

**MALAYSIAN SUSTAINABLE PALM OIL
3rd ANNUAL SURVEILLANCE ASSESSMENT (ASA3)
Public Summary Report**

Palmgroup Holdings Sdn Bhd
Client company Address: 25.1-25.2, Level 25, Wisma Sanyan No. 1, Jalan Sanyan 96000 Sibul, Sarawak, Malaysia
Certification Unit: Palmraya Pelita Sikat Plantation Sdn Bhd Palmraya Pelita Sikat Estate Location of Certification Unit: Sg Sikat NCR Oil Palm Plantation Selangau Sibu and Mukah Division Sarawak, Malaysia

Report prepared by:
Muhamad Naqiuddin (Lead Auditor)

Report Number: 3293265

Assessment Conducted by:
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Palmgroup Holdings Sdn Bhd		
Mill/Estate	MPOB License No.	Expiry Date	
	541373002000	31/07/2022	
Address	Sg Sikat NCR Oil Palm Plantation Selangau, Sibul and Mukah Division, Sarawak, Malaysia		
Certification Unit	Palmraya Pelita Sikat Plantation Sdn Bhd Palmraya Pelita Sikat Estate		
Contact Person Name	Raymond Nyian (HQ)		
Website	http://www.mafrica.com.my	E-mail	raymondny@mafrica.com.my
Telephone	+6084353155 +6012 881 0052	Facsimile	+6084332153

1.2 Certification Information			
Certificate Number	MSPO 681081		
Issue Date	02/11/2018	Expiry date	01/11/2023
Scope of Certification	Production of Sustainable Oil Palm Fruits		
Standard	MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Oil Palm Plantations and Organized Smallholders		
Stage 1 Date	15/11/2017		
Stage 2 / Initial Assessment Visit Date (IAV)	21/03/2018		
Continuous Assessment Visit Date (CAV) 1	27/08/2019		
Continuous Assessment Visit Date (CAV) 2	18/08/2020 (remote); 30/09 - 01/10/2020 (onsite)		
Continuous Assessment Visit Date (CAV) 3	11/8/2021 (Fully Remote)		
Continuous Assessment Visit Date (CAV) 4	-		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
N/A	N/A	N/A	N/A

1.3 Location of Certification Unit			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Longitude	Latitude

Palmraya Pelita Sikat Estate	Sg Sikat NCR Oil Palm Plantation Selangau, Sibul and Mukah Division, Sarawak, Malaysia	112.27899	2.66919
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1.4 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Palmraya Pelita Sikat Estate	1,952.96	17.70	165.37	2,136.03	91.12
TOTAL	1,952.96	17.70	165.37	2,136.03	

1.5 Plantings & Cycle

Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Palmraya Pelita Sikat Estate	2.16	12.16	1,940.80	0.00	0.00	1,950.80	2.16
Total (ha)	2.16	12.16	1,940.80	0.00	0.00	1,950.80	2.16

1.6 Certified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Sep 2020 - Oct 2021)	Actual (Aug 2020 - Jul 2021)	Forecast (Sep 2021 - Oct 2022)
Palmraya Pelita Sikat Estate	38,884.00	30,201.13	38,725.80
Total	38,884.00	30,201.13	38,725.80

1.7 Uncertified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Sep 2020 - Oct 2021)	Actual (Aug 2020 - Jul 2021)	Forecast (Sep 2021 - Oct 2022)
N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A

1.8 Certified Tonnage

Mill Capacity: N/A	Estimated (Sep 2020 - Oct 2021)	Actual (Aug 2020 - Jul 2021)	Forecast (Sep 2021 - Oct 2022)
	FFB	FFB	FFB
	38,884.00	30,201.13	38,725.80

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SCC Model: N/A	CPO (OER: %)	CPO (OER: %)	CPO (OER: %)
	N/A	N/A	N/A
	PK (KER: %)	PK (KER: %)	PK (KER: %)
	N/A	N/A	N/A

1.9 Actual Sold Volume (CPO)					
CPO (MT)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
N/A	N/A	N/A	N/A	N/A	N/A

1.10 Actual Sold Volume (PK)					
PK (MT)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
N/A	N/A	N/A	N/A	N/A	N/A

Section 2: Assessment Process

BSI is a leading global provider of management systems assessment and certification, with more than 80,000 certified locations and clients in over 190 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems.

Assessment Methodology, Programme, Site Visits

This remote assessment was conducted from 11/08/2021. The audit programme is included as Section 2.3. The approach to the audit was to treat the Palmraya Pelita Sikat Estate as a MSPO Certification Unit. The remote audit has been conducted using information and communication technologies including Microsoft Teams and WhatsApp. The planned audit objectives have been achieved. There were no connectivity issues which adversely effected the audit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data *MS 2530-3:2013* were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The estates or smallholders sample were determined based on formula $S = r\sqrt{n}$ where n is the number of estates while when applicable, the smallholders sample were determined following the MSPO Certification Requirement. The sampling of smallholders were based on the formula $(r\sqrt{n})$; where r is the risk factor (may defers 1, 1.5 and 2 depending on risk), where n is total number of group members. The sampled smallholder listed in Appendix C.

Meetings by phone call were held with stakeholders to seek their views on the performance of the company with respect to the MSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. No site verification during this assessment because of fully remote audit due to COVID-19 issue and to comply with Movement Control Order. A list of Stakeholders contacted is included as Appendix B.

All the previous nonconformities are remains closed. The assessment findings for the ASA3 are detailed in Section 4.2.

This report is structured to provide a summary of assessment finding as attached in the Section 3. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

This report was externally reviewed by MSPO approved Peer Reviewer prior to certification decision by BSI.

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The following table would be used to identify the locations to be audited each year in the 5 year cycle

Assessment Program					
Name (Mill / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Palmraya Pelita Sikat Estate	√	√	√	√	√

Tentative Date of Next Visit: August 4, 2022 - August 5, 2022

Total No. of Mandays: 4

2.1 BSI Assessment Team

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Muhamad Naquiuddin Mazeli	Team Leader	He hold Bachelor of Science Horticulture, graduated from University Putra Malaysia. He has 11 years working experience in oil palm plantation industry as sustainability team. Joining the sustainability team, he managed, implement and monitors the RSPO, ISCC, MSPO and ISO9001 and ISO 18001 certification requirements for the estates, mills, refineries and Smallholder scheme. He also support in providing training related to RSPO, MSPO and other certifications where applicable to the operations during previous company. He is a trained as Safety and Health Officer, Food Safety System (FSSC and ISO 22000) for Mill and refineries, ISO 9001, ISO 45001 and already attend HCV training with Proforest. During this assessment, he assessed on the aspects of legal, mill best practices, estate best practices, safety and health, environmental and workers and stakeholders consultation. During this audit, he cover Social aspect and stakeholder consultation. Able to speak and understand Bahasa Malaysia and English.
Mohamad Fitri Mustafa	Team Member	Graduate in degree of agribusiness with more than 8 years working experience in various plantation companies and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Involved in ISCC and MSPO auditing since September 2017. Qualified as Lead Auditor/Auditor for MSPO, RSPO and ISO 9001. Completed and certified MSPO Auditor course in 2018 held by SGS (M) Sdn Bhd. Member of BSI MSPO audit team. During this audit, he cover safety and health also environment aspect. Able to speak and understand Bahasa Malaysia and English.

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2.2 Accompanying Persons

No.	Name	Role
	N/A	

2.3 Assessment Plan

The Assessment plan was sent to the client prior to the assessment (attached assessment plan).

Date	Time	Subjects	MNM	MFM
Wednesday, 28/07/2021	10.00 - 10.30	Trial Meeting for Communication test. Communication on document preparation - Audit plan - Any additional Information	Teleconference, Microsoft Team Meeting, Email	
Monday, 9/08/2021	09.00 - 09.30	Opening Meeting: • Opening Presentation by Audit team leader. • Confirmation of assessment scope and finalize Audit plan	Teleconference, Microsoft Team Meeting, Email	
Wednesday, 11/08/2021 Palmraya Pelita Sikat Plantation Sdn Bhd	09.00 - 12.30	Document audit: P1: Management commitment and responsibility P2: Transparency P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition P5: Environment, natural resources, biodiversity and ecosystem services P6: Best practices P7: Development of New Planting (if any)	Teleconference, Microsoft Team Meeting, Email	
	12.30 - 13.30	Lunch	√	
	13.30 - 16.30	Continue with document review (MSP0 Part 3) P1: Management commitment and responsibility P2: Transparency P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition P5: Environment, natural resources, biodiversity and ecosystem services P6: Best practices P7: Development of New Planting (if any)	Teleconference, Microsoft Team Meeting, Email	
	16.30 - 17.00	Preparation of audit report	Teleconference, Microsoft Team Meeting, Email	
	17.00 - 17.30	Closing Meeting	Teleconference, Microsoft Team Meeting, Email	

Section 3: Assessment Findings

3.1 Details of audit results

This assessment has been assessed using the following MSPO normative requirements. The assessment details are provided in Appendix A.

- MSPO MS 2530-2:2013 – General Principles for Independent Smallholders
- MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders
- MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills

3.2 Details of Nonconformities and Opportunity for improvement

During the Annual Surveillance Assessment 3, there were 0 Major & 0 Minor nonconformities raised.

Major/Minor Nonconformities:		
Ref: N/A	Area/Process: N/A	Clause: N/A
	Issue Date: N/A	Due Date: N/A
Requirements:	N/A	
Statement of Nonconformity:	N/A	
Objective Evidence:	N/A	
Corrections:	N/A	
Root cause analysis:	N/A	
Corrective Actions:	N/A	
Assessment Conclusion:	N/A	

Opportunity For Improvement		
Ref: N/A	Area/Process: N/A	Clause: N/A
Objective Evidence:	N/A	

Noteworthy Positive Comments	
1	Good cooperation given by the HQ and site team.
2	Good management system and document retrieval.

3.3 Status of Nonconformities Previously Identified and OFI

Major Nonconformities:																			
Ref: 1963449-202009-M1	Area/Process: Palmraya Pelita Sikat Estate	Clause: 4.4.5.3																	
	Issue Date: 01/10/2020	Due Date: 31/12/2020																	
Requirements:	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.																		
Statement of Nonconformity:	Pay and conditions for harvester working on rest day does not meet Sarawak Labour Ordinance under section 105 (5).																		
Objective Evidence:	<p>Noted that harvesters as follows has been working on their rest day in the month of March, April and May 2020. However, they are not paid double rate as per Sarawak Labor Ordinance under section 105 (5) that stated:</p> <p>"An employee employed on piece rates who works on a rest day shall be paid twice his ordinary rate per piece". Sampled the checkroll and detail payslip for harvesters as follows:</p> <table border="1" data-bbox="448 1003 1428 1301"> <thead> <tr> <th>Employee No.</th> <th>Working on Rest day</th> <th>Paid Rate (Normal Rate/ton)</th> </tr> </thead> <tbody> <tr> <td rowspan="3">JAM-04</td> <td>3/5/2020</td> <td rowspan="3">RM 36.00</td> </tr> <tr> <td>31/5/2020</td> </tr> <tr> <td>21/6/2020</td> </tr> <tr> <td rowspan="3">DAP-01</td> <td>29/3/2020</td> <td rowspan="3">RM 33.00</td> </tr> <tr> <td>3/5/2020</td> </tr> <tr> <td>21/6/2020</td> </tr> <tr> <td rowspan="2">ATE-01</td> <td>3/5/2020</td> <td rowspan="2">RM 33.00</td> </tr> <tr> <td>21/6/2020</td> </tr> </tbody> </table>		Employee No.	Working on Rest day	Paid Rate (Normal Rate/ton)	JAM-04	3/5/2020	RM 36.00	31/5/2020	21/6/2020	DAP-01	29/3/2020	RM 33.00	3/5/2020	21/6/2020	ATE-01	3/5/2020	RM 33.00	21/6/2020
Employee No.	Working on Rest day	Paid Rate (Normal Rate/ton)																	
JAM-04	3/5/2020	RM 36.00																	
	31/5/2020																		
	21/6/2020																		
DAP-01	29/3/2020	RM 33.00																	
	3/5/2020																		
	21/6/2020																		
ATE-01	3/5/2020	RM 33.00																	
	21/6/2020																		
Corrections:	Planned action to remove nonconformity, with deadline:- To pay double rate for rest day work on harvesting and other piece rated activities.																		
Root cause analysis:	Site operation yet fully enforce the requirement because there is no person in charge to do the monitoring activity.																		
Corrective Actions:	Planned action to remove nonconformity, with deadline:- Admin Officer will assist Estate Manager to do the monitoring activity to ensure the requirements is fully enforced.																		
Assessment Conclusion:	<p>Major NC Close out:</p> <p>Evidence sighted as follows:</p> <p>The estate has made payment for the underpaid salary for the sampled workers as payment advice dated 05/11/2020. Reviewed the payment advice as follows:</p> <ol style="list-style-type: none"> 1. PSSB/PE20050041 2. PSSB/PE20060050 3. PSSB/PE20060017 4. PSSB/PE20050051 5. PSSB/PE20040040 6. PSSB/PE20050043 7. PSSB/PE20060051 																		

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	<p>The estate has conducted the staffs meeting on 11/11/2020. In the meeting, the Operation General Manager has reminded the staff to not offer workers to work on Rest day and Public holidays.</p> <p>The evidence submitted were found adequate and effectively implemented. The Major NC was closed on 07/12/2020.</p>
Verification ASA3 Statement	<p>Pay and conditions for daily rated and piece rated workers was meet Sarawak Labour Ordinance. Sample of payslips (March 2020, July 2020 and Oct 2020)/check roll/attendance @ thumb print checked as per below. The thumb print was not use start march previous year due to COVID-19 issue, it replaces with normal attendance. Reviewed the payment advice as follows:-</p> <ul style="list-style-type: none"> • MY00005752 • MY00006636 • MY00005533 • MY00005753 • MY00002331 • MY00000945 • MY00004850 • MY00005756 • MY00001090 <p>Thus this Major NC remained close.</p>

3.4 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1608456-201802-M1	Major	21/03/2018	Closed 21/05/2018
1608456-201802-M2	Major	21/03/2018	Closed 21/05/2018
1608456-201802-M3	Major	21/03/2018	Closed 21/05/2018
1608456-201802-N1	Minor	21/03/2018	Closed 27/08/2019
1817553-201903-N1	Minor	27/08/2019	Closed 07/12/2020
1817553-201903-N2	Minor	27/08/2019	Closed 07/12/2020
1963449-202009-M1	Major	01/10/2020	Closed 07/12/2020

3.5 Issues Raised by Stakeholders

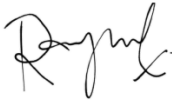

IS #	Description
1	<p>Issues:</p> <p>JCC representative</p> <p>The management was very positive with the any issue been highlight by JCC member and taking action for any complaint and issue been highlight in meeting. No other comment</p> <p>Management Responses:</p>

	The management taken positive comment and continue this best practice.
	Audit Team Findings: No further issue.
2	Issues: Gender representative No record of sexual harassment in estate. No discrimination of management between gender and they were very active in participate if any issue been raised.
	Management Responses: The management taken positive comment and continue this best practice.
	Audit Team Findings: No further issue.

Section 4: Assessment Conclusion and Recommendation

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

Based on the findings during the assessment *Palmraya Pelita Sikat Estate* Certification Unit complies with the **MS 2530-3:2013**. It is recommended that the certification of *Palmraya Pelita Sikat Estate* Certification Unit is approved and/or continued.

Acknowledgement of Assessment Findings	Report Prepared by
Name: Raymond Nyian	Name: Muhamad Naquiuddin Mazeli
Company name: Palmgroup Holdings Sdn Bhd	Company name: BSI Services (M) Sdn Bhd
Title: Manager, Sustainability	Title: Lead Auditor
Signature:  Date: 3/09/2021	Signature:  Date: 30/8/2021

Appendix A: Summary of the findings by Principles and Criteria

MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	Palmgroup Holdings Sdn Bhd has established a policy on sustainable palm oil production. Signed by MD, Mr Tiong Chiong Hee dated 25/3/2019. Refer to MSPO Management Policy and Procedure, PGHSB/SOPP/014/2016(2019-05). The latest briefing to workers was carried out on 7/1/2021.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The established policy has emphasized on the commitment for key legal, social and environmental consideration with the objective of improving the milling and estate operation. Sampling on Continual improvement for social dated 14/7/2021 approved by Kalches Sim (Estate Manager).	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	According to the MSPO Management Policy & Procedure, reference no PGHSB/SOPP/014/2016(2019-05), endorsed by the Managing Director, Mr. Tiong Chiong Hee on 25.09.2019. Stated in the policy that the internal audit shall be conducted minimum once a year or as need arises. Internal audit was conducted on 13-15.07.2021, led by Mr. Raymond Nyian (Sustainability Manager). No non-conformity was raised during the internal audit session.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	The internal audit procedures and audit results were properly kept and maintained. Finding from the internal audit were discussed in the management review meeting conducted on 24.07.2021 and in regular monthly TQM meeting. The minutes were made available to the audit team and verified.	Complied
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	The internal audit report was made available and discussed during the management review meeting on 24.07.2021. The meeting minutes was made available to the audit team.	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	The internal audit report was made available and discussed during the management review meeting on 24.07.2021. The meeting minutes was made available to the audit team.	Complied
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. - Major compliance -	The estate management has developed the continual improvement plan based on the environment, social and opportunity of the company. Sighted the plan are as follow: a. No spray alongside the drain or riverside. b. No rubbish dumping into the drain and waterways. c. Quarterly inspection for buffer zone area. d. Discourage illegal hunting.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		e. To educate and brief the workforce on the important of sustainability.	
4.1.4.2	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. - Major compliance -	The estate management has developed annual training program to improve practices in line with current and new technology or standards. Sighted the annual training program for year 2021.	Complied
4.1.4.3	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. - Major compliance -	Whenever a new information or techniques required a training or briefing to the employees, the estate management will make necessary amendment to the annual training program.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	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. - Major compliance -	Palmraya Pelita Sikat Plantation Sdn Bhd had continued to implement the Communication and Consultation Procedure (version 2) PGHSB/SOPP/001/2015(2019-2) dated 15/4/2019. The procedure describes on the communication with the internal and external stakeholders. Mr John Ling has been appointed as Estate Social Officer (Ref: VSDBS/TQM/Social & Legal/001) which will be responsible in implementation and maintain of Company’s Social issues. The appointment letter dated 31/3/2020 which issued by Estate Manager was sighted. Records of consultation and communication is available in following documents: a. ST 18- Register of Dispute	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		b. ST 19- Monitoring of request c. Complaint/ suggestion record d. Consultation records with community logbook	
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	Palmraya Pelita Sikat Plantation Sdn Bhd holds copies of each of the management documents that were required to be publicly available. Copies of the document such as documents related to environmental and social issues, plans for pollution prevention, records of complaints and grievances were available upon request. The memo regarding to management document be publicly available dated 2/1/2021 was displayed on the information notice board. For external stakeholder, communication will be done by during stakeholder meeting. To internal stakeholder management already conduct the briefing on 19/6/2021 regarding to this memo.	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	Palmraya Pelita Sikat Plantation Sdn Bhd had continued to implement the Communication and Consultation Procedure (version 2) dated 15/4/2019. The procedure describes on the communication with the internal and external stakeholders. Complaint and Grievance Procedures. Refer document no. PGHSB/SOPP/002/2015, ver. 1, date issued: 21/12/2015. No changes from previous audit.	Complied
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	Mr Simeon Ak Mujah has been appointed as Estate Social Officer which will be responsible in implementation and maintain of Company's Social issues. The appointment letter (Ref: PPSPSB/S&L/17-001) dated 4/1/2021 which issued by Estate Manager was sighted.	Complied

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Criterion / Indicator		Assessment Findings	Compliance				
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - Major compliance -	List of external stakeholders was available which included stakeholder from nearby village, contractors, FFB suppliers, government bodies, internal stakeholders. The list was last update on 16/1/2021.	Complied				
Criterion 4.2.3 – Traceability							
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	<p>The group has established a Guidelines on Traceability Procedures of International Sustainability & Carbon Certification (ISCC) to keep track on the traceability aspect. Doc no: PGHSB/SOPP/001.2019(2020-02), version 02, issued on 02.01.2020, prepared by Mr Raymond Nyian (Sustainability Manager). The guidelines were approved by Mr. Tiong Chiong Hee (Managing Director).</p> <p>Estate assistant manager will conduct a daily inspection and spot check to ensure harvesters and mandores entered correct amount of the bunches into the FFB. After delivered the FFB to the mill, the estate will receive a weighbridge ticket which contain the following information.</p> <table border="1"> <tr> <td>FFB Chit</td> <td>Vehicle no Driver's name & IC no Date, time in & out Harvester's name, block and no of bunches Lorry drivers and assistant manager's signature</td> </tr> <tr> <td>Weighbridge Ticket</td> <td>Ticket no, date, time in & out Vehicle's no, driver's name and IC no Location: to and from FFB weight: before and after Authorized by</td> </tr> </table>	FFB Chit	Vehicle no Driver's name & IC no Date, time in & out Harvester's name, block and no of bunches Lorry drivers and assistant manager's signature	Weighbridge Ticket	Ticket no, date, time in & out Vehicle's no, driver's name and IC no Location: to and from FFB weight: before and after Authorized by	Complied
FFB Chit	Vehicle no Driver's name & IC no Date, time in & out Harvester's name, block and no of bunches Lorry drivers and assistant manager's signature						
Weighbridge Ticket	Ticket no, date, time in & out Vehicle's no, driver's name and IC no Location: to and from FFB weight: before and after Authorized by						

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Criterion / Indicator		Assessment Findings	Compliance
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	FFB evacuation and transportation to the mill was conducted on daily and weekly basis. The audit team has reviewed the following documents for verification: a. Management BMP field inspection checklist. b. Weekly traceability inspection and checklist schedule Besides the daily inspection records, the estate management also conducted monthly TQM meeting to ensure the SOP are implemented at the best condition.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The estate management has appointed Ms Jelandang anak Atin on 07/01/2020 and Mr. Immanuel anak Edmund on 01/03/2021 as the traceability coordinator.	Complied
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Records of sales or FFB transportation from the estate to the mill were made available to the audit team. The estate management has taken a good action to keep and maintained the records.	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. - Major compliance -	List of licenses and permits are as follow: 1. "Permit barang kawalan berjadual", ref no: MKH.P0.5/17 (diesel), valid until 24.09.2021. 2. Foodshop license, license no: LB15000OT2017000056, valid until 31.12.2021. 3. MPOB licesne no: 541373002000, valid until 30/07/2021.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>4. "Permit Kerja Lebih Masa", permit no: JTKSWK/HKLM/004/18/Mukah, valid from 21/02/2018.</p> <p>5. "Permit potongan gaji", permit no: JTKSWK/PG/056/18/(Mukah), valid from 07/08/2018.</p>	
4.3.1.2	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>The legal register reference was made available to the audit team. sighted the management has updated the legal register by adding new regulations which coming into force. Some of the list as below:</p> <ol style="list-style-type: none"> 1. Veterinary public health ordinance 1999, (Chapter 32 – Laws of Sarawak). 2. Akta Pencegahan & Pengawalan Penyakit Berjangkit 1988 (Akta 342) 3. Protection of Public Health Ordinance 1999 (Chapter 30 – Laws of Sarawak) 4. Emergency (Essential Powers) Ordinance 2021. 	Complied
4.3.1.3	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- Major compliance -</p>	<p>The estate legal coordinator will monitor the implementation of the legal and update the legal register template, should there be any amendment or new regulations coming into force.</p>	Complied
4.3.1.4	<p>The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>The estate management has appointed Mr Wong Kiung Meng as the Estate Legal Coordinator. The appointment was made on 07/01/2020 and the audit team has verified the appointment letter.</p>	Complied
Criterion 4.3.2 – Lands use rights			

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Criterion / Indicator		Assessment Findings				Compliance
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - Major compliance -	The usage of all land titles area for agriculture purposes and no land encroachment occurs.				Complied
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - Major compliance -	The management Palmraya Pelita Sikat Plantation Sdn Bhd have provided documents to show legal ownership. Sighted during the audit were the title documents issued as summarized below:				Complied
		Grant details	Land size (Ha)	Legal ownership/ Tenure	Land use type	
		Memorandum of consent (MOC), KKT/NCR/97 and JVC agreement dated 24 th October 2005	2,136.03	JVC agreement between with the lease period for 60years until 23 rd October 2065	NCR land Oil Palm Plantation	
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	The legal perimeter boundary markers were clearly demarcated and visibly maintained on the ground as per sample sighted in the field block boundary to stakeholder area as per previous year visit. This year no site visit conducted due to COVID-19 issue. Management also establish the procedure to maintain the peg under Guidelines on Boundary Pegs Establishment and Maintenance Procedures (PGHSB/SOPP/002/2018) ver. 2 dated Jan 2018.				Complied
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).	No any disputes on land ownership as per record dated 12/1/2021 (Ref no: ST07), where in case of any as per record the process will be conducted based on Flow Chart 1: FPIC Process Guide – Title: Identification of Customary Land Rights and Compensation Procedure; Ver. # 1; Ref. # PGHSB/SOPP/005/20151 dated 21/12/2015				Complied

Criterion / Indicator		Assessment Findings	Compliance
- Minor compliance -			
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	There's no land encumbered by customary rights in Palmraya Pelita Sikat Plantation Sdn Bhd, hence this indicator is not applicable.	Complied
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	There's no land encumbered by customary rights in Palmraya Pelita Sikat Plantation Sdn Bhd, hence this indicator is not applicable.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	There's no land encumbered by customary rights in Palmraya Pelita Sikat Plantation Sdn Bhd, hence this indicator is not applicable.	Complied
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	The SIA have been done by Wild Asia dated 21/6/2019 (Project Ref: P438 Palmgroup). Plans and impact assessments relating to environmental and social impacts based on records of following: Internal: Social Impact Assessment (SIA) Mitigation Plan; Version: 1 Raymond/SU; Dated: 31/7/2021; By: Raymond Nyian; updated by; Semeon Mujah. The management establish the guidelines on Social plan dated 14/12/2017. The issue that been highlight in continuous improvement for Social was Social Management System (policies,	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		communication and others), Local community aspect, Traceability & Fair Trade, work condition, living condition and others.	
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	A system for dealing with complaints and grievances established as Complaint and Grievance Procedures; Ref. # PGHSB/SOPP/002/2015; Ver. 1; Date issued: 21/12/2015.	Complied
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance -	Based on sampled "Borang Aduan" and above procedure, the system able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. Sampling as per record dated 16/6/2020 and issue resolved on 23/6/2020. The management also conduct the meeting for tracking the complaint and grievance record that been received by estate by quarterly (3month once) based. The latest meeting was on 19/2/2021.	Complied
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	Any complaints will be reported through official complaint form (formal/informal/sensitive) and will be discussed during meeting. Status of complaints are closed, and resolution of the issues will be informed officially through letter to the said complainants. Latest the estate management using memo media to communicate regarding this procedure dated 31/7/2021.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	It was confirmed that employees and surrounding communities are aware on the complaints and suggestion can be made anytime to the management. The management already conducted the training regarding to complaint and grievances on 4/6/2021 at workers housing area attended by all workers. Verified as per training record.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon	The complaint records are available and recorded since 2016.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	request. - Major compliance -		
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - Minor compliance -	The management has allocated some fund for local contribution and donation. Besides, the estate also made contribution to Longhouse such as to give chicken during Gawai Festival dated 1/6/2021 and also give donation RM 150 to landowner family who pass away dated 16/2/2021. The record was available in estate for review.	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -	Safety & Health Policy was made available to the audit team. The policy was endorsed by Mr. Tiong Chiong Hee (Managing Director) on 01.01.2021. The objective of this policy is to provide a safe and healthy work place according to the requirements in OSH Act 1994 and to ensure all workers are given relevant information, instructions, training and supervision on safety work practices which include avoidance of accidents while discharging their duties. Workplace inspection records for the month of June 2021 were made available to the audit team. It was conducted on 11.06.2021.	Complied
4.4.4.2	The occupational safety and health plan shall cover the following: a) A safety and health policy, which is communicated and implemented. 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:	a) The estate management has established an annual training program for year 2021 which included the safety & health aspect. The management also has communicated the plan and policy to the workforce thru training and morning briefing. b) Risk of all operation was assessed and documented, prepared by Mr. Simeon Mujah on 04.01.2021. 16 risks were identified by the safety coordinator and documented.	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied d) The management shall provide the appropriate 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 meeting 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. 	<ul style="list-style-type: none"> c) Appropriate training related to the exposure of chemical were conducted as per schedule in their annual training program. d) The management has provided PPE for free to the workforce. The workers can change their PPE for free when the existing PPE used were damaged or broken. The PPE issuance record was made available to the audit team and verified. e) The group has established a few procedures to ensure the safe handling of chemicals including the storage and disposal of used chemicals. The procedures are as follow: SSOP: Chemical and Fertilizer Store SSOP: Chemical Mixing Procedure Handling Spills of Hazardous Chemicals Chemicals Spraying f) The estate management has appointed Mr. Simeon Mujah as the Safety & Health Coordinator, dated on 04.01.2021. g) OSH committee has conducted a meeting for year 2021 to discuss pertaining issues related to the safety & health. Among the agendas discussed during the meeting were as follow: <ul style="list-style-type: none"> i. COVID-19 SOP implementation at all workstation. ii. Warning letters for those who failed to comply with the rules outlined by the management. iii. Accident reports. iv. Work station inspection status v. Vaccination process and SOP in the estate vi. Worker's PPE inspection. 	

Criterion / Indicator		Assessment Findings	Compliance
	<p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>h) Training related to the emergency response were conducted by the estate management to the employees besides regular briefing on ERP during the morning muster.</p> <p>i) The company has appointed 3 who has undergone a training with the "Bulan Sabit Merah Malaysia", they are Mr. Simeon Mujah, Mr. Larry Douglas and Ms. Veronica Lamah. Training to the workers was conducted on 08.01.2021.</p> <p>j) Accident records were well maintained and kept. The management review the records during the OSH committee meeting. Sighted the accident records and OHS committee meeting minutes for verification. JKKP 8 form was submitted to the DOSH on 24.01.2021, reference no: JKKP8/79297/2020.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>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.</p> <p>- Major compliance -</p>	<p>The policies on good social practices regarding human rights in respect of industrial harmony for Palmgroup Holdings Sdn Bhd were established as following:</p> <ul style="list-style-type: none"> - Employment Policy; Ref. # PGHSB/SOPP/011/2016; Ver. 01; Date issued: 22/2/2016 - Child Labour Policy; Ref. # PGHSB/SOPP/005/2016; Ver. 02; Date issued: 5/5/2017 - Equal Opportunity Policy; Ref. # PGHSB/SOPP/007/2016; Ver. 02; Date issued: 5/5/2017 - Special Labour and Forced Labour Policy; Ref. # PGHSB/SOPP/008/2017; Ver. 02; Date issued: 5/5/2017 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Freedom of Association & Collective Bargaining Policy; Ref. # PGHSB/SOPP/009/2017; Ver. 02; Date issued: 5/5/2017 - Human Rights Policy; Ref. # PGHSB/SOPP/010/2017; Rev. 02 Date issued: 5/5/2017 - Sexual Harassment Policy; Ref. # PGHSB/SOPP/012/2017; Rev. 02; Date issued: 5/5/2017 - Women Rights Policy; Ref. # PGHSB/SOPP/013/2017; Rev. 02; Date issued: 5/5/2017 	
4.4.5.2	<p>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.</p> <p>- Major compliance -</p>	<p>There are no discriminatory practices in Palmraya Pelita Sikat Plantation Sdn Bhd. The workers were equally treated for male and female and locals and foreign workers. All workers receive free accommodation, electricity, medical and insurance. The management also establish the equality policy dated 22/2/2016 (PGHSB/SOPP/007/2016).</p>	Complied
4.4.5.3	<p>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.</p> <p>- Major compliance -</p>	<p>Pay and conditions for daily rated and piece rated workers was meet Sarawak Labour Ordinance. Sample of payslips (March 2020, July 2020 and Oct 2020)/check roll/attendance @ thumb print checked as per below. The thumb print was not use start march previous year due to COVID-19 issue, it replace with normal attendance.</p> <ul style="list-style-type: none"> • MY00005752 • MY00006636 • MY00005533 • MY00005753 • MY00002331 • MY00000945 • MY00004850 • MY00005756 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • MY00001090 • MY00002306 	
4.4.5.4	<p>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.</p> <p>- Minor compliance -</p>	<p>There are several external contractors' employees involved in direct estate operations i.e. production (harvesting) and maintenance (upkeep, spraying, manuring, etc.). The record showed as per sampling employees of contractors are paid based on legal or industry minimum standards according to Sarawak Labour Ordinance.</p>	Complied
4.4.5.5	<p>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.</p> <p>- Major compliance -</p>	<p>The master list of workers are available containing the worker's name, D.O.B, age, gender, job description, etc. sample as per below showed that all document was available at site:-</p> <ul style="list-style-type: none"> • MY00005752 • MY00006636 • MY00005533 • MY00005753 • MY00002331 • MY00000945 • MY00004850 • MY00005756 • MY00001090 • MY00002306 	Complied
4.4.5.6	<p>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.</p> <p>- Major compliance -</p>	<p>All employees were provided with fair contracts that have been signed by both employee and employer. Copy of contract available ass per sample employment contract file and pay slips verified as per sampled employment contract file:</p> <ul style="list-style-type: none"> • MY00005752 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • MY00006636 • MY00005533 • MY00005753 • MY00002331 • MY00000945 • MY00004850 • MY00005756 • MY00001090 • MY00002306 	
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p> <p>- Major compliance -</p>	<p>Based on the sampled pay slips of workers as above, there is no trace of breach of payment as stipulated in their contract. Interview with workers shows no issue on wages received. During site visit, interview with both local and foreign workers revealed no discrimination on overtime hours as well on wages received for overtime work done. This was also cross checked in their respective pay slips against punch card monthly/daily and daily payroll records sample and no discrepancies found.</p>	Complied
4.4.5.8	<p>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.</p> <p>- Major compliance -</p>	<p>The working hours and break for each individual was available under check roll record. The over time was mutually agreed as per agreement contract between employee and employer and also meet the legal (Sarawak Labour Ordinance). As at current status, there was none has crossed 80 hours of overtime. Verified the pay slips, the payment and calculation of over time well distributed. The overtime rate after 8 hours daily rated is:</p> <p>(upkeep/maintenance/general workers)</p> <p>- Mon - Sat - daily rated / 8 hours x 1.5</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		- Sunday - daily rated / 8 hours x 2.0 - Public holiday - daily rated / 8 hours x 3.0 The payment of overtime was been verified as per payslip and check roll record as per below sampling:- <ul style="list-style-type: none"> • MY00005752 • MY00006636 • MY00005533 • MY00005753 • MY00002331 • MY00000945 • MY00004850 • MY00005756 • MY00001090 • MY00002306 	
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers payslip showed confirm that workers are being paid more than the stipulated minimum wage and that they understand all the deductions being made.	Complied
4.4.5.10	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. - Minor compliance -	For local workers, the incentives for good work performance by giving hampers for general workers during annual dinner and for staff is based on KPI eligible for incentive, bonus payment, professional development for only executive and above, medical care and health provisions are for entire work force including periodical medical surveillance for sprayers.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.4.5.11	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. - Major compliance -	Workers were provided with housing in clean and conducive condition. Progressively old wooden house will be replaced with concrete house as part of continual improvement plan. As minimum, workers housing inspection has been conducted by site safety officer on monthly basis. As for Sarawak, Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) is not applicable. Refer to letter from Labour Department, ref. no.: JTKSWK/DA/(S)18 JLD 3 (27) dated 15/5/18. Sampling on workers housing inspection dated 16/6/2021. The management also establish the scheduled for communal work ensure the workers housing in good condition.	Complied
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	The management established the Sexual Harassment Policy – 5/5/2017 to prevent all forms of sexual harassment and violence at workplace. The training been done by management dated 5/3/2021 to all workers and staff. No record of sexual harassment cases in this estate.	Complied
4.4.5.13	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. - Major compliance -	The management established the Freedom of Association & Collective Bargaining Policy - 009 to facilitate the collective bargaining in accordance with applicable laws and regulations. Sighted the latest JCC meeting for Worker-Management Committee Organization Chart 2021. No changes on committee members the appointment as to date. Latest JCC meeting dated 26/3/2021 was made available for review.	Complied
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult	In-line with the established Child Labour Policy – 005/2016; it was verified during site visit to field and line site, there was no evidence of workers below 18 years old been employed. Workers were also aware	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	supervision, and when not interfering with their education programmes. Children shall not expose to hazardous working conditions. - Major compliance -	of the minimum age policy is being strictly enforced by the management at which the age limit is above 18 years old. No changes from previous audit.	
Criterion 4.4.6: Training and competency			
4.4.6.1	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. - Major compliance -	The estate has established guidelines on training procedure, ref doc no: PGHSB/SOPP/004/2018(2019-02), version 02, released on May 2019. This objective of this guidelines is to ensure all employees are trained and capable carrying out their task and responsibility. Annual training program was made available to the audit team and verified. The estate management has schedule appropriate training for every employee including the executive levels.	Complied
4.4.6.2	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. - Major compliance -	Training needs analysis for each employee has been identified and reflected in their training program.	Complied
4.4.6.3	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. - Minor compliance -	Continuous training program is reflected in their annual training program. The estate management is consistent in giving training to their workers.	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			

Criterion / Indicator		Assessment Findings	Compliance										
Criterion 4.5.1: Environmental Management Plan													
4.5.1.1	<p>An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>The group's environmental policy was made available to the audit team. It was endorsed by Mr. Tiong Chiong Hee (Managing Director) on 21.11.2016. The company has stated their commitment to seek continual improvements in the environmental performance and comply with all environmental legislations, regulations and codes of practice relevant to the plantation industry.</p> <p>Environmental management plan is integrated with their continual improvement plan. The estate management has identified 14 section that might give impact to the environment. Some of the section are as follow:</p> <table border="1"> <thead> <tr> <th>Section</th> <th>Positive Action</th> </tr> </thead> <tbody> <tr> <td>Water Quality Management</td> <td>Avoid spraying alongside the drain No rubbish dumping into the drain and waterways Awareness briefing</td> </tr> <tr> <td>Soil erosion</td> <td>Maintain cover crop, soft grasses of the drains and roads. Proper road design</td> </tr> <tr> <td>Schedule waste</td> <td>To record waste inventory Briefing on handling SW Proper labelling the empty chemical containers</td> </tr> <tr> <td>RTE management</td> <td>Discouraging illegal hunting via training and briefing Use more IPM system</td> </tr> </tbody> </table>	Section	Positive Action	Water Quality Management	Avoid spraying alongside the drain No rubbish dumping into the drain and waterways Awareness briefing	Soil erosion	Maintain cover crop, soft grasses of the drains and roads. Proper road design	Schedule waste	To record waste inventory Briefing on handling SW Proper labelling the empty chemical containers	RTE management	Discouraging illegal hunting via training and briefing Use more IPM system	Complied
Section	Positive Action												
Water Quality Management	Avoid spraying alongside the drain No rubbish dumping into the drain and waterways Awareness briefing												
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RTE management	Discouraging illegal hunting via training and briefing Use more IPM system												

Criterion / Indicator		Assessment Findings	Compliance
		No spraying alongside the drain	
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. <p>- Major compliance -</p>	<p>The environmental management plan has identified 14 impacts and being monitored as per stipulated frequency. The environmental compliance checklist was made available to the audit team and verified.</p> <p>Some area or processing station that were identified are as follow:</p> <ul style="list-style-type: none"> Herbicide spraying Manuring Harvesting & pruning EFB mulching Replanting Triple rinsing Water treatment plant Worker's housing. 	Complied
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p>- Major compliance -</p>	<p>Environment improvement plan to mitigate the negative impact was included in their environmental continual improvement plan. Sighted some of the monitoring conducted by the estate management to ensure the practices are effectively implemented.</p> <ul style="list-style-type: none"> a. To conduct regular inspection on the waste collection. b. Riparian & buffer zone inspection records c. Peat subsidence monitoring records. 	Complied
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p>- Minor compliance -</p>	<p>Program to promote positive impacts were included in the continual improvement plan. Positive action plan was briefed under indicator 4.5.1.1.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives. - Major compliance -	The estate’s workers have undergone series of training in order to ensure the environmental policy to be implemented accordingly. Some of the training sighted as follow: a. 3R awareness training conducted on 30.06.2021. b. MSPO awareness training conducted on 06.02.2021, delivered by Mr. Robson Imang Alendosen. c. Zero burning awareness briefing conducted on 06.02.2021.	Complied
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	Meeting was conducted on need basis to discuss on the environmental issues. Latest meeting was conducted on 08.01.2021, attended by 10 participants. The meeting agenda area as follow: a. Water management b. Peat management c. HCV management d. Line site management e. GHG management f. BMP in field.	Complied
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period. - Major compliance -	Usage of non-renewable energy is monitored on monthly basis. Record on the usage of diesel is available for review and well maintained at the estate office. Data as of June 2021 records that actual fuel consumption at 76,442 litres of diesel and actual FFB production at 12,599.12 Mt. Actual baseline recorded at 6.07 litre/Mt FFB.	Complied

Criterion / Indicator		Assessment Findings	Compliance						
4.5.2.2	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. - Major compliance -	The estate management has estimated the direct usage of non-renewable energy and documented in their estate annual budget. As for year 2021, the estate estimated the fuel consumption at 268,560 litres.	Complied						
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	Not applicable. The estate used genset for electricity supply.	Complied						
Criterion 4.5.3: Waste management and disposal									
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	Waste products has been identified in the Environmental Aspect Impact report and Environmental Continual Improvement Plan. 16 area or processing station has been identified to produce waste (domestic/schedule waste) which are chemical premix store, machinery maintenance, water treatment plan, housing area and etc.	Complied						
4.5.3.2	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 - Major compliance -	Among the action plan documented for the waste management plan are: <table border="1" data-bbox="1095 1070 1917 1332"> <thead> <tr> <th>Waste</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>Domestic Waste</td> <td>Regular inspection Awareness briefing Ensure waste collection on track</td> </tr> <tr> <td>Schedule Waste</td> <td>Proper labelling the designated containers for storage. Engage license contractor to collect schedule waste.</td> </tr> </tbody> </table>	Waste	Action Plan	Domestic Waste	Regular inspection Awareness briefing Ensure waste collection on track	Schedule Waste	Proper labelling the designated containers for storage. Engage license contractor to collect schedule waste.	Complied
Waste	Action Plan								
Domestic Waste	Regular inspection Awareness briefing Ensure waste collection on track								
Schedule Waste	Proper labelling the designated containers for storage. Engage license contractor to collect schedule waste.								

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Criterion / Indicator		Assessment Findings	Compliance
4.5.3.3	<p>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.</p> <p>- Major compliance -</p>	<p>The group developed Schedule Waste Handling Storage Guidance, reference no: PGHSB/SOPP/01/201, version 01, prepared by Agronomic & Sustainability Department, endorsed by the Mr. Tiong Chiong Hee (Managign Director) dated on 21.11.2016.</p> <p>The objective of this procedure is to provide guidance on the implementation of national legislation concerning the handling and storage of scheduled waste. Some of the guidance as follow:</p> <p>Chemical Containers:</p> <ul style="list-style-type: none"> • To assembled at the on-site chemical pre-mixing station upon return of the spraying teams to the facility. • To practices triple rinsing to ensure all chemical residues are removed from the containers. • Triple rinsed containers are punctured at the base to ensure no reuse for domestic water consumption. • Label and placed at the schedule waste storage. • Record the inventory and disposed to the contractors. 	Complied
4.5.3.4	<p>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.</p> <p>- Major compliance -</p>	<p>Inventory records for empty chemical containers were made available to the audit team. The estate management has recorded the units into the Containers Logbook.</p>	Complied
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p>	<p>Domestic waste disposed at Selangau Dumpsite, under the municipal authority.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
- Minor compliance -			
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>The estate management has established GHG Monitoring/Minimization Plan 2021. Among the impact listed under the plan were water management, fire prevention, soil compaction, fertilizer practices, carbon stock and fuel utilization. The management also has relevant action to reduce the impact towards the environment.</p> <p>a. To maintain water level at 40 cm – 70 cm from the ground surface. b. To follow manual for control of fire in peat land area. c. To conserve riparian zone. d. To conduct regular service and maintenance for estate vehicle. e. To place oil tray under vehicle at workshop to avoid from spillage.</p>	Complied
4.5.4.2	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p>- Major compliance -</p>	<p>Plan to reduce identified significant pollutants is documented under GHG Monitoring/Minimizing Plan 2021. Action taken to reduce the pollution is explained under the indicator 4.5.4.1.</p>	Complied
Criterion 4.5.5: Natural water resources			
4.5.5.1	<p>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:</p> <p>a. Assessment of water usage and sources of supply.</p>	<p>Water management plan has been developed with intention to determine the standard for ongoing development and operation of water related activities. The plan focuses on the management of water quality, general water management, water efficient, landscape and emergency management.</p> <p>Water supply for domestic consumption comes from the rainwater. The estate management has provided water tank for the line-site and conducted water treatment twice a year. Latest water quality test was</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	<p>b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</p> <p>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.).</p> <p>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.</p> <p>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p>- Major compliance -</p>	<p>conducted on 12.12.2020 for 4th quarter 2020 (November 2020 – January 2021).</p> <p>The management has established guidelines on riparian protection, reference no: PGHSB/SOPP/003/2015, version 01, endorsed by Managing Director on 21.12.2015.</p> <p>No bore well being used in the estate compound.</p>	
4.5.5.2	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	<p>There is no construction of bunds, weirs and dams across main rivers or waterways passing through GBSE estate.</p>	Complied
4.5.5.3	<p>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).</p> <p>- Minor compliance -</p>	<p>Water harvesting practices was implemented. It was used to harvest rainwater for domestic consumption.</p>	Complied
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.5.6.1 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:</p> <ul style="list-style-type: none"> 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 (<i>e.g.</i> 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. <p>- Major compliance -</p>	<p>The estate management has taken appropriate action to monitor and conserve the environment. Any flora or fauna found roaming in the estate area will be recorded in the RTE Logbook. RTE records were made available to the audit team and verified.</p>	<p>Complied</p>
<p>4.5.6.2 If rare, threatened or endangered species or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <ul style="list-style-type: none"> 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. <p>- Major compliance -</p>	<p>Among the positive action documented in the RTE management plan were no activities to harm the flora fauna, to use more IPM system in the pest & diseases control and to spread awareness to the employees. Related training to discourage illegal hunting has been conducted to the workers on 24.01.2021, delivered by Mr. Simeon Mujah (Senior Assistant Manager)</p>	<p>Complied</p>
<p>4.5.6.3 A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>The estate management has developed Rare, Threatened and Endangered management plan. Among the parameters they monitored were protected species, riparian reserved area, estate compound and signboard/information notice.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.5.7: Zero burning practices			
4.5.7.1	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. - Major compliance -	Not applicable since no replanting program schedule for this estate.	Complied
4.5.7.2	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. - Major compliance -	Not applicable since no replanting program schedule for this estate.	Complied
4.5.7.3	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. - Major compliance -	Not applicable since no replanting program schedule for this estate.	Complied
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	Not applicable since no replanting program schedule for this estate.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	The group has established standard operation procedure and policies in order to ensure the operation conducted in the best management method. The group has 9 Best Management Practices and 15 Policies regarding on the sustainability. Some of the list are as follow:	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Best Management Practices</p> <ul style="list-style-type: none"> a. BMP – Oil Palm Harvesting Practices b. BMP – Termite Control in Oil Palm Plantation c. BMP – Water Management in Peat Soil d. BMP – Oil Palm Nursery Management e. BMP – IPM in Oil Palm Agrotechnology <p>Sustainability Policies</p> <ul style="list-style-type: none"> a. Riparian Protection Policy b. Child Labour Policy c. Water Use Monitoring Policy d. Communication & Consultation Policy e. Human Rights Policy <p>The estate management has developed annual training program and conducted the training or briefing on regular basis. Trainings & briefing records were made available to the audit team and verified.</p> <p>TQM meeting was conducted on monthly basis in order to ensure and monitor the operation procedure. Minute for TQM June meeting was made available to the audit team. Among the agenda discussed during the meeting were manuring reports, fertilizer delivery, pest & disease control, major planting & supplying, FFB production reports, clerical matters and others.</p>	
4.6.1.2	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	The estate was developed on the peat soil series and generally has flat area.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	of surface and groundwater through runoff of either soil, nutrients or chemicals. - Major compliance -		
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Visual identification contains the information such as block no, planted year, hectarage and planting material. Boundary pegs were mark and made visible.	Complied
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	Business management plan was made available to the audit team. attention was given to the FFB projection, capital expenditure, revenue expenditure, mature upkeep, general charges, harvesting FFB, transportation FFB, loading FFB, loose fruit collection and agent fee.	Complied
4.6.2.2	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. - Major compliance -	Not applicable since palm oil age profile are still young.	Complied
4.6.2.3	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 - Major compliance -	Business management plan was made available to the audit team. attention was given to the FFB projection, capital expenditure, revenue expenditure, mature upkeep, general charges, harvesting FFB, transportation FFB, loading FFB, loose fruit collection and agent fee.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.6.2.4	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p>- Major compliance -</p>	<p>The estate management regularly monitored the estate operation by conducting monthly Total Quality Management meeting, attended by the estate executives and field staffs. Meeting minutes were made available to the audit team and verified.</p> <p>TQM meeting was conducted on monthly basis in order to ensure and monitor the operation procedure. Among the agenda discussed during the meeting were manuring reports, fertilizer delivery, pest & disease control, major planting & supplying, FFB production reports, clerical matters and others.</p>	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>There only one contractor in Palmraya Pelita Sikat Plantation Sdn Bhd for FFB transporter and transport gravel. The pricing mechanisms for the products and other services were effectively documented and implemented as per following example:</p> <p>Contract work agreement for FFB transporter and transport gravel, ref. no.: PSSB/NC21010068 dated 1/1/2021 between Palmraya Pelita Sikat Plantation Sdn Bhd and contractor, Aloysius Anak Mee.</p>	Complied
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p>- Major compliance -</p>	<p>Contract work agreement for FFB transporter and transport gravel, ref. no.: PSSB/NC21010068 dated 1/1/2021 between Palmraya Pelita Sikat Plantation Sdn Bhd and contractor, Aloysius Anak Mee. Signature of the manager for estate and contractor evident in the agreement in January 2021. Payment records were found to be prompt and made in timely manner.</p>	Complied
Criterion 4.6.4: Contractor			

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Criterion / Indicator		Assessment Findings	Compliance
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	Refer to harvesting contract for 1 contractor; i) Contract work agreement for Harvesting, ref. no.: PSSB/NC21030004 between Palmraya Pelita Sikat Plantation Sdn Bhd and contractor, Hardika. Signature of the manager for estate and contractor evident in the agreement in 1/3/2021. In the contract already stated regarding MSPO matter, all contractor been brief before sign the contract.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Contract work agreement for Harvesting, ref. no.: PSSB/NC21030004 between Palmraya Pelita Sikat Plantation Sdn Bhd and contractor, Hardika. Signature of the manager for estate and contractor evident in the agreement in 1/3/2021.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	The company has no objection to allow BSI auditors to verify the assessment through physical inspection if required as stated under statutory requirement as per mention in the contract.	Complied
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	Contract work agreement for Harvesting, ref. no.: PSSB/NC21030004 between Palmraya Pelita Sikat Plantation Sdn Bhd and contractor, Hardika. Signature of the manager for estate and contractor evident in the agreement in 1/3/2021. The contractor works has been recorded and approved in work verification @ certificate for payment before payment made by HQ in Sibul.	Complied
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			

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Criterion / Indicator		Assessment Findings	Compliance
4.7.1.1	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. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.1.2	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. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
Criterion 4.7.2: Peat Land			
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations,	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable

Criterion / Indicator		Assessment Findings	Compliance
	via participatory methodology which includes external stakeholders. - Major compliance -		
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.3.4	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. - Minor compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.7.5.2	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. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
Criterion 4.7.6: Customary land			
4.7.6.1	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. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.6.3	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.	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - Minor compliance -	Not applicable because no new development in Palmraya Pelita Sikat Plantation Sdn Bhd.	Not Applicable

Appendix B: List of Stakeholders Contacted

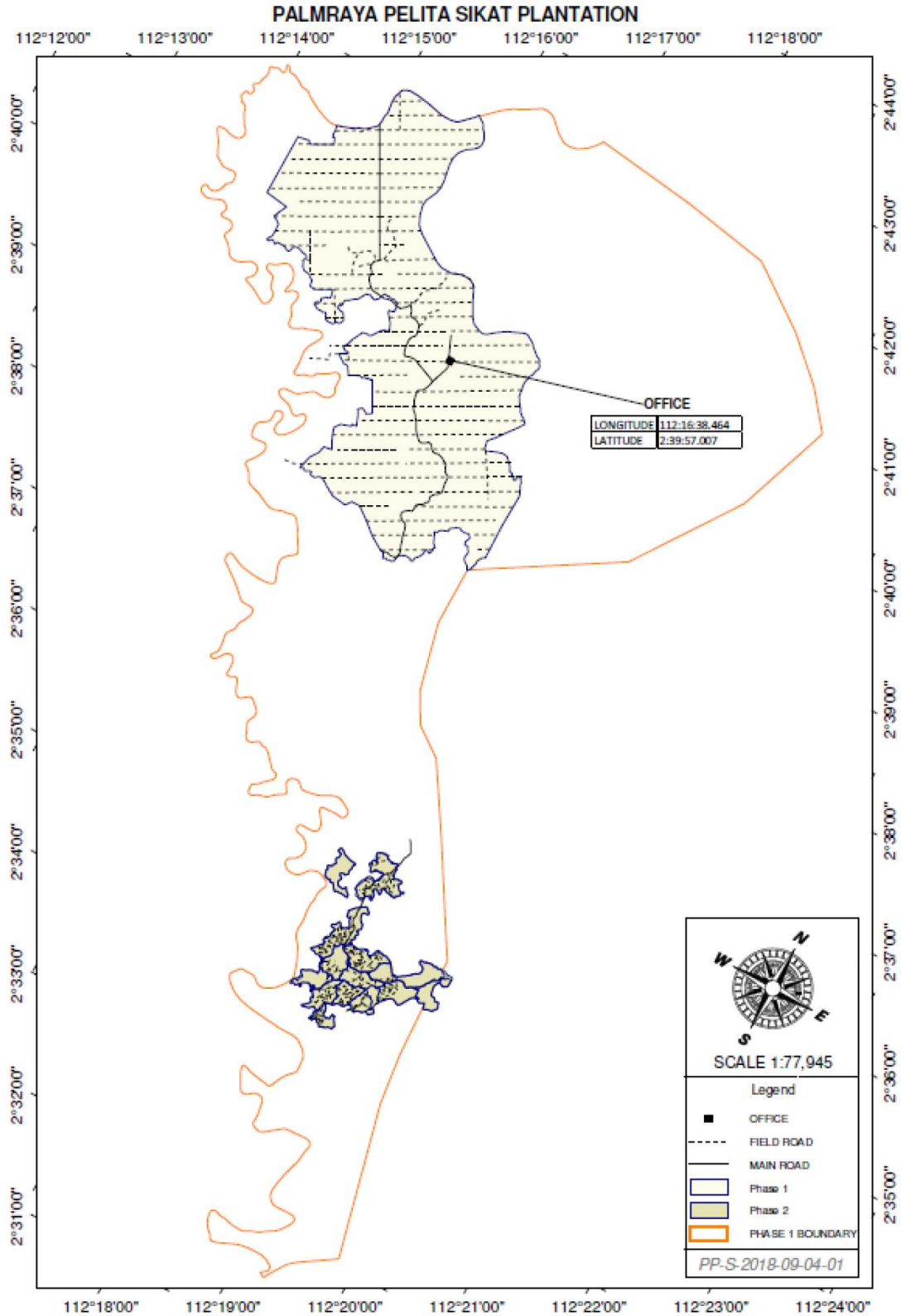
<p>Government Officer: Nil</p>	<p>Community/neighbouring village: Nil</p>
<p>Suppliers/Contractors/Vendors: Nil</p>	<p>Worker’s Representative/Gender Committee: JCC Representative Gender Representative Worker’s representative by nationalities Field workers</p>

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Appendix C: Smallholder Member Details

No.	Smallholder		Location of Planted Area (District)	GPS Coordinates	Certified Area (ha)	Planted Area (ha)
	Name	MPOB License Number				
	N/A					

Appendix D: Location and Field Map



Appendix E: List of Abbreviations

BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MSPO	Malaysian Sustainable Palm Oil
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RTE	Rare, Threatened or Endangered species
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure