planted on ground; clear demarcation but not clearly visible & peg rotting out.
4.3.2.4	Where there are, or have been disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free or informed consent (FPIC).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Not applicable as land is owned by SALCRA

**Criterion 4.3.3: Customary Rights**

Indicator	Requirement	Compliance	Findings
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Not applicable
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Location Map is made available
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Not applicable

**PRINCIPLE 4: SOCIAL RESPONSIBILITY, HEALTH, SAFETY, & EMPLOYMENT CONDITION**

**Criterion 4.4.1: Social impact assessment (SIA)**

Indicator	Requirement	Compliance	Findings
4.4.1.1	Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Based on Social Impact Assessment Year 2018 of Serian Palm Oil Mill (SEPOM) conducted by Perunding Armada Sdn Bhd, the Mill priorities are opening of new job



			opportunities and Increase local community income to negate negative impacts, mentioned in page 56 of the report. As of year 2020, approximately 97% of the staff and Mill workers are from the local communities of Serian locality.
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**Criterion 4.4.2: Complaints and grievances**

Indicator	Requirement	Compliance	Findings
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	A system for dealing with complaints and grievances can be seen as a General Procedure Guideline: Handling of Complaints and Grievances, established on 1st September 2018, approved and signed by the General Manager.
4.4.2.2	The system shall be able to resolves disputes in an effective, timely and appropriate manner, which is accepted by all parties.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The flowchart of the Handling Complaint and Grievances SOP viewed in GPG 7.4 file, dated 1 <sup>st</sup> September 2018, indicated acceptable system in resolving disputes in effective, timely and appropriate manner, which is acceptable by all parties. However, they did not showed any fix timeline to resolve issues as the reason being given was some issues may involved legal matters that would take years to settle.
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	There are two types of forms for complaints, grievances and suggestions used by the mill, a standardized used across all SALCRA mills; Complaints and Grievances Register Book and the Mill's 'Borang Aduan Kerosakan Kuarters/Berek Kakitangan dan Pekerja'.
4.4.2.4	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Based on the complaints recorded using 'Borang Aduan Kerosakan', the workers seem to be aware of the complaints facilities provided by the mill. The latest complaints was on 3th February 2020. An consultation with the community representative, Mr Jambeng anak Surak from Kampung Mentong Bilaga, since almost every workers come from the surrounding areas , knew the procedures of complaints and grievances. However, there were no complaints or grievance recorded using Complaints and

			Grievances Register Book.
4.4.2.5	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Accept for the Compilation of 'Borang Aduan Kerosakan' there were no serious complaints been made for the past 24 months that need the use of Complaints and Grievances Register Book.

**Criterion 4.4.3: Commitment to contribute to local sustainable development**

Indicator	Requirement	Compliance	Findings
4.4.3.1	Palm oil millers should contribute to local development in consultation with the local communities. Where the mill is an integral part of a plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Serian Oil Palm Mill contribution to the development of the local communities: <ul style="list-style-type: none"> <li>● Jobs opportunities for the local community as confirmed by an interview with a local representative Mr Jambeng Anak Surak from Kampung Mentong Silaga.</li> <li>● Financial assistant in organizing events of the surrounding villages and churches as recorded in CSR folder</li> <li>● Provide treated water to Kampung Mentong Maru on 28<sup>th</sup> February 2020 when the Kampung experience shortage of water.</li> </ul>

**Criterion 4.4.4: Employees safety and health**

Indicator	Requirement	Compliance	Findings
4.4.4.1	An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act139) shall be documented, effectively communicated and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The occupational safety and health policy has been standardized across SALCRA plantation and mills, established on 9 <sup>th</sup> March 2020, approved and signed by the General Manager and plan was viewed to be in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act139). Safety and Health issues were discussed and documented in the Occupational Safety and Health Committee minutes of meeting. The last meeting was held on 17 <sup>th</sup> June 2020 at SEPOM Meeting rooms. The minute can be viewed at file ref: SEPOM-FRM 104.01-01.
4.4.4.2	The occupational safety and health plan shall cover the following:		





A.	A safety and health policy, which is communicated and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The safety and health policy can be seen pinned at every notice boards around the mill, the latest Occupational Safety and Health Committee minutes of meeting was held on 17 <sup>th</sup> June 2020 and toolbox briefing were said to be given to new suppliers and in-coming contractors based on series of rules in the 'Keperluan Keselamatan, Kesihatan, Alam Sekitaar, Keselamatan makanan dan kualiti untuk pembekal dan kontraktor' file ref: SEPOM-DOC 401.1 and they were asked to sign the document before they can enter the mills.
B.	The risks of all operations shall be assessed and documented	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	HIRARC in assessing risks of all operation was well documented in the file Ref: SEPOM-FRM 603.1, established on 1 <sup>st</sup> November 2019, approved and signed by the mill manager.
C.	An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill: i) all employees involved are adequately trained on safe working practices; and ii) all precautions attached to products should be properly observed and applied.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The training program should be based on the findings of Chemical Health Risk Assessment (CHRA) ref: SCS/A011SPOM/CHRA/16, established on 24 <sup>th</sup> February 2017, conducted by Seraphim Consultancy Services.
D.	The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	During the mill's site visit, the workers and staffs were using appropriate PPE including wearing ear plug in the engine room and thick gloves at the boilers to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).
E.	The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The SOP for chemical handling and storage can be viewed in file ref: SEPOM-SOP 402, titled Chemical Control, established on 2 <sup>nd</sup> of February 2011, endorsed by the Mill



	in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.		Manager. The SOP was found to be in accordance to Occupational Safety Health (Classification, Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.
F.	The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Occupational Safety and Health Committee was formed to be collectively responsible for workers' safety and health. The committee is lead by the mill manager, and had knowledge and access to the latest national regulations and collective agreements.
G.	The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meetings shall be kept and the concerns of the employees and any remedial actions taken shall be recorded.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Safety and Health issues were discussed and documented in the Occupational Safety and Health Committee minutes of meeting. The last meeting was held on 17 <sup>th</sup> June 2020 at SEPOM Meeting rooms. The minute can be viewed at file ref: SEPOM-FRM 104.01-01.
H.	Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Accident and emergency procedures can be viewed in the file ref: SEPOM-SOP 602, titled Emergency Preparedness and Response, established on 2 <sup>nd</sup> February 2011, endorsed by the Mill Manager.
I.	Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	At the time of the audit, there are about 15 certified First-Aider and required to be a least one First-Aider at every station. First aid equipment is available at every working stations.
J.	Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Records of accidents can be viewed in the folder Accident/Incident record/Monthly Performance Record. The latest incident recorded was on 8 <sup>th</sup> October 2019. The record will be reviewed during Occupational Safety and Health Committee meetings.

## Criterion 4.4.5: Employment conditions

Indicator	Requirement	Compliance	Findings
4.4.5.1	The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The priority for SALCRA Mill's as stated in its Social Policy and Objectives, is 'SALCRA is committed, as far as practicable; to improve the quality of life of the rural communities participating in its land development programme'. The policy was approved and signed by SALCRA general Manager on 8 <sup>th</sup> November 2017.
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, color, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The executive staffs and mill workers are predominantly Bumiputra in which it is said that around 90% of the workers are from the surrounding villages and towns. However, there is no indication that the management practices and discrimination in regards to race, color, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Based on one the workers pay slips and employment contracts, Mr James Neil Anak Maco, worked as Fireman in the processing station, his wages of the month of May 2020 found to meet legal or industry minimum standards as per collective agreement.
4.4.5.4.	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The SALCRA HQ management is responsible for ensuring one of the contractor, SALCRA JAYA Sdn Bhd, paid its employees based on legal or industry minimum standards.
4.4.5.5.	The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Viewed in the records of employees and employees employment contracts, the management has a good records that contained names, gender, date of birth, date of entry, job description, wage and period of employment.



	description, wage and the period of employment.		
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The contract of Mr James Neil Anak Maco seem to be fair and signed by the Mill manager. According to the staff, a copy of the employment contract was given to them upon signing.
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The mill used punch card system to record the working hours and overtime. The payment slip showed deduction of EPF and SOCSO, working days, weekends and public holidays works, wages advancement and allowances.
4.4.5.8	The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirement applicable.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The working hours and breaks as showed in the salary and daily paid worker slips, are viewed to be comply with the legal regulations and collective agreements.
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Wages and overtime documented on the pay slips as shown in James Neil Anak Maco was viewed to be in line with legal regulations and collective agreements.
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Based on James Neil Anak Maco employment contracts, there were bonuses for good performance given to the workers, free living quarters, annual holidays, free medical care and promotions to be evaluated by the management. The performance appraisal will be conducted by the Unit Head and Station Engineers using the SEPOM-WR-2 form.
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	During site visit to the workers' quarters were more than adequate and habitable with basic amenities and facilities. However, the inhabitants should take care of the cleanliness of the compounds especially the drains.[blocked drain]
4.4.5.12	The management shall establish a	<input checked="" type="checkbox"/> Yes	The management has established Sexual



	policy to prevent all forms of sexual harassment and violence at the workplace.	<input type="checkbox"/> No <input type="checkbox"/> OFI	Harassment Policy & Objectives on 1 <sup>st</sup> April 2020, approved and signed by the General Manager.
4.4.5.13	The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	In the mill's Social policy and Objectives or any other documented policies, SALCRA didn't mentioned any workers' right to form and join trade union. The welfare of the workers is the responsibility of the management and any disgruntle or complaints has its own SOP. Nevertheless, according to the Mill manager, the management will respect if the employees and workers to exercise their right to form a trade union, without any discrimination or suffer repercussions.
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The are no child labor employed at the mill.

**Criterion 4.4.6: Training & Competency**

Indicator	Requirement	Compliance	Findings
4.4.6.1	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Viewed in the file ref: SEPOM-FRM 301.6B titled Training Plan Year 2020, approved and signed by the Mill Manager, all employees were appropriately trained. As for the contractors and suppliers, they are required to attend the Safety, Health, Environment and Quality briefing. Records of training are view in the folder I) SEPOM-FRM 301.5-8 & 301.10-11: Kecekapan, Latihan & Kesedaran II) SEPOM-FRM 301.9: Rekod Latihan Petugas
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programs in order to provide the specific skill and competency required	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	III) The training program and plan for the mill is based on Training Recommendations for Mill Personel, attached at the folder ref: SEPOM-FRM 301.5-8 & 301.10-11: Kecekapan, Latihan & Kesedaran, established and



	to all employees based on their job description.		updated on 10 <sup>th</sup> January, 2020, approved and signed by the Mill Manager.
4.4.6.3	A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The continuous training program for 2020 - 2021 can be viewed at the file ref: SEPOM-FRM 301.6B titled Training Plan Year 2020-2021, dated 24 <sup>th</sup> June 2020, approved and signed by the Mill Manager.

**PRINCIPLE 5: ENVIRONMENT, NATURAL RESOURCES, BIODIVERSITY & ECOSYSTEM SERVICES**

**Criterion 4.5.1: Environmental management plan**

Indicator	Requirement	Compliance	Findings
4.5.1.1	An environmental policy and management plan which shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	SEPOM environment policy was established on 1 <sup>st</sup> April 2020, approved and signed by the general manager, Mr Joseph Blandoi. The environmental management plan found to be compliance with existing environmental laws.
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	a) SEPOM environment policy was established on 1 <sup>st</sup> April 2020, approved and signed by the general manager. b) Noted in the document SEPOM-FRM 601.1-2 under Significant Environmental Aspects and Impacts Registrar Form approved and signed by Mr Clement ak Joseph dated 09 04 2020
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Noted in document SEPOM-FRM 601.1-2 Mengenalpasti Aspek & Penilaian Impek Alam Sekitar developed had also included the action plans and recommendations to mitigate the negative effects and to promote the positive impact.
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	A programme to promote the positive impacts is noted in the Social Impact Assessment (SIA) in page 55 and file SEPOM-FRM 103.1 under Objectives & Target and sign by the Mill Manager, Mr Clement Anak Joseph



4.5.1.5	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy, objectives and management plans and are working towards achieving the objectives.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Verified that the documented training programme had been established and implemented in file SEPOM-FRM 301.5-8 & 301.10-11 under Kecekapan, Latihan & Kesedaran.  Trainings and briefings conducted include the following: <ul style="list-style-type: none"> <li>• Latihan dalaman Pengurusan Bahan Buangan Terjadual dated 23 09 2019</li> <li>• Sesi latihan Pengendalian Kimia Selamat dated 26 02 2019</li> <li>• Taklimat Personal Exposure Monitoring dated 23 03 2019</li> </ul>
4.5.1.6	Management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Noted in file SEPOM-FRM 104.2 under Rekod Kehadiran, regular meetings and discussions or consultation with employees were conducted in relation to environmental quality issues.  In addition, on the job briefings were also conducted by the personnel to the workers.

**Criterion 4.5.2: Efficiency of energy use and use of renewable energy**

Indicator	Requirement	Compliance	Findings
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Noted in file SEPOM-FRM 701.1-2, 704.2 under Pengukuran & Pematuhan Alam Sekitar. SEPOM using their own steam turbine system to generate renewable energy to electricity. Data were compile from year 2015 to 2020 for environmental performance indicator to improve efficiency of the use of diesel every month at the OPM.
4.5.2.2	Palm oil millers shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Noted in file Management Budget 2020, estimated of non-renewable energy were recorded under consumable. <ul style="list-style-type: none"> <li>• 2020 – 204,400 liters</li> <li>• 2019 – 225,833 liters [actual]</li> <li>• 2018 – 194, 731 liters [actual]</li> </ul>
4.5.2.3	The use of renewable energy should be applied where possible.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Renewable energy from the steam turbine system is used at the POM, office and housing quarters when there is processing of FFB. Diesel



generated power will be used when there is no processing of FFB.

#### Criterion 4.5.3: Waste management and disposal

Indicator	Requirement	Compliance	Findings
4.5.3.1	All waste products and sources of pollution shall be identified and documented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>SEPOM Waste Management Plan ref SEPOM-SOP 403:503</p> <p>Noted in the document under Schedule Waste Collection (SARAWAK) Sdn Bhd, identification of all waste product such as schedule waste, domestic waste, recyclable waste, hydraulic oil waste, electrical waste, lubricating oil waste were maintained and monitored at the POM.</p>
4.5.3.2	<p>A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution;</p> <p>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Noted in the Objectif &amp; Target. SEPOM had implemented waste management plan to reduce 5% of the waste in year 2020. Disposal of schedule waste was done by an appointed contractor that is licensed by the Department of Environment, Trinikens (Sarawak) Sdn Bhd. Records on the usage and disposal were well recorded and documented.</p>
4.5.3.3	The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Wastes) Regulations, 2005.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Standard operating procedure for the handling of used chemicals classified as Scheduled Waste has been developed and implemented. Noted in SEPOM-SOP 402 under Chemical Control.</p>
4.5.3.4	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>As confirm by mill management, domestic waste will be disposed every Tuesday and Saturday to Serian Municipal council dumpsite at Batu 8 Mile Serian/Sri Aman Road, Serian.</p>



**Criterion 4.5.4: Reduction of pollution and emission including greenhouse gas**

Indicator	Requirement	Compliance	Findings
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The assessment of all polluting activities is well documented in the file ref: SEPOM-FRM 601.2, Significant Environmental Aspects and Impacts Registrar Form in the Environmental Management System (EMS) 2020 folder, approved and signed by the mill manager on 9 <sup>th</sup> April 2020.
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The action plan to reduce the identified significant pollutants and emissions can be viewed in file ref: SEPOM-FRM 103, endorsed by the Mill Manager on 15 <sup>th</sup> June 2020.
4.5.4.3	Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The information in regards to POME, can be viewed in the Process Flow of the POME Treatment Plant Operation, prepared by Asiatic Development Berhad, drawing ref: SEPOM/ETP/05, complied with standards as stipulated in the relevant Environment Quality The average final discharge of treated effluent as of 2019 was 189,830 ton/ton bts, which is within the limits of state and national policies and regulations.

**Criterion 4.5.5: Natural water resources**

Indicator	Requirement	Compliance	Findings
4.5.5.1.	The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	
A.	Assessment of water usage and sources.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The sources of water for the Mill came from the Mill's own water treatment plant. The raw water pond in which it get it water pumped from Sungai Semingking.
B.	Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	In the Objectives and Targets file ref: SEPOM-FRM 103.1, the monitoring and sampling of the drainage including 2 monsoon drains was the responsible of assigned lab assistant. The detail can be viewed at file ref: SEPOM-FRM 103.1. The



			monitoring is to conducted every months.
	Ways to optimize water and nutrient usage and reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Ways to optimizes water usage can be viewed in the Bil. 4 - Water Management Plan 2017, established on 1 <sup>st</sup> December, 2017, signed and approved by the mill manager.
2	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The process of open discharge of POME into a drainage that lead to Sungai Semingking and monitoring of PH before final discharge can be viewed in file ref: Bil 4.2.3 - Water Management Plan 2017, established on 1 <sup>st</sup> December 2017, signed and approved by the mill manager.

**PRINCIPLE 6: BEST PRACTICES**

**Criterion 4.6.1: Site management**

Indicator	Requirement	Compliance	Findings
4.6.6.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Mill has 28 documented SOP. SEPOM – SOP 101-108, 201 – 202, 301, 401 – 403, 501 – 505, 601 – 602, 701 – 705, 801, 901 – 903. Occupational Health & Safety policy, Legal Policy, Ojectives, Internal & External communication, Internal Audit, Management Review, Control of documents, ecored Control, Competence, Training & Awareness, contrl of suppliers & contractors, chemical control, operational control of scheduled wastes, operational control, Mill maintenance, control of solid waste, cleaning and sanitation control, control of effluent pond, desludging, evaluation of environmental impacts, emergency and preparedness & response, environmental monitoring & measurement, evaluation of compliance, calibration, purchasing, customer complaints, Covid 19 control, traceability procedures. All procedures sighted and verified.
4.6.6.2	All palm oil mills shall implement best practices.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Mill implement best practices based on Manual and procedures as guidielines

Indicator	Requirement	Compliance	Findings
<b>Criterion 4.6. 2: Economic and financial viability plan</b>			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Management Plan for SEPOM is documented on annual basis. Viewed SEPOM Management Plan [budget] for 2020.</p> <p>Budget framework</p> <ul style="list-style-type: none"> <li>Zero based and activity based budgeting techniques</li> <li>Use of Balanced Scorecard Management system</li> </ul> <p>Strategic planning time frame – 5 years. Sighted and verified.</p>
<b>Criterion 4.6. 3: Transparent and fair price dealing</b>			
Indicator	Requirement	Compliance	Findings
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>SALCRA product &amp; services pricing is the responsibility of Marketing &amp; Sales Dept @ HQ.</p> <p>FFB purchase price:</p> <ul style="list-style-type: none"> <li>For smallholders purchase price is advised daily from HQ [mechanism – average bunch pricing]</li> <li>For bigger supplier actual price is given is informed monthly by HQ. Example May pricing is given in June.</li> </ul> <p>CPO / PK pricing computation is also issued monthly from HQ.</p> <p>Price determinants are MPOB, pen Malaysia rates, selling &amp; distribution costs, Viewed &amp; verified doc Memo Purchase prices of FFB by SEPOM for May 2020 dd 10 06 2020.</p>
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in a timely manner.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Viewed and verified Contract Agreement with</p> <ol style="list-style-type: none"> <li>Noble Acetech SB – sale / purchase of Palm Kernel Shell ref SE/HR/ADM/420-2 dd 10 05 2020 @RM125.00 [ex-mill]</li> <li>Maureen ak Iblin – Perjanjian Kontrak buah tandan segar [BTS] dd 24 06 2020</li> <li>Salcra Jaya Sdn Bhd on transportation of CPO dd 12 03 2020</li> </ol> <p>Viewed contract. Evidenced in terms and contract conditions its' fair and legally enforceable</p>

## Criterion 4.6.4: Contractor

Indicator	Requirement	Compliance	Findings
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Evidenced noted: <ol style="list-style-type: none"> <li>Annual Training Plan on MSPO SEPOM FRM 301.6A – briefing to Contractors conducted in March, 2019.</li> <li>Contractor Agreement SEPOM DOC 401.1 dd 02 01 11 entitled "Keperluan Keselamatan, Kesihatan, Alam Sekitar, Keselamatan Makanan dan Kualiti untuk pembekal dan contractor"</li> </ol> Viewed and verified compliance
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Viewed and verified Contract Agreement with Noble Acetech SB – sale / purchase of Palm Kernel Shell ref SE/HR/ADM/420-2 dd 10 05 2020 @RM125.00 [ex-mill] Maureen ak Iblin – Perjanjian Kontrak buah tandan segar [BTS] dd 24 06 2020 Salcra Jaya Sdn Bhd on transportation of CPO dd 12 03 2020 Viewed contract. Evidenced its' fair and legally enforceable.
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Physical inspection conducted on both days during this Surveillance Audit.
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Controls points at SEPOM <ul style="list-style-type: none"> <li>Mill entrance by Auxilliary police</li> <li>RAMP by Grader</li> <li>Mill sites – by Mill Engineer</li> <li>Office – Finance &amp; Admin</li> </ul> Viewed all related documentations. In compliance

## 5.2. SUMMARY OF FINDINGS

### 5.2.1. SUMMARY OF FINDINGS

Principles	P1	P2	P3	P4	P5	P6	Total
No of OFI: Opportunity for Improvement	1	0	2	1	0	0	4
No of NC: Non-Conformance	0	0	0	0	0	0	0
Total	1	0	2	1	0	0	4

#### Criterion 4.1.2: Internal Audit

4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Viewed Internal Audit Report 2020 with findings as follows:</p> <ul style="list-style-type: none"> <li>• 52 compliance</li> <li>• 8 issues of concern</li> <li>• 1 non-compliance</li> </ul> <p>Noted CAR No 1 24 09 2018; NC P4 Criterion 4.4.4.2. Internal Auditor did not closed out the findings.</p> <p>CAR do not provide column for closure.</p>
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#### Criterion 4.3.1: Regulatory requirements

Indicator	Requirement	Compliance	Findings
4.3.1.2	The management shall list all relevant laws related to their operations in a legal requirement register.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Viewed and verified the legal requirement register. Noted the absence of relevant Sarawak Laws &amp; Regulations</p> <ul style="list-style-type: none"> <li>• Forest Ordinance</li> <li>• NREB Ordinance</li> <li>• Wildlife Protection Ordinance</li> </ul> <p>Land Code</p> <p>Note: Mill land is surrounded by natural water sources and secondary forested areas and hills, Apeng Forest Reserves and others landowners. Reservoir water is also drawn from Sg Simingking [less than 100 metres from the reservoir].</p>

#### Criterion 4.3.2: Land Use Rights

Indicator	Requirement	Compliance	Findings
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground, where practicable.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>2 boundary peg were inspected at geo-coordinates:</p> <ul style="list-style-type: none"> <li>• N00° 57'311" E110° 37' 414"</li> <li>• N00° 57'291" E110° 37' 430"</li> </ul> <p>Boundary marker [wooden peg] is planted on ground; clear demarcation but not clearly visible &amp; peg rotting out.</p>



Criterion 4.4.5: Employment conditions			
Indicator	Requirement	Compliance	Findings
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	During site visit to the workers' quarters were more than adequate and habitable with basic amenities and facilities. However, the inhabitants should take care of the cleanliness of the compounds especially the drains. [blocked drains at workers quarters]

**5.3. STAKEHOLDERS' CONSULTATION REPORT**

Four key stakeholders of SEPOM were consulted

1. Saul Ribai anak Paul

Meeting started at 03:50 pm

The interview started at 03:50pm with Mr. Saul Ribai anak Paul in the Estate Manager room. He came from Kapit to SEPOM just to work since 2017. He is also the Board Member of Koperasi Serian and told that Miss Supartini, one of the staff of SEPOM is the Chairman for Koperasi Serian.

He stated that only the staff can join the koperasi and not the workers at plantation unless the workers are the land owner under Salcra.

He also stated that the minimum share of RM100.00 in order to join the Koperasi.

Furthermore, he told that the dividend back in 2018 was 15% compared to 2019 which is 10%. Year 2020 have not being announced. According to him, there are more than a thousand participants in the Koperasi in which the it owned 10% share of the mill, courtesy of 5% given by Genting Bhd and another 5% by SALCRA.

Board meeting conducted 2-3 time a year and participants can only join if there is Annual General Meeting (AGM) to vote for the new board member. Chairman can only vote by the board member. He also stated that, the staff that joined the Koperasi will still be as a member even after retirement.

The dividend can only be received after the AGM usually in the month of June. He stated that the Koperasi had organized the campaigned and booth at nearby village to promote the Koperasi to land owners that participate in SALCRA.

2. Roland Patrick

Meeting started at 11:30 am

The interview started at 4pm with Mr. Roland Patrick in the Mill Manager room. He came from Kampung Paon Sungai Rimu, approximately 15minutes from the Mill and also one of the smallholder.

He stated that he have 12 Hectare of Palm oil and had been selling to SEPOM for the past 15 years. He can receive approximately RM10,000.00 – RM15,000.00 a month in selling FFB to SEPOM. He preferred to sell his FFB at SPOM compared to TA collection centre which is 20 minutes from his land.

He is also the landowner under Salcra in Kedup 2 and working with Salcra for almost 20 years as electrical chargeman.

He had been certified under MSPO certification under SPOC but has not received the certification since 2019. He



mentioned that he was interviewed under SPOC to get the MSPO certificate.

He did mention that along with the office staffs and smallholder brief on MSPO. He is aware on the MSPO certification.

The meeting was adjourned at 04:25pm.

### 3. Jambeng anak Surak

Meeting started at 03.00pm

The consultation started with meeting En Jambeng anak Surak in the Estate Manager room. He is 58 years old and came from Kampung Mentong Silaga, approximately 20 minute from the house to the Mill and also one of the Sarjan(Polis Bantuan) workers in the mill. He has been working for the Mill for 15 years since the opening of the mill. His job is to do taking care of the security, discipline of the workers.

He stated that there is no major injury since working with the mill. There is only a minor injury like small cuts at the hand and splash of boiling water.

He also stated that he is not interested in joining the koperasi ever since he works with SEPOM. He mentioned that this year 2020 is his last sevice in SEPOM and he will be replace and will be decided by the HQ and Mill Manager. He stated that only 2 from his own village work at the mill. The mill workers' are mostly come from the surrounding areas. He ever works at the Mongkos 1 estate before he further his course in 1997 to become Polis bantuan at SePOM. He told that the mill also provide him quarters to stay until his retirement from SePOM.

Furthermore, he mentioned that he had land which he rent out to Salcra at Mongkos 1. The mill only produce 30mt of Palm Oil 10 years ago and now the mill produces 60mt of palm oil.

He did mention that along with the office staffs, he had been brief in-house training on MSPO. His understanding on MSPO was improving the quality of FFB, area cleanliness, safety and health and environmental. Although, he still cannot elaborate on the meaning of each points that he was stating.

### 4. Lawrence Phoic anak Thomas Nkawk

Meeting started at 03:20pm

The consultation started with meeting Mr. Lawrence Phoic anak Thomas Nkawk in the Estate Manager room. He came from Kampung Bunan Panok, approximately 30minutes from the Mill and one of the staff at in the mill in SEPOM. He has been working for the Mill for 20 years as Boilerman.


He stated that the most of the mill workers' are mostly come from Kpg Bunan, Kpg Mongkos and Kpg Kedup.

Furthermore, he mentioned the Mill produces 60mt palm oil per hour instaed of 30mt palm oil per hour10 years ago. He is not eligible to join the Koperasi since he work with SEPOM as boilerman. He lived in the quarters that had been provided by the management and according to him he can stay at the quarter as long as of his tenure as the mill worker.

In addition, he told that his involvement with SALCRA started as ordinary operator in the year 1995 till 1996 at Mongkos 1 mill and was given training at Saratok Palm Oil Mill in year 1997 as boilerman. He is now a certified Gred I Boilerman.

He did mention that along with the office staffs, they were given in-house training on MSPO. His understanding on MSPO more on safety and health and environmental.

The meeting was adjourned at 03:45pm.

5.4. AUDIT CONCLUSION		
	Summary Statement of Lead Auditor	Signature
	<p>The purpose of this Audit is</p> <ul style="list-style-type: none"> <li>To evaluate the implementation, including effectiveness, of Serian Palm Oil Mill management systems</li> <li>To confirm that Serian Palm Oil Mill management system fulfil requirements of the MSPO Standards.</li> </ul> <p>The Surveillance Audit was undertaken for 6 mandays; work performed include documentation audit, site and facilities audit, mill and milling operations.</p> <p>4 NC reported as findings in the Surveillance Audit Year 1 were verified as closed out.</p> <p>Overall SEPOM it is concluded that SEPOM management systems continue to fulfil the requirements of the MSPO Standards MS2530-4:2013.</p> <p>It is the Lead Auditor opinion that the Certification of SEPOM under the Standards be continued. The findings [OFI] and corrective action report however had to be closed out.</p>	 Wilfred S Landong Date: 01 07 2020

5.5.	ACKNOWLEDGEMENT BY AUDITEE	Job Title: Mill Manager	Signature
	This is to acknowledge and confirm the Audit Visits/Assessments described in this Report and the Acceptance of the Contents and Findings in the said Audit Report.		 Mr. Clement Joseph Mill Manager Date: 01 07 2020


#### 5.6. CORRECTIVE ACTIONS REPORTS & ACTION TAKEN BY CERTIFIED ENTITY

Corrective Action Reports were raised on 01 07 2020

The Corrective Action Reports were closed out by Lead Auditor on 29 08 2020

#### 6.0. OFFICIAL SIGN OFF

#### 6.1. ASSESSMENT RECOMMENDATION: LEAD AUDITOR

<p>Based on the Findings/Action taken by Auditee/Closures above, SEPOM – Serian Palm Oil Mill Sdn Bhd had been able to demonstrate generally its continual compliance to and with requirements of the MSPO MS2530-4:2013 Standard for General Principles for Palm Oil Mills.</p> <p>Therefore, it is recommended that the Certification of SEPOM be maintained.</p>	 Wilfred S Landong 30 08 2020
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## 6.2. ASSESSMENT REVIEW BY TECHNICAL REVIEWER

I/the undersigned, being the Technical Reviewer, confirm that I have examined thoroughly all contents of the Report in its' entirety.

I confirm that, to the best of my knowledge the information and conclusions included in this report have been prepared in compliance with the Standards requirements; and done in good faith and that the Lead Auditor recommendations had been based upon this information.

I, hereby confirm that, the Certification of Serian Palm Oil Mill Sdn Bhd under the Standard MSPO2530-4:2013 under General Principles for Palm Oil Mill be maintained.

Maxwell Stephen

15 09 2020

## 7.0. CONCLUSION

### 7.1. CERTIFICATION: BQAS MANAGEMENT

In reference to MS 2530-4:2013, BQAS Management hereby approved of:

- Issuance of the certificate.
- Issuance of the certificate as soon as implementation of corrective action(s) has been demonstrated.
- Maintenance of the certificate.
- Maintenance of the certificate as soon as implementation of corrective action has been demonstrated.**

### 7.2. PLAN FOR NEXT SURVEILLANCE AUDIT

Surveillance Audit Year 02 was delayed due to COVID19 Movement Control Order as enforced by Malaysian government authorities.

Surveillance Audit Year 03 will revert back to be in compliance with BAPOM official date of Certification.

**Surveillance Audit Year 03 is scheduled to be by March, 2020**

## 8.0. ATTACHMENTS

1. Google Location
2. Mill Land Map
3. Mill Layout



Land Use Map.pdf



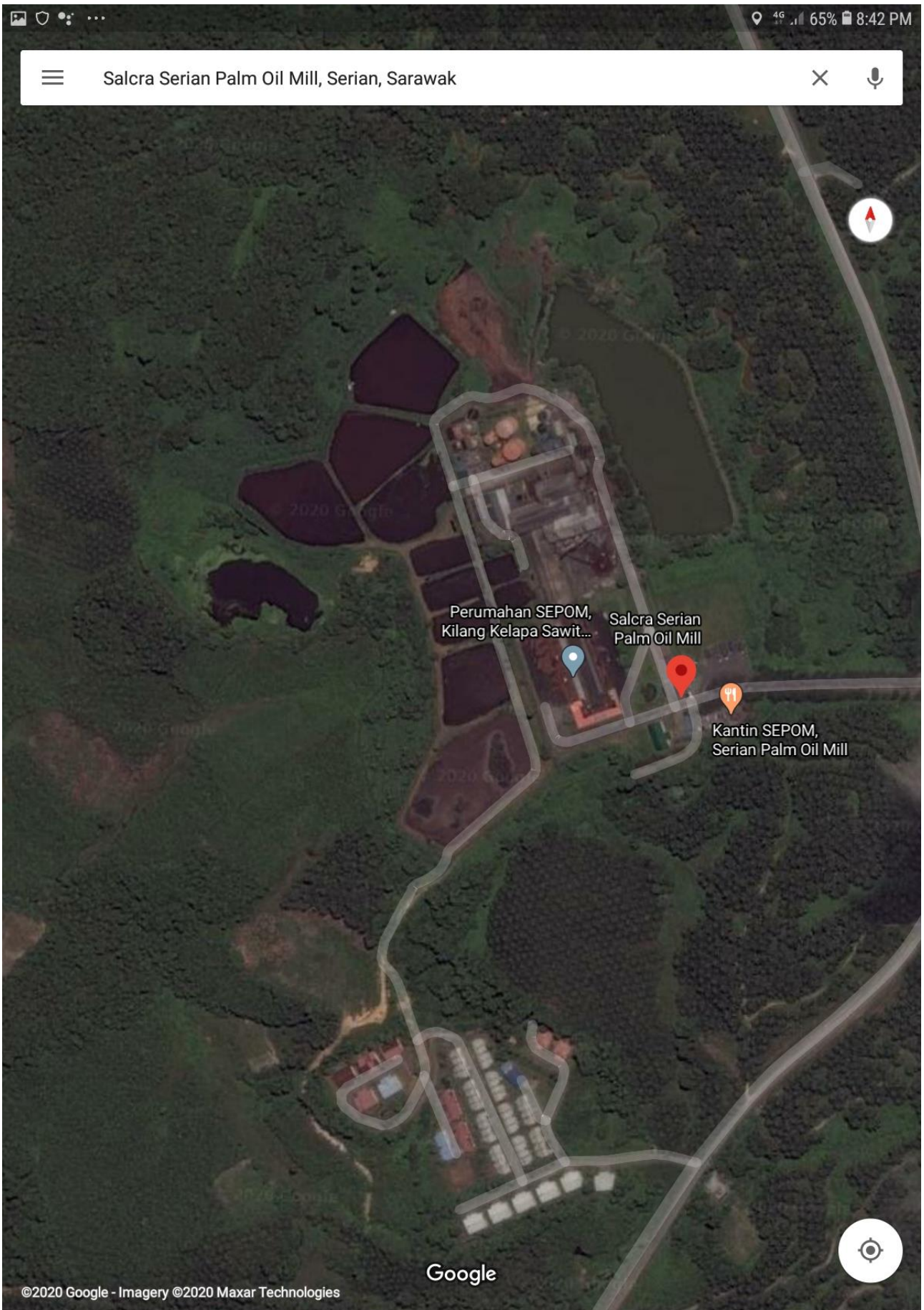
location Map.pdf



Layout of Oil Mill  
Complex.pdf

### FOOTNOTES

All audit findings are based on a sampling process, targeted towards reliable evidence for effective implementation and compliance of the management system. Where applicable findings and required corrective action were or will be agreed upon with the responsible managers or management representatives, steps have been or will be defined to resolve such non-conformity. Further business aspects may exist, positive or negative, which have not been reviewed by the audit team. It is the organization's responsibility to investigate and evaluate the potential impact and scope of findings, thus continuously ensuring full compliance to the applied standard(s).



Salcra Serian Palm Oil Mill

3.5 ★★★★★ (2)

Mill · 🚗 1 hr 28 min

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