

GLOBAL GATEWAY CERTIFICATIONS

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

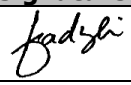


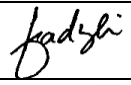
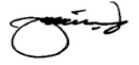
CERTIFICATION AUDIT REPORT

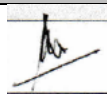
Part 3 : General Principles for Oil Palm Plantations and Organized Smallholders

Sungei Bagan Rubber Company (Malaya) Berhad [Estates]

-Group Certification-

MAIN ASSESSMENT AUDIT
25th – 26th June 2019

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	24/08/2019	Issued as Draft Report	Mohd Fadzli Bin Bistamam	Lead Auditor	
A	03/09/2019	Peer Review 1 Comments	Remi bin Rasidi	Peer Reviewer 1	
A	03/09/2019	Peer Review 2 Comments	Nzri bin Rasidi	Peer Reviewer 2	
B	05/09/2019	Issued as Final Report	Mohd Fadzli Bin Bistamam	Lead Auditor	
B	06/09/2019	Final Report Approved	Muhammad Syafiq bin Abd Razak	Certifier	

Acknowledgment by Sungei Bagan Rubber Company (Malaya) Berhad					
Rev	Date	Description	Management Representative	Role	Signature
B	06/09/2019	Acceptance of the contents	Mr. Mugana Kerisnan A/L Karpiah	Estate Manager	

Declaration

The auditor(s) has (had) no personal, business or other ties to the client and the assessment is carried out objectively and independently.

WITH INTEGRITY WE SERVE



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Note: Section II of this report contain confidential information and been protected from public disclosure.

SECTION I : PUBLIC SUMMARY REPORT

1.1 Certification Scope

Global Gateway Certifications Sdn. Bhd. (GGC) has conducted the Certification Assessment of **Sungei Bagan Rubber Company (Malaya) Berhad [Estates]**. During this **Main Assessment Audit (Stage 2)**, the audit team were briefed by Estate Manager, of the supply base disposition. The group consists of 2 estates.

This assessment was conducted onsite on **25th – 26th June 2019** to assess the compliance of the certification unit against the **"MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholder"**. The scope of certification is **"Management of Sustainable Oil Palm Plantations from Cultivation, Planting and Production of Fresh Fruit Bunches"**.

1.2 Company details and Contact information

Company Name	SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD
Business Address	Post Office Machang, 18500 Machang, Kelantan.
Contact Person	Mr. Mugana Kerisnan A/L Karpiah
Office Telephone	012-9836591
E-Mail	hq@sungeibaganestate.com

1.3 Certification Unit

Name of the Certification Unit

No	Name of the Certification Unit	Site Address	GPS Reference of the site office	
			Longitude	Latitude
1.	Sungei Bagan Estate	Post Office Machang, 18500 Machang, Kelantan	E 102° 11' 0"	N 5° 51' 5"
2.	Kuala Pergau Estate	Post Office Machang, 18500 Machang, Kelantan	E 102° 0' 21"	N 5° 23' 13"



MPOB License Information

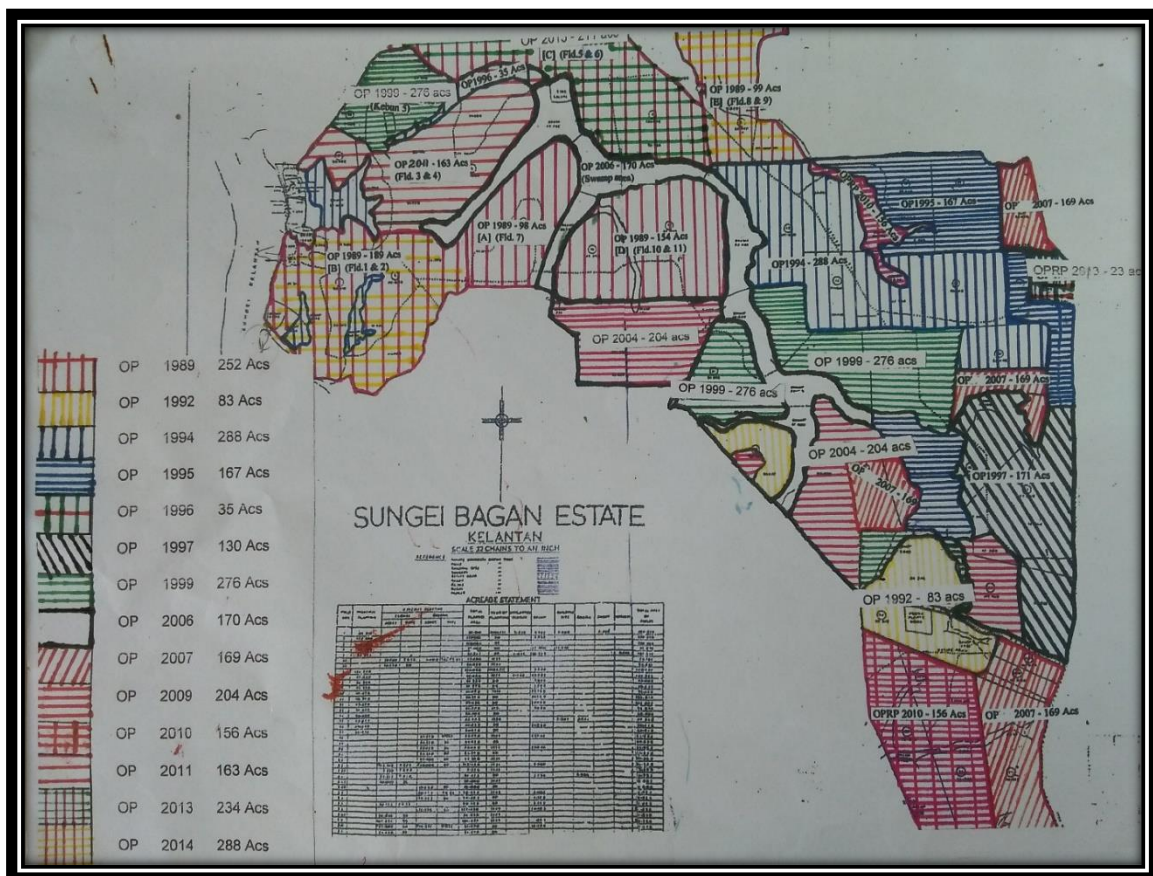
No	Name of the Site	LICENCE NUMBER	EXPIRY DATE	SCOPE ACTIVITY
1	Sungei Bagan Rubber Company (Malaya) Berhad	617887002000	31/12/2019	Menjual dan Mengalih FFB

Others Sustainability Certification

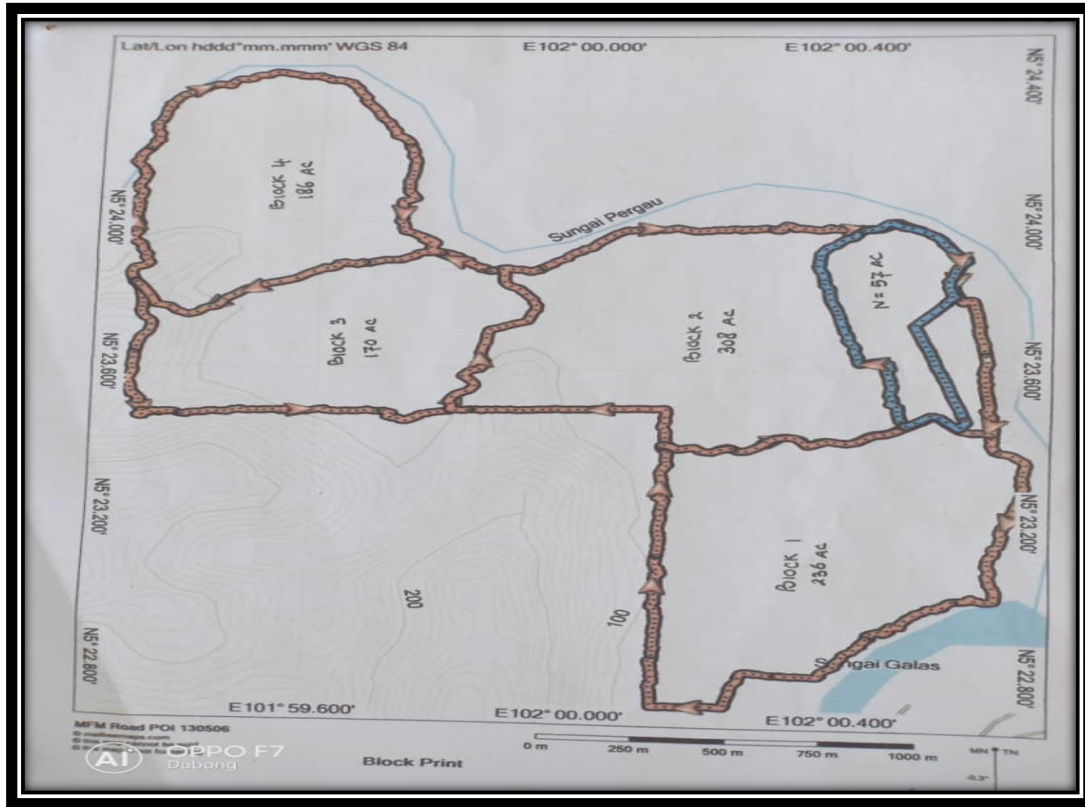
No	Name Of The Site	Others Sustainability Certifications
1.	NIL	NIL

1.4 Map Showing Geographical Location

1) Sungei Bagan Estate



2) Kuala Pergau Estate – Home Division



3) Kuala Pergau Estate – Sydney Division



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

Name of the Certification Unit	Area Summary (HA)		
	Certified Area (per Land Title)	Planted	Mature
Sungei Bagan Estate	1,089.34	1,058.00	1,058.00
Kuala Pergau Estate	941.30	938.06	360.98
Total	2,030.64	1,996.06	1,418.98

Name Of The Supply Base	Area Summary (HA)		
	Conservation Area	HCV	Others
Sungei Bagan Estate	NIL	NIL	NIL
Kuala Pergau Estate	NIL	NIL	NIL
Total	NIL	NIL	NIL

Name of the Certification Unit	FFB Summary (MT)		
	Projected from last audit	Actual Production for 12 Months [Jun 2018-May 2019]	Projected Production for next 12 Months [Jun 2019-May 2020]
Sungei Bagan Estate	NIL	10,533.94	14,219.00
Kuala Pergau Estate	NIL	398.64	5,518.00
Total	NIL	10,932.58	19,737

1.6 Certificate Details**Certification body**

Global Gateway Certifications Sdn. Bhd.,
No. 10 Jalan Rasmi 7, Taman Rasmi Jaya,
68000 Ampang,
Selangor Darul Ehsan, Malaysia.
Tel.: +603 4256 2689; Fax: +603 4256 2687
Website: www.ggc.my

Assessment standard

(MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders

Certificate number

GGC-SBE001-MSPO-00-2019

Initial certificate issued date

06th September 2019

Certificate expiry date

05th September 2024



Stage 1 assessment date	27 th April 2019
Stage 2 / Main Assessment	25 th – 26 th June 2019
Annual Surveillance 1 [ASA 1]	June 2020
Annual Surveillance 2 [ASA 2]	June 2021
Annual Surveillance 3 [ASA 3]	June 2022
Annual Surveillance 4 [ASA 4]	June 2023

1.7 Qualification of the Lead Assessor and Assessment Team

Lead Auditor

Name: Mohd Fadzli bin Bistamam (P1, P6, P7)

Post graduate qualification in Agricultural Engineering with more than 7 years working experience in Oil Palm Plantation Industry. More than 7 years of working experience in Oil Palm Plantation Industry with skills in Good Agricultural Practices (GAP) and Integrated Pest Management (IPM). Experience in managing estate workers, handling of mineral and peat soil and knowledgeable in chemical control of weeds and Pest & Diseases in Oil Palm Plantation Sector.

Fully trained in similar agriculture certification programs such as RSPO, MSPO and ISCC. Completed and certified in ISO 9001:2015, RSPO Lead Auditor Course, MSPO Training and ISCC Basic Training. Thus, became qualified Lead Auditor for the above programs.

Involved in Oil Palm Sustainability Audit since year 2016. Involved in audits conducted in Malaysia, Indonesia, Papua New Guinea, Ivory Coast, India and Singapore. Able to write and speak in Bahasa Malaysia and English.

Auditor

Name: Hj. Ahmad bin Sukiman (P3, P5)

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

During this assessment, he assessed on the aspect of Legal, Stakeholder's Consultation, Workers Welfare and Environment. Able to speak and understand Bahasa Malaysia and English.

Auditor**Name:** Surenthiran Panneerselvam (P2, P4)

He is graduated from University of Abertay Dundee, Scotland, UK majoring in PgDip/ MSc Oil and Gas Accounting and also graduated from Universiti Tenaga Nasional, Malaysia with a Bachelor's Degree in Accounting. Prior to joining Shell Business Operation as a Senior Cash Management Executive, he worked with Crowe Horwath as Senior Associate Auditor. He is equipped with experience in audit field, lecturing and accounting. Fully trained in Malaysian Sustainable Palm Oil (MSPO2530), Roundtable Sustainable Palm Oil (RSPO), ISO9001:2015 and ISO37001:2016. Completed and certified MSPO auditor course in year 2018 held by SGS Academy and ISO9001:2015 auditor course in year 2017 by TOMC. Able to communicate in both English and Bahasa Malaysia (written and spoken).

1.8 Audit Methodology

The audit was conducted based on sampling following the method as specified in the MSPO requirements (MSPO-Questionnaire Self-Assessment – RA). In the case of this certification unit, sampling calculation was based on total number of estates (2) with medium risk factor (1.5). Total estates selected for this audit were two (2).

The assessment activities include of documents review and site inspection. The documents that had been reviewed among others were company policy, internal procedures, management system procedures, waste management procedures, legal documents etc. Significant issues that would impact to the environmental and social were also been verified.

The methodology for collection of objective evidence was established during physical site inspections, observation of tasks and processes, interviews of stakeholders, interview of officers, review of documents and data. Checklists and questionnaires were used to guide the collection of information and the comments made by external stakeholders were also been taken into consideration in this assessment.

Appendix A (Audit Plan) details the actual assessment plan. Stakeholders were consulted randomly during the assessment to obtain feedback on the management compliance and performance (Appendix C) of MSPO.

1.9 Audit Plan Information

Audit Date	25 th – 26 th June 2019
Name of site(s) visited	Sungei Bagan Estate Kuala Pergau Estate
Total number of man-days spent	6 man-days

1.10 Audit Result Summary Findings

Category	Numbers	Status (Closed/Open/Not Applicable/No Action Requires)
Major Nonconformities	0	No action requires
Minor Nonconformities	0	No action requires



Area of Concern	0	No action requires
Noteworthy /Positive Comments	6	No action requires

1.11 Stakeholder Consultation

As per ACB-Malaysian Sustainable Palm Oil (MSPO); ACB-OPMC4; Issue 1, 01st August 2017; Stakeholder Consultation Requirements For Certification Bodies Operating Oil Palm Management Certification Under Malaysian Sustainable Palm Oil (MSPO) Certification Scheme. The consultation during the audit will be carried out during the stage 2 and recertification audit of the management unit. The CB shall carry out stakeholder consultation to ensure continued compliance with the requirements of the certification standards. However, stakeholders' consultation during surveillance audit may be limited to those stakeholders who have raised concerns, complaints or disputes prior to the audit.

GGC has published the public notification on 20th May 2019 and as to accommodate a stakeholders' consultation meeting for mill and estate. Therefore, it was conducted on 25th June 2019 in Sungei Bagan Estate to gather information from the local communities in accordance to Certification Scheme and Stakeholder Consultation requirements.

During this Main Assessment (Stage 2) audit, the audit team has conducted stakeholder consultations involving both internal and external stakeholders as to understand the practices in relation to environmental, social performance and their performance with respect to the MSPO requirements. The meeting was conducted without the present of estate management.

At the start of meeting, the auditor explained the purpose of the audit followed by an evaluation of the relationship between the stakeholders before discussions continued. The auditor recorded comments made by stakeholders and verified with the estate management before incorporating into the assessment findings. There was no negative complaint or feedback received during the audit or during the field assessment when interviewing with the external and internal stakeholders. The details is as per table below:

No	Stakeholders Name	Subject raised / Identified Risk	Company response and proposed action to be taken. [What we did]	Assessment team findings [Outcome]
1.	All Stakeholders	Most of the stakeholders who attended the meeting are aware about what is MSPO.	Management will continue briefing to all stakeholders on MSPO awareness	Positive findings
2.	All Stakeholders (MPKK, SKWE, Contractors, JPV)	Most of them has knowledge on the existence of a complaints/grievance mechanism. Further, they aware where they should direct their request/ complaints to. Only a few of them are unaware of the complaints/grievance mechanism.	Management will continue briefing to all stakeholders on MSPO's complaint and grievance mechanism available in their company.	Will review by next surveillance audit

3.	Ketua Penghulu	Road condition are maintained, and relationship with the estate management are good.		Positive findings
4.	Setiausaha Kelab Warge Estate (SKWE)	Involvement with the estate manager is good, and receive token of donation for local program.		Positive findings
5.	JPV (Jabatan Pertanian Veterinar)	Estate are cooperative with the bodies, if required to provide awareness in estates. Cooperate in monitoring disease control awareness.		Positive findings
6.	Contractors	Aware of MSPO, and briefed by the estate management. Able to demonstrate the knowledge on complaint procedure. Interaction with the estate management is good.	Management will continue briefing to all stakeholders on MSPO's complaint and grievance mechanism available in their company.	
7.	Local communities	Requested to conduct sports event together with local communities surrounding.		Positive findings

1.12 Recommendation

The company has established sustainability policy, objectives and procedures that define an effective system for the administration and control of sustainability management system throughout all operation activities of Sungei Bagan Rubber Company (Malaya) Berhad. The Estate Manager is in charge and ensures that facility and his subordinates comply with the requirements and procedures stated in this manual.

The management is committed to comply with MSPO system by giving awareness training to all personnel involved in this standard to make them understand the procedures and implementation of the standard. The employees are aware of the requirements of MSPO. There was no complaint or feedback received during this Main Assessment (Stage 2) Audit.

This report will be internally reviewed prior to certification decision by GGC and externally peer reviewed by independents panel reviewers (qualified and trained by MPOCC). During this Main Assessment (Stage 2) Audit, based on MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO)] Part 3: General Principles for Oil Palm Plantations and Organized Smallholders), there were no Non-conformities raised to the facility that being audited.

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted was no major non-conformity findings. Therefore, the Lead Auditor recommends a certificate of compliance **"MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders"** is awarded to Sungei Bagan Rubber Company (Malaya) Berhad.

1.13 Date of Next Surveillance Audit

The first annual surveillance assessment visit will be scheduled after 12 months of the MSPO Certificate being issued.

1.14 Confidentiality

GGC auditors will not discuss or reveal any of the confidential information seen during the audit to any third party. Any public summary of the main assessment will be approved by the client prior to publication.

1.15 Abbreviations Used

BOD	Biological Oxygen Demand
CHRA	Chemical Health & Risk Assessment
CIP	Continuous Improvement Plan
COD	Chemical Oxygen Demand
CoP	Code of Practise
CSPO	Certified Sustainable Palm Oil
CPO	Crude Palm Oil
CSPK	Certified Sustainable Palm Kernel
DOE	Department of Environmental
DOSH	Department of Occupational Safety and Health Malaysia
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
FFB	Fresh Fruit Bunch
FGS	Finished Good Stock
GAP	Good Agriculture Practise
GHG	Greenhouse Gas
GGC	Global Gateway Certifications Sdn Bhd
HIRARC	Hazard Identification, Risk Assessment and Risk Control
ISCC	International Sustainability & Carbon Certification
IPM	Integrated Pest Management
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysian Palm Oil Certification Council
MSPO	Malaysian Sustainable Palm Oil
NCR	Non-Conformance Report
NGO	Non-Government Organization
OHS	Occupational Health & Safety
OHSAS	Occupational Health and Safety Assessment Series
PK	Palm Kernel
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
SEIA	Social Environmental Impact Assessment
SOP	Standard Operating
SPO	Sludge Palm Oil

SECTION II : ASSESSMENT FINDINGS BY PRINCIPLES AND CRITERIA

2.1 Principle 1 : Management commitment and responsibility

Criterion 1 Malaysian Sustainable Palm Oil (MSPO) Policy

Indicator 1 A policy for the implementation of MSPO shall be established.

Summary Policy available title "Sustainable Palm Oil Policy" for MSPO implementation based on 7 principles in MS 2530: 2013 standards. Policy is approved by company Executive Director, Mr. A. Balaraman dated 23rd December 2017.

Policy also emphasized on continuous improvement, ensure protection and preservation of RTE species and high biodiversity values.

Record of briefing to workers sighted during the audit. Briefing was done on 24th June 2019 attended by 46 estate workers. Workers understanding on the MSPO has been verified during interview session with estate workers.

In Compliance **Yes** No Not Applicable

Indicator 2 The policy shall also emphasize commitment to continual improvement.

Summary The company has established a MSPO Policy which stating their commitment to implanting the following sustainable practices. The policy was signed by the Executive Director/General Manager dated 23rd December 2017.

The company is committed to:

1. Comply with the requirements of sustainable plantation operations
2. Comply with all legal and specific requirements
3. Comply with and practice good social responsibility, health and safety and employment condition for our people
4. Safeguard the environment
5. Continuously improve our sustainable management system

In Compliance **Yes** No Not Applicable

Criterion 2 Internal audit

Indicator 1 Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.

Summary Internal audit plan for both estates sighted during the audit. The Management is planning its internal audit based on type of estate operations. Plans sighted as per below:

Plan Date	Actual Date	Item Plan
April 2019	15.05.2019	Harvesting

May 2019	18.05.2019	Spraying
June 2019	-	Manuring
July 2019	-	Driver / Loader
August 2019	-	Security

In Compliance **Yes** No Not Applicable

Indicator 2 The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.

Summary Procedure for internal audit sighted during the audit. The procedure has been simplified into a flow diagram.

Sighted the internal audit report done by the consultant SPO Consultancy Sdn Bhd, for both estates dated 18th – 20th January 2019. Total of 2 Major NC, 11 Minor NC and 8 Observations raised by the internal auditor.

In Compliance **Yes** No Not Applicable

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

Summary The report has been made available to the management for their review. Sighted report by SPO Consultancy Sdn Bhd.

In Compliance **Yes** No Not Applicable

Criterion 3 Management review

Indicator 1 The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.

Summary Management review meeting was conducted on 18th May 2019. The review was conducted based on internal audit findings for Spraying Gang on 18th May 2019. For harvesting internal audit, the review meeting was held on 16th May 2019.

All findings and corrective actions taken by the management recorded in the minutes.

In Compliance **Yes** No Not Applicable

Criterion 4 Continual improvement

Indicator 1 The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.

Summary Sighted continual improvement done by the estate management such as:
1. Workers quarters repairs and upgrade work



2. Chemical store repairs and upgrade works
3. Installing safety signboards in the estate
4. Building of sump to trap waste water from chemical mixing area

Other plans in year 2019 are documented as per letter dated 15th April 2019 (Ref: 9/GM/4/2019) – MSPO Plan for 2019. The plan includes:

1. Building of 2 block x 2 Labour Quarters
2. Badminton court
3. Surau
4. Washing Machine and cloth drying area at chemical store.

In Compliance **Yes** No Not Applicable

Indicator 2 The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology, where applicable, that are available and feasible for adoption

Summary The company disseminate the new information and techniques or new industry standards and technologies through the training. For Kuala Pergau estate office, usage of solar panel is in place to reduce dependency on the generator.

In Compliance **Yes** No Not Applicable

Indicator 3 An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.

Summary The company disseminate the new information and techniques or new industry standards and technologies through the training.

In Compliance **Yes** No Not Applicable

2.2 Principle 2 : Transparency

Criterion 1 Transparency of information and documents relevant to MSPO requirements

Indicator 1 The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.

Summary External stakeholder meeting conducted on 24th April 2019 at Sungei Bagan Rubber Company Main Office. In total of 27 stakeholders attended the meeting, as meeting minutes, attendance record, photographs and training materials was made available.

Attended by Penghulu Kampung (Kg.Joh, Local communities (Kg Che Kok & Kg Tok Kaya), PDRM (Pondok Polis Labok), JPV, staff and workers.

Sighted "Rekod Permintaan Maklumat/ Request Record form is made available for the purpose of requesting for confidential documents. As sampled:

Request No. 003: Students from Kolej Kemahiran Tinggi Mara Kemaman requested confidential documents for their assignment/research purpose (Diploma Teknologi Kejuruteraan Loji (Mekanikal) dated on 13th June 2019.

In Compliance **Yes** No Not Applicable

Indicator 2 Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

Summary Sighted listing of management documents that are confidential and no-confidential that can be made publicly. As sighted:

MSPO Policy, SOP document is confidential and contract agreement, financial budget is confidential documents.

DOCUMENT	CONFIDENTIAL	NON-CONFIDENTIAL
MSPO Policies		√
HQ Correspondence	√	
Monthly Account	√	
Crop return to Company Sec	√	
Land title	√	
SOP documents		v
Contract agreement	√	
Financial budget	√	
Payment records for contractors, workers	√	
Annual report		√

All these documents were sighted and available in office. Requesting for official and confidential documents shall go through the manager/assistant in charge, whom will make the decision as to whether the information can be shared or otherwise.

In Compliance **Yes** No Not Applicable

Criterion 2 Transparent method of communication and consultation

Indicator 1 Procedures shall be established for consultation and communication with the relevant stakeholders.



Summary Sighted SOP No 3.0 [Rev. 1/0] dated 5th May 2019: Stakeholder Engagement. The SOP has identified mechanism for consultation and communication with the relevant stakeholders.

In Compliance **Yes** No Not Applicable

Indicator 2 A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.

Summary The PIC is Mr. Hazmi Bin Ghazali, who is responsible for stakeholder communication, letter of appointment is made available dated on 1st May 2019 signed and approved by Mr Mogana Krishnan, Estate Manager, evidence sighted for the management official been nominated to be responsible for stakeholder communication & consultation.

In Compliance **Yes** No Not Applicable

Indicator 3 List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.

Summary List of stakeholders is made available, in total 39 stakeholders were listed and identified.

No.	Stakeholders	Number
1.	Contractors/suppliers	15
2.	Local communities	13
3.	Government bodies	11
	Total	39

External stakeholder meeting conducted on 24th April 2019 at Sungei Bagan Rubber Company Main Office. In total of 27 stakeholders attended the meeting, as meeting minutes, attendance record, photographs and training materials was made available.

In Compliance **Yes** No Not Applicable

Criterion 3 Traceability

Indicator 1 The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).

Summary Seen SOP 5.0, Rev. 1/0 dated 5th May 2019 for Traceability and Supply Chain. Estate and Mill operation flow is made available to confirm the flow.

Estate

- FFB harvested and carried to platform
- Bunch counter/ mandora will count and conduct grading at platform (Bunches Record)
- FFB loaded onto trailer and weighed at Estate Weighbridge (Internal Weighbridge ticket)
- FFB sent to the mill accordingly

Mill

- FFB weighed at Mill weighbridge (Mill Weighbridge ticket/ FFB delivery note)
- Delivery note is acknowledged by the mill and return to estate to record.
- FFB discharged into the mill ramp and transferred to the production floor for CPO production. (Mill production record)

Displayed in notice board at Sungei Bagan Main Office, SOP 5.0(1) Rev. 1:

FFB harvested → Platform → FFB tractor → Weighbridge → Unloading at Estate Ramp → Weighbridge → FFB lorry → Estate Weighbridge → FFB ramp → Estate Weighbridge → Transportation to Mill

In Compliance **Yes** No Not Applicable

Indicator 2 The management shall conduct regular inspections on compliance with the established traceability system.

Summary Regular inspection has been done during internal audit conducted by SPO Consultancy, last internal audit conducted on 29th October 2018.

As per SOP inspection conducted during internal audit of the estate.

Regular inspection conducted on daily basis by En Hazmi, Chief Clerk by observing on the weighbridge ticket, dispatch form and other relevant documents.

In Compliance **Yes** No Not Applicable

Indicator 3 The management should identify and assign suitable employees to implement and maintain the traceability system.

Summary The person in charge for Sungei Bagan Estate is En Hazmi Bin Ghazali being appointed on 1st May 2019. He is responsible for all records of sustainability matters, to implement and maintain the FFB traceability system for Sungei Bagan and Kuala Pergau Division. Sighted letter of appointment approved by Mr. Mugana Kerisnan A/L Karpiah.

In Compliance **Yes** No Not Applicable

Indicator 4 Records of sales, delivery or transportation of FFB shall be maintained.

Summary Sales records available during the audit. Example sighted:

Bunch record
Name: Denis
Date: 1/6/2019
Bunches: 435 bunches

FFB tractor record



Date: 1/6/2019
Receiving No.: R009393
Vehicle no: JEF3346
1st Weight: 10,100 kg
2nd weight: 4,910 kg

FFB Despatch

Date: 1/6/2019
No.: 3928
Tonnage: 23,550
Lorry No: TBU 1704
Destination: Villa Sutera Sdn Bhd

Despatch slip

Date: 1/6/2019
Cust: Vila Sutera Sdn Bhd
D.O: 3928
Despatch no: D001803
Inc No.: 151654
1st weight: 11,850 kg
2nd weight: 35,400 kg

Mill weighbridge ticket

Date: 2/6/2019
Serial no: P0409462
Lorry no: WMK7959
Supplier: SSKLSB (Santong Sawit Sdn Bhd)
Destination: Kilang Kelapa Sawit Bukit Kapah
Remarks: D/N No 151655

In Compliance **Yes** No Not Applicable

2.3 Principle 3 : Compliance to legal requirements

Criterion 1 Regulatory requirements

Indicator 1 All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.

Summary The company has established and updated list of laws applicable to FFB plantation signed by the Estate Manager, Mr Mugana Kerisnan A/L Karpiah.

Sighted permits/licenses being monitored and updated by the estates as follow;

1. Lesen MPOB (menjual dan mengalih FFB) for Sungei Bagan Rubber Company (Malaya) Berhad (2,030.96ha). No lesen 617887002000 expires 31.12.2019.
2. Air Compressor License under application Ref No. KN/105J/19/00306
3. Perakuan Penentuan Timbang dan Sukat No. Siri Alat : 121267-0157246 for 60mt weight of Sungei Bagan Estate expires 16.03.2020

4. Perakuan Penentuan Timbang dan Sukat No. Siri Alat : 114753-0157220 for 60mt weight of Kuala Pergau Estate expires 29.01.2020
5. Pump Gun License No. 25138, F076554 and 1392184 – kept in Kuala Pergau Estate office.
6. Sighted List of Fire Extinguisher (7 unit) for Sungei Bagan Estate expiry 25.04.2020
7. Sighted List of Fire Extinguisher (5 unit) for Kuala Pergau Estate expiry 24.04.2020 .
8. Perakuan Kekompeten Sebagai Pendawai for Kuala Pergau Estate, Perakuan No. PW-T-4-B-2620-1999 for Mr Pazila Bin Abdul Rahman, I.C. No. 750617-03-5039, category PW4 (Tiga Fasa & Endorsan Pengujian) dated 15.12.1999

In Compliance **Yes** No Not Applicable

Indicator 2 The management shall list all laws applicable to their operations in a legal requirement register.

Summary The list of laws applicable to FFB plantation covers the detail requirements that related to MSPO compliance. These documents include information on laws & regulation, amendment and new amendment.

All the 33 documents are in compliance with the applicable local, state, national and ratified international laws and regulations includes;

1. Environmental Quality Act 1974 (Act 127)
2. OSHA Act 1994 (Act 514)
3. Trade Union Act 1959
4. Factories and Machinery Act 1967
5. Customs Act 1967
6. Contracts Act 1950, Contracts (Amendment) Act 1976 & Government Contracts Act 1949
7. Companies (Winding-Up) Rules 1972
8. Dangerous Drugs Act 1952 & Drug Dependents (Treatment and Rehabilitation) Act 1983
9. Akta Jalan, Parit and Bangunan 1974
10. Renewable Energy Act 2011
11. Akta Pembangunan Sumber Manusia Berhad 2011 dan Peraturan-Peraturan & Pembangunan Sumber Manusia Berhad Act 2001
12. Federal Constitution
13. Weights and Measures Act 1972 (Act 71)
14. Pesticides Act 1974 (Act 149)
15. MPOB Act 1998 (Act 582)
16. Road Transport Act 1987 (Act 333)
17. Employees Social Security Act 1969 (Act 4)
18. Industrial Relations Act 1967 (Act 177)
19. Employees Provident Fund 1991 (Act 452)
20. Arm Act 1960 (Act 206)
21. Children and Young Persons (Employment) Act 1966 (Act 350)
22. Employment Act 1955 (Act 265)

23. Electricity Supply Act 1990 (Act 447)
24. Weights and Measures Act 1972 (Act 71)
25. Immigration Act 1959/63 (Act 155)
26. Passport Act 1966 (Act 150)
27. Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446)
28. National Wages Consultative Council Act 2011 (Act 732), Minimum Wages Order (Amendment) 2018
29. Land Conservation Act 1960 (Act 385)
30. Land Acquisition Act 1960
31. National Land Code 1965 (Act 56)
32. Water Services Industry Act 2006 (Act 655)
33. National Forestry Act 1984 (Act 313)

Sighted VMO visit Book (Sungei Bagan Estate), once a month, i.e. 12.06.2019

In Compliance **Yes** No Not Applicable

Indicator 3 The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.

Summary Based on interview with Mr Poobalan A/L Subarmaniam, any new amendments or any regulations once received through the following manner:

- HQ Department
- Communication with law/enforcement officers
- Website

In Compliance **Yes** No Not Applicable

Indicator 4 The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.

Summary Sighted appointment letter for the responsible person of Sungei Bagan Estate, Mr Poobalan A/L Subarmaniam (Assistant Manager) approved by Mr Mugana Kerisnan A/L Karpiah (Estate Manager) on 01.05.2019.

Sighted appointment letter for the responsible person of Kuala Pergau Estate, Mr Rosli Bin Awang approved by Mr Mugana Kerisnan A/L Karpiah (Estate Manager) on 01.05.2019.

In Compliance **Yes** No Not Applicable

Criterion 2 Land use rights

Indicator 1 The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.



Summary Sungai Bagan Estate land title is available and well maintained. The estate has the following land title and its Ownership;

Lot No	Hectare	Ownership
524	34.5496	SBRC
1069 (1725)	565.845	SBRC
517 (1390)	429.0235	SBRC
3046	119.20	SBRC
TOTAL Land Title	1,148.6181	

Note : SBRC (Sungei Bagan Rubber Company (Malaya) Berhad).

The land titles are under 'Permanent Status' (Selama-lamanya).

Sighted evidence of annual payment of quit rent for 2019 paid to Pentadbir Tanah Jajahan Machang, Kelantan amounted to RM159,790.00.

Kuala Pergau Estate land title is available and well maintained. The estate has the following land title and its Ownership;

Lot No	Hectare	Ownership
113	353.4956	KPRPL
841	577.20	KPRPL
297	9.6161	KPRPL
298	1.1622	KPRPL
TOTAL Land Title	941.47	

Note : KPRPL (Kuala Pergau Rubber Plantation Limited). Sighted agreement for lease between Kuala Pergau Rubber Plantations PLC (the Lessor) and Sungei Bagan Rubber Company (the Lessee) sealed on 01.04.2015

The land titles are under 'Permanent Status' (Selama-lamanya). Sighted evidence of annual payment of quit rent for 2019 paid to Pentadbir Tanah Jajahan Kuala Krai, Kelantan amounted to RM139,906.00.

In Compliance **Yes** No Not Applicable

Indicator 2 The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.

Summary Sighted 4 copies of land titles kept by the estate.

The Sungei Bagan Estate has the following land title and Syarat-Syarat Nyata;

Lot No	Hectare	Syarat-syarat Nyata
524	34.5496	Kelapa Sawit
1069 (1725)	565.845	Getah
517 (1390)	429.0235	Kelapa Sawit
3046	119.20	Kelapa Sawit

TOTAL Land Title	1,148.6181	
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Note: Sighted receipt No. 0402A90065 amounted to RM580.00 for the payment of "Tukar Syarat Nyata" from Getah to Kelapa Sawit.

Total Land Titled Ha	=	1,148.6181ha
Less :		
Building sites & roads	=	32.79ha
Labourer's garden	=	20.48ha
Swamp/Ravines	=	37.21ha
Total planted area	=	1,058.14ha
Total as per Details of Acreage		
Reconciliation Summary	=	1,148.62ha

The Kuala Pergau Estate has the following land title and Syarat-Syarat Nyata;

Lot No	Hectare	Syarat-syarat Nyata
113	353.4956	Tiada
841	577.20	Tiada
297	9.6161	Tiada
298	1.1622	Tiada
TOTAL Land Title	941.47	

Total Land Titled Ha	=	941.47ha
Less :		
Building sites & roads	=	0.00ha
Labourer's garden	=	2.02ha
Swamp/Ravines	=	3.41ha
Total planted area	=	936.04ha
Total as per Details of Acreage		
Reconciliation Summary	=	941.47ha

In Compliance **Yes** No Not Applicable

Indicator 3 Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.

Summary Sighted Demarcation Plan as per survey plan carried out by AA Geomatics and Survey Consultant (Juruukur Berlesen) Ref :ASDE/102/2019 Ref :ASDE/102/2019 for the following lot;

1. Lot 517 (1390)
2. Lot 1069 (1725) & 524
3. Lot 3046

Sighted Demarcation Plan as per survey plan carried out by AA Geomatics and Survey Consultant (Juruukur Berlesen) for the following lot;



1. Lot 113
2. Lot 841
3. Lot 297
4. Lot 298

Sighted some samples of boundary stones during field visit.

In Compliance **Yes** No Not Applicable

Indicator 4 Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).

Summary There is no evidence of conflict present in this estate. There is no violence in instigated violence in maintaining peace because company has a clear procedure for land conflict.

During interview with stakeholders, no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported.

In Compliance **Yes** No Not Applicable

Criterion 3 Customary rights

Indicator 1 Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.

Summary There is no customary land in or surrounding the estate. There are also no land disputes or claims involving this estate. The company has proper legal land tile for the land ownership.

In Compliance **Yes** No Not Applicable

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

Summary There is no customary land in or surrounding the estate. There are also no land disputes or claims involving this estate. The company has proper legal land tile for the land ownership. Therefore, no maps for recognized customary rights is available.

In Compliance **Yes** No Not Applicable

Indicator 3 Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.

Summary There is no customary land in or surrounding the estate. There are also no land disputes or claims involving this estate. The company has proper legal land tile for the land ownership.

In Compliance **Yes** No Not Applicable



2.4 Principle 4 : Social responsibility, health, safety and employment condition

Criterion 1 Social impact assessment (SIA)

Indicator 1 Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.

Summary External stakeholder meeting conducted on 24th April 2019, attendance record, photographs and training materials was made available. Participated by PDRM, Penghulu, Wakil Penduduk, JPV, KPS, Staff, Workers.

Seen Social Impact Plan and Social training plan is made available for Sungei Bagan Estate”:

for Sungei Bagan Estate:

No.	Plan	Month
1.	Meeting with stakeholders	24 th April 2019 (Done)
2.	Training/ briefing by labour department	Oct'19
3.	Internal training/briefing	Nov'19
4.	Training/ briefing by SOCSO department	July'19
5.	VMO visit	Monthly

Social impact briefing conducted on 24th April 2019, seen photographs as evidence.

Social impact analysis for Sungei Bagan Estate is sighted as below, last updated 1st May 2019, prepared by Mr. Poobalan a/l Subramaniam and approved by Mr. Mugana Kerisnan A/L Karpiah, Estate Manager:

Negative impact

No.	Activity	Impact	Mitigation measure
1.	FFB lorries/ tractors crossing worker quarter	Dust accumulated can cause health and breathing problem to workers	Limit speed to 30km/h. Place humps on road as speed breaker. Spray water using water tank at regular intervals
2.	Chicken coops at workers quarters	Can pose serious sanitation and health problem arising from chicken dungs	Dismantle and remove chicken coops from worker quarters Locate a place that is far away from the worker quarter to rear chicken.
3.	Waste water from labour quarters discharge	Can pose health problem if water from waterway and river are consumed by villagers	Place dirt traps on drains leading out from worker quarters.

	directly into waterways		Construct water traps or sumps to ensure water is trapped.
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Positive impact:

No.	Activity	Impact	Mitigation measure
1.	Employment opportunity	Villagers are employed by estate and paid according to legal requirement	Help improve socio economy status of villagers in the neighborhood.
2.	Water supply	Estate to supplies water to neighboring villager at time of water cut, for functions organized by social and welfare bodies	Corporate social responsibility
3.	Estate football field	Youths from neighboring villagers make use of the football field for social activities	Corporate social responsibility

In Compliance **Yes** No Not Applicable

Criterion 2 Complaints and grievances

Indicator 1 A system for dealing with complaints and grievances shall be established and documented.

Summary Procedure on complaint and grievances is made available in File MSPO Policy/SOP/Appointment letter.

There is "Rekod Aduan/Complaint Record" to summarize the number of complaints received. For Complaint and Grievances purpose, uses the "Borang Aduan" lodge complaint or grievance to the estate management.

In Compliance **Yes** No Not Applicable

Indicator 2 The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.

Summary Seen record of 1 complaint as to date, and able to resolve the issue on timely manner.

As sampled:

Date: 18/3/2019

Name: Mohd RIDzuan B. Che Ghulan

Complaint: Dilarang memancing di dalam Kawasan estate

Action taken: Restrict the fishing activity to comply to MSPO Certification as the area is considered as riparian zone. (19/3/2019).

In Compliance **Yes** No Not Applicable

Indicator 3 A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.

Summary Complaint form is made available at Sungei Bagan Estate and Kuala Pergau main office.

For Complaint and Grievances purpose, uses the "Borang Aduan" lodge complaint or grievance to the estate management.

In Compliance **Yes** No Not Applicable

Indicator 4 Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.

Summary As interviewed with Mr. Poobalan, Asst Manager they have made the workers and stakeholders aware during internal stakeholders and external stakeholders meeting conducted at Sungei Bagan Estate.

External stakeholder meeting conducted on 24th April 2019, attendance record, photographs and training materials was made available. Participated by PDRM, Penghulu, Wakil Penduduk, JPV, KPS, Staff, Workers. Stakeholder meeting for Kuala Pergau Estate was conducted on 25th April 2019.

In Compliance **Yes** No Not Applicable

Indicator 5 Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.

Summary Complaint form is available at main office, there is 1 complaint sighted as to date. Complaint were solved and documented in file Complaint & Grievances.

In Compliance **Yes** No Not Applicable

Criterion 3 Commitment to contribute to local sustainable development

Indicator 1 Growers should contribute to local development in consultation with the local communities.

Summary Corporate Social Responsibility Report (CSR) available and as sampled:

- Majlis Sambutan Tahun Baru dan Kesyukuran, dated 19th February 2019.
- Sambutan Hari Raya Puasa, dated 7th July 2018
- Sumbangan untuk mangsa bencana api mangsa, dated 27th June 2018.

In Compliance **Yes** No Not Applicable



Criterion 4 Employees safety and health

Indicator 1 An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.

Summary OSH policy sighted (Occupational Safety and Health) signed by Mr. A Balaraman, General Manager, dated 23rd December 2017.

In Compliance **Yes** No Not Applicable

Indicator 2 The occupational safety and health plan shall cover the following:

- a) A safety and health policy, which is communicated and implemented.
- b) The risks of all operations shall be assessed and documented.
- c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:
 - i) all employees involved shall be adequately trained on safe working practices; and
 - ii) all precautions attached to products shall be properly observed and applied.
- d) The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).
- e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.
- f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.
- g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meetings are kept and the concerns of the employees and any remedial actions taken are recorded.
- h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.
- i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.
- j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.

Summary

- a. OSH policy sighted (Occupational Safety and Health) signed by Mr. A Balaraman, General Manager, dated 23rd December 2017. Communicated during MSPO Daily Briefing.
- b. Sighted "Prosedur apabila berlaku kemalangan di tempat kerja – Sungei Bagan Estate" is made available in SOP file.



No.	SOP
1	Chemical Store Handling
2	Chemical sprayer
3	Fertilizer application
4	FFB Harvesting
5	Meloding FFB
6	Tractor & lorry driver
7	FFB transporting to factory
8	Working at FFB ramp
9	Nursery
10	Penerimaan/ Pemberian Diesel
11	Travelling to work by motorcycle
12	Grader & Backhoe
13	Air Compressor
14	Contractor & visitor
15	SOP Hand drill
16	SOP Table drill machine
17	SOP MIG/ Rod Welding Machine
18	SOP Bench Grinder
19	SOP Hand Grinder
20	SOP Air Compressor
21	SOP LPG Gas Storage
22	SOP Electrical safety

HIRARC file seen and to verify the risks of all operations in Stage 2 Audit. No. of HIRARC listed is 10 such as:

1. Harvesting (manual)
2. Harvesting (cantas)
3. Pengangkutan
4. Membaja
5. Penyemburan racun
6. Kawasan kemalangan Penyemburan racun
7. Pengalihan treler
8. Perumahan
9. Tapak semaian benih sawit
10. Pejabat

Upon accident occur on 11th April 2019, harvester at field. HIRARC last reviewed on: 1st May 2019 (HIRARCH Ramp).

- c. Estate has a comprehensive annual training plan for the employees exposed to pestiides.

Occupational & Safety Health Plan – Awareness Training Programme For Sprayers
Safe method of spraying conducted on 7th May'19. Sighted photographs and attendance record as 9 workers related to spraying attended the training.

- d. Sighted PPE issuance and replacement record is made available. List of allocation of PPE to estate personnel year 2019 sighted in PPE issuance file.
- e. SOP Chemical Handling is available [Penerangan pengendalian dan penggunaan bahan kimia]. Available with pictorial prosedur and listed with PPE required during handling chemical use. Training conducted to Chemical Sprayers on 10th February 2019 attended by 8 workers at Kebun OP 2015/252).

CHRA conducted on 29th January 2017 by OSH Safety Consultancy (M) Sdn Bhd – Mr. Ganeshraoo a/l Nagarajoo [JKKP HIE 127/171-2-(357)]. Medical surveillance was done on 4th April 2019 by Klinik Krai – Dr. J.P. Kamalanathan.

- f. Seen letter of appointment for AJK Keselamatan & Kesihatan, En Hazmi Ghazali, effective from 23rd August 2018. Organization chart is made available.
- g. OSH meeting minute sighted during the audit. Meeting conducted on:
 - 19th March 2018
 - 9th June 2018
 - 8th Sep 2018
 - 9th Dec 2018

Latest OSH meeting was conducted on 4th March 2019. Meeting minutes and attendance record is made available.

- h. ERP (Emergency response plan) sighted in document. Emergency Respond Plan Procedure and exit routes in file and notice board. Record seen "Carta Alir Proses Pertolongan Cemas", displayed with emergency contact name, contact number.

Prosedur Pengendalian Kes Kemalangan Di Tempat Kerja for Sungei Bagan & Kuala Pergau Estate.

- i. Trained first aider is available in the estate. Training certificate (by SPO Consultancy Sdn Bhd – Mr. Raman Krishnan) sighted during the audit. First Aid Training conducted on 22nd June 2018, attendance record and photographs are made available.

- j. No JKKP 8 submitted by the management. However, during Stage 1 audit, as per interview with Asst Manager, 1 accident occur in April 2019.

Submitted JKKP 6 due to harvester met in accident on field during harvesting activity.

[No ruj: KN/SKEM/19/00112].

Accident occurred on 11th April 2019, victim Iswanto Fatoni [Passport No.: AU097492]. Submitted on 16th April 2019.

KUALA PERGAU ESTATE

- a. OSH policy sighted (Occupational Safety and Health) signed by Mr. A Balaraman, General Manager, dated 23rd December 2017. Communicated during MSPO Daily Briefing.
- b. Sighted "Prosedur apabila berlaku kemalangan di tempat kerja – Sungei Bagan Estate" is made available in SOP file.

No.	SOP
1	Chemical Store Handling
2	Chemical sprayer
3	Fertilizer application
4	FFB Harvesting
5	Meloding FFB
6	Tractor & lorry driver
7	FFB transporting to factory
8	Working at FFB ramp
9	Nursery
10	Penerimaan/ Pemberian Diesel
11	Travelling to work by motorcycle
12	Grader & Backhoe
13	Air Compressor
14	Contractor & visitor
15	SOP Hand drill
16	SOP Table drill machine
17	SOP MIG/ Rod Welding Machine
18	SOP Bench Grinder
19	SOP Hand Grinder
20	SOP Air Compressor
21	SOP LPG Gas Storage
22	SOP Electrical safety

HIRARC file seen and to verify the risks of all operations in Stage 2 Audit. No. of HIRARC listed is 5 such as:

1. Harvesting (manual)
 2. Harvesting (cantas)
 3. Pengangkutan
 4. Membaja
 5. Penyemburan racun
 6. Pengalihan treler
 7. Perumahan
 8. Tapak semaian benih sawit
 9. Pejabat
- c. Estate has a comprehensive annual training plan for the employees exposed to pesticides.

Occupational & Safety Health Plan – Awareness Training Programme For Sprayers
Safe method of spraying conducted on 7th May'19. Sighted photographs and attendance record as 9 workers related to spraying attended the training.

Awareness Training Programme For Sprayers:

No.	Topic	Month
1.	PPE	Sept'19
2.	Chemical Mixer/ handler	July'19
3.	Safe method of spraying	4 th May 2019
4.	Prohibited behavior	Oct'19
5.	Good practices	Dec'19

- d. Sighted PPE issuance and replacement record is made available. List of allocation of PPE to estate personnel year 2019 sighted in PPE issuance file.
- e. SOP Chemical Handling is available [Penerangan pengendalian dan penggunaan bahan kimia]. Available with pictorial prosedur and listed with PPE required during handling chemical use. Training conducted to Chemical Sprayers on 4th May 2019 & 11th May 2019 attended by 6 workers at Kuala Pergau Division. Attendance record and meeting minutes is made available.

CHRA conducted on 30th January 2017 by OSH Safety Consultancy (M) Sdn Bhd – Mr. Ganeshraoo a/l Nagarajoo [JKKP HIE 127/171-2-(357)].

Medical surveillance was done on 9th April 2019 by Klinik Krai – Dr. J.P. Kamalanathan. It was done for 10 workers involved in herbicide sprayers activity.

- Mulyadi (B7274460)
- Sudarman (B7535935)
- Untung (B9006427)
- Suprayetno (B9266805)
- Setiawan Riski (B9266592)
- Sudarsono (B8276056)
- Ahmat Sodikun (B9006315)
- Poniman (B9266804)
- Riki (B9266593)
- Rudiyanto (B9266594)

- f. Seen letter of appointment for AJK Keselamatan & Kesihatan, En Rosli Bin Awang. Organization chart is made available.
- g. OSH meeting minute sighted during the audit. Meeting conducted on, latest OSH meeting was conducted on 28th April 2019. Meeting minutes and attendance record is made available.

- h. ERP (Emergency response plan) sighted in document. Emergency Respond Plan Procedure and exit routes in file and notice board. Record seen "Carta Alir Proses Pertolongan Cemas", displayed with emergency contact name, contact number.

Prosedur Pengendalian Kes Kemalangan Di Tempat Kerja for Sungei Bagan & Kuala Pergau Estate.

- i. Trained first aider is available in the estate. Training certificate (by SPO Consultancy Sdn Bhd – Mr. Raman Krishnan) sighted during the audit. First Aid Training conducted on 22nd June 2018, attendance record and photographs are made available.
- j. No JKKP 8 yet to be submitted by the management, as interviewed by the estate manager, they require to submit JKKP 8 by 31/1/2020. They have registered Mykkp.

In Compliance **Yes** No Not Applicable

Criterion 5 Employment conditions

Indicator 1 The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.

Summary Policy sighted related "Good social practices policy", approved by Mr. A Balaraman, General Manager, dated 23rd December 2017.

In Compliance **Yes** No Not Applicable

Indicator 2 The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.

Summary Policy on workers' social life sighted in "Good social practices policy", approved by Mr. A Balaraman, General Manager, dated 23rd December 2017.. Some of the objectives listed in the policy:

- a. Maintain no discrimination practices and provided equal opportunity and treatment to all.
- b. Ensure that employees' payment and conditions meet the legal minimum standards.

As per interview with the following workers of Sungai Bagan Estate:-

Interview workers:
 En Rahami (Mandore)
 En. Syahmi - Spraying
 En M. Zaidi – Spraying



In Compliance **Yes** No Not Applicable

Indicator 3 Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.

Summary The salary is according to 'Guidelines on the Implementation on the Minimum Wages'. National Wages Consultative Council Act 2011 (Act 732), Minimum wage order 2018. Malaysian minimum salary is RM1,100.00 as stated in the guidelines.

Interview with both Estate staff and workers they understand the terms and conditions of their employment. Sampled of Sungai Bagan Estate workers salary as per May 2019 payslip :-

List down the sample workers (payslips):

Mohd Roshidi Bin Che Ghulan (910503-03-5217)
Field worker

May 2019		
Gaji	24 days x RM42.31	RM1,015.44
Paid holiday	2 days	RM84.62
		RM1,100.06
<u>Deduction:</u>		
EPF		RM113.00
SOCSSO		RM5.25
SIP		RM2.10
Advance		RM311.00
	Net Salary	RM584.09

In Compliance **Yes** No Not Applicable

Indicator 4 Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.

Summary Seen contract agreement between:

- Tai Ichi Enterprise Sdn Bhd – Ext Transport Contract
- Mr. Ah Kiat Workshop – Internal Loading Contract
- Mr. Zuhan B. Ismail – Harvesting Contract

April 2019

Denin (AT537600) - Indonesia
Gross pay: RM831.47

Total working days: 25 days

Padil (AT928381) - Indonesia

Gross pay: RM917.77

Total working days: 25 days

As per interview with Mr. Poobalan, Asst Estate Manager, employment contract and payslip is kept at Sungei Bagan Estate. Records of payment and the Agreement between the management and contractors' workers.

In Compliance **Yes** No Not Applicable

Indicator 5 The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.

Summary Name list for estate staff and workers sighted during the audit.

Sighted at Sungai Bagan Estate the Personal Particulars data for:

- Roslan Bin Yaacob – 620617-03-5519 -Malaysian
- Razali Bin Kasim – 610930-03-5495 - Malaysian,
- Ahmad Rauhi – AT928488 – Indonesian

The Labour Registration Card stated the Offered Position, Personal Details, Date Employed, Educational background and Family Data.

In Compliance **Yes** No Not Applicable

Indicator 6 All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.

Summary Employment contract available during the audit. Employment contract stated the offered position, wages implied, working hours, working on holiday etc. The contract is in Malay as it is easy to be understood by workers.

This contract is signed by both employee and employer and accompanied with respective witnesses. Workers employed consisted of Malaysian, and Indonesian.

As sampled:

Mohamad Norhepei Bin Senain – 930103-03-5699 (Malaysian)

Zaharudin Bin Rajab – 731203-30-5625 (Malaysian)

In Compliance **Yes** No Not Applicable

Indicator 7 The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.

Summary Time recording is based on attendance book – Employee Attendance listed as below:

- Checkroll attendance
- Staff attendance book

Seen the working hours being displayed at the notice board. The office will be working from 6.30 am to 2.30pm and break time at 11.00 am to 11.30am.

In Compliance **Yes** No Not Applicable

Indicator 8 The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.

Summary The working hour and break time has been clearly stated in the Employment Contract. There is no complaint received regarding payment or are forced to work overtime during site interview.

In Compliance **Yes** No Not Applicable

Indicator 9 Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.

Summary Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers interviewed confirmed that they are being paid more than the stipulated minimum wage and that they understand all the deductions being made.

Documented payslip was distributed to individual workers on the day of payment.

In Compliance **Yes** No Not Applicable

Indicator 10 Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.

Summary All workers have been provided with regards to local workers, staffs and executives, all of them are covered under

- Staff – Gas allowance, water, electricity, insurance (AIA insurance).
- Workers – Workers Compensation

EPF & SOCSO as required by the Malaysian Laws and Regulations.

In Compliance **Yes** No Not Applicable

Indicator 11 In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.

Summary All workers are provided with housing facilities at workers linesite. Electricity and water are provided by the estate without any charges to the workers.

Welfare Amenities: Football Field, Surau, Badminton Court

Linesite inspection checklist is made available, and the frequency of inspection is made on weekly basis. As per reviewed, the last inspection was made on 23rd June 2019.

In Compliance **Yes** No Not Applicable

Indicator 12 The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.

Summary Sighted policy of "Sexual Harassment and violence policy", listed as:

- Ensure employees are no subjected to verbal and non-verbal abuse or sexual harassment.
- Maintain condition at the work place that are free of harassment or violence of any kind.
- No form of harassment based on race, religion, gender, national status.

Approved by Mr. A. Balaraman, General Manager, dated 23rd December 2017.

In Compliance **Yes** No Not Applicable

Indicator 13 The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.

Summary As per interview with Mr. Poobalan, Asst Manager, there is trade union in Sungei Bagan Estate

KKPL – Kesatuan Kebangsaan Pekerja Ladang

Local or foreign workers are given the freedom which it is an optional for them to join worker union formed in Estate. Thus, their freedom is not restricted by estate management.

In Compliance **Yes** No Not Applicable

Indicator 14 Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.



Summary During field visit, there is no children and young person been employed as per record. There are no children below ages of 18 working in the estate and this was proven through checking the list of employees as well as their biodata and through estate visits. The workers were clear that no one below 18 years old should be employed.

In Compliance **Yes** No Not Applicable

Criterion 6 Training and competency

Indicator 1 All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.

Summary Training file is available and maintained. Training conducted as per below:

- Training for tractor driver – 22nd March 2019 [Sighted photographs, training materials and meeting minutes as evidence].
- Training Penabur Baja – 16th March 2019 [Sighted photographs, training materials and meeting minutes as evidence].
- Training for chemical sprayers – 10th February 2019 [Sighted photographs, training materials and meeting minutes as evidence].
- Training for Harvester – 13th February 2019 [Sighted photographs, training materials and meeting minutes as evidence].
- Training for Penaburan Baja – 19th May 2019 [Sighted photographs, training materials and meeting minutes as evidence and attendance record is available for 9 workers].
- Training on Environmental Policy – 24th June 2019 [Attended by 46 participants, sighted photographs, training materials and attendance record].
- Training on MSPO Policy – 7th May 2019 [Attended by 47 participants, sighted photographs, training materials and attendance record] – consists of weeder, harvester, loader and staffs.

In Compliance **Yes** No Not Applicable

Indicator 2 Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.

Summary Yearly training plan is created based on Training Needs Analysis for workers involved in the operations. Sighted the Training Need Analysis of all workers which are based on their competencies and job description.

Record of individual training record year 2019 for all 53 staff/workers in Sungei Bagan Estate.

In Compliance **Yes** No Not Applicable

Indicator 3 A continuous training programme should 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.

Summary Comprehensive annual training plan for the year 2019 is made available. All workers involved in the operations have been adequately trained in safe working practice. The estate has a comprehensive Training Needs Analysis for staffs and workers and this was sighted in the training records file.

Trainings conducted were recorded in the various trainings record and completed with attendance records, training materials and photographs of the training.

No.	Training	Months
1.	Spraying	Jan'19 / Jun'19
2.	Manuring	Feb'19/ Jul'19
3.	Harvesting	Mar'19/ Aug'19
4.	Driver/loader	Apr'19/ Sep'19

In Compliance **Yes** No Not Applicable

2.5 Principle 5 : Environment, natural resources, biodiversity, and ecosystem services

Criterion 1 Environmental management plan

Indicator 1 An environmental policy and management plan which shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.

Summary Sungei Bagan Rubber Company (Malaya) Berhad and Kuala Pergau Rubber Plantation Limited has established Environmental Policy signed by the Executive Director/General Manager, Mr A. Balaraman dated 23rd December 2017.

Based on the Environmental Policy, the estates are committed towards implementing the following practices:

- Comply with all environmental legislations and other requirement
- Prevent pollution and continuously improve the environmental program.
- Use natural resources in an ecologically sustainable manner by implementing best management practices
- Avoid, minimize and mitigate any adverse environment impacts caused by the plantation and mill operations.
- Maintain open channels of communication with stake holders in regard to environmental issues.
- Ensure all employees are aware of the Company's environmental policy, are motivated to conform, are aware of their own responsibilities and are given the support and training necessary to accomplish them.

In Compliance **Yes** No Not Applicable

Indicator 2 The environmental management plan shall cover the following:
a) An environmental policy and objectives;
b) The aspects and impacts analysis of all operations.

Summary The estate has conducted environmental risk assessment for all its' activities in year 2019. The environmental assessment findings are recorded in document titled "Environmental Aspect Impact Analysis" Ref No. Plantation-SB/EAI/001, prepared on 01.05.2019

The environmental risk assessment covers 17 work activities of the plantation covering elements of aspect and impact identification (work activity, environmental aspect, environmental impact, existing control), risk assessment (likelihood, severity, risk rating), risk control (recommendation and legislation).

The activities includes;

1. Spraying of herbicides for weed control in the field
2. Manuring of fertilizer
3. Replanting/felling/chipping/shredding
4. Drainage works
5. Fishing/electric shock
6. Poor manage of linesite, sanitation drain
7. Use of lorry and tractor in estate operation
8. Open burning
9. Mixing chemical
10. Spraying of herbicides
11. Filling diesel
12. Changing lubricant
13. Dumping of non-biodegradable
14. Dumping of domestic waste
15. Spraying
16. Manuring
17. Fuel used (transport)

In Compliance **Yes** No Not Applicable

Indicator 3 An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.

Summary The environmental impact plan to mitigate the negative impact was incorporated in environmental aspect impact analysis for all its' activities. For example;
Work activity: Manuring of fertilizer on palms.
Environmental impacts: Pollution to river
Recommendation of risk control: training to manuring operators, monitoring of no intrusion on riparian buffer zone, close supervision during manuring works along rivers.

In Compliance **Yes** No Not Applicable

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

Summary The programme to promote the positive impacts on environmental (continuous improvement plan) includes;

Issue	Mitigation /Action Plan
Schedule waste	Work-in progress
Car & motorcycles parking	Work-in progress
Spraying	July 2019

In Compliance **Yes** No Not Applicable

Indicator 5 An awareness and training programme shall be established and implemented to ensure that all employees understand the policy, objectives of the environmental management and improvement management plans and are working towards achieving the objectives.

Summary Sighted individual training analysis year 2019 on the aspect of environments includes the following;

1. MSPO – Training Environmental Policy

Sighted the environmental training programme for year 2019. It includes;

- 1) Meeting with stake holders – April & Oct 2019
- 2) Training/briefing by department of environment – June 2019
- 3) Talk/briefing by wild life department – May 2019
- 4) Training/briefing by Bomba – August & Dec 2019
- 5) Internal training/briefing – July 2019

Sighted training implementation as below;

Programme	Sungei Bagan Estate	Kuala Pergau Estate
	Date done (Attendees)	Date done (Attendees)
Environmental impact briefing – stakeholder meeting	24.04.2019 (27psn)	
Taklimat kepentingan penjagaan alam sekitar	22.05.2019 (46psn)	
Taklimat Alam Sekitar - Penggunaan Tong Kitar Semula		24.06.2019 (12psn)

In Compliance **Yes** No Not Applicable

Indicator 6 Management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.

Summary Sighted briefing on environmental policy & recycle impact held on 24.06.2019 attended by 3 executives, 2 staffs and 41 worker's representatives discussed the following;

1. Jenis tong sampah kitar semula dan konsep 3R
2. Mengapa perlu kitar semula
3. Bahan-bahan terpakai

In Compliance Yes No Not Applicable

Criterion 2 Efficiency of energy use and use of renewable energy

Indicator 1 Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.

Summary For the year 2019, the diesel consumption for Sungei Bagan Estate as follow;

Month	Litre	FFB	Litre/mt FFB
January	1,320	1,057.32	
Feb	1,040	927.46	
Mar	1,280	974.60	
Apr	1,100	847.43	
May	1,080	723.18	
Total	5,820	4,529.99	1.28

For the year 2019, the diesel consumption for Kuala Pergau Estate as follow;

Month	Litre	FFB	Litre/mt FFB
January	560	0.00	
Feb	830	26.04	
Mar	1,520	102.94	
Apr	1,770	131.51	
May	1,557	138.15	
Total	6,237	398.64	15.65

For the year 2019, the electricity usage (kWH) for Sungei Bagan Estate as follow;

Month	kWH	FFB	kWH/mt FFB
January	5,100	1,057.32	
Feb	4,876	927.46	
Mar	4,170	974.60	
Apr	1,100	847.43	
May	1,080	723.18	
Total	16,326	4,529.99	3.60

For the year 2019, the electricity usage (kWH) for Kuala Pergau Estate is not available due to newly installation. No reading being recorded as yet as the estate is in the process to install the kWh meter reader.

Sighted Energy Usage Reduction Plan 2019 approved by Estate Manager covers 5 methods of reduction plan, includes;

1. Use of LED bulb which has low voltage bulb high brighten.
2. Use of old tractor to be replaced by new tractor with high fuel efficiency. This is be done in stage.
3. Trap rain water from roof and store it for washing and cleaning. This will reduce of water from tube well which will also electricity usage.
4. Energy lights are turned off at night. No waste electricity.
5. Energy electrical appliances are turned off whenever not in use.

In Compliance **Yes** No Not Applicable

Indicator 2 The oil palm premises shall estimate the direct usage of nonrenewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.

Summary Sighted annual estimate of non-renewable energy being established for the year 2019 as follow;

Estate	Estimated diesel usage	Estimated FFB	Fuel Efficiency
	Liter	Ton	Liter/ton FFB
Sungei Bagan	12,900	14,731	0.88
Kuala Pergau	11,837	2,698.64	4.39

Sighted annual estimate of electricity usage being established for the year 2019 as follow;

Estate	Estimated Electricity usage	Estimated FFB	Electricity Efficiency
	kWH	Ton	kWH/ton FFB
Sungei Bagan	55,700	14,731	3.78
Kuala Pergau	13,000	2,698.64	4.82

In Compliance **Yes** No Not Applicable

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



Summary Solar panel has been installed at the office building of Kuala Pergau Estate's office in order to reduce the usage of non-renewable energy i.e. generator set. Trap rainwater from roof and store it for washing and cleaning. This will reduce the use of water from tubewell which will also reduce electricity usage.

In Compliance **Yes** No Not Applicable

Criterion 3 Waste management and disposal

Indicator 1 All waste products and sources of pollution shall be identified and documented.

Summary Sungei Bagan Rubber Company (Malaya) Berhad/Kuala Pergau Rubber Plantation Limited has established Waste Management Flow Chart signed by the Manager on 01.05.2019

- Sighted Identification of Waste consist of;
1. Rubbish from labour/staff quarters
 2. Used tires
 3. Oil/fuel filter & battery
 4. Black oil
 5. Manure bags
 6. Pesticides & herbicides containers
 7. Scrap iron
 8. Harvesting

Sighted scheduled waste record established by Kuala Pergau Estate;

Code	Source	Date of 1 st generated	Balance as at 25.06.2019
SW409	Fertiliser bag	01.04.2019	5,000pcs
SW409	Herbicide containers 20L	01.05.2019	20pcs

In Compliance **Yes** No Not Applicable

Indicator 2 A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measures for:
 a) Identifying and monitoring sources of waste and pollution.
 b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.

Summary Sighted an identification and list of waste as follow;

- 1) Rubbish from labour
- 2) Scheduled waste from Tractor
- 3) Waste from Harvesting
- 4) Scheduled waste from Weeding operation



In Compliance **Yes** No Not Applicable

Indicator 3 The 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.

Summary Sungei Bagan Rubber Company (Malaya) Berhad has established Standard Operating Procedure No. 4.4.4.2 on Chemical Handling dated 15.05.2019. Packaging, labelling and storage of chemicals are the importance aspects of handling chemicals which due to their toxic characteristics can pose risks to human health and environment if not managed properly.

Estate has listed down the methods of chemicals handling includes;

1. All containers are to be labelled and colour-coded and identified.
2. Chemicals are to be stored in a building non-related to miscellaneous items.
3. A dedicated concreted store for chemicals and pesticides should be available.
4. Shelves for liquid and powdered chemicals are to be installed.
5. All chemicals are to be recorded in a Chemical Register available from DOSH which is to be signed monthly by the Manager.
6. Powdered chemicals should be stored on the top shelves with liquid chemicals on lower shelves and the floor in a cement bounded area.
7. Class 1 chemicals should be kept in a separate cubicle within the store, appropriately labelled and hazard warning board placed at the entrance, with a metal grille door.
8. Opened containers (liquid) are to be placed on plastic trays to trap spills.
9. Spills on the floor are to be covered in sawdust or sand and swept, collected by dustpans and placed in plastic bags for disposal. Contaminated materials are to be buried a distance away from residential sites and waterways.
10. Laminated copies of recent MSDS for chemicals (obtainable from suppliers) are to be displayed at each individual chemical place.
11. Spill mitigating tools such as sand, sawdust, dustpan, broom, dustbin and plastics bags should be available and the area is to be labelled as "Spill mitigating tools".

In Compliance **Yes** No Not Applicable

Indicator 4 Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.

Summary The establishment of Standard Operating Procedure No. 4.4.4.2 on Chemical Handling dated 15.05.201912.0 is to provide guidance for assessors to conduct an assessment of the health risks arising from the use, handling, storage or transportation of chemicals hazardous to health at the workplace as required by USECHH Regulations, 2000.

Empty pesticide containers to be treated as follow;



1. Empty containers are to be triple-rinsed and stored in a dedicated area.
2. Containers for reuse should be appropriately labeled and 3 holes are to be punctured at the base of those for disposal, and dispose through an accredited vendor.

After mixing the chemicals, to ensure the following;

1. All wash water is to be directed to a soakage-pit sited a distance away from the chemical mixing area.
2. No water should escape into field drains or streams.

In Compliance **Yes** No Not Applicable

Indicator 5 Domestic waste should be disposed as such to minimise the risk of contamination of the environment and watercourse.

Summary Domestic waste for linesite area is well managed by the estate. All domestic wastes are disposed at landfill located at Block 2 (1km from line site) of Kuala Pergau Estate.

In Compliance **Yes** No Not Applicable

Criterion 4 Reduction of pollution and emission including greenhouse gas

Indicator 1 An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.

Summary All activities contributing to pollution in the estate has been accessed as per document of Environmental Aspect Impact Analysis" Ref No. Plantation-SB/EAI/001, prepared on 01.05.2019. It includes the following work activities;

1. Mixing chemicals
2. Spraying of herbicides
3. Filling diesel
4. Changing lubricant
5. Dumping of non-biodegradable
6. Dumping of domestic waste
7. Open burning
8. Linesite sanitation drain
9. Manuring of fertilizer on palms

In Compliance **Yes** No Not Applicable

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

Summary Action plan and monitoring sighted in document of Environmental Aspect Impact Analysis" Ref No. Plantation-SB/EAI/001.

One of the action plan is on open burning where the smoke will cause the air pollution. The existing plan carried out by the estate are;

1. On time/ regular rubbish collection



2. Daily supervision by management and reprimand defaulters
3. Good agricultural practices.

The estate has recommended additional risk controls on open burning as follow;

1. Put up signboard to show "NO BURNING"
2. Regular briefing on workers
3. Regular rubbish collection inspection.

In Compliance **Yes** No Not Applicable

Criterion 5 Natural water resources

Indicator 1 The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water).
The water management plan may include:
a) Assessment of water usage and sources of supply.
b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.
c) Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).
d) Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.
e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.
f) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.

Summary Sighted water management plan established by the estates. Tube well has been identified as a water source for domestic consumption. The estates outlined it water management plan as follow;
1. Trap rain water for washing and cleaning.
2. Awareness programme on turning off tap after use
3. Estate to carry out checks on leaking pipes, taps, water tanks, etc. and carry out repairs or replacement
4. Send sample to Health Department for checking water quality.

In Compliance **Yes** No Not Applicable

Indicator 2 No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.

Summary Sg. Kelantan is flowing outside Sungei Bagan estate perimeter boundary.
Sg Pergau is passing through the Kuala Pergau estate. Buffer zone has been established and demarcated.
No bunds or dams being constructed across the river of Sg Pergau.

In Compliance **Yes** No Not Applicable



Indicator 3 Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).

Summary There were road side drains constructed along the main roads to divert and conserve water at designated points.

In Compliance Yes No Not Applicable

Criterion 6 Status of rare, threatened, or endangered species and high biodiversity value area

Indicator 1 Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:

- a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.
- b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.

Summary The management has identified several species of wildlife found in the estate with a title of Biodiversity – Conservation of Fauna such as:

1. Frog
2. Civet Cat
3. Monkeys
4. Eagle
5. Kedidi
6. Woodpecker
7. Humming bird
8. Pigeon
9. Owl
10. Ketitir/spotted dove
11. Jungle fowls
12. Kuku/wild dove
13. Phyton
14. Black cobra
15. Monitor lizard – water species
16. Monitor lizard – land dweller
17. Siput babi
18. Tedung selar
19. Kumbang badak
20. Babi
21. Lebah madu
22. Burung chiak rumah
23. Burung laying-layang

Proper signage (No fishing and no hunting) has been displayed at strategic locations in the estate.



	In Compliance	Yes	No	Not Applicable
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Indicator 2 If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:
a) Ensuring that any legal requirements relating to the protection of the species are met.
b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts.

Summary An appropriate measures has been taken by the management such as:
1. Displaying of proper signage at estate boundary with jungle and other strategic places.
2. Briefing to workers on RTE and Biodiversity in the estate

In Compliance **Yes** No Not Applicable

Indicator 3 A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.

Summary Sighted Biodiversity Management Plan established by the estates includes;
1. Training awareness on wildlife conservation
2. Talk by Perhilitan on wildlife protection.
3. Legal impact on illegal hunting.
4. Biodiversity conservation.
5. Monthly census of wildlife by watchman.
6. Monitor and prevent hunting of wild animals

In Compliance **Yes** No Not Applicable

Criterion 7 Zero burning practices

Indicator 1 Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.

Summary No burning of OP residue during replanting activities in the estate.
Sungei Bagan Rubber Company (Malaya) Berhad and Kuala Pergau Rubber Plantation Limited committed towards implementing the following practices on environment:
1. The palm trunk is to be chipped to not more than 10cm thick (approx. 3 inches) to allow rapid disintegration and decomposition of the residue. Remnants of palm bole tissues and bulk of the root mass are to be dug out, broken up and the hole refilled.
2. The shredded pieces are to be stacked in single rows and layer to reduce the thickness of the stack.

Sighted signage of zero burning being erected by the estate at the strategic locations.

In Compliance **Yes** No Not Applicable

Indicator 2 A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.



Summary No significant risk of diseased palm was reported.
Estate replanting programme based on Estate operation policies and agronomic practices.

In Compliance **Yes** No Not Applicable

Indicator 3 Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.

Summary No controlled burning being sought by the estate.

In Compliance **Yes** No Not Applicable

Indicator 4 Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.

Summary The following practices has been implemented by the management during replanting:

1. The palm trunk is to be chipped to not more than 10cm thick (approx. 3 inches) to allow rapid disintegration and decomposition of the residue. Remnants of palm bole tissues and bulk of the root mass are to be dug out, broken up and the hole refilled.
2. The shredded pieces are to be stacked in single rows and layer to reduce the thickness of the stack.

In Compliance **Yes** No Not Applicable

2.6 Principle 6 : Best practices

Criterion 1 Site management

Indicator 1 Standard operating procedures shall be appropriately documented and consistently implemented and monitored.

Summary Sungei Bagan Estate established Standard Operating Procedure for estates as listed below:

No.	SOP
1	Chemical Store Handling
2	Chemical sprayer
3	Fertilizer application
4	FFB Harvesting
5	FFB Loading
6	Tractor & lorry driver
7	FFB transporting to factory
8	Working at FFB ramp
9	Nursery

10	Penerimaan/ Pemberian Diesel
11	Travelling to work by motorcycle
12	Grader & Backhoe
13	Air Compressor
14	Contractor & visitor
15	SOP Hand drill
16	SOP Table drill machine
17	SOP MIG/ Rod Welding Machine
18	SOP Bench Grinder
19	SOP Hand Grinder
20	SOP Air Compressor
21	SOP LPG Gas Storage
22	SOP Electrical safety

Sungei Bagan Estate established Standard Operating Procedure for estates. Person in charge (Mr. Poobalan a/l Subramaniam) will monitor the work flow and ensure all operations as per guided in the SSOP. For Kuala Pergau Estate, the PIC is En. Rosli.

In Compliance **Yes** No Not Applicable

Indicator 2 Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.

Summary SOP / Procedure for oil palm replanting has been established as per document "Management Briefing on Estate Operation Policies and Agronomic Practices". During replanting operations, the management will establish legume cover planting (LCP) and maintain ground covers to avoid soil erosion and water surface runoffs.

Sungei Bagan Estate is located on flat to undulating area. Sighted from field visit, oil palms are in straight planting method.
For Kuala Pergau Estate, most of the area is on hilly area. Terrace planting sighted as the current estate practice for planting on hilly area. No abandon area more than 25° existed in the estate.

In Compliance **Yes** No Not Applicable

Indicator 3 A visual identification or reference system shall be established for each field.

Summary Maps are made available showing separation of estates. Estate blocks markings are sighted during estate site visit conducted with the estate management

In Compliance **Yes** No Not Applicable

Criterion 2 Economic and financial viability plan

Indicator 1 A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.

Summary Estate had an annual budget for the financial year 2020 is made available. Sighted final estimate of expenditure for the year 2020 as per document "Estimate of Expenditure for the year Ending 30-06-2020". The business plan includes General charges, upkeep of buildings, cultivation of mature and immature oil palm and capital expenditure.

ITEMS	2020
FFB (MT)	14,219
OER %	19.75
KER %	5.25
CPO Price RM/MT	2,200
PK Price RM/MT	1,650
Estate income/FFB	453.91

For Kuala Pergau Estate,

ITEMS	2020
FFB (MT)	5,518.00
OER %	15
KER %	4
CPO Price RM/MT	2,200 / MT
PK Price RM/MT	1,650.00 / MT
Estate income/FFB	377.05

In Compliance **Yes** No Not Applicable

Indicator 2 Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.

Summary The last replanting program made in the year

- 2017 – 252 acres

Immature oil palm expenditure is available inclusive of cost per tonne estimation.

Sighted Statement of Expenditure for the year ending 30th June 2019 [Immature Oil Palm – Replanting 2017 expenditure].

Program for replanting sighted in a Memo dated 14th November 2016.

Area to be felled	Acreage (Acre)	Seed Requirement	Date of Delivery
1994	228	23,040	August 2019

1995	167	13,360	August 2019
1996	35	2,800	August 2020
19997	130	10,400	August 2021

KUALA PERGAU ESTATE: The whole estate just newly planted to oil palm from previous crop which is rubber. No replanting program for another 20 to 25 years.

In Compliance **Yes** No Not Applicable

Indicator 3 The business or management plan may contain:
a) Attention to quality of planting materials and FFB.
b) Crop projection: site yield potential, age profile, FFB yield trends.
c) Cost of production: cost per tonne of FFB.
d) Price forecast.
e) Financial indicators: cost benefit, discounted cash flow, return on investment.

Summary Sighted in annual budget year 2019, there is estimated expenditure for the year 2019 made available during Stage 2 audit.

In Compliance **Yes** No Not Applicable

Indicator 4 The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.

Summary Estate performance is recorded on monthly basis and Sungei Bagan Estate budget final year 2019 is made available. Sighted estate progress report for April 2019 (Ref: 4/GM/5/2019). Estate performance such as FFB produced, progress of manuring and spraying, OP nursery status and record of tractor running account status.

In Compliance **Yes** No Not Applicable

Criterion 3 Transparent and fair price dealing

Indicator 1 Pricing mechanisms for the products and other services shall be documented and effectively implemented.

Summary Contracts agreement between contractors and estate management sighted during the audit. Example for Sungei Bagan Estate:

Contractor: Zuhan B. Ismail
Work: FFB Harvesting
Agreed payment:
a. Field 1994: RM42.00 / MT
b. Field 1995: RM41.00 / MT
c. Field 1996: RM41.00 / MT



- d. Field 2009: RM36.50 / MT
- e. Field 2011: RM36.00 / MT
- f. Field 2015: RM 48.00 / MT

Sighted payment made to the contractor:

Pay to: Zuhan Bin Ismail
Voucher No: CH005/11/2019
Date: 03/05/2019
Amount: RM 32,597.83

For Kuala Pergau Estate, contract agreement between the estate and Golder Star Growth Sdn Bhd (Agreement No: 9/2018/2019) dated 01st February 2019 sighted during audit. Agreed rate as follow:

- a. Internal transport: RM 20/MT
- b. Collection loading: RM 15/MT

Sighted payment made to the contractor:

Pay to: Golden Star Growth Sdn Bhd
Voucher No: CH003/11/2019
Date: 03/05/2019
Amount: RM 24,329.35

In Compliance **Yes** No Not Applicable

Indicator 2 All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.

Summary Seen record of contract agreement between contractors and Sg. Bagan Estate is available as below:

- Tai Ichi Enterprise Sdn Bhd – Ext Transport Contract
- Mr. Ah Kiat Workshop – Internal Loading Contract
- Mr. Zuhan B. Ismail – Harvesting Contract

All payments made to the contractors evident during the audit.

In Compliance **Yes** No Not Applicable

Criterion 4 Contractor

Indicator 1 Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.

Summary Sighted "Penerangan Tentang MSPO – First Aider"- dated 6th May 2018 at Sungei Bagan Estate Main Office. Attendance record is available. Seen contractor's representative attended the meeting.



Contractors were made aware of MSPO during stakeholder meeting dated 24th April 2019 at Sungei Bagan Estate [Perasmian & Penerangan MSPO].

In Compliance **Yes** No Not Applicable

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

Summary Contract agreement of contractors are made available as below:

- Tai Ichi Enterprise Sdn Bhd – Ext Transport Contract
- Mr. Ah Kiat Workshop – Internal Loading Contract
- Mr. Zuhan B. Ismail – Harvesting Contract

Contract agreement of contractors dated 1st July 2018, are signed and approved between Sungei Bagan Estate and contractors.

In Compliance **Yes** No Not Applicable

Indicator 3 The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.

Summary The estate is audited by Global Gateway Certifications Sdn Bhd auditor dated on 25th and 26th April 2018 (Stage 2). Sighted audit plan which have been received and accepted by the estate management.

In Compliance **Yes** No Not Applicable

Indicator 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.

Summary Estate management will verify the work done by the contractor before the payment paid to the contractor. As interview with the Asst Manager, he will ensure proper PPE usage during work done.

Sighted record of FFB harvested per month. The verified figures by estate manager will be used for payment to FFB harvesting contractor, Mr. Zuhan B. Ismail.

In Compliance **Yes** No Not Applicable

2.7 Principle 7 : Development of new planting

Criterion 1 Oil palm shall not be planted on land with a high biodiversity value

Indicator 1 Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 2 No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia’s National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Criterion 2 Peat land

Indicator 1 New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.

Summary At this moment, there were no new plantings involving peat area. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Criterion 3 Social and Environmental Impact Assessment (SEIA)

Indicator 1 A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 2 SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 3 The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .



In Compliance Yes No **Not Applicable**

Indicator 4 Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Criterion 4 Soil and topographic information

Indicator 1 Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 2 Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Criterion 5 Planting on steep terrain, marginal and fragile soils

Indicator 1 Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 2 Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 3 Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.



Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Criterion 6 Customary land

Indicator 1 No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 2 Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 3 Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad POM.

In Compliance Yes No **Not Applicable**

Indicator 4 The owner of recognized customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 5 Identification and assessment of legal and recognised customary rights shall be documented.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**



Indicator 6 A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 7 The process and outcome of any compensation claims shall be documented and made publicly available.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

Indicator 8 Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Sungei Bagan Rubber Company (Malaya) Berhad .

In Compliance Yes No **Not Applicable**

2.8 Details of Audit Findings

Details Non-Conformity

- See Appendix B -

Details of Area of Concern

- See Appendix B -

Details of Noteworthy / Positive Findings

- 1) Top management continuously establishes directions for the middle and upper management to execute in ways to comply with the MSPO management system in future.
- 2) The management is highly committed to comply the MSPO system by adopting continuous improvement programs.
- 3) The estate management has demonstrated fully commitment during the entire audit process.
- 4) Signages throughout office, chemical area and in the field sites, effectively maintained and appropriate to the needs of the process.
- 5) Good relationship being maintained with surrounding smallholders and villages.
- 6) Good positive feedback received from internal and external stakeholders.

Appendix A: Audit Plan

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
24 th June 2019		Auditors Travelling from Subang Sky Park	FB	SP AS
25 th June 2019	08:00 – 09:00	<ul style="list-style-type: none"> ➤ Opening Meeting at Sg. Bagan Estate: • Presentation by the manager/coordinator • Presentation by Lead Auditor. ➤ Confirmation of assessment scope and finalize Audit plan (including stakeholder’s consultation – where applicable). 	FB	SP AS
	09:00 – 13:00	Sg. Bagan Estate <ul style="list-style-type: none"> ➤ Document Audit: • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	FB	SP AS
	10:30 – 12:30	<ul style="list-style-type: none"> ➤ Estate inspection: • Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	FB	SP AS
	13:00 – 14:00	Lunch / Break	FB	SP AS
	14:00 – 16:00	<ul style="list-style-type: none"> ➤ Continue document review • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	FB	SP AS
	16:00 – 16:30	<ul style="list-style-type: none"> ➤ Preparation for Interim Closing Meeting 	FB	SP AS
	16:00 – 17:00	Interim Closing Meeting <ul style="list-style-type: none"> ➤ Verify any outstanding issues, auditor discussion and end of audit for day 1. 	FB	SP AS

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor



26 th June 2019	08:00 – 13:00	Kuala Pergau Estate ➤ Document Audit: <ul style="list-style-type: none"> Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	FB	SP AS
	10:30 – 12:30	➤ Estate inspection: <ul style="list-style-type: none"> Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	FB	SP AS
	13:00 – 14:00	Lunch / Break	FB	SP AS
	14:00 – 16:00	➤ Continue document review <ul style="list-style-type: none"> Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	FB	SP AS
	16:00 – 16:30	➤ Preparation for Closing Meeting	FB	SP AS
	16:00 – 17:00	Closing Meeting <ul style="list-style-type: none"> ➤ Presentation of findings by the audit team ➤ NC closure dateline (if any) ➤ Questions and answers ➤ Final summary by team leader End of assessment	FB	SP AS
	TBA	Auditors Travel Back to KL (Subang Skypark)	FB	SP AS

Appendix B : Non-Conformity details

Non-Conformities Identified During This Audit	
Major Nonconformities:	No NC's was raised for this audit.
Minor Nonconformities:	No NC's was raised for this audit.
Area of Concern:	No Area of Concern was raised for this audit.

Appendix C : List of Stakeholders Contacted

Attendance List

- 1) Wastech Multigreen Sdn Bhd
- 2) Agromate (M) Sdn. Bhd
- 3) Golden Star Growth Sdn Bhd
- 4) Hardware Wan Ab Aziz
- 5) Syarikat Sri Gucil
- 6) Balai Polis Dabong
- 7) Klinik kesihatan Dabong
- 8) Sekolah Kebangsaan Dabong
- 9) Balai Bomba K. Krai
- 10) Bahagian Vector Dabong
- 11) Mat Yie Fiberglass
- 12) Merican Dispensary Sdn. Bhd
- 13) Henry Trading Co. Sdn. Berhad
- 14) Zuhan Enterperise Sdn. Bhd
- 15) Santong Sawit Sdn. Bhd
- 16) Ah Kiat Workshop
- 17) Agromate (M) Sdn Bhd
- 18) Behn Meyer Agricare (M) Sdn
- 19) MM stationery & Trading
- 20) Dee Maju Trading
- 21) TCIM Sdn Bhd
- 22) Golden Star Growth Sdn Bhd
- 23) Mohd Nawli Bin Mohd Nor
- 24) Ketua Balai Daerah Machang
- 25) Klinik Kesihatan Labok
- 26) Masjid Mukin Dalam Kerawat
- 27) Sekolah Kebangsaan Sungei Bagan

