

# GLOBAL GATEWAY CERTIFICATIONS

## MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

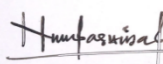

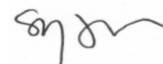
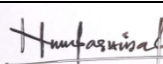

### CERTIFICATION AUDIT REPORT


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

Chansun Estate Sdn Bhd

-Single Certification-

MAIN ASSESSMENT AUDIT  
11<sup>th</sup> November 2019

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	04/12/2019	Issued as Draft Report	Nurulashida binti Mohd Saad	Lead Auditor	
A	16/12/2019	Peer Review 1 Comments	Mohd Zuhaili bin Mukri	Peer Reviewer 1	
A	16/12/2019	Peer Review 2 Comments	Muhammad Syafiq bin Abu Bakar	Peer Reviewer 2	
B	18/12/2019	Issued as Final Report	Nurulashida binti Mohd Saad	Lead Auditor	
B	20/12/2019	Final Report Approved	Muhd Jamalul Arif bin Hamid	Certifier	

Acknowledgment by Chansun Estate Sdn Bhd					
Rev	Date	Description	Management Representative	Role	Signature
B	20/12/2019	Acceptance of the contents	Mr. Ong Ming Dung	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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## Table of Contents

<b>SECTION I : PUBLIC SUMMARY REPORT .....</b>	<b>3</b>
1.1 Certification Scope .....	3
1.2 Company details and Contact information.....	3
1.3 Certification Unit.....	3
1.4 Map Showing Geographical Location .....	5
1.5 Production Area, Actual and Projected FFB Production (MT) .....	6
1.6 Certificate Details.....	7
1.7 Qualification of the Lead Assessor and Assessment Team.....	8
1.8 Audit Methodology .....	9
1.9 Audit Plan Information .....	9
1.10 Audit Result Summary Findings .....	9
1.11 Stakeholder Consultation.....	10
1.12 Recommendation.....	11
1.13 Date of Next Surveillance Audit.....	11
1.14 Confidentiality .....	11
1.15 Abbreviations Used .....	12
2.1 Principle 1 : Management commitment and responsibility .....	13
2.2 Principle 2 : Transparency .....	15
2.3 Principle 3 : Compliance to legal requirements.....	18
2.4 Principle 4 : Social responsibility, health, safety and employment condition .....	21
2.5 Principle 5 : Environment, natural resources, biodiversity, and ecosystem services .....	28
2.6 Principle 6 : Best practices.....	38
2.7 Principle 7 : Development of new planting.....	41
2.8 Details of Audit Findings.....	45

**SECTION I : PUBLIC SUMMARY REPORT****1.1 Certification Scope**

**Global Gateway Certifications Sdn. Bhd. (GGC)** has conducted the Certification Assessment of **Chansun Estate Sdn Bhd.** During this **Main Assessment Audit (Stage 2)**, the audit team were briefed by Estate Manager, of the supply base disposition.

This assessment was conducted onsite on **11<sup>th</sup> November 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**

<b>Company Name</b>	Chansun Estate Sdn. Bhd.
<b>Business Address</b>	No. 57, Jalan Hang Tuah 9, Taman Skudai Baru, 81300 Skudai, Johor
<b>Contact Person</b>	Ms. Tan Bee Ting
<b>Office Telephone</b>	07-5561808 / 018-3660855
<b>E-Mail</b>	lsskgroups@yahoo.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.	Chansun Estate Sdn. Bhd.	Lot 1939, Mukim Sermin, Segamat, Johor.	E 102° 48' 56.87"	N 2° 30' 53.28"

**MPOB License Information**

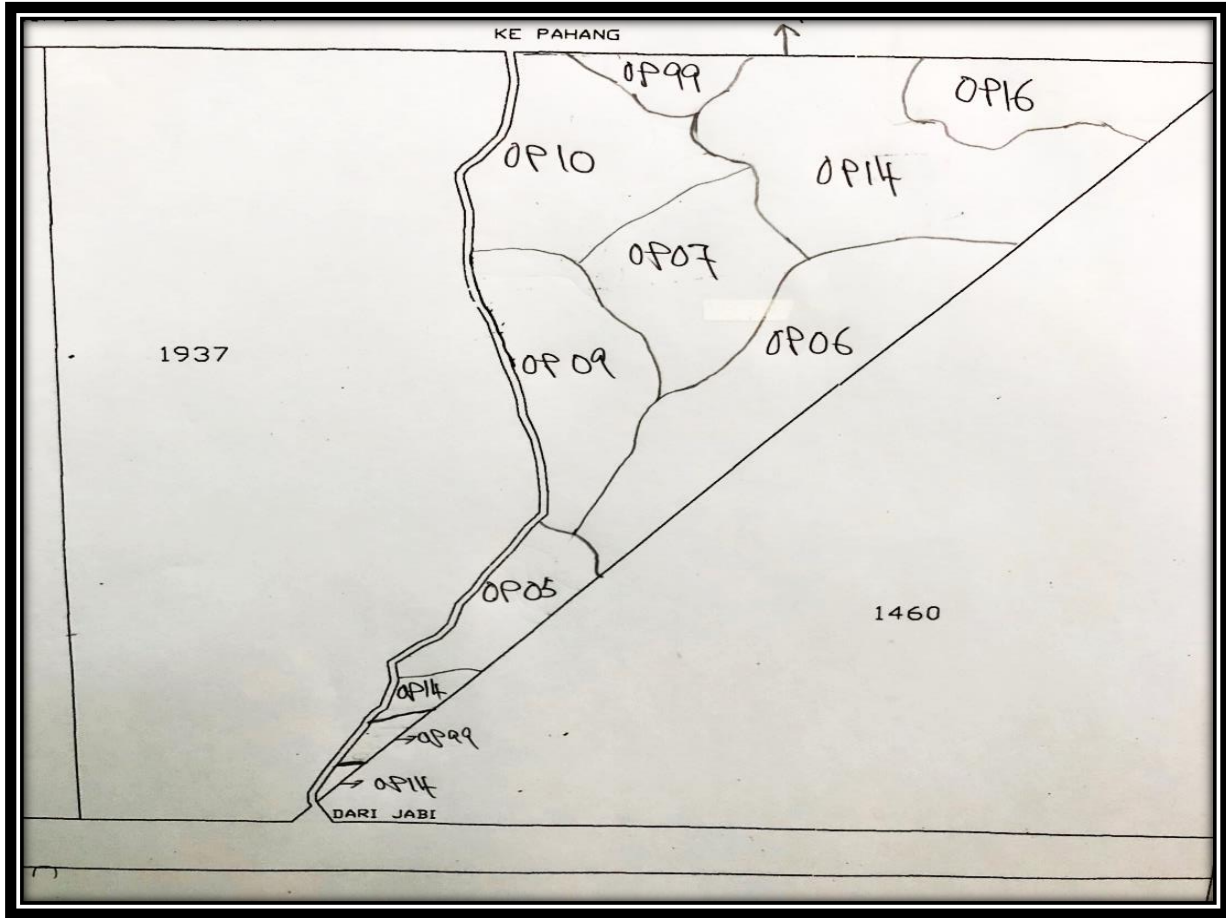
No	Name of the Site	LICENCE NUMBER	EXPIRY DATE	SCOPE ACTIVITY
1.	Chansun Estate Sdn. Bhd.	504083602000	30/11/2020	“Menjual dan Mengalih”

**Others Sustainability Certification**

No	Name of the Site	Others Sustainability Certification
1.	Chansun Estate Sdn. Bhd.	Nil

**1.4 Map Showing Geographical Location**

**a) Chansun Estate Sdn. Bhd.**



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

Name Of The Supply Base	Area Summary (HA)		
	Land Title	Planted	Mature
Chansun Estate Sdn. Bhd.	449.50	448.50	448.50

Name Of The Supply Base	Area Summary (HA)		
	Conservation Area	HCV	Others
Chansun Estate Sdn. Bhd.	-	-	1.00

Name of the Certification Unit	FFB Summary (MT)		
	Projected from last audit	Actual Production for 12 Months [Nov 2018-Oct 2019]	Projected Production for next 12 Months [Nov 2019-Oct 2020]
Chansun Estate Sdn. Bhd.	-	9,841.34	8,800

## 1.6 Certificate Details

<b>Certification body</b>	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: <a href="http://www.ggc.my">www.ggc.my</a>
<b>Assessment standard</b>	(MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders
<b>Certificate number</b>	GGC-CESB001-MSPO-00-2019
<b>Initial certificate issued date</b>	20 <sup>th</sup> December 2019
<b>Certificate expiry date</b>	19 <sup>th</sup> December 2024
<b>Stage 1 assessment date</b>	26 <sup>th</sup> September 2019
<b>Stage 2 / Main Assessment</b>	11 <sup>th</sup> November 2019
<b>Annual Surveillance 1 [ASA 1]</b>	September 2020
<b>Annual Surveillance 2 [ASA 2]</b>	September 2021
<b>Annual Surveillance 3 [ASA 3]</b>	September 2022
<b>Annual Surveillance 4 [ASA 4]</b>	September 2023

## 1.7 Qualification of the Lead Assessor and Assessment Team

### Lead Auditor

**Name:** Nurulashida binti Mohd Saad

Graduated in Conservation and Management of Biodiversity with working in Sustainability Department for more than 12 years which involves in certification and compliance affairs. Fully trained in agriculture certification programme such as RSPO, MSPO, SCCS, Biodiversity / HCV, ISCC, ISO etc. Certified as Lead Auditor/Auditor for RSPO and MSPO Certification. Member of GGC MSPO audit team.

During this assessment, he assessed on the aspect of legal compliance, safety and health, stakeholder's consultation and etc. Able to speak and understand Bahasa Malaysia and English.

### Auditor

**Name:** Mohd Fadzli bin Bistamam

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. Member of GGC MSPO audit team.

During this assessment, she assessed on the aspect of transparency, environmental, stakeholder's consultation, traceability and etc. Able to speak and understand Bahasa Malaysia and English.

### Auditor

**Name:** Mohd Razib bin Mohd Noor

Competent Marine Engineer with more than 30 years of working experiences in a various plantation company in Malaysia, Papua New Guinea and Indonesia. Having a skill in Good Milling Practices (GMP) including the crop quality control. Qualified as Auditor for MSPO certification by SIRIM since 2018. Completed the ISO 9001:2015 Quality Management System Lead Auditor course by TOMC in May 2018 and MSPO SCCS Auditor by SIRIM in July 2019 respectively. Experienced in both palm oil mill and kernel crusher plant management, specifically boiler and process control. Member of GGC MSPO audit team.

During this assessment, he assessed on the aspect of stakeholder's consultation and best practices. Able to speak and understand Bahasa Malaysia and English.



## 1.8 Audit Methodology

There is only one estate is assessed during the assessment as no sampling is required. 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

<b>Audit Date</b>	11 <sup>th</sup> November 2019
<b>Name of site(s) visited</b>	Chansun Estate
<b>Total number of man-days spent</b>	3 man-days

## 1.10 Audit Result Summary Findings

<b>Category</b>	<b>Numbers</b>	<b>Status (Closed/Open/Not Applicable/No Action Requires)</b>
Major Nonconformities	0	No action requires
Minor Nonconformities	1	Open
Area of Concern	1	No action requires
Noteworthy /Positive Comments	3	No action requires

### 1.11 Stakeholder Consultation

As per ACB-Malaysian Sustainable Palm Oil (MSPO); ACB-OPMC4; Issue 1, 01<sup>st</sup> August 2017; Stakeholder Consultation Requirements for Certification Bodies Operating Oil Palm Management Certification, the stakeholder consultation shall be carried out in stage 2 and recertification audit cycle 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 4<sup>th</sup> October 2019 (rev1) and as to accommodate a stakeholders' consultation meeting for the estate. Therefore, it was conducted on 11<sup>th</sup> November 2019 at Chansun Estate Sdn Bhd 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 and Mill Management.

The aim of stakeholder consultation is to ensure that the MSPO requirements are continuously implemented and adhere to, as well as others aspects that they considered could be improved. However, in surveillance audit, the consultation may be limited to those stakeholders who have raised concerns, complaints or disputes prior to the audit. The auditor begin consultation with brief explained on the purpose of the audit, interviewed and record comments made by the stakeholders. The comments were verified with the mill management before incorporating into the assessment findings. The participants were represented of internal and external stakeholder namely from local communities, government agencies, workers and etc. 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.	Stakeholder A (FFB external lorry driver)	<ul style="list-style-type: none"> <li>• Good relationship with the local management.</li> <li>• His income was satisfactory, on average per month of more than RM 2000.</li> <li>• He is aware of the MSPO audit and safety requirement, PPE and road safety.</li> </ul>	No action requires	Positive findings
2.	Stakeholder B (Supplier)	<ul style="list-style-type: none"> <li>• Acknowledged he was satisfied with Chansun Estate and have a</li> </ul>	No action requires	Positive findings

		<p>good relationship and cooperation in his dealing.</p> <ul style="list-style-type: none"> <li>• He was aware of his responsibility toward MSPO requirement on the environment ,safety , social as he was stakeholder of other estates MSPO compliances.</li> <li>• He is aware of his right to forward any complaint or grievance if arise.</li> </ul>		
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### 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 Chansun Estate Sdn Bhd. 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 is 1 Minor Non-conformity raised to the facility that being audited.

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted of no Major Non-Conformity finding. Therefore, the Lead Auditor recommends a certificate of compliance **"MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders"** is awarded to Chansun Estate Sdn Bhd.

### 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
GAP	Good Agriculture Practise
GHG	Greenhouse Gas
GGC	Global Gateway Certifications Sdn Bhd
HRESH	Human Resource, Environmental, Safety and Health
HIRARC	Hazard Identification, Risk Assessment and Risk Control
ISCC	International Sustainability & Carbon Certification
IPM	Integrated Pest Management
MPOB	Malaysian Palm Oil Board
MSPO	Malaysian Sustainable Palm Oil
NCR	Non-Conformance Report
NGO	Non-Government Organization
OHS	Occupational Health & Safety
OHSAS	Occupational Health and Safety Assessment Series
UPB	United Plantations Berhad
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** Five Policies has been established at Chansun Estate which are:

- i. MSPO Policy
- ii. Environment Policy
- iii. Polisi Gangguan Seksual
- iv. Good Social Practices Policy
- v. Occupational Safety and Health Policy

All policies are approved by the director, Mr. Chan Chung Hua.

Policies briefing has been conducted on the 27th April 2019 at Pejabat Chansun Estate by Mr Ong Ming Dung (Estate Manager).

**In Compliance**  **Yes**  No  Not Applicable

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

**Summary** The commitment to continual improvement is emphasized in the MSPO Policy with the objective of improving the estate operation.

The estate management has established MSPO policy, ref no: MSPO Policy: 4.1.1.1, dated on 17/04/2019 and approved by the director Mr. Chan Chung Hua.

**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** Chansun Sdn Bhd has established an internal audit procedure with ref. no: MSPO - 4.1.2.2, Doc: IAP-MSPO. It is stated in the procedure that the internal audit shall be conducted on a schedule consistently and not less than once a year. Internal Audit Plan is made available dated 1st April 2019 as prepared by Mr Ong Ming Dung (manager).

Latest Internal audit was conducted on 30/08/2019 led by Mr Wee Know Ngoh. 6 minor non-conformities and 20 OFI were raised during the internal audit process.

**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** Chansun Sdn Bhd has established internal audit procedure with ref. no: MSPO - 4.1.2.2, Doc: IAP-MSPO. It is stated in the procedure that the internal audit shall be conducted on a schedule consistently and not less than once a year.

The internal audit procedure and report are well kept in the file name: Internal Audit

**In Compliance**  **Yes**  No  Not Applicable

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

**Summary** Management meeting review was conducted on 12/09/2019 and attended by Mr Ong Ming Dung (estate manager) and Mr Wee Kow Ngoh (auditor).

The finding on internal audit was discussed in the meeting. Minutes of meeting is made available and was prepared by Mr. Ong Ming Dung.

**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 meeting review was conducted on 12/09/2019 and attended by Mr Ong Ming Dung (estate manager) and Mr Wee Kow Ngoh (auditor).

The finding on internal audit was discussed in the meeting. Minutes of meeting was prepared by Mr. Ong Ming Dung.

Agenda of the meeting includes:

1. Follow-up actions from previous management review meeting
2. MSPO Policy & Business Plan
3. Results of Internal and External Audit
4. Status of corrective action
5. Stakeholders complaints & grievances
6. Overall performance of the MSPO system
7. Status of Continual Improvement Plan
8. Other Matters

**In Compliance**  **Yes**  No  Not Applicable

<b>Criterion 4</b>	<b>Continual improvement</b>
<b>Indicator 1</b>	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.

**Summary** Continual Improvement Plan as referred to: "Penambahbaikan Berterusan Hasil dari Penilaian Aspek Impak Alam sekitar" dated 5<sup>th</sup> April 2019 is made available to the audit team. 5 items were outlined in the plan.

"Punca pencemaran"	"Tindakan"
Used chemical container	Reused and recycle of used chemical container
Chemical spraying nearby water source	1. awareness training on "buffer zone" 2. Training on spraying.
Usage of chemical	Training on SOP for spraying
Chemical spillage during spraying activities	Training on SOP for spraying

**In Compliance**  **Yes**  No  Not Applicable

<b>Indicator 2</b>	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
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**Summary** As per interview with the Estate Manager and records available, there is no new technology or Systems were implemented or adopted by the company at the moment.

**In Compliance**  **Yes**  No  Not Applicable

<b>Indicator 3</b>	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.
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**Summary** There are no new technology/Systems were implemented or adopted, as such there is No planning for new practices was observed during this audit.

**In Compliance**  **Yes**  No  Not Applicable

## 2.2 Principle 2 : Transparency

<b>Criterion 1</b>	<b>Transparency of information and documents relevant to MSPO requirements</b>
<b>Indicator 1</b>	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** SOP Stakeholders Engagement has been established as referred to, Document No: SOP 3.0Rev 0 Date 05-05-2019. The implementation of the procedure has been communicated to the stakeholders during the stakeholder meeting dated 10/9/2019.

**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** Management Document is publicly available, as per memo dated 01.04.2019 (Penyediaan Rujukan Dokumen Umum Di Pejabat). Example documents publicly available such as Land title, OSH Plan, Environmental Management Plan, HCV Report, etc.

**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** Stakeholders Engagement SOP Reference Document No: SOP 3.0 Rev 0 dated 05-05-2019 has been established. External Stakeholders Meeting was conducted on 10/09/2019 to brief on MSPO Requirements and Implementation.

**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 Management had appointed Estate Manager Mr Ong Ming Dung as Social & Communication Officer under MSPO System. Sighted the appointment letter dated 08th April 2019 and signed by Director Mr Chan Chung Hua.

**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 available during the audit. Example list of stakeholders listed down by the Management such as:

1. Kuantan Trading Oil Mill Sdn Bhd
2. Groplus Plantation Sdn Bhd
3. Ladang Mengkuang Height
4. Ang Kem Sdn Bhd
5. Klinik Kesihatan Segamat
6. Bomba Segamat

There is no request for Information recorded from Stakeholders as at October 2019.



**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** Sighted the Standard Operating Procedure on Traceability as referred to: SOP Traceability and Supply Chain has been established .Refer to Document No.SOP:5.0 Rev 0 Dated 05-05-2019.

**In Compliance**  **Yes**  No  Not Applicable

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

**Summary** Regular inspection of FFB record n complying with Traceability System has been carried out by Person In Charge of Traceability. Record of daily FFB delivery to each respective palm oil mill sighted during the audit. This document is used to record delivery date, field harvested, lorry number and the FFB weight.

**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 Management had assigned Estate Manager Mr Ong Ming Dung as a Management Officer, Traceability Officer and Legal Officer Under The MSPO System. The appointment letter dated 08th April was signed by Director Mr Chan Chung Hua.

**In Compliance**  **Yes**  No  Not Applicable

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

**Summary** Record of dispatch of FFB to Palm Oil Mills is available and sighted. Example record of FFB delivery:

Date: 09.11.2019  
Ticket No: P0007781  
Product: FFB  
Net Weight: 3,610 kg

**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** Chansun Estate Sdn Bhd has established a list of applicable laws and regulations. The legal register is prepared by Mr Chan Chung Hua Director dated 8th April 2019.

There are a set of 32 numbers of act and regulations recorded in the legal register file.

Sample of the applicable legal and other regulatory requirements as follows:-

1. Akta 514 OSHA 1994
2. Akta Bekalan Letrik
3. Akta Kilang dan Jentera (Ladang)
4. Akta Pengangkutan Jalan
5. Akta Perhubungan Perusahaan 1967
6. Akta Air 1920
7. Akta Bomba
8. Akta Standard Perumahan Minimum

**In Compliance**  **Yes**  No  Not Applicable

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

**Summary** Sighted lists of permits/licenses which has been monitored and updated periodically. The sample are as follows: -

1. Permit perkhidmatan of SPAD
2. No. permit kenderaan L 558537
3. Lessen melencong atau mengabstrak air sungai. No lessen 07/B/Sgt/110
4. MPOB license  
No: 5040836602000  
Validity period :1/12/2018/ - 30/112019  
Area Certified : 449.5 Ha
5. Cukai Tahunan Tanah No Hak Milik 24425

**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** As per interviewed with Mr. Ong Ming Dung the Manager , he will update any new amendments, or any regulations once received through the communication with law/enforcement officers and medias.

**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** Seen appointment letter of Mr. Ong Ming Dung dated 8th April 2019, approved by Mr. Chan Chung Hua, Managing Director.

**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** Estate has a valid land title indicating correct land title terms which specifies the purpose of the planting of the oil palm in the respective land. The land title and hectarage datas are as follows: -

No.Lot :1939,  
Keluasan: 474.0127 ha  
Location; mukim Sermin,Segamat  
Kategory kegunaan Tanah : pertanian  
Syarat Nyata: digunakan untuk tanaman kelapa sawit sahaja  
Pemilk : Chanson Estate Sdn Bhd  
Freehold status : No fail PTG(D)453/65  
Registration date : 16.10. 1973

**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** Estate has demonstrated legal ownership of their land by having legal land titles to the land. The copy of land titles is kept in the estate office. Evidence of annual payment of land cess and quit rent the state government is available in the form of receipts and Land Status : Freehold as printed on the Borang 5BK Grant title.

**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** Visually inspected the legal boundary which were demarcated and visibly maintained. During field visit, auditors also check a few physical boundary stone and verify it with company's GPS coordinate. Sample of boundary stone sighted is:

- Latitude: 2.676780°N
- Longitude: 102.885270°E

**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** No disputes have been recorded in the estate area. There is no evidence of conflict present in this estate.

**In Compliance**  **Yes**  No  Not Applicable

**Criterion 3 Customary land 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 all the estates. There are also no land disputes or claims involving these estates. 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 all the estates. There are also no land disputes or claims involving these estates. The company has proper legal land tile for the land ownership. Thus, 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 all the estates. There are also no land disputes or claims involving these estates. The company has proper legal land tile for the land ownership. 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

## 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** Management Plan of Social Impact Assessment (Pelan Pengurusan Bagi Impak Sosial di Chansun Estate Sdn Bhd) is available prepared by Estate Manager Mr Ong Ming Dung and approved by Director Mr Chan Chung Hua dated 1 April 2019.

As documented in the SIA report, no negative impacts identified from all the estate operations to surrounding stakeholders.

**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** SOP "Complaint Procedure" has been established as a system to deal with Complaints and Grievances as referred to: Document No. P4-3 Issue No. 1 Dated 1st April 2019.

**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** Timeline to resolve any complain as stated in the procedure is within fourteen (14) working days.

**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 & Grievance Form is available. Refer to Document No: CS/MSPO Document/Social (A). The Form is placed at Estate Office together with Complaint Box as sighted during estate site verification.

**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** Employees was communicated on the availability of Complaint Form during Training conducted on 18/08/19 by Estate Manager and Stakeholders during External Stakeholders Meeting held on 10/09/2019.

**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** Seen the Internal and External complaint & grievances form for 2018 and 2019. There were no negative complaints made by either party in the last 24 months

**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** Chansun Estate is committed and have contributed to local development. It is verbally informed by the Estate Manager that there are contribution and food distribution has been done during Chinese New Year.

**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** Occupational Safety and Health Policy is established and endorsed by Director (MSPO Policy Doc No: CS/MSPO/P-4). This policy is displayed in all the offices and on notice boards. This policy being adhered to with regards to the implementation of (OSH) requirements within the company.

**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

Occupational Safety and Health Policy is established and endorsed by Director (MSPO Policy Doc No: CS/MSPO/P-4).

HIRARC document has been established by Mr. Ong Ming Dung, dated 01st April 2019. Activities in the estate assessed in this document such as FFB harvesting, transporting and planting OP seedlings, weeding, etc. With regards to chemical activities, the management has conducted CHRA as per report No: HQ/08/ASS/00/85-2019-0011, prepared by Ihsan Sharif Resources. Annual Medical surveillance has been conducted to 3 estate sprayers on 26th June 2019, by Dr. Ling Kay Kwong from Klinik Segamat. All workers are diagnosed fit to work.

Annual training program for year 2019 sighted during the audit. Training record and attendance sighted such as training for MSPO Awareness, Environmental and Safety conducted on 18.08.2019. As evident during site visit, all MSDS for chemical product in store is available.

PPE issuance record to estate workers available during the audit.

SOP for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000 is established. Refer to Document Prosedur Pengendalian Bahan Kimia Berbahaya Document No:CS/S.O.P./Chemical Handling Rev 0 Effective Date 01 April 2019.

The Management has appointed Estate Manager Mr Ong Ming Dung as PIC Workers safety and Health as per appointment letter dated 08th April 2019.

A short OSH Meeting cum OSH Briefing conducted regularly Total Workers available 17 workers and not applicable to Section 30 OSH act 1994 in respect of the frequency of OSH Meeting.

ERP available including ERT and their responsibility during emergency situations. Refer to document No 1/2019 dated 01 April 2019 Revision 0. Interview with estate workers shown they understand about the procedure and able to explain to the auditor.

Procedure has been displayed on estate notice boards. As sighted during site verification to chemical store, there are spill kits available for any chemical spillage in the store area. Training on fire fighting has been conducted on 11.05.2019.

First Aid Training conducted on April 2019 by Mr. Raman Krishnan from SPO Consultancy Sdn Bhd. Certificate for each participants available during the audit. First aid kits are available on site during site verification by the auditor.

No accident is recorded for last 12 months. The Management had registered with DOSH for online submission of Borang JKPP 8.

**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** For protecting Human Rights and Industrial Harmony a Good Social Practice Policy has been established and signed by Director dated 17 April 2019. Briefing to all workers conducted on 18.08.2019. The Policy being displayed at notice boards outside the office.

**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** Good Social Practices Policy has been established in Opposing discrimination practices and it was approved By Director dated 17 April 2019. As interviewed with estate workers, no evidence of discrimination based on race, skin color, religion, gender, national origin, ancestry, disability, marital status, and sexual orientation was sighted in the Estate.

During interviews, it is clearly stated no forced labour at Estate as the workers understand the employment conditions and no complaint is recorded.

**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** Employees' wages are complying with Minimum wage Order (RM1,100.00 per month). Sighted payslips to estate workers issued to estate workers showing the minimum earnings are RM1,100.00. Sampled payslip during the audit:



Name: Gunawan  
Month: October 2019  
Harvesting: 8,495 bunches @ RM0.37 = RM 3,143.15  
Daily rated: RM 60.00  
Paid Holiday: RM 139.83  
TOTAL: RM 3,342.98  
No deduction made on workers salary.

**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** The Management is not hiring Contractor to work in Estate.

**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 available as documented in "List of Employee – Foreign Workers For Year 2019". Total workers in the estate is 19.

**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** Perjanjian Pekerjaan (Employment Contract Agreement) is established for each worker and sighted. The employment contract includes explanations regarding the work offered, employment terms, probation period, payment, etc. Sampled employment contracts for:

1. Niki Trisandi
2. Rudianto
3. Romdhoni

**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** Working hours is 8 hours. From Monday to Saturday. The overtime maximum is 104 hours according to Malaysian Law. Workers Attendance and Overtime Work is recorded in Pocket Checkroll.

**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** Working Hours is complied with Legal Requirement and displayed on Notice Board.

- Waktu Kerja:7.00 am-4.00 pm
- Waktu Rehat:11.00 am-12.30 pm
- Hari Rehat : Ahad

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** Wages and overtime payment are documented on Pay slip and sighted during the audit. No evidence of deduction being made to the workers' salary. 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** The management is providing housing to all estate workers, with running water and electricity. All workers are covered under insurance and SOCSO. For medical cases, workers are going to nearby clinic located in Segamat Town and the treatment cost is covered by the management.

**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 Workers Quarters. As evident during site visit to estate housing area, all the units are in good condition, no uncollected rubbish in that area. In total, there are 4 units of houses occupied by all estate workers (Indonesian).

**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 Polisi Gangguan Seksual has been established and signed by Director as guidelines to prevent all form of Sexual Harassment. No female employees in the estate.

**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** Good Social Practices Policy has been established and signed by Director dated 17 April 2019 for employee's freedom of joining Trade Union. As per interview with the manager and workers, no form of workers union in the estate.

**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** For prohibiting of employing children and Young Person the Management had established Good Social Practices Policy. Approved by Director dated 17 April 2019.

There are no children below ages of 18 working in the Estate and this was proven through checking the list of employees. 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** Procedure for training as documented in document CS/Procedure/Training dated 01.04.2019.

Training Program for year 2019 has been established by the management. Personal training record for all estate workers sighted during the audit. For example, training that has been provided to estate worker, Mr. Gunawan such as First aid training, PPE training, SOP for FFB Harvesting and etc.

**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** Training record and attendance sighted such as training for MSPO Awareness, Environmental and Safety conducted on 18.08.2019.

However, one minor non-conformity has been raised to Chansun Estate due to the training needs analysis has not been established by the estate management.

**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** Procedure for training as documented in document CS/Procedure/Training dated 01.04.2019. Training Program for year 2019 has been established by the management. Personal training record for all estate workers sighted during the audit. For example, training that has been provided to estate worker, Mr. Gunawan such as First aid training, PPE training, SOP for FFB Harvesting and etc.

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

**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** The Chansun Estate Sdn Bhd has established the Environmental Policy dated on 17th April 2019, signed by Mr. Chan Chung Hua Director. Based on the Environmental Policy, the Company is committed towards implementing the following practices:

- To comply with all relevant legislations and the Environment Quality Act.
- To prevent pollution on estate operation include the new land development and replanting activities
- To ensure that estates activities follow the guidelines of current industry practices: and
- To promote and provide the awareness on environmental protection to all employees and stakeholders

The awareness on the environment policy and activities was held on the 1st September 2019 during the environment meeting with the management and workers. It was attended by 14 numbers of participants.

**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** Sighted the estate has conducted Environmental Aspect And Impact Assessment on 1<sup>st</sup> April 2019 by Mr Ong Ming Dung the Manager. The report was verified by Mr. Chan Chung Hua the director.

**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** As sighted during the audit, Environment Improvement plan through the result of aspect and impact analysis to mitigate the negative impacts were listed as follows:

No	Pollution Source	Action	PIC
1	Used pesticide container	Storage after 3x rinsed	Asst
2	Spraying work near the water source	Signboard Training	Asst
3	Herbicide application	SOP Training	Asst Supervisor
4	Spillage during chemical mixing	SOP Training	Asst Supervisor

**In Compliance**  **Yes**  No  Not Applicable

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

**Summary** Sighted the continuous improvement program on environmental ,social, production is as tabulated below:-

No	Perkara	category	Plan	Objective
1	Beneficial plant	Environment	Maintained the plant	Reduction of pesticide consumption
2	Handling of used chemical container	Environment	Proper storage and proper monitoring	No water and land pollution
3	Effective paper usage	Environment	Go paperless as practical as possible	Reduction of paper usage
4	Gotong Royong	Social	Conducted every 2months	Better relationship in the estate

**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 the first environment meeting report and was conducted on the 1st September 2019. It was chaired by the manager Mr. Wong Ming Dung. The meeting is attended by 14 workers' participants as recorded in the attendant list.

The environment issued that been discussed were the responsibility of each worker towards the environment and its policy, no littering in the estate, and finally no hunting of animals is allowed.

**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 the environment meeting report and was conducted on the 1st September 2019. It was chaired by the manager Mr. Wong Ming Dung. The meeting is attended by 14 workers' participants as recorded in the attendant list.

The environment issued that been discussed were the responsibility of each worker towards the environment and its policy, no littering in the estate, and finally no hunting of animals is allowed.

**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** The estate had initiated the recording of the diesel consumption for the estate operation on monthly basis. Also, it measured on per ton of FFB monthly ( liters/FFB).

Item	August	September	October
FFB Ton	1092.70	837.13	869.52
Diesel consumption for Machineries	680 liters	790 liters	880 liters
Liter/FFB ton	0.622	0.943	1.01
Diesel consumption for External Transport	1455.59 liters	1046.36 liters	1140.37 liters
Liter/FFB	1.33	1.25	1.31

The low month crop in September and October were showing higher diesel consumption per ton of FFB as compare to the higher FFB production in August. There was no evidence of assessment on this type of trend, hence an AOC is raised.

**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** The yearly total diesel consumption budgeted for the year 2019 was 7000 liters. The fuel consumption , electricity usage , water extracted from tube well are monitored on monthly basis.

**In Compliance**  **Yes**  No  Not Applicable

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

**Summary** No usage of renewable energy were applied in the Estate.

**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** Sighted the source of the pollution and waste produces are categorized as follows:-

No	Activity	Impact	Action	Monitoring
1	Lorry transportation on FFB Evacuation	Pollution on air, diesel consumption lubricant	Schedule Maintenance. Puspakom	Estate
2	Chemical spraying	Chemical pollution on land ,water. Handling of used chemical container , apparatus.	Prohibition to spray the buffer zone, Correct calibration of spraying apparatus, Proper disposal	Estate
3	Fertilizer application	Pollution of empty fertilizer bags	Proper disposal	Estate
4	Land fill waste management	Rubbish and odour pollution	Only organic waste and on time collection.	Estate

**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 the Management Plan includes:

No	Activity	Impact	Action	Plan
1	Lorry transportation on FFB Evacuation	Pollution on air, diesel consumption lubricant	Schedule Maintenance. Puspakom	To reduce diesel usage



2	Chemical spraying	Chemical pollution on land ,water. Handling of used chemical container , apparatus.	Prohibition to spray the buffer zone, Correct calibration of spraying apparatus, Proper disposal	To reduce the spraying area
3	Fertilizer application	Pollution of empty fertilizer bags	Proper disposal	monitoring
4	Land fill waste management	Rubbish and odour pollution	Only organic waste and on time collection.	monitoring

**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** The Chansun Estate has established the Scheduled waste handling Procedure Doc:CSE/SWH/4.5.3.3. dated 15th May 2019 .

The Procedure describes the following implementation;

1. Waste management flow
2. Scheduled waste disposal flow
3. Domestic waste disposal flow

**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** Sighted the Record of the empty pesticides container log book. The log was up dated till 31/10/2019. The containers were triple rinsed and punctured before being placed in the designated store.

**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 from line site is disposed at landfill located Block OP 10 i.e. 2KM away from line site. Operated since April 2019.

**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** The estate has conducted Environmental Aspect and Impact Assessment on 20th July 2019. It was prepared by Mr. Wong Ming Dung the manager. The assessment covering the lorry or machineries' diesel consumption, pesticide and herbicide application, schedule wastes generated, household waste and land fill management.

**In Compliance**  **Yes**  No  Not Applicable

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

**Summary** Sighted Environmental Management Plan (where the action plan is identified based on the possible impacts:

No	Activity	Impact	Action	Plan
1	Lorry transportation on FFB Evacuation	Pollution on air, diesel consumption lubricant	Schedule Maintenance. Puspakom	To reduce diesel usage
2	Chemical spraying	Chemical pollution on land ,water. Handling of used chemical container , apparatus.	Prohibition to spray the buffer zone, Correct calibration of spraying apparatus, Proper disposal	To reduce the spraying area
3	Fertilizer application	Pollution of empty fertilizer bags	Proper disposal	monitoring
4	Land fill waste management	Rubbish and odour pollution	Only organic waste and on time collection.	monitoring

**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** The water management plan was established by Mr Wong Ming Dung the manager on 20<sup>th</sup> July 2019.

It covers all the activities pertaining to the water source (tube well), riparian buffer zone control, signages , Jabatan Tenaga Kerja monitoring on water sample , water harvesting practices.

The bore well of which the water extracted out and its volumes is recorded daily and ground water table level were measured on the 1st May 2019 and found the level was satisfactory.

**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** Based on the field observation at all the Estates, sighted no construction of bunds, weirs, and waterways pass through the estate. Only trickling stream is passing through the estate.

**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** Water harvesting practices implemented in the Estate as the Silt pits, site drains constructed.

**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** HBV assessment was conducted, and report dated on the 1.3.2019 by the manager Mr. Wong Ming Dung. It covers the identification of high biodiversity value habitats, such as rare and threatened ecosystems were in the vicinity of the estate.

During the site inspection the "no swimming" or "no fishing is allowed" signage near the stream of riparian zone were erected.

**In Compliance**       **Yes**                       No                       Not Applicable

**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** HBV assessment was conducted, and report dated on the 1.3.2019 by the manager Mr. Wong Ming Dung. It covers the identification of high biodiversity value habitats, such as rare and threatened ecosystems were in the vicinity of the estate.

During the site inspection the "no swimming" or "no fishing is allowed" signage near the stream of riparian zone were erected.

**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 yearly monitoring checklist on the management plan established at the estate as:

No	Identified area	Immediate plan	Intermediate plan	Long term plan
1	Boundary of buffer zone	No chemical application	Awareness campaign	Continuous monitoring

2	Wildlife ecosystem	Awareness to the stakeholder	Collabration with Jabatan Perhilitan or Perhutanan	Continuous monitoring
---	--------------------	------------------------------	--	-----------------------

**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** As stated in the Chansun Estate Environmental Policy it will comply with all environmental legislation and prevent pollution.

**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 in the estate. Not Applicable as the replanting program is not due yet.

**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** Not Applicable as the replanting program is not due yet.

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** Not Applicable as the replanting program is not due yet and no replanting activity is conducted during the audit.

**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** A "Prosedur Kerja Selamat di Ladang (PKSL)" is available at Chansun Estate as referred to:

- Rujukan kepada OSH MS 1722:2011
- Doc No: 3.2.3.1d/PKSL
- 36 activities were listed in the procedures available.

12 SOP's are available in detail out the procedures applicable to Chansun Estate. All estate operations are monitored on daily basis and implementation of the procedures has been verified on site during the field assessment.

**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** Based on the field visit at the estate, sighted no river passing through the estate and no contamination of surface water sighted.

The field soil erosion had been minimized through the method grass cutting on the path of harvesting. Thus, maintaining the soft grasses.

Procedures on soil conservation, prevention on soil erosion, siltation of drains and waterways are detailed out in the "SOP 002 (Pembukaan Tanah)" and "SOP 012 (Penanaman Semula)" document.

**In Compliance**  **Yes**  No  Not Applicable

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

**Summary** The estate has a visual reference system to identify each field or block. During site visit, each field has a field stone with block number/year of planting, hectareage and oil palm clone.

Sampled field numbering is:

- Block OP 05
- 10899 Acres
- Year 2015
- DXP Guhtrie

**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** 5 Years Business Plan (Anggaran Kos dan Anggaran Hasil Ladang) From Year 2019 to Year 2024 is available and sighted. Prepared by Estate Manager Mr Ong Ming Dung and approved by Director Mr Alex Chan. The budget includes the projected FFB production, general charges, upkeep & cultivation, Collection and Immature areas.

**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** As recorded, the oldest palm was planted in Year 1999 and the youngest palm planted in Year 2016. Total planted 449.50 Hectare, hence no Replanting Programme that has been planned for the near future.

**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** Business Management plan is made available in the "Kos dan hasil ladang" and "Anggaran kos dan hasil ladang" documents. Projection for yield, OER and operational cost are forecasted from 2019 – 2024.

**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** Annual meeting is conducted to discuss on the implementation of the business plan applicable for Chansun estate. Latest meeting was conducted on 15th June 2019 at HQ office. Meeting is attended by 5 management personnel.

The agenda includes of management and operational decision as well as the continuous management plan. Meeting minutes and attendance list is made available.

**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** Pricing Mechanism is practice by requesting Supplier or Contractor to submit their Quoted Price. The lowest quoted price would be awarded with the Contract or Job.

The pricing mechanism adopted is for worker salary which follow strictly to MAPA/NUPW and General pricing for services is displayed on the notice board at the estate office.

**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** There are no Contractor engaged by the Chansun Estate. Supplier are paid through agreed one-off payment as and when available.

**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** There is no Contractor engaged by the Chansun Estate.

**In Compliance**  **Yes**  No  Not Applicable

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

**Summary** There is no Contractor engaged by the Chansun Estate.

**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 management agreed and approved with the Global Gateway Certifications Sdn Bhd by accepting the audit plan which was sent to the person in charge dated 6<sup>th</sup> November 2019 (3<sup>rd</sup> Revision). All the auditors are qualified MSPO auditor. As per agreed, the Estate accept the GGC MSPO Auditors to verify assessment of contractors by physical inspection if required.

**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** There is no Contractor engaged by the Chansun Estate.

**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 the estate.

**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 all estates.

**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** There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for the estate.

**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 the estate.

**In Compliance**  Yes  No  **Not Applicable**

<b>Indicator 2</b>	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.
<b>Summary</b>	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for the estate.
<b>In Compliance</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Not Applicable</b>
<b>Indicator 3</b>	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.
<b>Summary</b>	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for the estate.
<b>In Compliance</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Not Applicable</b>
<b>Indicator 4</b>	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.
<b>Summary</b>	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for the estate.
<b>In Compliance</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Not Applicable</b>
<b>Criterion 4</b>	<b>Soil and topographic information</b>
<b>Indicator 1</b>	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.
<b>Summary</b>	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for the estate.
<b>In Compliance</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Not Applicable</b>
<b>Indicator 2</b>	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.
<b>Summary</b>	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for the estate.
<b>In Compliance</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Not Applicable</b>
<b>Criterion 5</b>	<b>Planting on steep terrain, marginal and fragile soils</b>
<b>Indicator 1</b>	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 the estate.

**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 the estate.

**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 the estate.

**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 the estate.

**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 the estate.

**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 the estate.

**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 all estates.

**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 the estate.

**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 the estate.

**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 the estate.

**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 the estate.

**In Compliance**  Yes  No  **Not Applicable**

## 2.8 Details of Audit Findings

### Details Non-Conformity

- Refer Appendix B

### Details of Area of Concern

- Refer Appendix B

### Details of Noteworthy / Positive Findings

- 1) Good relationship with the stakeholders and commitment in spreading the awareness on MSPO requirements to the stakeholders.
- 2) Good cooperation and commitment from the management of Chansun Estate Sdn. Bhd.
- 3) Good positive feedback received from internal and external stakeholders.

## Appendix A: Audit Plan

<b>AGENDA</b>				
<b>Date</b>	<b>Time</b>	<b>Subjects</b>	<b>Lead Auditor</b>	<b>Auditor</b>
10 <sup>th</sup> November 2019	TBA	➤ Auditors travelling from Ampang, Selangor to Segamat, Johor.	NA	FB/RMN
11 <sup>th</sup> November 2019	08:00 – 09:00	<ul style="list-style-type: none"> <li>➤ <b>Centralize Opening Meeting at Chansun Estate</b></li> <li>• Presentation by the manager/coordinator</li> <li>• Presentation by Lead Auditor</li> <li>➤ Confirmation of assessment scope and finalize Audit Plan</li> </ul>	NA	FB/RMN
	09:00 – 13:00	<b>Chansun Estate Sdn Bhd</b> <ul style="list-style-type: none"> <li>➤ <b>Document Audit:</b></li> <li>• Public documents, SOPs, Policies, Internal audit, Production &amp; Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc.</li> </ul>	NA	FB/RMN
	10:30 – 12:30	<ul style="list-style-type: none"> <li>➤ <b>Estate inspection:</b></li> <li>• 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.</li> </ul>	NA	FB/RMN
	10:30 – 12:30	➤ <b>Centralized Stakeholder Consultation</b>	NA	FB/RMN
	13:00 – 14:00	➤ <b>Lunch/Rest</b>	NA	FB/RMN
	14:00 – 16:00	<ul style="list-style-type: none"> <li>➤ <b>Continue document review</b></li> <li>• Public documents, SOPs, Policies, Internal audit, Production &amp; Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc.</li> </ul>	NA	FB/RMN
			➤ Verify any outstanding issues, auditor discussion and end of audit for day.	NA

	16:00 – 17:00	<ul style="list-style-type: none"> <li>➤ <b>Closing Meeting at Chansun Estate.</b></li> <li>➤ Chaired by the audit Lead Auditor</li> <li>• Welcome and introduction by the Lead Auditor</li> <li>• Presentation of findings by the audit team</li> <li>• Questions &amp; answers and Final summary by Lead Auditor</li> <li>➤ <b>End of assessment</b></li> </ul>	NA	FB/RMN
12 <sup>th</sup> November 2019	TBA	<ul style="list-style-type: none"> <li>➤ <b>Travelling back from Segamat to Ampang, Selangor.</b></li> </ul>	NA	FB/RMN

## Appendix B: Non-Conformity details

<b>Non-Conformities Identified During This Audit</b>
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<b>Major Nonconformities:</b>	Non-were raised during this audit.
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<b>Minor Nonconformities:</b>	1 Minor Non-Conformity raised during this audit.
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<b>Company Name</b>	Chansun Estate Sdn Bhd			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	MSPO Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-AN1-MSPO-2019			

<b>NC No. / Ref.</b>	AN1/MSPO/MINOR/01	<b>Date Detected</b>	11 <sup>th</sup> November 2019
<b>Site(s) concern</b>	Chansun Estate	<b>Target Completion</b>	Next Surveillance Audit

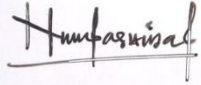

<b>Normative Reference and Requirement</b>	<p>4.4.6.2</p> <p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p>
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<b>NC Type</b>	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern
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<b>Description of Non-Conformity</b>	No evidence sighted during audit.
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**NC Objective Evidence:**

Training record and attendance sighted such as training for MSPO Awareness, Environmental and Safety conducted on 18.08.2019. However, the Training needs analysis has not been established by the management.

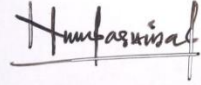
<b>Lead Auditor Signature:</b> 	<b>Client Signature:</b> 
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**Root cause Analysis (to be filled by client):**

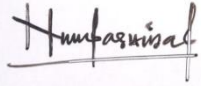

Missed to do the Training Need Analysis

**Corrective action planned (to be filled by client):**



Training need analysis done	
<b>Preventive Action (to be filled by client):</b>	
Will update accordingly	
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>	
Corrective and preventive action is accepted. Evidence will be verified during next surveillance audit.	
<b>NC Closed:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Site verification:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Date Verified:</b> 09 <sup>th</sup> December 2019	<b>Lead Auditor Signature:</b> 

<b>Area of Concern:</b>	1 Area of concern raised during this audit.
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<b>Company Name</b>		Chansun Estate Sdn Bhd	
<b>Stage of Audit</b>		Initial Stage 1	<input type="checkbox"/>
		Initial Stage 2	<input checked="" type="checkbox"/>
		Surveillance	<input type="checkbox"/>
		Recertification	<input type="checkbox"/>
<b>Audited Standard</b>		MSPO Part 3: General Principles for Oil Palm Plantations and Organized Smallholders	
<b>Client Number</b>		GGC-AN1-MSPO-2019	
<b>NC No. / Ref.</b>	AN1/MSPO/AOC/01	<b>Date Detected</b>	11 <sup>th</sup> November 2019
<b>Site(s) concern</b>	Chansun Estate	<b>Target Completion</b>	-
<b>Normative Reference and Requirement</b>	4.5.2.1 Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.		
<b>Type</b>	<input type="checkbox"/> Major <input type="checkbox"/> Minor <input checked="" type="checkbox"/> Area of Concern		
<b>Description</b>	Insufficient monitoring on the fuel/diesel within an appropriate timeframe.		
<b>Objective Evidence:</b>			
Absence of trend monitoring on the fuel/diesel usage. The management was unable to monitor the fuel efficiency during low crop period which show high fuel consumption.			
<b>Lead Auditor Signature:</b>		<b>Client Signature:</b>	
			

## Appendix C: List of Stakeholders Contacted

### Internal Stakeholders

- 1) Chansun Estate Sdn. Bhd. management team and staff
- 2) Male workers
- 3) Workers Representatives
- 4) Ong Ming Dung
- 5) Gunawan
- 6) Agus Setiawan
- 7) Irwan

### External Stakeholders

- 1) Kew Khee San, FFB external lorry driver
- 2) Khoo Song Aun, Supplier