

# GLOBAL GATEWAY CERTIFICATIONS

## MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

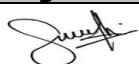

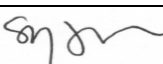


### CERTIFICATION AUDIT REPORT

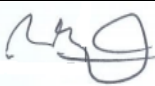
#### Part 3: General Principles for Oil Palm Plantations and Organized Smallholders

Kumpulan Huabok Sdn Bhd  
(Huabok Jelai Estate)

-Individual Certification-

MAIN ASSESSMENT AUDIT  
22<sup>nd</sup> November 2019

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	16/12/2019	Issued as Draft Report	Surenthiran Panneerselvam	Lead Auditor	
A	26/12/2019	Peer Review 1 Comments	Remi bin Rasidi	Peer Reviewer 1	
A	26/12/2019	Peer Review 2 Comments	Muhammad Syafiq bin Abu Bakar	Peer Reviewer 2	
B	28/12/2019	Issued as Final Report	Surenthiran Panneerselvam	Lead Auditor	
B	30/12/2019	Final Report Approved	Muhd Jamalul Arif bin Hamid	Certifier	

Acknowledgment by Kumpulan Huabok Sdn Bhd					
Rev	Date	Description	Management Representative	Role	Signature
B	30/12/2019	Acceptance of the contents	Mr. Toh Tau Book	Managing Director	

#### **Declaration**

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

WITH INTEGRITY WE SERVE



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

## SECTION I: PUBLIC SUMMARY REPORT

### 1.1 Certification Scope

Global Gateway Certifications Sdn. Bhd. (GGC) has conducted the Certification Assessment of Kumpulan Huabok Sdn Bhd. During this Main Assessment Audit (Stage 2), the audit team were briefed by Estate Manager, of the supply base disposition. The estate consists only Huabok Jelai Estate.

This assessment was conducted onsite on 22<sup>nd</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>	Kumpulan Huabok Sdn Bhd
<b>Business Address</b>	Huabok Jelai Estate, Lot 0011849, Mukim Gemenchah, Daerah Tampin, Negeri Sembilan, Malaysia.
<b>Contact Person</b>	Mr. Moorthy
<b>Office Telephone</b>	+6019 6560660
<b>E-Mail</b>	taubooktoh@hotmail.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.	Huabok Jelai Estate	Lot 0011849, Mukim Gemenchah, Daerah Tampin, Negeri Sembilan, Malaysia.	E 102° 26' 5.496"	N 2° 39' 43.333"

#### MPOB License Information

No	Name of the Site	LICENCE NUMBER	EXPIRY DATE	SCOPE ACTIVITY
1.	Huabok Jelai Estate	504021602000	31.09.2020	"Menjual & Mengalih FFB"

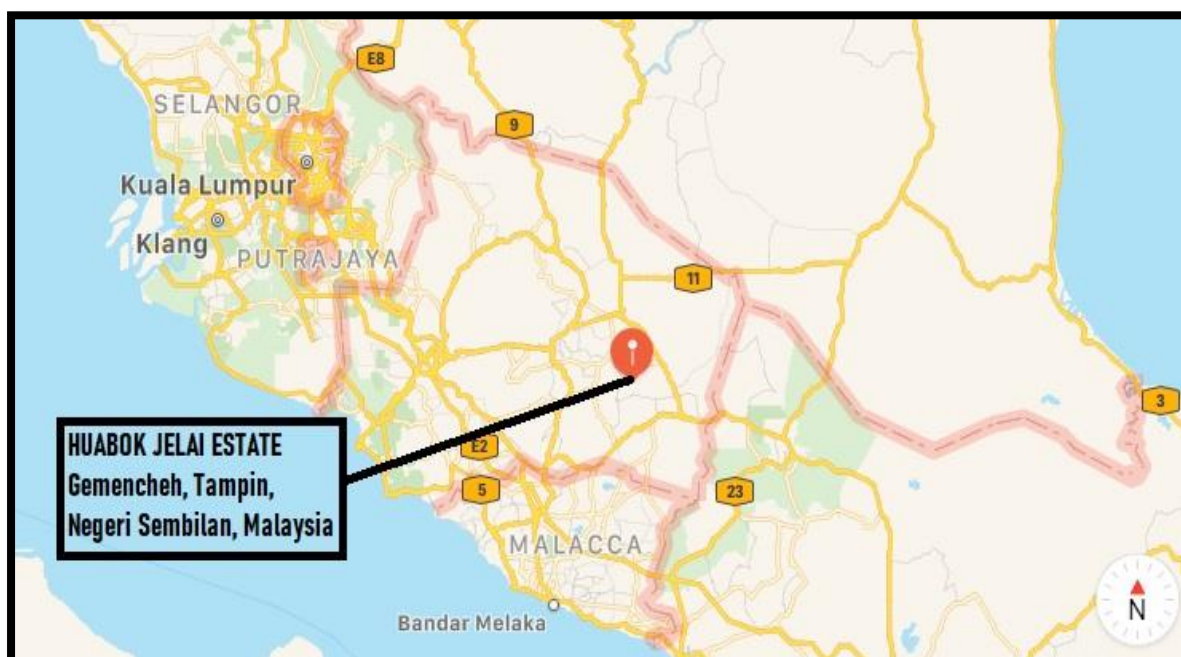


### Others Sustainability Certification

No	Name of The Site	Others Sustainability Certifications
1.	Huabok Jelai Estate	NIL

### 1.4 Map Showing Geographical Location

#### Kumpulan Huabok Sdn Bhd – Huabok Jelai Estate



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

Name of the Certification Unit	Area Summary (HA)		
	Certified Area (per Land Title)	Planted	Mature
Huabok Jelai Estate	162.19	160.98	160.98
<b>Total</b>	<b>162.19</b>	<b>160.98</b>	<b>160.98</b>

Name of The Supply Base	Area Summary (HA)		
	Conservation Area	HCV	Others
Huabok Jelai Estate	-	-	1.21
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1.21</b>

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]
Huabok Jelai Estate	NIL	1,283.64	1,480.00
<b>Total</b>	<b>NIL</b>	<b>1,283.64</b>	<b>1,480.00</b>

## 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-KHSB001-MSPO-00-2019
<b>Initial certificate issued date</b>	30 <sup>th</sup> December 2019
<b>Certificate expiry date</b>	29 <sup>th</sup> December 2024
<b>Stage 1 assessment date</b>	25 <sup>th</sup> September 2019
<b>Stage 2 / Main Assessment</b>	22 <sup>nd</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:** Surenthiran Panneerselvam

Graduate in PgDip/MSc Oil and Gas Accounting from University of Abertay Dundee, Scotland, UK. Equipped with experience in sustainability audit field and with more than 6 years working experience. Involved in MSPO Assessment since 2017. Fully trained in audit certification such as MSPO, RSPO, ISO9001:2015, ISO37001: 2016. Able to communicate in both Bahasa Malaysia and English (written and spoken).

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:** Sesumaran K. Subramaniam

Graduated in BSc (Hons) Computer Studies, University of Sunderland (UK) Year 2006 and obtain Bachelors in Total Quality Management Year 2011. He has gained vast experience in quality management and auditing while working in various certification bodies as a Quality Manager and auditor since 2013. Fully trained in similar agriculture certification programs such as RSPO, SCCS, MSPO and etc. Qualified as an auditor in several certification programme. Member of GGC MSPO audit team. Able to speak and understand Bahasa Malaysia and English.

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:** R.Ramani s/o Ramasamy

Experienced n worked in the palm oil industry for pass 37 year. 29 years in Malaysia Palm Oil Board at the milling and processing department where all the process and quality control were carried out. 4 years carried out the RSPO audit at Malaysia and Indonesia. Member of GGC MSPO audit team. Able to speak and understand Bahasa Malaysia and English.

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

## 1.8 Audit Methodology

The audit was conducted based on sampling following the method as specified in the MSPO requirements (MSPO-Questionnaire Self-Assessment – RA). In the case of this certification unit, sampling calculation was not applied as there is only one estate namely "Kumpulan Huabok Sdn Bhd – Huabok Jelai Estate". 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>	22 <sup>nd</sup> November 2019
<b>Name of site(s) visited</b>	Kumpulan Huabok Sdn Bhd – Huabok Jelai 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	2	Closed
Minor Nonconformities	2	Open (Next Surveillance Audit)
Area of Concern	0	No action requires
Noteworthy /Positive Comments	4	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 Under Malaysian Sustainable Palm Oil (MSPO) Certification Scheme. The consultation during the audit will be carried out during the stage 2 and recertification audit of the management unit. The CB shall carry out stakeholder consultation to ensure continued compliance with the requirements of the certification standards. However, stakeholders' consultation during surveillance audit may be limited to those stakeholders who have raised concerns, complaints or disputes prior to the audit.

GGC has published the public notification on 17<sup>th</sup> October 2019 and as to accommodate a stakeholders' consultation meeting for estate. Therefore, stakeholder consultation was conducted on 22<sup>nd</sup> November 2019 in Kumpulan Huabok Sdn Bhd – Huabok Jelai Estate to gather information from the local communities in accordance to Certification Scheme and Stakeholder Consultation requirements. During this Main Assessment (Stage 2) audit, the audit team has conducted stakeholder consultations involving both internal and external stakeholders as to understand the practices in relation to environmental, social performance and their performance with respect to the MSPO requirements. The meeting was conducted without the present of estate management.

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

No	Stakeholders Name	Subject raised / Identified Risk	Company response and proposed action to be taken. [What we did]	Assessment team findings [Outcome]
1.	All stakeholders	<ul style="list-style-type: none"> <li>All stakeholder has been informed on the stakeholder meeting prior to audit.</li> <li>They have been informed on the complaint procedure to the stakeholders. Use of the complaint form.</li> <li>They have good communication with the estate manager.</li> </ul>	<ul style="list-style-type: none"> <li>Management will continue briefing to all stakeholders on MSPO awareness.</li> </ul>	Will review by next surveillance audit
2.	Stakeholders B (Neighbouring estate)	<ul style="list-style-type: none"> <li>They have been informed on the complaint procedure to the stakeholders. Use of the complaint form.</li> <li>They have good communication with the estate manager.</li> <li>Road usage are allowed by the estate.</li> </ul>	<ul style="list-style-type: none"> <li>Management will continue communicating with neighbouring estates.</li> </ul>	Positive comments
3.	Stakeholders C (Local communities)	<ul style="list-style-type: none"> <li>Good communication and cooperation with the estate.</li> <li>Road usage are allowed by the estates.</li> </ul>	-	Positive comments



## 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 Huabok Jelai Estate. Estate Manager is in charge and ensures that facility and his subordinates comply with the requirements and procedures stated in this manual.

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

This report will be internally reviewed prior to certification decision by GGC and externally peer reviewed by independents panel reviewers (qualified and trained by MPOCC). During this Main Assessment (Stage 2) Audit, based on MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO)] Part 3: General Principles for Oil Palm Plantations and Organized Smallholders), there were 2 major non-conformities, 2 minor non-conformities and has been raised to the facility that being audited.

As highlighted in the audit plan, the audit objectives have been achieved and assessment resulted all major non-conformity findings has been verified and closed. Therefore, the Lead Auditor recommends a certificate of compliance "MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders" is awarded to Kumpulan Huabok Sdn Bhd – Huabok Jelai Estate.

## 1.13 Date of Next Surveillance Audit

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

## 1.14 Confidentiality

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

## 1.15 Abbreviations Used

BOD	Biological Oxygen Demand
CHRA	Chemical Health & Risk Assessment
CIP	Continuous Improvement Plan
COD	Chemical Oxygen Demand
CoP	Code of Practise
CSPO	Certified Sustainable Palm Oil
CPO	Crude Palm Oil
CSPK	Certified Sustainable Palm Kernel
DOE	Department of Environmental
DOSH	Department of Occupational Safety and Health Malaysia
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
FFB	Fresh Fruit Bunch
FGS	Finished Good Stock

GAP	Good Agriculture Practise
GHG	Greenhouse Gas
GGC	Global Gateway Certifications Sdn Bhd
HIRARC	Hazard Identification, Risk Assessment and Risk Control
ISCC	International Sustainability & Carbon Certification
IPM	Integrated Pest Management
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysian Palm Oil Certification Council
MSPO	Malaysian Sustainable Palm Oil
NCR	Non-Conformance Report
NGO	Non-Government Organization
OHS	Occupational Health & Safety
OHSAS	Occupational Health and Safety Assessment Series
PK	Palm Kernel
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
SEIA	Social Environmental Impact Assessment
SOP	Standard Operating
SPO	Sludge Palm Oil



## SECTION II: ASSESSMENT FINDINGS BY PRINCIPLES AND CRITERIA

### 2.1 Principle 1: Management commitment and responsibility

#### Criterion 1 Malaysian Sustainable Palm Oil (MSPO) Policy

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

**Summary** Kumpulan Hua Bok Sdn Bhd has established MSPO Policy dated 2<sup>nd</sup> May 2019 signed by Managing Director, Mr Toh Tau Book. The policy stated:

- To continue improve operation in line with social, environmental and economic aspects.
- Ensure protection and conservation for High Biodiversity value and high carbon stock area.
- Ensure protection and preservation of rare threaten or endangered species.

During site observation, MSPO Policy was available at the office room notice board.

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

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

**Summary** The company has established MSPO Policy which stating their commitment to implanting the following sustainable practices. MSPO Policy (Polisi MSPO) dated 2<sup>nd</sup> May 2019 signed by Managing Director, Mr Toh Tau Book. The company's commitment towards continual improvement sighted in MSPO Policies. Policy under clause (b) stated; to continue improve operation in line with social, environment economic aspects was dated on 2<sup>nd</sup> May 2019.

**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** Kumpulan Huabok Sdn Bhd have established the Internal Audit Procedure under MSPO Procedure No P1-01 dated 2<sup>nd</sup> May 2019 signed by Managing Director, Mr Toh Tau Book. The internal audit was conducted by Mr Subra on 1<sup>st</sup> to 2<sup>nd</sup> August 2019 with the outcome of 2 non-conformance findings. The Internal Audit exercise covers the following areas on documentation - MSPO Principles & Criteria. The Non-Conformities being responded by Mr Chan Teck Ngoh, the Manager on 10<sup>th</sup> August 2019. The findings were closed by Mr Moorthy on 23<sup>rd</sup> September 2019.

As per SOP – Internal Audit, audit frequency is once a year prior to the external audit schedule. The internal audit done annually by external team appointed as Internal auditors. Internal audit report is made available. All internal audit findings have been reviewed and closed within the timeframe.

**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**        Kumpulan Huabok Sdn Bhd have established the Internal Audit Procedure under MSPO Procedure No P1-01 dated 2<sup>nd</sup> May 2019 signed by Managing Director, Mr Toh Tau Book. The purpose of this procedure is to describe the audit process conducted internally to determine Huabok Jelai Estate operations are effectively implemented to comply with the Malaysian Sustainable Palm Oil (MSPO) standards.

Located 2 non-conformities being raised during audit. The response and action taken by Estate Manager Mr. Chan for all the findings being reply on 10<sup>th</sup> August 2019 respectively. The date replied is within the timeframe before 30<sup>th</sup> September 2019. All details well documented by estate management internal audit file. All conformance, non-conformance and area for improvement identified. The findings were documented in the Internal Audit Findings Summary.

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

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

**Summary**        The internal audit report was documented and made available for management review in the internal report file as dated above. As evidence, all findings from internal audit was responded by estate management within the acceptable timeframe.

**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**        The Management Review Meeting was conducted on 12<sup>th</sup> September 2019. The Managing Director chaired the meeting and attended by 3 persons (Mr. Moorthy, Mr.Chan & Mr.Kaliappan). During management review it covers the following agendas:

1. MSPO implementation& documentation
2. MSPO Policies
3. Continual improvement
4. Stakeholder Consultation
5. Safety and Health
6. Employment condition
7. Waste management
8. HBV
9. Conclusion



Meeting minutes was made available, as management action has been documented and time frame is updated with stating the status of the process.

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

**Criterion 4    Continual improvement**

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

**Summary**    Huabok Jelai Estate has established continuous improvement plan and the continual improvement for the estate timeline for social, environment was identified. Estate office, workers living home, generator unit room, road upgrade and maintenance were sighted at the office area. Evidence of photographs were provided which shows before the improvement by Mr Moorthy.

The management require to update all the improvement in the records for verification in the future. The GAP was standard practice was applied in this estate. Interviewed the staff to verify the understanding of the continual plan. This was an ongoing process currently. As sighted, training was conducted by Mr. Subramaniam, in relation to environment policy on 6<sup>th</sup> Nov 2019 at the estate office attended by 8 persons. Located at the quarterly environment meeting report.

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

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

**Summary**    The company disseminate the new information and techniques or new industry standards and technologies through the training. As to date, company has no new information and technique were practiced at this estate currently. All were standard GAP estate practice.

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

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

**Summary**    The company disseminate the new information and techniques or new industry standards and technologies through the training. Trainings were conducted for the introduction and implementation of any new information or technology that is feasible and applicable to the company. Management maintained the current implemented new system. Sighted the established system and improved practices at the plantation during site visit.

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



## 2.2 Principle 2: Transparency

### Criterion 1 Transparency of information and documents relevant to MSPO requirements

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

**Summary** Kumpulan Huabok Sdn Bhd has established Procedures on Stakeholders Consultation and Communication under MSPO Manual Number P2-03 dated 2<sup>nd</sup> May 2019 signed by Mr. Toh Tau Book, the Managing Director. Stakeholders Consultation has been done individually together with Social Impact assessment. Stakeholders provided feedback via Social Impact Assessment Form "Borang Soal Selidik Penilaian Impak Sosial".

Record of stakeholder list was made available, and no record of any information request by stakeholders and complaints due to no complaints/feedbacks received from stakeholders. Seen stakeholder communication and consultation survey report dated 12<sup>th</sup> October 2019 has been verified.

**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** List of documents and classification was made available and made as a guideline for Kumpulan Huabok Sdn Bhd to determine the confidentiality of the status or availability for public disclosure, which is dated on 2<sup>nd</sup> May 2019 signed by Mr Toh Tau Book, Managing Director. Company policies are publicly displayed at site, procedures document, contract agreement and financial budget is confidential documents, was made available. As evidence, in total 19 documents being classified under non – confidential and 3 as confidential.

**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** Kumpulan Huabok Sdn Bhd has established Procedures on Stakeholders Consultation and Communication under MSPO Manual dated 2<sup>nd</sup> May 2019 signed by Mr. Toh Tau Book.

**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** Seen appointment letter of Mr. Moorthy a/l Govindasamy as person in charge for transparency. The letter was signed by the Managing Director Mr Toh Tau Bok on the 2<sup>nd</sup> October 2018. He is responsible in handling communication and consultation and stakeholder engagement.

**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** Kumpulan Huabok Sdn Bhd established list of external stakeholders. The stakeholders included are Government agencies, neighboring communities and suppliers being recorded and maintained properly.

**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** Kumpulan Huabok Sdn Bhd has established Procedures on Traceability under MSPO Manual P2-04 dated 2<sup>nd</sup> May 2019 signed by Mr. Toh Tau Book, the Managing Director. Estate maintains a record book to record harvesting details, as verified "Buku Potong Buah". To establish suitable identification and traceability of FFB traceable from the plantation activities to the mill.

FFB can be traced back to the particular field/block through the existing traceability records as recorded in "Buku Potong Buah". Records of FFB production, sales, delivery notes, transportation for FFB sent to the palm oil mills (D). verified through Weighbridge notes kept by the estate. Sampled and verified Weighbridge ticket number:

1. WB Ticket Number: 979258
2. WB Ticket Number: 979434
3. WB Ticket Number: 979553
4. WB Ticket Number: 979692
5. WB Ticket Number: 979839

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

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

**Summary** Inspections on compliance to the established traceability system is carried out on daily by the persons responsible for traceability. Internal audit is conducted on annual basis to verify on the implementation of traceability system. Mr. Kaliappan, Field Supervisor as person in charge for traceability conducting regular inspection on the implementation of the traceability SOP and relevant records.



Monitoring results recorded in "Buku Potong Buah/Record book". Regular inspection is conducted during internal audit process.

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

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

**Summary** Seen appointment letter of Mr. Kaliappan as person in charge for traceability. The letter was signed by the Managing Director, Mr Toh Tau Bok dated on 2<sup>nd</sup> October 2018.

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

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

**Summary** Kumpulan Huabok Sdn Bhd has established Procedures on Traceability under MSPO Manual P2-04 dated 2<sup>nd</sup> May 2019 signed by Mr. Toh Tau Book, the Managing Director. Records of sales, delivery, or transportation of FFB been verified. Sampled and verified weighbridge ticket number as below:

1. WB Ticket Number: 979258
2. WB Ticket Number: 979434
3. WB Ticket Number: 979553
4. WB Ticket Number: 979692
5. WB Ticket Number: 979839

**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** Kumpulan Huabok Sdn Bhd has established list of applicable laws and regulations. The legal register is prepared by Mr. Moorthy on 29<sup>th</sup> April 2019. Summary list of licenses & permit to be renewed is maintained and documented. Sighted list of permit and licenses prepared by Mr Moorthy review date 2<sup>nd</sup> May 2019. As sampled:

- MPOB Licence – [No. lesen 504021602000] valid from 1<sup>st</sup> October 2019 till 30th September 2020 for 162 Ha. "Menjual dan mengalih FFB".
- Fire Extinguisher – APA Number: EE062019Y083173, expiry 1<sup>st</sup> July 2020. [5 extinguisher and valid).
- Jabatan Tenaga Kerja, Aku Janji Majikan (Employers Undertaking) bagi penggajian pekerja asing di Malaysia – Lampiran A dated 6<sup>th</sup> September 2019.



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

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

**Summary** The list is fully covered the requirements that related to MSPO compliance. These documents include information on laws, enforcement bodies, main requirement, environmental aspect, standard, fine, person in charge, and compliance status. The company has established and updated list of applicable laws and regulations. The legal register is prepared by Mr Moorthy, Manager dated 2<sup>nd</sup> May 2019 and approved by Mr Toh Tau Book, Managing Director. Below are the sample of listed applicable laws as evidenced:

- Akta 716 Akta Pemuliharaan Hidupan Liar 2010
- Akta Kualiti Alam Sekeliling (Pindaan 2012)
- Akta 127: Akta Kualiti Alam Sekeliling 1974
- Akta 350: Akta Kanak-kanak dan orang muda (pekerjaan) 1966
- Minimum Wages Order, Amendment 2018
- Fire Services Act 1988 (Act 314) Amendment 2018.
- Employees Social Security Act 1969 (Act 4)
- Food Act 1983
- Police Act 1967
- Land Acquisition Act 1960

**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. Moorthy, he will update any new amendments or any regulations once received through the communication with law/enforcement officers and medias. The list of legal register is last updated on 29<sup>th</sup> April 2019.

**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. Moorthy dated 2<sup>nd</sup> October 2018, approved by Mr Toh Tau Bok, Managing Director. He is responsible on legal compliance issue in relation to MSPO.

**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 in the respective land the land title and hectarage data are as follows: -

- No PT: Lot 11849,
- Jenis dan No Hak milik: PN 29456 Keluasan
- Size: 162.19 Ha
- Kategori kegunaan Tanah: Pertanian
- Syarat Nyata: digunakan untuk tanaman kelapa sawit sahaja

Quit rent payment receipt was made available, as evidence of land ownership. Seen payment receipt dated on 7<sup>th</sup> January 2019 for 162.19 Ha.

**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 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. Sighted 1 copy of land title kept by the estate are available and maintained. Sighted, record of "Surat pajakan" between Syarikat Koperasi Pembangunan Daerah Tampin Gotong Royong and Kumpulan HuaBok Sdn Bhd stamped on 13<sup>th</sup> November 1996 dan berakhir pada 12<sup>th</sup> November 2026. As the leasing is valid for 99 years for lot number 11849. The use of land is maintained as "Tanaman Kelapa Sawit".

**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** In total as documented verification, 41 boundary markers documented. Sighted JUPEM Map [PA05-029870], approved by Pengarah Ukur dan Pemetaan, Negeri Sembilan. During site visit, sighted boundary marker is visible and maintained in good condition. As sampled (available with GPS Coordinate):

- Block C 10: E 102 25' 53" N 2 38' 58"
- Block F: E 102 26' 13" N 2 39' 46"

During site observation, the legal perimeter boundary marker is visible and maintain in proper condition by the estate management.

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

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

**Summary** There is no evidence of conflict present in this estate. No disputes have been recorded in all estate area. No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported. The land title has been legally acquired by the estate.

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

**Criterion 3 Customary rights**

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

**Summary** There is no customary land in or surrounding all the estates' land titles. There are also no land disputes or claims involving these estates. The estate has proper legal land titles for the land ownership.

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

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

**Summary** There is no customary land in or surrounding the estates. There are also no land disputes or claims involving these estates. The estate has proper legal land titles for the land ownership. Thus, no maps for recognized customary rights.

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

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

**Summary** There is no customary land in or surrounding the estates. There are also no land disputes or claims involving the estates. The company has proper legal land titles for the land ownership.

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

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

**Criterion 1 Social impact assessment (SIA)**

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

**Summary** Kumpulan Hua Bok Sdn Bhd has established Social Impact Assessment Procedures under MSPO Manual P4-05 dated 2<sup>nd</sup> May 2019. Social Impact Assessment (SIA) report for 2019 made available dated 25<sup>th</sup> October 2019, prepared by Mr. Subramaniam and approved by Mr Toh Tau Book, Managing Director. As in total, 10 questionnaires have been answered by surrounding communities (internal and external stakeholders).

- General question



- Access and use of rights
- Life activities
- Health and education facilities
- Community concerns

No.	Stakeholder	Total
1.	Staff/workers	5
2.	Government departments	0
3.	Local resident	2
4.	Contractors/ suppliers	2
5.	Customer (POMs)	1

Social Impact Assessment (SIA) report is available and the management plan to mitigate management plan on the negative impacts and promote the positives ones seen. Seen SIA Management Plan, date of assessment on 25<sup>th</sup> October 2019, prepared by Mr Subramaniam, and approved by Mr Toh Tau Book, Managing Director. As sampled:

#### Religious prayer facilities

Social impact: Worker facility

Mitigation plan: To continue current practice to release workers for prayers to the local mosque.

- Improvement is necessary on the workers housing amenities and facilities, in the process of refurbishment and repair.
- Good relationship established with stakeholder will be maintained and improve.
- Workers welfare and social need included in continual improvement.

**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** Kumpulan Hua Bok Sdn Bhd has established Grievance Handling Procedures under MSPO Manual P4-05 dated 2<sup>nd</sup> May 2019. The objective of the procedure: -

1. Sharing information about stakeholder concern and views
2. Giving stakeholders a reasonable opportunity to express their views
3. Taking those views into account and address resolution reasonably practicable

**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** Complaint form is available at the publicly accessible area such as in the front door of the main office. As stated in MSPO Manual P4-05, complaints received will be addressed within 30 days. No complaint being raised by internal or external stakeholders to date.



**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** All internal employee and external stakeholders' can deliver their complaints and grievances directly to the management through filling the complaints form and place into the Drop Box outside the Office which are easily assessible. Complaint form is made available at Huabok Jelai Estate main office.

**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 and the surrounding communities, were made aware that complaints or suggestions can be made any time during MSPO Awareness Training dated 11<sup>th</sup> September 2019. Briefing materials and photographs of the input on complaints and suggestions by the estate management person in charge seen.

**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** No complaint and resolutions for the last 24 months seen, as they begin implementing MSPO Complaint Procedure starting from year 2019.

**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** Kumpulan Huabok Sdn Bhd are committed in contributing to local development, as seen file [Contribution to Local Sustainable Development – MSPO 4.4.3]. As sampled:

- Gift for Hari Raya to workers on month June 2019
- Transportation to buy provision to workers on weekly basis.
- Road usage all the time by THP Estate – Bk Rokan.

Record is made available during the audit.

**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** Kumpulan Hua Bok Sdn Bhd has established Occupational Health and Safety Policy dated 2<sup>nd</sup> May 2019 signed by Mr. Toh Tau Book, The Managing Director. Policy is displayed in notice board and made available in Bahasa Malaysia language.

**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** Kumpulan Hua Bok Sdn Bhd has established Occupational Health and Safety Policy dated 2<sup>nd</sup> May 2019 signed by Mr. Toh Tau Book, The Managing Director. Policy is displayed in notice board and made available in Bahasa Malaysia language.

Adequate HIRARC being assessed and documented. Risk assessment was conducted through HIRARC based on the severity and the likelihood. HIRARC is consist of hazard identification (type of work activity, hazard & effect), Risk analysis (Existing risk control, likelihood, severity & risk) & Risk Control (Recommended control measures & PIC appointed are Staff or Executive). During audit, HIRARC file is made available, and latest date reviewed on 20<sup>th</sup> May 2019. As sampled:



<b>NO.</b>	<b>HIRARC</b>
1.	Chemical preparation
2.	Spraying
3.	Harvesting
4.	Manuring
5.	Loading & transporting FFB
6.	Replanting activities
7.	Genset room
8.	Road repairs

Kumpulan Huabok Sdn Bhd established "Health & Safety Management Plan – 2019", highlighted target to achieved and proposed timeline of completion annual training plan for the Staffs and Workers. As sighted in training record, MSPO procedure and SOP (Safety) training conducted on 2<sup>nd</sup> October 2019, sighted attendance record as evidence. During site observation, SDS are displayed and label are available for all products and details at chemical store. As sampled:

- Bounce 480 [Glyphosate Isopropylamine Salt]
- Garlon 250EC Herbicide

PPE Issuance and replacement record to staff and workers – PPE Issuance Record. However, sighted in continual improvement plan (CIP) year 2019/2020 dated on 25<sup>th</sup> Oct 2019. PPE issued to all employees in the company by management, sighted PPE issuance record for the year 2019. During site observation, workers equipped with proper PPE, and interviewed workers and they understand the importance usage of PPE.

Sighted SOP 6 [SP-01]: Chemical Handling dated, approved by Mr. Toh Tau Book, Managing Director. CHRA has been made available [Ref no: HQ/08/ASS/00/250-2019/043] dated on 15<sup>th</sup> October 2019 by assessor name: Mr Sivakumar a/l Chinnasamy [DOSH: HQ/08/ASS/00/250]. As per Form D: Control measure and recommendation based on CHRA, action taken and been verified, as sampled:

First aid and PPE training conducted on 20<sup>th</sup> October 2019 at Kumpulan Huabok Sdn Bhd – Main Office by Mr Subramaniam, attendance record sighted in total of 7 participants attended.

Mr Kaliappan has been appointed as the person in charge of safety and health at Kumpulan Huabok Sdn Bhd. Letter of appointment available dated 2<sup>nd</sup> October 2018, approved by Mr Toh Tau Book, Managing Director.

OSH Committee (Safety Team Meeting) – Ref 01/2019 conducted on 6<sup>th</sup> November 2019, prepared by Mr Moorthy and approved by Mr Toh Tau Book. Proposed next meeting on:

- 2<sup>nd</sup> Meeting: 6<sup>th</sup> February 2020
- 3<sup>rd</sup> Meeting: 6<sup>th</sup> May 2020
- 4<sup>th</sup> Meeting: 6<sup>th</sup> August 2020



Accident and emergency procedure – [Pelan Tindakan Kecemasan, Kumpulan Huabok Sdn Bhd] was made available. During site observation, emergency assembly point is available. Signboard has been displayed.

First aid training conducted on 20<sup>th</sup> October 2019 at Kumpulan Huabok Sdn Bhd – Main Office by Mr Subramaniam, attendance record sighted in total of 7 participants attended.

No evidence of JKPP 8 being submitted to DOSH on annual basis. No accident occurred as to date. However, by next surveillance to ensure submit JKPP 8.

**MINOR NC:**

As per JKPP 8 – Guidelines on NADOPOD Regulations 2004, under “Peraturan 10, Peraturan Keselamatan dan Kesihatan (Pemberitahuan Kemalangan, Kejadian Berbahaya, Keracunan Pekerjaan dan Penyakit) 2004”, no JKPP 8 form has been submitted.

**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** Kumpulan Hua Bok Sdn Bhd has established Social and Human Rights Policy dated 2<sup>nd</sup> May 2019 signed by Mr. Toh Tau Book, Managing Director. As per interview with estate manager, no evidence of management is engaged in or in support of any discriminatory practices in respect of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. Policy has been displayed in office notice board.

**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** Sighted “Social and Human Rights Policy” on free from discriminatory practices against sex, race, religion, nationality and political opinions. No evidence of management is engaged in or in support of any discriminatory practices in respect of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. As stated in Social and Human Rights Policy dated 2<sup>nd</sup> May 2019 approved by Mr Toh Tau Book, Managing Director. “Freely of discrimination and prejudice against gender, race, religion, nationality and political views”.

**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** Kumpulan Huabok Sdn Bhd has established Social and Human Rights Policy on paying salaries to employees and staffs on a minimum wage order. The salary is according to 'Perintah Gaji Minimum (Pindaan) 2018. The salary is according to 'Guidelines on the Implementation on the Minimum Wages Order (Amendment) 2018 Act 732. National Wages Consultative Council Act 2011. Malaysian minimum salary is RM1,100 as stated in the guidelines. Sighted pay slips and payment are based on tonnage, and calculated based on piece rate. Interview both estate staff and workers, and confirmed that they understand the terms and conditions of their employment. Employee records are made available, information included with name, employee no, contract ref no, date of entry, gender, date of birth, job description, wage and period of employment.

**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 salary of contractor workers is according to "Guidelines on the Implementation on the Minimum Wages". National Wages Consultative Council Act (Act 732). Malaysian Minimum salary is RM1,100 as stated in guidelines. No contractors are engaged with the estate management due to self-applied.

**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** Kumpulan Hua Bok Sdn Bhd merely having 3 workers. Employment Contracts of each workers sighted. Personal file of employees is made available, contract agreement sighted and made available during audit. All details (name, gender, date of birth, date of entry, job description available as evidence of individual existence.

**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** The agreement stated all the term and conditions according to Malaysian Law. Kumpulan Hua Bok Sdn Bhd merely having 3 workers and provided with employment contracts of each workers sighted. All workers enjoy the same scale of pay and provided with equal housing and work facilities. Seen contract of employment, signed by the employee and employer. During field visit, workers has been interviewed and confirmed they are aware of the deduction and copy of employment contract is given. Sighted employment contract of the following workers.



**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. The overtime maximum is 104 hours according to Malaysian Law. Daily attendance recorded during muster call. Muster call and Pocket check-roll book as a basis for time recording in the Estate. Sighted attendance record/ roll call attendance card for all workers in month of November 2019.

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

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

**Summary** The working hour and break time have been clearly stated in the Employment Contract. Sighted in the Contract Agreement the rate of overtime which agreed by both parties. Attendance is based on Check Roll for outsourced workers. Mr Kaliappan, mandore are responsible in documenting the attendance of the workers. Seen public holiday list for the year stated in employment contract of workers. Working hours are as follows:

**Workers**

8.00am – 5.00pm

12.00pm – 1.00pm (Lunch Break)

**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** Pay slip and employment contracts of each workers sighted. Salary slips was made available, shows the deduction of workers as per the contract agreement signed by employee and employers. Wages and overtime payment documented on the pay slips are in line with legal regulations. Overtime pay based on rate of 1.5 [RM7.93], overtime is calculate based on Kongsong Card (Attendance record). Documented payslip was distributed to individual workers on the day of payment. Based on the interview with the workers, they confirmed that they are being paid more than the stipulated minimum wage and understand all the deductions being made.

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

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



**Summary** All workers have been provided with medical and accident insurance. With regards to local workers, staffs and executives, all of them are covered under EPF & SOCSO as required by the Malaysian Laws and Regulations. Overtime are paid, medical expenses, housing facilities, transport facilities.

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

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

**Summary** All workers are provided with housing facilities at workers linesite. Water and electricity are subsidized free. During site observation, linesite are properly maintained and kept in clean condition. Kumpulan Huabok Sdn Bhd established "Pemeriksaan Tempat Kerja", dated 5<sup>th</sup> Nov 2019.

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

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

**Summary** Social and Human Right Policy on provide workplace free from Sexual Harassment whether direct or indirectly, upon all employees, society and stakeholders. No forms of sexual harassment act take place in this area. Employees are aware of the company policies and knows the procedure to react the situation. During field visit, as interviewed with the workers, they understand the policy of sexual harassment and able to explain on know how to handle. During field visit, as interviewed with the workers, they understand the policy of sexual harassment and able to explain on know how to handle.

**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** Social and Human Right Policy on respect and protect human rights and workers' right (including temporary workers, contracts and foreign workers). No evidence to show that the company is restricting the employees from joining any trade union. The policy has been displayed on notice board outside the main office building.

**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** Child and young person policy are incorporated in the Social Policy. 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. Seen the employees record, no employee hired below age of 18, and during field visit no person below age 18 seen working.

**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** Kumpulan Huabok Sdn Bhd established "Training Programme C/W/Contractor Workers Training Matrix Year 2019", last updated on October 2019, prepared by Mr Moorthy and approved by Mr Toh Tau Book. Training conducted as below:

- MSPO Awareness & Policies dated 11<sup>th</sup> September 2019, attended by 8 participants.
- MSPO Procedures/ SOP Safety dated 2<sup>nd</sup> October 2019, attended by 8 participants.
- First aid and PPE Usage dated 20<sup>th</sup> October 2019, attended by 8 participants.
- Sighted training records on training conducted as per training plan. Recorded photographs, meeting minutes and attendance record as evidence

Training need analysis, training programme or training records which include the MSPO related, working SOP, social and environmental element for employee and contractors are made available at the time of audit in the "Training File".

**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 needs and training plan for the staff and workers is made available. The Estate has a comprehensive annual training plan for the Staffs and Workers. Seen Training Matrix – Related OSH & Training and Environmental. For all site personnel. "Training Need Analysis 2019" based on working units. The list was prepared by Mr Moorthy and approved by Mr Toh Tau Book, Managing Director.

**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** All workers involved in the operations have been adequately trained in safe working practice. Kumpulan Huabok Sdn Bhd has established Continuous Training Programme for year 2019-2020 dated on 10<sup>th</sup> November 2019. Annual Training Plan (Safety, Environment & MSPO Awareness), prepared by Mr. Moorthy and approved by Mr. Toh Tau Book, Managing Director.

TRAINING	TARGET GROUP	MONTH
MSPO Awareness	All workers	Mar'19/ 20
First aid and ERP	All workers	Mar'20/ Apr'20
Waste Management Training	All workers	May'20 / Jun'20

Training matrix and annual safety program plan include competency briefing / training activities for all employees.

**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** Kumpulan Hua Bok Sdn Bhd has established Environmental Policy dated 2<sup>nd</sup> May 2019 signed by Mr. Toh Tau Book, Managing Director. Based on the Environmental Policy, the Company is committed towards implementing the following practices:

- To execute estates and mill operations in line with relevant legislations and the Environment Quality Act.
- To practice a "Zero Burning" policy on new land development and replanting activities.
- To ensure that estates and mill activities follow the guidelines of current industry practices: and
- To promote and provide the awareness on environmental protection to all employees and stakeholders.

During site observation, the policy has been displayed on notice board outside the main office building.

**In Compliance**  Yes  No  Not Applicable

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

**Summary** The estate has conducted Environmental Aspect and Impact Assessment (EAIA) on 20<sup>th</sup> July 2019. Aspect and Impact covers all operations of estate. Kumpulan Huabok Sdn Bhd has established environmental policy [MSPO-P-02] dated on 2<sup>nd</sup> May 2019 and made available during the audit. The objective of environmental policy sighted as below: -

- Estate committed in protecting the environment and ensure necessary effort is taken to reduce the impact on the environment from its estate operations in line with Environmental Quality Act, 1974.
- In line with that objective, Estate is committed to implementing the following practices:
- To carry out estate activities in accordance with established legal and regulatory framework, those relating to environmental quality;
- To practise "Zero Burning" policy on new planting, replanting except in specific situation.
- To plan, implementing, monitoring and measuring predetermined activities to mitigate environmental impacts and greenhouse effect;
- To promote and provide awareness of environmental conservation through training to all employees and stakeholders and;
- Ensure awareness of the environmental policy is disseminated to be understood and practiced by employees and all stakeholders.

The aspect and impact analysis of environmental operations is available in "Environment Management & Improvement Plan". The environmental assessment findings are recorded in document titled "Environment Impact Assessment", sampled taken as below:

Environmental Quality Act 1974	No open burning allowed in premises/quarters.  No discharge of oily waters into surface waters (rivers). (Unless written permission has been obtained from DOE).  Frequent monitoring towards pollution in soil and groundwater and surface water (Unless if given written permission from DOE).
Environmental Quality Wastes (Scheduled Regulation, 2005)	To identify all schedule waste produced by estate.  To ensure a good document upkeep and its maintenance for all SWs listed.  Notification about SW disposal to the contractor and DOE (DOE to be informed through e-SWIS).



	<p>To provide standard format for keeping track of SW (5th schedule).</p> <p>To provide a proper store for those generated SWs, including proper on-site treatment and recovery of material.</p> <p>To ensure a proper packaging, labelling and transportation of SW in accordance with the guideline prescribed by DOE.</p> <p>To have proper container for keeping SWs, proper storage, label and inventory of SWs.</p>
Practice conservation of natural resources	Conservation of water.
Promote environmental awareness among all employees & third parties for better working environment	To educate and ensure that all employees are well informed and play their part in promoting a better environment.

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

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

**Summary** The environmental improvement plan to mitigate the negative impact was incorporated in the environment management plan. Environmental issues are recorded in the "Environmental Management Plan". Site verification has been conducted on the implementation of the improvement plan. The monitoring is conducted by the estate manager, Mr Moorthy.

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

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

**Summary** The programme to promote the positive impacts on environmental was incorporated in the Environment Management & Improvement Plan 2019-2020. Implementation of the plan has been verified during the site assessment.

**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** Training programmes on the environmental are available as referred to "Training Programme C/W Training Matrix – Year 2019" dated 7<sup>th</sup> September 2019. Training Program on the environmental management and improvement are available as referred to "Quarterly Environmental Meeting". Sighted minutes of meeting, attendance list and training material are made available. Points discussed in the meeting are: -

- To carry out estate activities in accordance with established legal and regulatory framework, those relating to environmental quality;
- To practice "Zero Burning" policy on new planting, replanting except in specific situation.
- To ensure the estates activities follow the guidelines of the current industry practice.
- To plan, implementing, monitoring and measuring predetermined activities to mitigate environmental impacts and greenhouse effect;
- To promote and provide awareness of environmental conservation through training to all employees and stakeholders and;
- Ensure awareness of the environmental policy is disseminated to be understood and practiced by employees and all stakeholders.

**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** Environmental meeting is combined with the OSH meeting as sighted OSH meeting minutes there is environmental issue has been discussed. Environmental Meeting were conducted on 6<sup>th</sup> November 2019 conducted at Huabok Jelai Estate. Sighted the Attendance list and Minutes of meeting are made available.

**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** Diesel consumption is closely monitored by daily and monthly record as sighted. This is including baseline value based on 3 years data. Monitoring on the consumption of non-renewable energy and the baseline values are available as referred to records on the consumption of non-renewable energy and the baseline values are available during audit.

	<b>2017</b>	<b>2018</b>	<b>2019</b>
Actual Diesel usage per MT FFB	3.04	2.73	3.73
Budgeted Diesel per MT FFB	3.17	3.17	3.17





Diesel used as a source to produce electricity, sighted historical diesel baseline value data for three years.

**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** Seen annual actual of non-renewable energy being established for the year 2019/2020, however, estimate of the direct usage of nonrenewable energy was not made available.

**MAJOR NC:**

Records on the consumption of non-renewable energy and the baseline values are not available for fuel used by contractors, including all transport and machinery operations during the audit.

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

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

**Summary** There is no renewable energy is being use by Huabok Jelai Estate at the moment.

**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** Kumpulan Hua Bok Sdn Bhd has established the Waste Management. Procedure under MSPO Procedure No P5-09 dated 2<sup>nd</sup> May 2019 signed by Managing Director, Mr Toh Tau Book. The MSPO Procedure describes the following implementation;

- 1) Waste management flow
- 2) Scheduled waste disposal flow
- 3) Domestic waste disposal flow

Waste Management Plan is available as referred to: "Pengenal pastial Sumber & Jenis Bahan Bahan Buangan". Sighted Category, source of pollution, and control measures as sampled below: -

Category	Source of Pollution	Control measures
Spent lubricating oil	Vehicles (Tractors, Lorry, Van, Motors)	Stored in containers which are durable and which are able to prevent spillage or leakage of scheduled waste into the environment. - Metal drum



Spent hydraulic oil	Vehicles (Tractors) and Heavy machineries	Stored in containers which are durable and which are able to prevent spillage or leakage of scheduled waste into the environment. - Metal drum
Contaminated soil, debris or matter resulting from clean-up of a spill of chemical, mineral oil or schedule wastes	Cleaning up of spillages on the floor	Stored in separate containers such containers shall be placed in separate secondary containment areas
Dispose containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes	Unused empty pesticide container, chemical bottles	Empty pesticide container: Triple rinse using clean water, and puncture at least three holes
Used Personal protective equipment (PPE)	Workers	All used PPE should be collected in a container and workers are required to bring the old one in order for them to get the new set of PPEs.

**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** Kumpulan Huabok Sdn Bhd – Huabok Jelai Estate developed waste products and sources of pollution, identified in the Waste Management Plan of Huabok Jelai Estate. Types and source of pollutions was made available, and sighted type and source of pollutions. Waste management plan to avoid or reduce pollution developed as below:

Category	Source of Pollution	Control measures
Spent lubricating oil	Vehicles (Tractors)	Done by external work shop
Spent hydraulic oil	Vehicles (Tractors) and Heavy machineries	Done by external work shop
Dispose containers, bags or equipment contaminated with	Unused empty pesticide container, chemical bottles	To reuse the container, triple rinse as per requirement stated in SOP and rinsed water shall



<p>chemicals, pesticides, mineral oil or scheduled wastes</p>		<p>only be applied to permitted areas only.</p> <p>EPC is not allowed to be reused as dustbin, flower pots and workers are not allowed to bring back these to their quarters.</p> <p>Stored in designated areas with appropriate fencing, good ventilation, and must be kept locked at all times.</p>
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**MAJOR NC:**

During the site visit, found out lubricant oil spillage from the generator room. Therefore, clearly indicates Waste Management Plan not implemented effectively as per the control measures in waste management plan and in accordance to Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974.

**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** Kumpulan Huabok Sdn Bhd has established Standard Operating Procedure for handling of used chemicals under Plantation and Safety Procedures No SP-01 & SP-02 dated 2<sup>nd</sup> May 2019 signed by Managing Director, Mr Toh Tau Book. All scheduled waste has been identified and listed generated from estate operations inside the Environmental Management plan according to legal requirement. Implementation at site were verified during the site assessment.

**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** As per interviewed with estate manager, used chemical container are reused for a chemical mixing activity. All pesticides containers are treated according to the Pesticide Board recommendation of the triple rinsing and puncture. Assurance that collected container are not used to store food items or water for consumption.

**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** As interviewed the estate manager, domestic waste is wrapped in plastic before being discarded into bin. During site observation, no landfill in estate sighted.

**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** Kumpulan Huabok Sdn Bhd – Huabok Jelai Estate has established pollution aspects and impacts. All activities contributing to pollution in the estate has been accessed and documented as per Environmental Impact Assessment (EIA). Types and source of pollutions was made available, and sighted type and source of pollutions. Waste management plan to avoid or reduce pollution developed. An assessment of all polluting activities conducted, under waste management plan to avoid or reduce pollution. Greenhouse gas emissions management plan available during audit.

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

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

**Summary** Estate management has established pollution aspects and impacts. All activities contributing to pollution in the estate has been accessed and documented as per Environmental Impact Assessment (EIA). An action plan to reduce identified significant pollutants and emissions established in "Environment Management & Improvement Plan 2019-2020".

**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** Kumpulan Huabok Sdn Bhd – Huabok Jelai Estate has established Water Management Procedure SOP: No P5-10. Evidenced Water Management Plan developed dated on 12<sup>th</sup> October 2019. During site visit, no river or waterways across the estate’s land.

**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** Areas were verified during the site assessment. There is no HBV area identified within the estate vicinity.

**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** During site visit, there were road side drains constructed along the main roads to divert and conserve water at designated points.

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

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

**Indicator 1** Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:  
 a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.  
 b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.

**Summary** The estate is surrounded by neighboring estates and smallholders. Therefore, no rare, threatened or endangered (RTE) species was identified in the estate. Proper signage (No fishing and no hunting) has been displayed at strategic locations in the estate. Estate have established procedure for “P5-11 – Rare, Threatened and Endangered Species & High biodiversity Value Procedure”. As per the procedure following forms used as guidance for the estates to manage high biodiversity value. Sighted Biodiversity Monitoring Sheet (2019-2020) - MSPO 4.5.6 to identify Rare, Threatened And Endangered Species & High biodiversity Value. There is no HBV area identified within the estate vicinity.

**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** High biodiversity value (HBV) evaluation plan has been established for planted area, appropriate measures has been taken by the management. Kumpulan Huabok Sdn Bhd – Huabok Jelai Estate have established procedure for “P5-11 – Rare, Threatened and Endangered Species & Highbiodiversity Value Procedure”. The objectives of this procedure are to provide the necessary guidance:

- steps for identification of high biodiversity value habitats and rare and threatened ecosystem.
- conservation status on legal protection, population status and habitat requirements of rare threaten, or endangered species.
- mitigation for protection of rare, threatened, endangered species, or high biodiversity value and ecosystem.

**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** Biodiversity Management Plan implementation of management plan “Biodiversity Management Plan 2019”, was verified during the site assessment by the estate which includes;

1. Strictly not allowed activities such as hunting, fishing, catching birds and setting animal traps.
2. Displaying “No Hunting Allowed” sign board at the entrance of the field.
3. Educating estate’s employees on biodiversity conservation.

**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** Company is implementing “Zero Burning Practices”. In case there are any diseased tree will be chopped shredded and buried 7 at ft deep. During site visit, no evidence of open burning in estate area. Sighted signage of zero burning being erected by the estate at the strategic locations.

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

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



**Summary** As per interview with Estate Manager no significant risk of disease palm was reported. Estate replanting programme based on estate’s operation policies established. SOP on Replanting is made as reference. No burning was practiced as there are no need for the estate to apply permit or permission for burning. Implementation was verified during the site assessment. No controlled burning is required for the estate operation as to-date.

**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** As per interview with Estate Manager, no special approval needed to do open burning. All replanting activities are using the felling method. The practice is observed during field assessment. 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** Open burning in relation to new planting, re-planting or other development is not allowed and this was communicated to all employee and stakeholder.

**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** Kumpulan Huabok Sdn Bhd has implemented best practices based on “Plantation and Safety Procedure” dated 2<sup>nd</sup> May 2019 by Managing Director, Mr Toh Tau Book. Person in charge (Mr. Vijayan) will monitor the work flow and ensure all operations as per guided in the SOP as listed below:

No.	SOP	Policy No.
1	Internal Audit Procedure	P1-01
2	Management Review Procedure	P1-02
3	Stakeholders Consultation & Communication Procedure	P2-03
4	Traceability Procedure	P2-04
5	Social Impact Assessment Procedure	P4-05
6	Grievance Handling	P4-06
7	Training Procedure	P4-07
8	Environmental Management Plan	P5-08





9	Waste Management Procedure	P5-09
10	Water Management Plan	P5-10
11	Rare, Threatened and Endangered Species & High Biodiversity Procedure.	P5-11

During audit verification, seen the document was well maintained and kept in orderly manner. All workers are trained by the estate management on the SOP related their own job task assigned. Interviewed workers could demonstrate understanding on SOP and safety precautions.

**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** Estate is generally flat area with undulating at certain area. No steep is more than 25 degrees. During site visit, observed there is no terracing above 25 degrees and there were no soil/water conservation measures were applied at the planting/replanting area. No records of the slopping land and appropriate soil conservation was implemented to prevent soil erosion. This oil palm was planted in the year 1997 and detailed planting records were in sufficient. Sighted water ways in the estate to avoid water catchment or flooding. No cover crops were sighted but only normal cow grass was growing in the ground.

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

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

**Summary** Maps are made available showing separation of estates. The estate has a map showing separation of block/field. Each field has the field marking (boundary marker) sighted during field visit. The estate has a visual reference system to identify each field or block. Each field painted on crops with block number, year of planting, progeny & hectare only. Marking has been sprayed on the nearest crops, sighted during field visit.

**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** No documentation on the business plan as it is 30 years lease land which being operated for past 22 years. They are not able to have a long-term management planning due the lease land.





**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** There was no long-term replanting to cover for 3-5 years since this a lease land from Koperasi Pembangunan Daerah Tampin Gotong Royong Bhd. As per interview with estate manager, he monitors the replanting programme as at when needed.

**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** Documented business or management plan was not made available. The crop projection for 2020 was available located in the annual budget.

**MINOR NC:**

During audit, crop budget and budgeted continual improvement was made available, however, documentation for the planting material, cost of production, price forecast cost benefit return on investment was inadequate.

**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** Monitoring to achieved the target is effectively implemented such field monitoring and enforcement of all SOP are in charged by estate manager.

**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** Kumpulan Huabok Sdn Bhd engaged external parties for FFB transportation. The contract was made available and states the rates and terms of payment and duly agreed and signed by both parties. The palm oil mill were determining the FFB price at RM391.00 for Oct 2019 which is according to MPOB daily FFB price. Located all the pricing, sales and purchase agreement were recorded in the FFB purchased by Nam Bee Company Sdn. Bhd from their invoice.



**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** All FFB transport were self-applied and no contracts with other party. The purchased of fertilizer, pesticides and herbicides were all purchased directly from vendors. No agreement was made in timely.

**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** No contractors were involved for the contract in this estate supply currently.

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

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

**Summary** Kumpulan Huabok Sdn Bhd has no signed contract with the contractors except the hiring of foreign workers which is ongoing at the estate. The estate management conduct self-arrangement in recruiting of workers from abroad directly with immigration.

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

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

**Summary** The estate was audited by Global Gateway Certifications Sdn Bhd MSPO auditor on 29<sup>th</sup> September 2019 (Stage 1) and 22<sup>nd</sup> November 2019 (Stage 2). Sighted audit plan which have been accepted address to Estate Manager. All the auditors are qualified MSPO auditor. As per agreed, the company accept the GGC MSPO Auditors to verify through a physical inspection if required for audit purposed.

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

**Indicator 4** The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.

**Summary** Estate verified the work done by the contractors before all the payment paid to the contractors. Estate also inspect the contractor's workers. As per interviewed and also during site visit, the workers aware with OSH requirement. As example, the workers wear the PPE during the work task that given to them.

**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 Huabok Jelai 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 Huabok Jelai Estate.

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

### **Criterion 2 Peat land**

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

**Summary** At this moment, there were no new plantings involving peat area. Thus, it is not applicable for Huabok Jelai 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 Huabok Jelai Estate.

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

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

**Summary** There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Huabok Jelai Estate.



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

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

**Summary** There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Huabok Jelai Estate.

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

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

**Summary** There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable Huabok Jelai Estate.

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

**Criterion 4 Soil and topographic information**

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

**Summary** There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Huabok Jelai Estate.

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

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

**Summary** There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Huabok Jelai Estate.

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

**Criterion 5 Planting on steep terrain, marginal and fragile soils**

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

**Summary** There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Huabok Jelai 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 Huabok Jelai 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 Huabok Jelai 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 Huabok Jelai 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 Huabok Jelai 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 Huabok Jelai 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 Huabok Jelai Estate.

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



<b>Indicator 5</b>	Identification and assessment of legal and recognised customary rights shall be documented.
<b>Summary</b>	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Huabok Jelai Estate.
<b>In Compliance</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Not Applicable</b>
<b>Indicator 6</b>	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.
<b>Summary</b>	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Huabok Jelai Estate.
<b>In Compliance</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Not Applicable</b>
<b>Indicator 7</b>	The process and outcome of any compensation claims shall be documented and made publicly available.
<b>Summary</b>	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Huabok Jelai Estate.
<b>In Compliance</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Not Applicable</b>
<b>Indicator 8</b>	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.
<b>Summary</b>	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Huabok Jelai Estate.
<b>In Compliance</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Not Applicable</b>

## 2.8 Details of Audit Findings

### Details Non-Conformity

- See Appendix B -

### Details of Area of Concern

- See Appendix B -

### Details of Noteworthy / Positive Findings



- 1) The estate managed to provide full commitment during the entire audit process.
- 2) Top management continuously establishes directions for the middle and upper management to execute in ways to comply with the MSPO management system in future.
- 3) The management is highly committed to comply the MSPO system by adopting continuous improvement programs.
- 4) 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>
22 <sup>nd</sup> November 2019	09:00 – 09:30	Centralize Opening Meeting at Kumpulan Huabok Sdn Bhd – Huabok Jelai Estate: <ul style="list-style-type: none"> <li>• Presentation by the manager/coordinator</li> <li>• Presentation by Lead Auditor.</li> <li>• Confirmation of assessment scope and finalize Audit plan (including stakeholder’s consultation – where applicable).</li> </ul>	SP	SS/RR
	09:30 – 13:00	<b>Kumpulan Huabok Sdn Bhd</b> <ul style="list-style-type: none"> <li>➤ <b>Document Audit:</b> <ul style="list-style-type: none"> <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> </li> </ul>	SP	SS/RR
		<b>Centralize Stakeholder Consultation (Kumpulan Huabok Sdn Bhd - Office)</b>	SP	SS/RR
	13:00 – 14:00	➤ <b>Lunch</b>		
	14:00 – 15:00	➤ <b>Continue document review</b> <ul style="list-style-type: none"> <li>• Fertilizer application record, field spraying record, harvesting record, buffer zone, conservation area documents, agriculture best practices records etc.</li> </ul> ➤ <b>Field Visit / Interview:</b> <ul style="list-style-type: none"> <li>• Fertilizer application, field spraying, harvesting, buffer zone, conservation area, and agriculture best practices etc and interview stakeholders.</li> </ul>	SP	SS/RR
	15:00 – 16:00	➤ Verify any outstanding issues and auditor discussion.	SP	SS/RR
	16:00 – 17:00	<b>Centralize Closing Meeting at Kumpulan Huabok Sdn Bhd – Huabok Jelai Estate</b> <ul style="list-style-type: none"> <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>	SP	SS/RR




## Appendix B: Non-Conformity details

Non-Conformities Identified During This Audit			
<b>Major Nonconformities:</b>		The following NC's raised during this audit.	
<b>Company Name</b>		Kumpulan Huabok Sdn Bhd	
<b>Stage of Audit</b>		Initial Stage 1	<input type="checkbox"/>
		Surveillance	<input type="checkbox"/>
		Initial Stage 2	<input checked="" type="checkbox"/>
		Recertification	<input type="checkbox"/>
<b>Audited Standard</b>		Part 3: General Principles for Oil Palm Plantations and Organized Smallholders	
<b>Client Number</b>		GGC-AH1-MSPO-2019	
<b>NC No. / Ref.</b>	AH1/MSPO/MAJOR/01	<b>Date Detected</b>	22 <sup>nd</sup> November 2019
<b>Site(s) concern</b>	Huabok Jelai Estate	<b>Target Completion</b>	90 days
<b>Normative Reference and Requirement</b>	4.5.2.2 Major The oil palm premises shall estimate the direct usage of non-renewable 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.		
<b>NC Type</b>	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
<b>Description of Non-Conformity</b>	Records was not made available.		
<b>NC Objective Evidence:</b>			
Records on the consumption of non-renewable energy and the baseline values are not available for fuel used by contractors, including all transport and machinery operations during the audit.			
<b>Lead Auditor Signature:</b>		<b>Client Signature:</b>	
			
<b>Root cause Analysis (to be filled by client):</b>			
Diesel consumption from contractor's lorry transporting FFB and the managers truck were not included in the calculation. Since this is the beginning of MSPO Implementation, Kumpulan Huabok was not fully aware of the requirements.			
<b>Corrective action planned (to be filled by client):</b>			
1.0 The sources of diesel consumption were identified as below: Genset, tractor, manager's vehicle and contractor's lorry. 2.0 Please see revised calculated figures and baseline values.			
<b>Preventive Action (to be filled by client):</b>			
1.0 Established worksheet and included all the diesel consumption source (Please see improved worksheet and corrected calculation). 2.0 During internal audit, diesel consumption and baseline will be audited.			


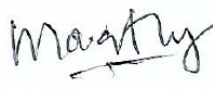
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>	
The findings been verified, all the evidence is sufficient. Sighted Kumpulan Huabok Sdn Bhd – Diesel Consumption on FFB for the year 201, 2018 and 2019. The baseline value was provided with the actual diesel usage per MT FFB and estimated diesel usage per MT FFB. Site visit were not required as all document were submitted and satisfy the needs to close the non-conformity.	
<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Site verification:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Date Verified:</b> 29 <sup>th</sup> November 2019	<b>Lead Auditor Signature:</b> 

<b>Company Name</b>	Kumpulan Huabok 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>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-AH1-MSPO-2019			
<b>NC No. / Ref.</b>	AH1/MSPO/MAJOR/02	<b>Date Detected</b>	22 <sup>nd</sup> November 2019	
<b>Site(s) concern</b>	Huabok Jelai Estate	<b>Target Completion</b>	90 days	
<b>Normative Reference and Requirement</b>	4.5.3.2 Major A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products			
<b>NC Type</b>	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
<b>Description of Non-Conformity</b>	Lubricant oil spillage found during site observation.			
<b>NC Objective Evidence:</b> During the site visit, found out lubricant oil spillage from the generator room. Therefore, clearly indicates Waste Management Plan not implemented effectively as per the control measures in waste management plan and in accordance to Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974.				
<b>Lead Auditor Signature:</b> 	<b>Client Signature:</b> 			
<b>Root cause Analysis (to be filled by client):</b> Excess diesel leakage from the Genset room over flowed. No proper containment was established.				
<b>Corrective action planned (to be filled by client):</b>				



1.0 Outlet pipe from the Genset room is directed into a containment pit with concrete reinforce to prevent secondary leakage. See photo attached.	
2.0 Spill-kit was installed in the genset room to trap spillage.	
<b>Preventive Action (to be filled by client):</b>	
1.0 Genset operator was trained on the new containment method.	
2.0 Weekly inspection on lubricant spillage to be conducted by mandore.	
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>	
The findings been verified, all the evidence is sufficient. Sighted Kumpulan Huabok Sdn Bhd developed new collection pit constructed in concrete and a collect pail installed. Site visit were not required as all document, photographs of development were submitted and satisfy the needs to close the non-conformity.	
<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Site verification:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Date Verified:</b> 29 <sup>th</sup> November 2019	<b>Lead Auditor Signature:</b> 

<b>Minor Nonconformities:</b>	The following NC's were raised for this audit.
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<b>Company Name</b>	Kumpulan Huabok 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>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-AH1-MSPO-2019			
<b>NC No. / Ref.</b>	AH1/MSPO/MINOR/01	<b>Date Detected</b>	22 <sup>nd</sup> November 2019	
<b>Site(s) concern</b>	Huabok Jelai Estate	<b>Target Completion</b>	Next Surveillance audit	
<b>Normative Reference and Requirement</b>	4.6.2.3 Major 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			
<b>NC Type</b>	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
<b>Description of Non-Conformity</b>	Inadequate record made available.			
<b>NC Objective Evidence:</b>				
During audit, crop budget and budgeted continual improvement was made available, however, documentation for the planting material, cost of production, price forecast cost benefit return on investment was inadequate.				

<b>Lead Auditor Signature:</b> 	<b>Client Signature:</b> 
<b>Root cause Analysis (to be filled by client):</b>	
Kumpulan Huabok Sdn Bhd still in the stage of learning pertaining to new MSPO requirement.	
<b>Corrective action planned (to be filled by client):</b>	
1.0 Reviewed budget format and included planting material, cost of production, price forecast and ROI in the annual budget spread sheet.	
<b>Preventive Action (to be filled by client):</b>	
1.0 The revised budget format is updated into the MSPO manual. 2.0 Business plan adequacy to be audited during the annual internal audit.	
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>	
The findings been verified, sighted Kumpulan Huabok Sdn Bhd annual budget from the year 2019 – 2020, which is planned by Mr. Moorthy, Estate Manager and approved by Mr Toh Tau Book, Managing Director. To be verified during annual 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>	<b>Lead Auditor Signature:</b>

<b>Company Name</b>	Kumpulan Huabok 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>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-AH1-MSPO-2019			
<b>NC No. / Ref.</b>	AH1/MSPO/MINOR/02	<b>Date Detected</b>	22 <sup>nd</sup> November 2019	
<b>Site(s) concern</b>	Huabok Jelai Estate	<b>Target Completion</b>	Next Surveillance audit	
<b>Normative Reference and Requirement</b>	4.4.4.2 Minor The occupational safety and health plan shall cover the following: j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.			
<b>NC Type</b>	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
<b>Description of Non-Conformity</b>	Record not sighted.			

<b>NC Objective Evidence:</b>	
As per JKPP 8 – Guidelines on NADOPOD Regulations 2004, under “Peraturan 10, Peraturan Keselamatan dan Kesihatan (Pemberitahuan Kemalangan, Kejadian Berbahaya, Keracunan Pekerjaan dan Penyakit) 2004”, no JKPP 8 form has been submitted.	
<b>Lead Auditor Signature:</b> 	<b>Client Signature:</b> 
<b>Root cause Analysis (to be filled by client):</b>	
Kumpulan Huabok Sdn Bhd is not registered under MyKKP yet.	
<b>Corrective action planned (to be filled by client):</b>	
1.0 Kumpulan Huabok register in the online MyKKP portal. 2.0 Records of accidents will be reviewed quarterly during meeting. 3.0 JKPP 8 form attached to MSPO Procedure.	
<b>Preventive Action (to be filled by client):</b>	
1.0 Review of accident record included as an item in the safety team meeting. 2.0 JKPP 8 records will be audited during the annual internal audit.	
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>	
To be verified during annual 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>	<b>Lead Auditor Signature:</b>
<b>Area of Concern:</b>	No area of concern was raised for this audit.



## Appendix C: List of Stakeholders Contacted

### Attendance List

#### Internal Stakeholders

- 1) Huabok Jelai Estate management team and staff
- 2) Gender Committee Representatives
- 3) Male workers
- 4) Workers Representatives
- 5) Foreign Workers Representatives

#### External Stakeholders

- 1) Felda BK Rotan
- 2) Balai Bomba – Gemencheh
- 3) Balai Polis – Gemencheh
- 4) Indah Water – Seremban
- 5) Jabatan Tenaga Kerja – Kuala Pilah
- 6) JKKP Seremban
- 7) KWSP – Bahau
- 8) MPOB – Seremban
- 9) Klinik Kesihatan Bk Rotan Utara
- 10) THP Gemas Sdn Bhd
- 11) Ladang BK Rokan
- 12) FFB Suppliers
- 13) Local Communities
- 14) Villagers