

**MALAYSIAN SUSTAINABLE PALM OIL
MSPO OPMC Public Summary Report**

- Initial Assessment
- Annual Surveillance Assessment (4)
- Recertification Assessment (Choose an item.)
- Extension of Scope

KERESA PLANTATIONS SDN BHD
Client Company (HQ) Address: Level 5, Tun Jugah Tower No. 18, Jalan Tunku Abdul Rahman 93100 Kuching, Sarawak, Malaysia
Certification Unit: Sg Kubud Estate
Date of Final Report: 10/5/2023

Report prepared by:
VIJAY KANNA PAKIRISAMY (Lead Auditor)

Report Number: 3717743

Assessment Conducted by:
BSI Services Malaysia Sdn Bhd,
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Keresia Plantations Sdn Bhd		
Estate	Certification Unit	MPOB License No.	Expiry Date
	Sg Kubud Estate	503656102000	29/02/2024
Address	Lot 1, Block 17, Lavang Land District, 97000 Bintulu, Sarawak, Malaysia		
Management Representative	Abdul Aziz bin Zainal Abidin		
Website	www.keresia.com.my	E-mail	aziz@keresia.com.my
Telephone	+6012-8855870 / 874	Facsimile	-

1.2 Certification Information			
Certificate Number	MSPO 702700	Certificate Start Date	17/06/2019
Date of First Certification	17/06/2019	Certificate Expiry Date	16/06/2024
Scope of Certification	<input type="checkbox"/> Mill: Production of Sustainable Palm Oil and Palm Oil Products <input checked="" type="checkbox"/> Estate: Production of Sustainable Oil Palm Fruits		
Visit Objectives	The objective of the assessment was to conduct an annual surveillance assessment 4 and look for positive evidence to ensure that elements of the scope of certification and the requirements of the management standard are effectively addressed by the organization's management system and that the system is demonstrating the ability to support the achievement of statutory, regulatory and contractual requirements and the organization's specified objectives, as applicable with regard to the scope of the management standard, and to confirm the on-going achievement and applicability of the forward strategic plan and where applicable to identify potential areas for improvement of the management system.		
Standard	<input type="checkbox"/> MSPO MS 2530-2:2013 – General Principles for Independent Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders <input type="checkbox"/> MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills		
Stage 1 Date	26/10/2018		
Stage 2 / Initial Assessment Visit Date (IAV)	17 - 18/04/2019		
Continuous Assessment Visit Date (CAV) 1	28/08/2020 (Remote) & 24/09/2020 (Onsite)		
Continuous Assessment Visit Date (CAV) 2	20 - 21/05/2021		
Continuous Assessment Visit Date (CAV) 3	17 - 18/03/2022		
Continuous Assessment Visit Date (CAV) 4	11 - 12/04/2023		

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1.3 Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
-	-	-	-

1.4 Location of Certification Unit			
Name of the Certification Unit (Estate)	Site Address	GPS Reference of the site office	
		Latitude	Longitude
Sg Kubud Estate	Lot 1, Block 17, Lavang Land District, 97000 Bintulu, Sarawak, Malaysia	3° 6' 41.54" N	113° 27' 41.45" E

1.5 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Sg Kubud Estate	3,204.17	125.93	196.00	3,526.10	90.87
Total (ha)	3,204.17	125.93	196.00	3,526.10	

1.6 Plantings & Cycle							
Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Sg Kubud Estate	-	3,204.17	-	-	-	3,204.17	-
Total (ha)	-	3,204.17	-	-	-	3,204.17	-

1.7 Certified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (June 22 - May 23)	Actual (Mar 2022 - Mar 2023)	Forecast (June 23 - May 24)
Sg Kubud Estate	75,000.00	70,693.48	73,000.00
Total (mt)	75,000.00	70,693.48	73,000.00

1.8 Uncertified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (June 22 - May 23)	Actual (Mar 2022 - Mar 2023)	Forecast (June 23 - May 24)
N/A	-	-	-
Total (mt)	-	-	-

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1.9 Certified Tonnage			
Mill Capacity: N/A SCC Model: N/A	Estimated (June 22 - May 23)	Actual (Mar 2022 - Mar 2023)	Forecast (June 23 - May 24)
	FFB	FFB	FFB
	75,000.00	70,693.48	73,000.00
	CPO (OER: %)	CPO (OER: %)	CPO (OER: %)
	N/A	N/A	N/A
	PK (KER: %)	PK (KER: %)	PK (KER: %)
N/A	N/A	N/A	

1.10 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

1.11 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 92,000 certified locations and clients in over 193 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 on-site assessment was conducted from 11/04/2023 – 12/04/2023. The audit programme is included as Section 2.4. The approach to the audit was to treat the estate as a MSPO Certification Unit. 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 Certification Unit were not using MSPO certification marks for any type of on- and off-product communication. The Certification Unit are compliance with the use of the MSPO Logo and related claims.

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 B.

Meetings 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.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.6.

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.

All the previous nonconformities are remains closed. The assessment findings from the initial assessment are detailed in Section 4.2.

This report was externally reviewed by MSPO approved Peer Reviewer prior to certification and recertification decision by BSI. For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

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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 (Plantation)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Sg Kubud Estate	X	X	X	X	X

Tentative Date of Next Visit: April 8, 2024 - April 9, 2024

Total No. of Mandays: 4 Mandays

2.1 BSI Assessment Team

Team Member Name	Role (Team Leader or Team member)	Qualifications (Short description of the team members)
Vijay Kanna Pakirisamy (VKP)	Team Leader	<p>Education: Bachelor’s Degree in Agribusiness Science Management with Honours from University Utara Malaysia in 2010.</p> <p>Work Experience: He gained his working exposure in the plantation sector, serving as an Assistant Manager with KL Kepong and IOI Plantations and as a Sr. Assistant Manager with United Plantations Berhad prior to joining BSI as a Client Manager.</p> <p>Training attended: He has completed ISO IMS 9001, 14001, 45001 (OHS 18001) Lead Auditor Course in November 2019, Endorsed RSPO P&C Lead Auditor Course in October 2019, Endorsed RSPO SCCS Lead Auditor Course in August 2020, Endorsed MSPO Lead Auditor Course in November 2019 and attended SMETA Requirements Training in April 2021.</p> <p>Aspect covered in this audit: During this assessment, he assessed on the aspects of Occupational, Health & Safety, Estate Best Practises, Economic management plan, environmental and biodiversity conservation, Waste management and HCV Management Plans.</p> <p>Language proficiency: He is fluent in English and Bahasa Malaysia languages.</p>
Mohd. Razaleigh Mohamad (MRM)	Team member	<p>Education: Holds a Bachelor Degree in Plantation Management and Agrotechnology, University Technology Mara (UiTM).</p> <p>Work Experience:</p>

		<p>He has 5 years' experience in Oil Palm Estate Management with Tradewinds Plantation Berhad. The last position held was Senior Assistant Manager. He has more than 4 years of experience in Third Party Certification Audit with Control Union (M) Sdn Bhd for RSPO P&C, MSPO P&C and GLOBALG.A.P. IFA Fruits and Vegetables. Qualified as RSPO Lead Auditor and approved to conduct Environmental and Social elements.</p> <p>Training attended:</p> <p>He has completed ISO 9001:2015 Lead Auditor Course, ISO 14001:2015 Lead Auditor Course, ISO 45001:2018 Lead Auditor Course, Endorsed RSPO P&C Lead Auditor Course, Endorsed MSPO P&C Lead Auditor Course, Social Accountability SA8000 Auditor Course, RSPO Independent Smallholder (IHS) Auditor Training.</p> <p>Aspects covered in this audit:</p> <p>During this assessment, he assessed on the aspects of Policy and commitment, Social requirements, contract agreement, human rights, workers' welfare, smallholder welfare, Stakeholder Consultation, Legal Requirements, land & Legal issue and supply chain requirements.</p> <p>Language proficiency:</p> <p>He is fluent in English and Bahasa Malaysia languages.</p>
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2.2 Impartiality and conflict of interest

During this assessment there was no circumstances or pressure that had influenced the independence or confidentiality of the assessment team.

2.3 Accompanying Persons

No.	Name	Role
-	-	-

2.4 Assessment Plan

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

Date	Time	Subjects	VKP	MRM
10/04/2023, Monday	1600	Auditors travel from Kuala Lumpur to Bintulu, Sarawak.	✓	✓
11/04/2023, Tuesday	0900 - 0930	Opening meeting – Opening presentation by audit team leader – Confirmation of assessment scope and finalize audit plan	✓	✓
	0930 - 1230	Sg Kubud Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM	✓	✓

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Date	Time	Subjects	VKP	MRM
		implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Scheduled wastes management, workers housing, clinic, Landfill, etc.		
	1230 - 1330	Lunch break		
	1330 - 1630	Document review P1 – P7 (MSPO Part 3): General Documentation e.g., Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.	✓	✓
	1630 - 1700	Interim closing meeting	✓	✓
12/04/2023, Wednesday	0900 - 1230	Continue document review P1 – P7 (MSPO Part 3): General Documentation e.g., Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.	✓	✓
	1000 - 1200	Stakeholder consultation – Government Agencies, NGO, Surrounding Communities, and Contractors/Vendors.	-	✓
	1230 - 1330	Lunch break		
	1330 - 1630	Continue document review P1 – P7 (MSPO Part 3): General Documentation e.g., Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.	✓	✓
	1600 - 1630	Assessment team discussion and preparation	✓	✓
	1630 - 1700	Closing Meeting	✓	✓
	1930	Audit team travel from Bintulu to Kuala Lumpur	✓	✓

Section 3: Assessment Findings

3.1 Details of audit results

This assessment has been assessed using the following MSP0 normative requirements. The assessment details are provided in Appendix A.

- MSP0 MS 2530-2:2013 – General Principles for Independent Smallholders
- MSP0 MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders
- MSP0 MS 2530-4:2013 – General Principles for Palm Oil Mills

3.2 Details of Nonconformities and Opportunity for improvement

The nonconformity is listed below. The findings summary of the assessment by criteria are listed in Appendix A. During the assessment there were Zero (0) Major & Zero (0) Minor nonconformities and One (1) OFI raised. The below is the summary of the non-conformity and OFI raised during this assessment.

Non-Conformity Report			
NCR Ref #:	N/A	Issue Date:	N/A
Due Date:	N/A	Date of Closure:	N/A
Area/Process:	N/A	Clause & Category: (Major / Minor)	N/A
Clause:	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:	2332692-202304-I1	Clause:	MSP0 2530 Part 3: 4.4.5.12
Area/Process:	Sg Kubud Estate		
Objective Evidence:	The management can further improve the awareness on the Gender Committee functions and Sexual Harassment Grievance Mechanism among female workers including illiterate parties.		

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Noteworthy Positive Comments	
1	Good cooperation given to the audit team during the audit
2	Good positive feedback received from the stakeholders
3	Good implementation of BMP by the management.

3.3 Status of Nonconformities Previously Identified and OFI

Non-Conformity Report			
NCR Ref #:	2179153-202203-N1	Issue Date:	18/03/2022
Due Date:	Next Surveillance	Date of Closure:	12/04/2023
Area/Process:	Sungai Kubud Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.4.2 Minor
Requirements:	The occupational safety and health plan shall cover the following: j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.		
Statement of Nonconformity:	The accident records were not effectively reported in JKKP 8.		
Objective Evidence:	FY 2021, there were 4 accidents with 7 days Lost Time Accidents which were not reported to JKKP 8 submitted to DOSH on 12/01/2022. As per Guidelines on Safety and Health (Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease) Regulations 2004 [NADOPOD] under Chart 1: What an Employer Must Do In The Case Of An Accident, Dangerous Occurrence, Occupational Poisoning Or Occupational Disease stated that for Other injury causing incapacity for less than 5 days, Make and keep record of the accident / dangerous occurrence / occupational poisoning / disease in form JKKP 8.		
Corrections:	Resubmission of the accident records listing for year 2021 to DOSH Head Office.		
Root cause analysis:	Misconception within the Management on the accident reporting.		
Corrective Actions:	Continuously track and record the current accident records and to submit on yearly schedule for JKKP 8 submission.		
Assessment Conclusion:	CAP has been reviewed and satisfied. Effectiveness of the implementation will be review during the next ASA.		
Verification Statement:	Accident records are recorded and maintained in the estate and discussed during the bimonthly held JKKP Meetings. There were 10 accidents reported for the year 2022 totalling to 52 days of LTA in the estate. Sighted the JKKP 8 form submission to JKKP for the year 2022 as well. All accidents were verified to have been reported via the respective JKKP 6 and JKKP 8 forms via mykkp to DOSH. Hence, the minor non-conformity is effectively closed.		

Opportunity For Improvement			
Ref:	2179153-202203-I1	Clause:	MSPO 2530 Part 3: 4.3.1.1
Area/Process:	Sg. Kubud Estate		

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Objective Evidence:	Monitoring by the estate management to contractor, supplier, canteen can be further improved to ensure compliance to legal requirement.
Verification Statement:	Monitoring for compliance of legal requirement has been done during pricing monitoring for sundry store has been done every 3 months by comparing pricing from 2 different sundry store. Latest conducted in December 2022 and March 2023. While for contractor, it has been monitored through due diligence that has been conducted on monthly basis. Sample of compliance taken by auditor based on employment contract and pay slips of contractor’s workers which are PNS Jaya Sdn Bhd for FFB transport and there is evidence that the management ensure that all contractors` workers has been paid according to legal requirement. Sample has been taken for 3 contractors’ workers for salary January 2023 and March 2023.

Opportunity For Improvement			
Ref:	2179153-202203-I2	Clause:	MSPO 2530 Part 3: 4.4.5.7
Area/Process:	Sg Kubud Estate		
Objective Evidence:	Time recording systems for all workers can be further improve by looking into the effectiveness of the monitoring system by the management itself.		
Verification Statement:	Pocket checkroll book has been utilized as part of mechanism to monitor time working hours in Sungai Kubud Estate where total working hours is 8 hours with additional 30 minutes of rest time. While for overtime, there is overtime request form that need to be submitted to assistant manager for approval in daily basis. It has been confirmed that records of overtime and pocket checkroll have been made available for review to the workers as per interview.		

3.4 Summary of the Nonconformities and Status

CAR Ref.	Clause & Category (Major / Minor)	Issued Date	Status & Date (Closure)
1767946-201903-M1	4.5.6.3 Part 3 Major	18/4/2019	Closed on 17/6/2019
1767946-201903-M2	4.4.4.2 (d)&(e) Part 3 Major	18/4/2019	Closed on 17/6/2019
1767946-201903-M3	4.6.1.1 Part 3 Major	18/4/2019	Closed on 17/6/2019
1767946-201903-M4	4.3.1.1 Part 3 Major	18/4/2019	Closed on 17/6/2019
1767946-201903-M5	4.4.2.2 Part 3 Major	18/4/2019	Closed on 17/6/2019
2059467-202105-N1	4.3.1.3 Part 3 Minor	21/05/2021	Closed on 17/03/2022
2059467-202105-N2	4.4.5.4 Part 3 Minor	21/05/2021	Closed on 17/03/2022
2179153-202203-N1	4.4.4.2 Part 3 Minor	17/03/2022	Closed on 12/04/2022

3.5 Issues Raised by Stakeholders

IS #	Description
1	Issues: Head village Iba, Tuai Rumah Iba

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	<p>Local communities have been interviewed through phone call due to distance of the Kampung from estates. As per interview, it has been confirmed that, there is no activities/operations in the estates that affect the livelihood of the local communities negatively in term of social, environment and safety. Sungai Kubud Estate leased Native Customary Right (NCR) land and Longhouse Iba is one of the villages that included in the project cooperation with Keresia Plantations Sdn Bhd for oil palm planting. As per interviewed, Tr Iba agreed that consultation process has been done and compensation agreed as part of process during leasing process. He agreed that confirmation and agreement has been done for individual landowner. Payment of compensation has been done on monthly basis through online transfer. Good relationship has been maintained and they have been invited for stakeholders' consultations. Communication of the policy and procedure has been done and they can demonstrate their understanding on the policy and procedure.</p> <p>Management Responses: The management is committed to communicate procedure/policies and maintain good relationships with local communities. Any dispute regards to land will be handle by the management through consultations.</p> <p>Audit Team Findings: No further verification required.</p>
<p>2</p>	<p>Issues: Female Workers Several female workers have been interviewed during the audit verify compliance to MSPO requirement. As per interview, it has been confirmed that all female workers have been paid equally with other men workers according to contract agreement and Minimum Wages Order 2022 which is RM1500,00/month or RM57.70/days. There are no cases of harassment happen at the workplace and all female workers aware with mechanism to report if there are any cases. All female workers have been invited to gender committee meeting that will be conducted 6 months once as one of the mechanisms to communicate policy and procedure and to make any report for any harassment. It also has been confirmed that there is no discrimination to female workers where all female workers have been treated equally.</p> <p>Management Responses: Noted with the responses. The management is committed to provided safe workplaces for all workers including female workers and will try to improve the systems where there is any opportunities. No further verification required.</p> <p>Audit Team Findings: No further verification required</p>
<p>3</p>	<p>Issues: Headmaster SK Labang SK Labang located around 25km from Sungai Kubud Estate and kids travel by van to school that has been provided the management. He also mentioned good relationship has been maintained between both parties and he also mentioned that he aware about consultation and communication procedure and know who need to be contacted for any communication/consultation. He also hopes that there will be activities together with Sungai Kubud Estate and school.</p> <p>Management Responses: The management noted with the comment and committed to maintain good relationship with the school and will try to identify any potential contribution to school. Any activities will be planned in early year 2023. No further verification required</p> <p>Audit Team Findings: No further verification required</p>
<p>4</p>	<p>Issues: Kedai Runcit Iba</p>

	<p>The sundry shop has been doing business in Sungai Kubud Estate for more than 10 years as per interview, the shops operate by their family. All things have been purchased from Sebauh town with additional price for transporting cost and profit. There are no issues with the estate management where the management has maintained good relationship with the external stakeholder. Sundry shop owner said that he is aware about complaint procedure, consultation and communication procedure and other policies that has been established.</p> <p>Management Responses: The management is committed to communicate procedure/policies and maintain good relationships with the contracted parties.</p> <p>Audit Team Findings: No further verification required</p>
5	<p>Issues: Yun Hoo Sdn Bhd (FFB Transport Contractor) Based on interview, the contractor agreed good relationship has been established between management and contractors. The contractor also mentioned that the payment paid within 30 days as per terms and conditions through bank transaction. Contractor was being briefed regarding MSPO during stakeholders meeting and can demonstrate his understanding on MSPO requirement. All workers recruited is local workers and SOCSO and EPF contribution made by the contractors itself. The contractor also agreed that agreement provided is fair and transparent.</p> <p>Management Responses: The estate management noted with the comment and will try to improve communication and relationship with all contractors. Payment for contractor will be made by Region Office and all documents for payment prepared by the estate.</p> <p>Audit Team Findings: No further verification required</p>
6	<p>Issues: Jendela Padu It has been confirmed that clear demarcation has been established by both parties within the boundaries and there are no issues of overplanting, boundaries. Other than, the management of both parties cooperate to maintain the condition of boundaries. Good relationship has been maintained between both parties where often communication/meeting has been done.</p> <p>Management Responses: Further verification has been done and agreed that boundaries has been maintained and clearly demarcated. The management is committed to communicate procedure/policies and maintain good relationships with the neighbouring estates.</p> <p>Audit Team Findings: No further verification required</p>



3.6 List of Stakeholders Contacted

<p>Government Officer:</p> <ol style="list-style-type: none"> SK Labang 	<p>Community/neighbouring village:</p> <ol style="list-style-type: none"> Head village Iba, Tuai Rumah Iba Jendela Padu Sdn Bhd
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Suppliers/Contractors/Vendors: 1. Yun Hoo Sdn Bhd (FFB Transport Contractor) 2. Kedai Runcit Iba	Worker’s Representative/Gender Committee: 1. Female workers
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Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment Sg Kubud Estate Certification Unit complies with the MS 2530-3:2013 . It is recommended that the certification of Sg Kubud Estate Certification Unit is approved and continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: ABDUL AZIZ BIN ZAINAL ABIDIN	Name: VIJAY KANNA PAKIRISAMY
Company name: KERESA PLANTATIONS SDN BHD	Company name: BSI SERVICES (MALAYSIA) SDN BHD
Title: DEPUTY GENERAL MANAGER - PLANTATION & MILL	Title: CLIENT MANAGER
Signature: 	Signature: 
Date: 27/04/2023	Date: 17/04/2023

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 -	Keresa Plantations Sdn Bhd has established policy for implementation of sustainability standard including MSPO in the document "Sustainability Palm Oil Production Policy that has been signed by managing director, Mr Graeme Iain Brown revision on 09/12/2021 version 01 and other than that there is specific policy for implementation of MSPO in the document title MSPO Implementation commitment signed by Senior Group General manager in April 2015.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	Verified that the policy emphasized on the commitment to continual improvement as the following: "Our commitment to sustainability is our ongoing journey with no finishing line."	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 -	The MSPO Internal Audit Procedure (KERESA/MSPO/QP-10; Rev 3; Revision date: 01/09/2020) has been established. The procedure states that the internal audit shall be conducted to ensure that the implementation of the Company's Management System is in line with the defined policies, objectives, procedures and other applicable requirements. The procedure states the frequency of the audit is to be carried out at least once every year.	Complied

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		<p>As per the MSPO Internal Audit Procedure, Keresa Plantations Sdn Bhd have conducted MSPO internal audit for Sg Kubud Estate on a yearly basis. The details of the Internal Audit are as below.</p> <p>Sg Kubud Estate conducted the Internal Audit on 23/02/2022. The audit summary findings indicated that there were 1 Major and 1 Minor finding raised on MSPO requirements. Lead auditor was Ms. Julia Andrew with 5 team members.</p>	
4.1.2.2	<p>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.</p> <p>- Major compliance -</p>	<p>The MSPO Internal Audit Procedure (KERESA/MSPO/QP-10; Rev 3; Revision date: 01/09/2020) has been established. The procedure states that the internal audit shall be conducted to ensure that the implementation of the Company's Management System is in line with the defined policies, objectives, procedures and other applicable requirements. The procedure states the frequency of the audit is to be carried out at least once every year</p> <p>As per the MSPO Internal Audit Procedure, Keresa Plantations Sdn Bhd have conducted MSPO internal audit for Sg Kubud Estate on a yearly basis. The details of the Internal Audit are as below.</p> <p>Sg Kubud Estate conducted the Internal Audit on 23/02/2022. The audit summary findings indicated that there were 1 Major and 1 Minor finding raised on MSPO requirements. Lead auditor was Ms. Julia Andrew with 5 team members. The root cause and corrective action plans have been established by the estate and implemented. The raised non-conformity has been effectively closed and verified by the internal audit team.</p>	Complied
4.1.2.3	<p>Report shall be made available to the management for their review.</p> <p>- Major compliance -</p>	<p>The MSPO Internal Audit Procedure (KERESA/MSPO/QP-10; Rev 3; Revision date: 01/09/2020) states that the internal audit report is to be provided to the auditee during the closing meeting or within 2</p>	Complied

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		weeks of the date the audit is conducted. The MSPO Internal Audit Report was available at the estate for verification.	
Criterion 4.1.3 – Management Review			
4.1.3.1	<p>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.</p> <p>- Major compliance -</p>	<p>The Management Review Procedure (First Editions; Version 2.0) dated January 2020 was established. MSPO Management Review was conducted for Sg Kubud Estate on 17/03/2023. The management review minutes meeting was available for verification. The meeting mainly discussed on the Internal Audit that had just been conducted in both the estates. Among agenda discussed were:</p> <ol style="list-style-type: none"> 1. Welcome speech 2. Review Input: Follow up action from previous management review 3. Internal audit & External audit 4. Customer and stakeholder feedbacks: Complaint & grievances 5. Process performance & product conformity 6. Status of corrections and corrective action 7. Changes that could affect MSPO and MSPO SCCS System 8. MSPO Policy 9. Other matters or recommendation for improvement 10. Review output 11. Closing 	Complied

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p> <p>- Major compliance -</p>	<p>Keresa Plantations Sdn Bhd have developed a Continuous Improvement Plan (Update 10/01/2023). Among the improvements that have been identified are:</p> <ol style="list-style-type: none"> 1. Economic Values: Better Management Systems. <ul style="list-style-type: none"> • Maintain documentation register & updates. • Plantation records register & updates • Monthly workplace inspections • Action requests systems introduced • Review if records & documentation • Training needs pilot system 2. Social Values: Healthy & Safety at Workplace <ul style="list-style-type: none"> • OSH site audit & workplace assessment • OSH policy and implementation • List of major infra works to improve OSH compliance • OSH Training: Chemical Handling, Safe Harvesting Practices & Emergency Response Plan. • Noise Risk Assessment • Chemical Exposure Monitoring 3. Environmental Values: Control of Pollution & Significant Impacts on Environment <ul style="list-style-type: none"> • Waste management guidelines & Implementation • Water Quality 	<p>Complied</p>

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		<ul style="list-style-type: none"> • Environmental & Biodiversity review – HCV Reassessment • Buffer Zone & Riparian demarcation guidelines & implementation. <p>4. Social Values: Core Labour Standards</p> <ul style="list-style-type: none"> • Social Policies drafted & circulated grievance procedure, equal rights, OSH, Environment, FOA, JCC, Sexual Harassment, OSH & Grievance Procedures. • Training and re-training on social policies: sexual harassment, OSH & Grievance Procedures. • Annual Consultation with workers/staffs. • Monthly dialogue with representative workers. <p>5. Community: Action Plan</p> <ul style="list-style-type: none"> • Improving recording of benefits/ investment in community. • Social Engagement Programme • Corporate Social Responsibility 	
4.1.4.2	<p>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.</p> <p>- Major compliance -</p>	<p>This is being made upon confirmation of any new projects. Employees were briefed of any new development in basic understanding during the weekly briefings. The management team will be informed of such development during the monthly management meetings. Dissemination of information by the General Manager are transacted during the monthly Managers meetings and emails.</p>	Complied
4.1.4.3	<p>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.</p> <p>- Major compliance -</p>	<p>Where introduction of new machines and new work method, all level of employees will be trained to handle /implement the new techniques and work changes. Monitoring is made by the Estate Managers and Assistants throughout the on-the-job training and familiarization.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance	
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 -	Records of information request has been maintained in the document title "Records of request" by the management. Sample has been taken by the auditor for information request by MPOB on monthly seedling records and from IXX SXXX MXXXXXXXXX for MPOB nursery licences. It has been confirmed through interview with stakeholders, that information has been provide appropriate languages by the management of Sungai Kubud Estate.	Complied
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 -	Internal memo has been disseminated to all executive, staff, workers and stakeholders dated 01/01/2020 where has out line list of documents that has been made publicly available such as land title, OSH plan, complaint and grievance records and company policy. The memo has been signed by Mr A.K Kumaran, General Manager for estate and mill Keresas Group.	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 -	Keresas Plantations Sdn. Bhd. have established Procedures for Communication of Social Policies (Chapter 3, Reference No: SOC 3.1, Date issue: Dec 2009, Version 1) and Complaints & Grievances Procedure (Reference No: SOC 3.2, Version 1) that define the responsibilities and actions required for receiving, recording, and responding to enquiries and requests from internal and external stakeholders. The procedure outlines the process of communication on the social policies, lodging grievances and monitoring implementation. The	Complied

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		<p>Standard Operating Procedure has identified mechanisms for consultation and communication with the relevant stakeholders.</p> <p>Sg. Kubud Estate have implemented the "Communication and Consultation Management Guidelines" as evidenced by the maintenance of filing systems for recording written requests for assistance and information. Sighted the file for Workers Complaints available at the estates.</p> <p>The Estate has shown a good communication, by publishing the flow chart of Procedure "Pengurusan Aduan Pekerja/Stakeholder" at the notice board in front of estate office and housing complex. The feedback can be forwarded to the estate management or to Suggestion Box located at the muster ground and office.</p>	
4.2.2.2	<p>A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.</p> <p>- Minor compliance -</p>	<p>Ms Suzella Demie AK Lawrence has been appointed by the management as social management representative base on the appointment letter dated 02/04/2021. Outline in the appointment letter that she is responsible to ensure that all process related to social system is established, implement, and maintain and to liaise with external parties on matters to social issues. Appointment letter has been signed by Mr Abdul Aziz Zainal Abidin as Deputy General Manager.</p>	Complied
4.2.2.3	<p>List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.</p> <p>- Major compliance -</p>	<p>List of stakeholders has been established by the management of Sungai Kubud Estate and has been documented in the document title "Stakeholder register" Stakeholders has been classified into 3 different categories which are internal stakeholders, local communities, and contractor. Sighted in the map title "Locality map showing other plantations and small holder surrounding Sungai Kubud Estate" that the estate has been surrounded by different plantations and smallholder (SOP Sebaju, GP Pusaka and Jendela Padu).</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 -	SOP on Traceability of FFB Production (Doc Number: SOP/ISCC/KPSB/EST 1) was established dated 01/03/2011, reviewed on 25/10/2019. Sg Kubud Estate sends their FFB to Keresu POM. Weighbridge tickets were available for verification and maintained for traceability of all FFBs sent to the mill. Weighbridge tickets were sampled for the estate.	Complied
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Traceability Audit was carried out on monthly basis by the Sustainability Department at the mill. Regular Inspections are done to ensure the traceability system is well implemented. The details of the records include Block No, FFB Driver Daily Collection (Bunch), Average Bunch Weight, Total Weight and division which show the traceability from estate field to the mill. Sighted the traceability audit report for both estates dated 28/02/2023.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The management has appointed Ms. Alicesa Anak Ramba (Sustainability & Compliance Executive) as the Traceability Representative for the estates as stated in the appointment letter dated 02/04/2021 undersigned by the Deputy General Manager.	Complied
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Delivery of FFB from Sg Kubud Estate from field to Keresu POM was monitored closely by the Estate Management. Sighted the records of delivery or transportation of FFB. These records are maintained, and the documents are kept by the estate and mill. 1. From: Sg Kubud Estate 2. Date: 09/01/2023 3. Product: FFB	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		4. Ticket no: 19101 5. Nett Weight: 11,690 KG 6. Vehicle no: SB 3161 E 7. MSPO Cert No: MSPO 702700 8. Expiry date: 16/06/2024	
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 -	The estate has maintained the systems for documentation, checking and assessment of legal compliance with applicable laws and regulations. Sample of permit and license reviewed as follows: 1. MPOB Licenses - licenses number 503656102000 expired on 29/02/2024. 2. MPOB Licenses (Nursery) - 5160011000 expired on 31/10/2023 3. Business Licenses – License Number: 1178555; Issuance on 07/03/2023 4. Suruhanjaya Syarikat Malaysia issuance on 03/01/2006 5. Diesel Permit for 10,000liter for period 14/07/2021 until 13/07/2023 reference number BTU.P.02/2020 (D) 6. Storage Of Petrol License number SPL000005 expired on 31/12/2023	Complied

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4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register. - Major compliance -	Legal requirements register updated in the "Legal requirement of Keresa Plantations Sdn Bhd- Sungai Kubud Estate and latest update is on 06/04/2023.	Complied
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. - Major compliance -	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. Evaluation and tracking for any changes of new requirement will be done 3 months once by sustainability and certification department and latest evaluation has been conducted on 06/01/2023 and 06/04/2023. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations. Tracking system on any changes in the law been well implemented.	Complied
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements. - Minor compliance -	The management has appointed Pn Julia AK Andrew Kere as the Legal Representative as per appointment letter dated 02/04/2021. Among the responsibility as follows: 1. Ensuring that processes needed for the legal system were established, implemented, and maintained. 2. Reporting to top management on the performance of the legal system and any need of improvement 3. Ensuring the promotion of awareness of legal requirement throughout organization 4. Liaison with external parties on matters to the legal system.	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.	There is evidence that the management of Sungai Kubud Estate did not diminish the land use rights of others user through the oil palm	Complied

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	- Major compliance -	cultivation activities which can be sighted through the land lease agreement between Keresia Plantations Sdn Bhd and 3 local communities RH Iba, Rh Linus and Rh Buyong under the cooperation between Keresia Plantations Sdn Bhd for oil palm plantations planting which consist of 3,204.17Ha.	
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 -	Land for Sungai Kubud Estate has been leased from local communities under customary right land for 3 villages which are RH Iba, Rh Linus and Rh Buyong. The development has been divided into 6 different phase (1A, 1B, 2A, 2B, 3A and 3B) which commence in 2012 for total 3024.17Ha. Lease agreement for all 3 villages sighted in the document memorandum of agreement dated 06/08/2012 and there is also individual agreement in the document "Sijil Pemilikan Tanah Bagi Projek Usahasama dengan Keresia Plantations Sdn Bhd bagi Projek penanaman Kelapa Sawit" that has been signed by landowner, representative from Keresia Plantations Sdn Bhd, representative from long house and Sebauh district office.	Complied
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Legal perimeter boundary has been maintained by the management. During the site visit to field SK1319 of Sg Kubud Estate, G.P Pesaka (Paper Wood Plantation), it was verified that there were boundary packs (Red Poled) available along the perimeter boundary. There was no evidence of plantings beyond the perimeter boundary as verified during the site visit.	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).	As per interview with head of village, there is no disputes from the landowners and legal acquisition verified based on memorandum of agreement and "Sijil Pemilikan Tanah Bagi Projek Usahasama dengan Keresia Plantations Sdn Bhd bagi Projek penanaman Kelapa Sawit". Compensation has been paid as per agreement with total of	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	RM0.50/palm and summary sighted in the document "landowner lot survey".	
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 -	Total 3,204.17Ha of land area is Native Customary Right (NCR) customary right land owned by 3 villages (RH Iba, Rh Linus and Rh Buyong). Memorandum of agreement and "Sijil Pemilikan Tanah Bagi Projek Usahasama dengan Keresia Plantations Sdn Bhd bagi Projek penanaman Kelapa Sawit". As per interview with head of village, there is evidence that right of landowner has not been threatened and payment has been made on RM0.50/palm as per agreement. Sample has been taken for January 2023 for payment smallholder under phase 1A payment advise number 2301xxxxxxx.	Complied
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	Maps of the area of estate has been clearly established and documented in the maps title "Land situated at Sungai Sejan Kubud, Bintulu misc plan number CMAPS2015133_C dated 09/09/2015.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	Total 3,204.17Ha of land area is Native Customary Right (NCR) customary right land owned by 3 villages (RH Iba, Rh Linus and Rh Buyong). Memorandum of agreement and "Sijil Pemilikan Tanah Bagi Projek Usahasama dengan Keresia Plantations Sdn Bhd bagi Projek penanaman Kelapa Sawit". As per interview with head of village, there is evidence that right of landowner has not been threatened and payment has been made on RM0.50/palm as per agreement. Sample has been taken for January 2023 for payment smallholder under phase 1A payment advise number 2301xxxxxxx.	Complied
4.4 Principle 4: Social responsibility, health, safety and employment condition			

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	<p>Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.</p> <p>- Minor compliance –</p>	<p>Social impact assessment for smallholders has been conducted by Sustainability and certification department, Keresa Plantations Sdn. Bhd for period August 2022 which has been done based on smallholder`s satisfaction survey for 4 different smallholders/longhouse (Rh Majang, Rh Ticho, Rh Buyong and Rh Iba). The assessment has been conducted on 4 different date which are on 25/05/2022, 15/07/2022, 24/08/2022 and 29/08/2022 with total sample size of 46 persons form different long house, genders, and marital status. Outcome of the assessment has been classified into 3 categories which are social and communication provision, economic and environmental, safety and & health. From the assessment, all 3 categories have achieved marks above 75% which is satisfactory line that has been established by the management and there is no negative impact has been identified during the assessment. There are 2 requests from the smallholders for road repairs and best management practices training from Rh Buyong. The report has been prepared by Suzella Demie Lawrence.</p> <p>Social management plan has been established and both positive/negative impact identified and documented in the document "Social impact assessment and management plan year 2022/2023" which latest updated on 01/03/2023. Based on the report, there several negative impact that has been identified which are regards to prices of the goods sell at sundry shops is much more expensive comparing to price at town, workers requesting for recreational activities, road repairs for roads to long house local communities and FFB grading training.</p>	<p>Complied</p>

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		<p>Implementation of the corrective/mitigation negative impact has been verified by auditor</p> <ul style="list-style-type: none"> a. Pricing monitoring has been done every 3 months by comparing pricing from 2 different sundry store. Latest conducted in December 2022 and March 2023 b. Recreational activities which included workers, kids have been conducted on 28/08/2022 during Malaysia Independence Day celebration. Football tournament for male workers, volleyball for female workers c. Complaint of damage roads to longhouse by local communities on 20/03/2023 and 14/02/2023 and complaint resolve on 28/03/2023 and 22/02/2022. It has been verified trough photo of road repairs that has been done and site visit by the auditor itself. <p>As per verification, the management of Sungai Kubud Estate, also promoted positive impacts such as providing better benefits/accommodations to all workers, establishing good relationship between workers and management, 24/7 electricity/water supply, providing childcare/creche/CLC for parents.</p>	
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>Complaint procedure has been established by the management in the document title "Chapter 3," Prosedur Aduan & Ketidakpuasan Hati" Complaint and Grievances Procedure" reference number SOC 3.2 revised on October 2021. Stated in the procedure that there are 3 methods to lodge complaint which are through complaint box, email or written and verbal through supervisor and manager. It has been verified that system to lodge complaint and to address the complaint has been established and outline in the procedure.</p>	Complied

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4.4.2.2	<p>The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.</p> <p>- Major compliance -</p>	<p>As stated in above procedure, any complaint and grievance that has been received need the be address following 4 steps that been outline in the procedure. Any complaint and grievances need to be resolve within 10 days and if there is no solution for the complaint, the issues will be sent to general manager and next to chief executive officer with total 21 days of responds days.</p> <p>Sample of complaint that received in year 2022 and 2023 verified and there is evidence that systems established able to resolve disputes effectively and followed the timeline that has been established. Details of sample complaint as per follow:</p> <ol style="list-style-type: none"> 1. Complaint of stray dogs on 10/02/2023 at the labour compound. Registration of the dogs owned by workers still in progress and process of eliminating stray dogs commenced once registration process done. Sighed records progress registration done documented in the "Peraturan-peraturan pemilikan anjing" 2. Damage of floor mat at creche dated 18/11/2022 and resolve on 25/11/2022. It has been verified by auditor during site visit to creche. 3. Complaint of damage roads to longhouse by local communities on 20/03/2023 and 14/02/2023 and complaint resolve on 28/03/2023and 22/02/2022. It has been verified trough photo of road repairs that has been done and site visit by the auditor itself. 	Complied
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.</p> <p>- Minor compliance -</p>	<p>Complaint box has been placed at the estate office and muster ground as one of the channels to submit any complaint. Complaint form has been made available. Other than that, complaint can be made verbally through PIC and email.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.2.4	<p>Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.</p> <p>- Minor compliance -</p>	<p>Communication of the procedure has been conducted by the management to all workers and stakeholders and verified based on the training records provided. For workers, sighted training conducted on 21/03/2023 for harvesters, 03/01/2023 for driver, 20/03/2023 for ramp attendant. While for stakeholders, stakeholders' consultation conducted through email that has been submitted to all stakeholders on 07/09/2022. As per interview with workers and stakeholders, both parties able to demonstrate their understanding on the procedure and aware who is the PIC for handling any issues/complaint.</p>	Complied
4.4.2.5	<p>Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.</p> <p>- Major compliance -</p>	<p>Sample of complaint records has been taken for period 2021 until 2023 and there is evidence that all complaints and resolution maintained in specific files for period more than 24 months.</p>	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	<p>Growers should contribute to local development in consultation with the local communities.</p> <p>- Minor compliance -</p>	<p>Based on the consultation with local communities during the social impact assessment, local communities which Rh Buyong and Rh Iba requested to road repairs for roads to the longhouse dated 20/03/2023 and 14/02/2023. Road repairs has been done 28/03/2023 and 22/02/2022. It has been verified trough photo of road repairs that has been done and site visit by the auditor itself.</p> <p>To provide facilities for local communities to open sundry shop as source of income to local communities.</p> <p>Donation to local communities to reduce burden on hospital fees.</p>	Complied
Criterion 4.4.4: Employees safety and health			

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.4.1 An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -</p>	<p>Keresa Plantations Sdn. Bhd. has established Occupational Safety, Health & Hygiene Policy signed by the Managing Director revised 13/12/2021. The policy states the company’s commitment towards ensuring and promoting a safe work environment for the workers and operations. The policy was communicated through trainings, briefings and displayed on notice boards.</p> <p>The estates have established Safety and Health Management Plan and documented in Environment, Safety and Health Plan FY 2022. The management plan includes the ESH risk management, Emergency Response Procedure, Chemical Safety Management, Noise Boundary Monitoring and Health monitoring.</p>	<p>Complied</p>
<p>4.4.4.2 The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> 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: <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 	<p>The occupational safety and health plan cover the following:</p> <ul style="list-style-type: none"> a. Keresa Plantations Sdn. Bhd. has established Occupational Safety, Health & Hygiene Policy Statement signed by the Managing Director revised 13/12/2021. In the policy stated the company commitment to ensure and promote the safety work environment for the workers and operations. The policy was communicated through training, briefing, and displayed on notice board. Latest OSH Policy training was conducted on 08/04/2023. b. HIRARC was available for all operations within the estates to identify the hazards, assess and recommended control measures to minimize the risks. Among the HIRARC sampled were Harvesting, Spraying, Manuring, Creche, Canteen, Riding Motorcycle and Engine Room. HIRARC was recently reviewed on 01/03/2022. <p>Chemical Health Risk Assessment (CHRA) was conducted in compliance with Occupational Safety and Health (USECHH) regulation 2000 on 2/03/2019 by DOSH Registered Assessor,</p>	<p>Complied</p>

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<p>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.</p> <p>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.</p> <p>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.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>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.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>Thong Cia Ming (HQ/16/ASS/00/33) with the CHRA Report available for verification. The CHRA Report (Report Ref Number: HQ/16/ASS/00/33-2019/007) was available for verification.</p> <p>Medical Surveillance was conducted to establish workers health status when they work in an environment where they are exposed to hazardous chemicals. The estates have conducted the medical surveillance on 10/09/2022 for 4 workers from Sg Kubud Estate at Innoquest Pathology Sdn Bhd where all the workers were certified fit to work with no workers needed for Medical Removal Protection.</p> <p>Noise Risk Assessment was conducted by Global Green OSH Services Sdn. Bhd. on 3/3/2022 for Keresa Plantations Sdn. Bhd. by Noise Risk Assessor, Pau Choon Hock (NRA Reg: HQ/15/PEB/00/145). The NRA Report (Ref. No: HQ/15/PEB/00/145-2022/145) was available for verification.</p> <p>Audiometric test was conducted on 17/09/2022 by Bintulu Medical Centre for all workers exposed to excessive noise at the estates. The results indicated that all workers were fit to work.</p> <p>c. The estate has established a training and awareness program for employees exposed to chemicals used at the estate to ensure continuous awareness to the employees. The training was conducted by the Manager, Asst. Manager and representative from the chemical suppliers to the supervisors and operators.</p> <ul style="list-style-type: none"> - Premixer Training conducted on 21/03/2023. - Sprayer Training conducted on 21/03/2023. <p>d. The estates have provided appropriate PPE to all workers according to the job type and requirements. The PPE given as per HIRARC requirements. Sighted the PPE issuance records documented in 'PPE Issuance Record' logbook. The PPE issued</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>recorded by workers and job designation.</p> <p>e. Procedures of chemical handling is presented in several documents, such as in the Prosedur Kerja Dan Standard Operasi; 9.0 Bagi Kerja-Kerja Mencampur Racun Rumpai.</p> <p>f. The Deputy General Manager, Abdul Aziz Bin Zainal Abidin was appointed to be the Safety and Health Representative at the estate as stated in the appointment letter dated 01/04/2021 undersigned by the General Manager. Estate management has appointed Safety Committee Members consists of OSH Coordinator, Secretary, representatives from Employer and representatives from Employee as per appointment letter by the Estate Manager.</p> <p>g. The Estate Management conducted regular OSH committee meetings on bimonthly basis and when necessary due to accidents that occur. In the meeting, discussed issue on employees' safety, health, and welfare such as estate safety and health achievement report, estate security, safety compliance by contractors, workplace inspection, legal compliance, safety and health training. Sighted the latest OSH Meeting Minutes dated 10/03/2023, and 14/12/2022 available for verification.</p> <p>h. Accident and emergency procedures are available in the Prosedur Standard Operasi – Prosedur Tindakan Kecemasan; Reference Number: 1/2011; Document Number: ERP 1/2011; Dated: 23/08/2011.</p> <p>The estate has established Emergency Response Team lead by the Estate Managers. Fire Drill Training was conducted on 24/04/2022 at Sg Kubud Estate.</p> <p>i. First aiders were present at various operations at the estate. The first aiders were responsible for first aid box at each</p>	

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		<p>operations/team assigned to them by the management. The first aid box was recently replenished with records of monthly monitoring available for verification. There was a total of 12 first aid box holders in the estate. The first aid box holders were provided training by the Medical Assistant with latest training conducted on 18/01/2023. Records of training were available for verification.</p> <p>j. Accident records are recorded and maintained in the estate and discussed during the bimonthly held JKKP Meetings. There were 10 accidents reported for the year 2022 totaling to 52 days of LTA in the estate. Sighted the JKKP 8 form submission to JKKP for the year 2022 as well. There were no injuries reported at the estates for the year 2023 as of to date as well.</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>Several policies related to good social practices has been established by the management of Keresa Plantations Sdn Bhd and signed by the managing director, Mr Graeme Iain Brown. Details of policy available as per below:</p> <ul style="list-style-type: none"> a. Complaint and grievance policy dated 01/12/2009 revised on 10/12/2021 b. Minimum ages and child protection policy dated 01/12/2009 revised on 13/12/2021 c. Freedom of association policy dated 01/12/2009 revised on 13/12/2021 d. Prevention of sexual harassment and domestic violence in the workplace policy dated 01/12/2009 revised on 13/12/2021 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>e. Policy statement on the pregnancy and childbirth rights dated 01/12/2009 revised on 13/12/2021</p> <p>f. Equal rights policy dated 01/12/2009 revised on 13/12/2021</p> <p>g. Human right policy dated 01/12/2009 revised on 13/12/2021</p> <p>h. Code and conduct policy statement dated 07/11/2018 revised on 12/12/2021</p> <p>i. Special labour policy dated 18/09/2019 revised on 13/12/2021</p> <p>The "Keresas Sustainability Policy" is displayed in notice boards inside the office as well as outside the office. The policy also publicly available through the official website: http://www.keresas.com.my</p> <p>The policy has been communicated to all workers and stakeholders during morning muster briefings, displayed at strategic places such as office and line sites and communicated during meetings with the workers and relevant stakeholders. Communication of the policy has been conducted by the management to all workers and stakeholders and verified based on the training records provided. For workers, sighted training conducted on 21/03/2023 for harvesters, 03/01/2023 for driver, 20/03/2023 for ramp attendant. While for stakeholders, stakeholders' consultation conducted through email that has been submitted to all stakeholders on 07/09/2022.</p>	
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>Equal rights policy dated 01/12/2009 revised on 13/12/2021 signed by the managing director, Mr Graeme Iain Brown. Stated in policy that the management of Keresas Plantations Sdn Bhd is committed to established and maintain working environment, terms and conditions of employment, practices fairly. In Sungai Kubud Estate, there is 97 of workers which consist of male, female, local and foreign (Indonesia) workers. There is evidence that there is no discrimination has been practices and has been confirmed through documentation</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		(employment contract, pay slips) and interview with the workers itself. As per interview, all workers have been paid accordingly as minimum wages order 2022 which is at rate RM57.69/day.	
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>Verification has been done by auditor for 12 samples workers from different work category, gender and origin found out that the management of Sungai Kubud Estate has ensure pays of salary has been done according to the employment contract and Minimum Wages Order 2022 which is above than RM1,500/month and RM57.69/day. It has been verified based on the employment contract and payslips taken for July`22, Sept`22 and January'23. Sample of workers as per below:</p> <ol style="list-style-type: none"> 1. ID number 12580 2. ID number 10159 3. ID number 12602 4. ID number 11866 5. ID number 11964 6. ID number 12305 7. ID number 12592 8. ID number 10801 	Complied
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 is only 1 contractor for Sungai Kubud Estate which are Yun Hoo Sdn Bhd for FFB transport and there is evidence that the management ensure that all contractors` workers has been paid according to legal requirement. Sample has been taken for 3 contractors` workers for salary January 2023 and March 2023.</p>	Complied
4.4.5.5	<p>The management shall establish records that provide an accurate account of all employees (including seasonal workers</p>	<p>Master list of workers has been maintained in the workers list and has been divided into "Foreign workers (Indonesia)" and "Local workers"</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	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. - Major compliance -	with total amount of workers, 100 workers. Details that included in the master list such as passport number, passport expiry, work permit number, PLKS expiry date, date joined and jobs descriptions. There are no seasonal and subcontracted workers in Sungai Kubud Estate.	
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records. - Major compliance -	Sample of employment contract has been taken by auditor for verification and sighted it has been signed by both parties' management and employees in Bahasa. Outline in the employment contract benefits, leave, deduction. As per interview with the workers, it has been confirmed that copies of the employment contract have been provided to the workers for their keeping. Sample of employment contract as per stated in the indicator 4.4.5.3.	Complied
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance -	Pocket checkroll book has been utilized as part of mechanism to monitor time working hours in Sungai Kubud Estate where total working hours is 8 hours with additional 30 minutes of rest time. While for overtime, there is overtime request form that need to be submitted to assistant manager for approval in daily basis. It has been confirmed that records of overtime and pocket checkroll have been made available for review to the workers as per interview.	Complied
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	There is evidence that working hours, breaks and overtime for all workers is complying with Sarawak Labour Ordinance and as per stated in employment contract which total 8 hours/ day including additional 30 minutes of rest time. While for overtime, there is overtime request form that need to be submitted to assistant manager for approval in daily basis. Rate for overtime calculated based on average daily basis salary from previous months.	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective	Wages and overtime payment has been clearly stated in the payslips and in line with legal regulations. Verification has been done by the	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	<p>agreements.</p> <p>- Major compliance -</p>	<p>auditor to compare wages/overtime payment from the checkroll/overtime request form and there is evidence that the figure is tally. As per interview, pay slips has been provided to the workers for their references.</p>	
4.4.5.10	<p>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.</p> <p>- Minor compliance -</p>	<p>Interviews with local and foreign workers indicated that they are satisfied with the standard of housing and facilities provided by Sungai Kubud Estate. Electricity and water are provided without charges.</p> <p>Health Clinic has been provided for the employees and family members with free treatment. Any emergency cases, workers/family members will be sent to Klinik kesihatan Sebauh/ Hospital Bintulu.</p> <p>Outturn incentive for daily attendance on the muster and incentive of contract extension for foreign workers if they renew for three year and above. Local employees have yearly bonus based on personal performance.</p>	Complied
4.4.5.11	<p>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.</p> <p>- Major compliance -</p>	<p>Total 15 block of workers housing is available in Sungai Kubud Estate with 1 additional block is under construction. All houses consist of 2 rooms with hall, kitchen, and toilet. Electricity has been generated through genset and water from water treatment plan and has been provided. Line site inspection has been conducted on 09/03/2023, 16/03/2023 and 23/03/2023 and has been remarks as all in goods conditions. Further verification done by auditor through site visit confirmed that line site inspection has been done effectively and housing area has been properly maintained by the management.</p> <p>Other facility that available at workers housing area is sport facilities, surau, sundry shops and creche. While for CLC, it located at neighboring estate within Keresa Plantations Sdn Bhd.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.4.5.12	<p>The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>Prevention of sexual harassment and domestic violence in the workplace policy dated 01/12/2009 revised on 13/12/2021 signed by the managing director, Mr Graeme Iain Brown. Stated in policy that sexual harassment and domestic violence will be treated as one of works misconduct. Any sexual harassment issues need to be discussed with immediate superior or social liaison that has been appointed.</p> <p>Nevertheless, the management can further improve the awareness on the Gender Committee functions and Sexual Harassment Grievance Mechanism among female workers including illiterate parties. Hence an OFI was raised.</p>	OFI
4.4.5.13	<p>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.</p> <p>- Major compliance -</p>	<p>Freedom of association policy dated 01/12/2009 revised on 13/12/2021 signed by the managing director, Mr Graeme Iain Brown. Stated in the policy that Keresa Plantations Sdn Bhd will respect the legal rights of its employees to join or to refrain from joining workers organization including labour organizations or trade unions. It has been confirmed that there is no trade union has been established either internally or externally for state of Sarawak. Sungai Kubud Estate has taken initiative to established JKKK Perunding Bersama as mechanism of communication between workers and management through workers representative. Sighted appointment of workers representative based on races and origin and latest meeting conducted on 25/03/2022. As per interview with workers, there is no prohibition by the management either to form or participate any union.</p>	Complied
4.4.5.14	<p>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 supervision, and when not interfering with their education</p>	<p>There is total 3 of local workers and 96 foreign workers has been listed in the list of workers for Sungai Kubud Estate. It has been confirmed through document review, site visit and interview with workers that there no children and young workers has employed. Youngest workers have been recruited is 19 years old in year 2021.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance																												
	programmes. Children shall not exposed to hazardous working conditions. - Major compliance -																														
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 -	<p>Sg Kubud Estate have established a training program for all workers based on the training need analysis conducted on a yearly basis. Records of trainings were maintained by the estates as below: -</p> <table border="1"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>PPE Training - Harvesters</td> <td>21/03/2023</td> </tr> <tr> <td>Chemical Container – Triple Rinse Training</td> <td>21/03/2023</td> </tr> <tr> <td>Ramp Attendant – SOP Training</td> <td>20/03/2023</td> </tr> <tr> <td>Driver Training – SOP and Safety</td> <td>03/01/2023</td> </tr> <tr> <td>Company Policy Training</td> <td>08/04/2023</td> </tr> <tr> <td>MSPO Principals Training</td> <td>08/04/2023</td> </tr> <tr> <td>Complaints Procedure Training</td> <td>08/04/2023</td> </tr> <tr> <td>PPE Training</td> <td>08/04/2023</td> </tr> <tr> <td>Vehicle Safety Training</td> <td>08/04/2023</td> </tr> <tr> <td>HCV and Buffer Zone Training</td> <td>08/04/2023</td> </tr> <tr> <td>Waste Management Training</td> <td>08/04/2023</td> </tr> <tr> <td>RTE Species Training</td> <td>08/04/2023</td> </tr> <tr> <td>Covid 19 Awareness Training</td> <td>08/04/2023</td> </tr> </tbody> </table>	Training	Date	PPE Training - Harvesters	21/03/2023	Chemical Container – Triple Rinse Training	21/03/2023	Ramp Attendant – SOP Training	20/03/2023	Driver Training – SOP and Safety	03/01/2023	Company Policy Training	08/04/2023	MSPO Principals Training	08/04/2023	Complaints Procedure Training	08/04/2023	PPE Training	08/04/2023	Vehicle Safety Training	08/04/2023	HCV and Buffer Zone Training	08/04/2023	Waste Management Training	08/04/2023	RTE Species Training	08/04/2023	Covid 19 Awareness Training	08/04/2023	Complied
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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 -	Sg Kubud Estate has conducted training need analysis for all employees, management and contractors. The training need analysis was conducted based on the job designation and training required by the job type and available for verification.	Complied																												

Criterion / Indicator		Assessment Findings	Compliance
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 -	A training programme has been developed and available in Keresa Plantations Sdn Bhd – Training Programme Tentative for Year 2023. The trainings were sighted to have also included Gender Specific Training and involves staffs, workers and contractors.	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. - Major compliance -	Keresa Plantations Sdn. Bhd. has established Environmental Policy Statement signed by the Managing Director revised 13/12/2021. The policy states the company’s commitments to ensure and promote clean environments for all its employees and operations. The policy was communicated to all workers through briefing and displayed on the notice boards.	Complied
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. - Major compliance -	The estate has established SOPs for aspect and impacts analysis and documented in Procedure Manual for Identification of Environmental Aspects and Evaluations of Environmental Impacts. Refer document no. KPSB 1/2012 dated 01/01/2012. The scoring and evaluation criteria were provided in the Manual. The estate has conducted the environmental aspects and impacts analysis documented in Environmental Aspects and Impacts Register. The assessment was reviewed as and when there are new environment impacts identified. Latest review was conducted in June 2012. The management plan with mitigation measures has been established for each activity with significant impacts to the environment based on	Complied

Criterion / Indicator		Assessment Findings	Compliance
		the Environmental Aspect and Impact Assessment and Environmental Monitoring Report.	
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>The estate has documented improvement plans to mitigate negative impacts and promote activities with positive impacts in the Environment Improvement & Management Plan. Sighted sampled the implementation as follows:</p> <ol style="list-style-type: none"> 1. Loss of HCV areas and ERT species <ul style="list-style-type: none"> • Protection and demarcation of HCV areas within estate as sensitive areas. • Ensure plans are in place to enhance natural areas. 2. Dust and other particles from ungravelled roads caused by vehicle traffic <ul style="list-style-type: none"> • Ensure reduction plans are in place to reduce particulate emission. <ul style="list-style-type: none"> - watering daily during dry season - install hump to install vehicle speed - install speed limit signages - plant trees 3. Open burning <ul style="list-style-type: none"> • Enforce a no burning policy 4. Runoff (surface water or soil erosion to water courses) <ul style="list-style-type: none"> • Avoid fertilizer application close to water bodies or on rainy days. • Improve efficiency of fertilizer applications. 5. Leaching of chemicals and fertilizers into groundwaters 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • Reduce chemical exposure in sensitive areas (line site, steep areas, waterways) <p>6. Oil spillage & leaking</p> <ul style="list-style-type: none"> • Reduce oil spilling • Avoid ground spillage <p>7. Contributions to GHG emissions</p> <ul style="list-style-type: none"> • Ensure adequate water management structures are in place for peat areas, • To ensure that minimal subsidence occurs in peat areas <p>8. Domestic and recyclable waste, Schedule waste</p> <ul style="list-style-type: none"> • Ensure adequate procedures, waste management plans and implementations are available • Proper schedule waste management as per procedure <p>9. Workplace & housing</p> <ul style="list-style-type: none"> • Optimize usage and reduce wastage 	
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	The estate has established the Environment Improvement & Management Plan (Revised 29/08/2022) based on the Environmental Aspect and Impact Assessment and Environmental Monitoring Report. The estate continues to promote activities that gives positive impact to the environment by continuously providing awareness to the employees which was communicated through training, briefing and signages.	Complied
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	The estate continuously provided awareness training to all employees on environmental policy, objectives and management plan as per training plan established. Training record verified as stated in 4.4.6.1.	Complied

Criterion / Indicator		Assessment Findings	Compliance																																							
	objectives. - Major compliance -																																									
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	Environmental related matters were discussed during Environmental Meeting held quarterly. No issue related to environmental was raised during this meeting. Workers interviews reveal that they are encouraged to discuss environmental issues with the management. Sighted the Environmental Meeting Minutes dated 10/03/2023 and 20/10/2022 for Sg Kubud Estate.	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 -	<p>The monitoring of non-renewable energy usage is done monthly. Sighted the sampled monitoring records for diesel usage per FFB production for 2022 as follows:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Diesel (Litres)</th> <th>Water (m³)</th> </tr> </thead> <tbody> <tr><td>Mar 2022</td><td>24,100.00</td><td>3,500.00</td></tr> <tr><td>Apr 2022</td><td>21,367.00</td><td>5,000.00</td></tr> <tr><td>May 2022</td><td>29,636.00</td><td>10,000.00</td></tr> <tr><td>Jun 2022</td><td>23,583.00</td><td>4,200.00</td></tr> <tr><td>Jul 2022</td><td>30,593.00</td><td>7,000.00</td></tr> <tr><td>Aug 2022</td><td>26,611.00</td><td>13,000.00</td></tr> <tr><td>Sept 2022</td><td>21,385.00</td><td>4,000.00</td></tr> <tr><td>Oct 2022</td><td>20,602.00</td><td>5700.00</td></tr> <tr><td>Nov 2022</td><td>21,256.00</td><td>4,030.00</td></tr> <tr><td>Dec 2022</td><td>25,264.00</td><td>5,400.00</td></tr> <tr><td>Jan 2023</td><td>21,140.00</td><td>-</td></tr> <tr><td>Feb 2023</td><td>21,295.00</td><td>-</td></tr> </tbody> </table>	Month	Diesel (Litres)	Water (m ³)	Mar 2022	24,100.00	3,500.00	Apr 2022	21,367.00	5,000.00	May 2022	29,636.00	10,000.00	Jun 2022	23,583.00	4,200.00	Jul 2022	30,593.00	7,000.00	Aug 2022	26,611.00	13,000.00	Sept 2022	21,385.00	4,000.00	Oct 2022	20,602.00	5700.00	Nov 2022	21,256.00	4,030.00	Dec 2022	25,264.00	5,400.00	Jan 2023	21,140.00	-	Feb 2023	21,295.00	-	Complied
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Feb 2023	21,295.00	-																																								

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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 estimates the usage of non-renewable energy (diesel) for genset and operations in the reduction Fossil Fuel Consumption plan (Diesel). The Estimation Diesel for 4 Years was available as below: Fossil Fuel Consumption Plan (Litres) <table border="1"> <thead> <tr> <th>Estate</th> <th>2023</th> <th>2024</th> <th>2025</th> <th>2026</th> </tr> </thead> <tbody> <tr> <td>Sg Kubud Estate</td> <td>250,000</td> <td>248,000</td> <td>246,000</td> <td>245,000</td> </tr> </tbody> </table>	Estate	2023	2024	2025	2026	Sg Kubud Estate	250,000	248,000	246,000	245,000	Complied				
Estate	2023	2024	2025	2026													
Sg Kubud Estate	250,000	248,000	246,000	245,000													
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	No opportunity for renewable energy to be used at the estate visited.	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 -	All waste products and sources of pollution was identified and documented in the Waste management Procedure in Keresia Plantations Sdn Bhd & Keresia Mill Sdn Bhd (Keresia POM). The waste has been identified as follows: <table border="1"> <thead> <tr> <th>Source</th> <th>Types of Waste</th> </tr> </thead> <tbody> <tr> <td>Estate fields</td> <td>Palm biomass, Chemical containers, Fertiliser bags, Plastic Polybags</td> </tr> <tr> <td>Estate Nursery</td> <td>Plastic polybags, Bormal bins</td> </tr> <tr> <td>Store Chemicals</td> <td>Chemical containers, Cardboard boxes</td> </tr> <tr> <td>Store fertilizers</td> <td>Fertilizers bags</td> </tr> <tr> <td>Genset room</td> <td>Filters, Lubricant, Battery, Rags and gloves</td> </tr> <tr> <td>Water treatment plant</td> <td>chemical solution and solvents, chemical containers</td> </tr> </tbody> </table>	Source	Types of Waste	Estate fields	Palm biomass, Chemical containers, Fertiliser bags, Plastic Polybags	Estate Nursery	Plastic polybags, Bormal bins	Store Chemicals	Chemical containers, Cardboard boxes	Store fertilizers	Fertilizers bags	Genset room	Filters, Lubricant, Battery, Rags and gloves	Water treatment plant	chemical solution and solvents, chemical containers	Complied
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Criterion / Indicator		Assessment Findings		Compliance
		Workshop	Filters, Lubricant, Battery, Rags and gloves, Tyres, Scrap iron, chemical solution and solvents, chemical containers	
		Construction sites	Construction sites i. Wood ii. Cement debris	
		Linesite	Sewage, Greywater	
		Clinic	Clinical waste	
4.5.3.2	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution</p> <p>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products</p> <p>- Major compliance -</p>	<p>The estates have established waste management plan based on the waste identification conducted and documented in Waste Management procedure in Keresa Plantations Sdn. Bhd. and Keresa Mill Sdn. Bhd. (Keresa POM) and Environmental Monitoring Report.</p> <p>SOP for scheduled waste management was established and available in the Prosedur Kerja Selamat - Pembuangan Terjadual; Date: 05/08/2019; Reference Code: SOP/KMSB/Schedule Waste/R3.</p> <p>Sighted the implementation of the management plan for Sg Kubud Estate visited as follows:</p> <p>a. Domestic wastes were collected 3 times a week and disposed at designated landfill. Sighted the domestic waste collection records for 2023 for the estate.</p> <p>b. The estate monitors the Empty pesticide Container Records in the estates and recorded in the Daily Monitoring of Empty Spraying Jars form.</p> <p>c. The estate maintains the inventory of scheduled waste generated and documented in the Fifth Scheduled form in the ESWIS System.</p>		Complied
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</p>	<p>SOP for scheduled waste management was established and available in the Prosedur Kerja Selamat - Pembuangan Terjadual; Date: 05/08/2019; Reference Code: SOP/KMSB/Schedule Waste/R3.</p>		Complied

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	<p>handling, storage and disposal.</p> <p>- Major compliance -</p>	<p>The estates also have a proper Scheduled Waste Store for storing use chemical drums until time of disposal by DOE authorized waste disposal contractor. Disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment.</p> <p>Sighted the sampled of Scheduled Waste Disposal as below:</p> <p><u>Sg Kubud Estate</u></p> <ol style="list-style-type: none"> 1. <u>Scheduled Waste Disposal</u> <ol style="list-style-type: none"> a. SW 102 – Used Battery; Quantity; 8 Units; Date: 10/02/2023; SW Contractor: E-Concern (M) Sdn Bhd; Consignment Note Number: 19105. b. SW 305 – Used Lubricant Oil; Quantity; 2 Drums; Date: 10/02/2023; SW Contractor: E-Concern (M) Sdn Bhd; Consignment Note Number: 19268. 	
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>Excess chemical containers that were not used for premixing have been triple rinsed and punctured was categorized under scheduled waste and disposed through recycle waste contractor. The latest disposal of empty pesticide containers was done on 27/06/2022 to Ramsu Sdn Bhd (Ref. No: B0104) amounting to 150 units of Used Chemical Containers.</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>- Minor compliance -</p>	<p>Domestic waste was collected 3 times week and disposed at designated landfill located far from housing area. The collection records for the year 2023 were available for verification for both estates. Visit to the landfill at Field SK1204 indicated that the landfill was well managed. There was no disposal of scheduled or recyclable waste at the landfill during the visit.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	The established Environmental Management Plan has covered the environmental aspects and impacts based on Keresia Plantations Sdn Bhd & Keresia POM. The Environmental Aspect & Impact assessment has been conducted on 03/01/2023. The assessment was conducted according to the Procedure Manual – Identification of Environmental Aspects and Evaluations of Environmental Impacts Ref: KPSB 1/2012 dated 01/01/2012. The scoring and evaluation criteria were provided in the manual.	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Environmental Improvement Plan included assessments of all polluting activities within the estate operation such as waste, air emissions and water discharges as mentioned in 4.5.1.3.	Complied
Criterion 4.5.5: Natural water resources			
4.5.5.1	The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include: a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application,	Keresia Plantations Sdn Bhd has developed its Water Management Plan latest review on 01/09/2022. It monitored water quality of outgoing waters to identify any adverse effect from the mill and estate activities. The plan takes into account the efficient use of resources, ensure amongst others that the use of water did not impact on other users, avoid contamination of ground and surface water, and appropriate treatment of mill effluent. The WMP also promote to meet water conservation requirements under Sarawak Water Resource Enactment 1998 and Interim National Water Standards for Malaysia. Sighted the implementation of the management plan as follows:	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>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>	<ol style="list-style-type: none"> 1. The mill monitors the water consumption on monthly basis. Water consumption monitored include domestic usage and estate operation. The water consumption has been detailed out under indicator 4.5.2.1 2. Water for Domestic use is monitored on a yearly basis in accordance with the Drinking Water Quality Standards. The latest domestic water sampling was conducted by EnviC Laboratory Sdn Bhd on 17/10/2022 which indicated that all the parameters were within the stipulated limits apart from total coliform count. The certificate of analysis (Lab No: EL/WE/22/1803) was available for verification. 3. The estates have maintained their allocated riparian zones in accordance with their established guideline (Riparian/Buffer Zone management Guideline, dated Dec 2016). Records of Riparian Zone monitoring for the estate were available for dated 31/03/2023. Interview with the sampled workers showed that the workers understand the restriction and the consequence of agrochemicals application in the riparian zones. 4. The estates continuously monitor the river water quality. There were 3 water Sampling Points identified for Water Quality Monitoring. Latest report available was for the month of October - December 2022 for the samples taken in November 2022. The Water Quality Analysis Results indicated the pH, COD and AN did not comply with respective NWQS class IIA and IIB. The management have developed an action plan to address the Offspecs results. The action plan has been addressed accordingly and the water quality is to be monitored during the next sampling. 5. For peat area, Keresa Plantations Sdn Bhd has established Best Management Practices of Oil Palm Cultivation on Peat Land Water 	

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		Management. The estate monitors the peat subsidence level every 6 months. Piezometer reading were conducted on monthly basis. Sighted the Piezometer reading records as to date March FY 2023.	
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	There were no construction of bunds, weirs and dams across main rivers or waterways passing through an estate.	Complied
4.5.5.3	Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles). - Minor compliance -	Water management plan includes rainwater harvesting, desilting of roadside drains and etc. For housing complex, the rainwater harvesting was used for cleaning housing compound etc.	Complied
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			
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: 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. - Major compliance -	Keressa Plantations Sdn Bhd – Sungai Kubud Estate has conducted Retrospective High Conservation Value Assessment of Oil Palm Plantation dated January 2014 conducted by EnviroLogic Consulting. Based on the report, the site-specific short-term and long-term HCV Management Plans. HCV has been identified in the estate as below: 1. HCV 1.2 - Presence of the following species were noted. Sun Bear, Sambar Deer, Asian Brown Tortoise and Light Red Meranti. 2. HCV 1.3 - Presence of Bornean Yellow Muntjac noted. 3. HCV 3 – Peat swamp forests and Health forests (Kerangas)	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.5.6.2	<p>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>Awareness to workforce generally given through briefing at the muster ground/induction. Signage to restrict hunting was put up at strategic places in the estates such as entrance gates and boundary with local community. Interview with workers showed that they were aware of the restrictions. The estate management records any sighting of wildlife in the estate premises in the Sightseeing Record Book.</p>	Complied
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>The estate has established HCV management plan as per recommendation by assessor and included in the report dated January 2014. Sighted the implementation of the management plan as follows:</p> <ol style="list-style-type: none"> 1. The estate has conducted soil series identification in the estate conducted by the GIS Department. Among the soil series identified were Anderson 20.61%, Bijat 0.73%, Merit 9.39%, Merit/Bekenu 41.43%, Mukah 9.07%, Mukah/Anderson 3.54% and Nyalau/Bekenu 15.23%. 2. The estate conducted monitoring at HCV and potential HCV area on monthly basis. 3. The estate recorded the wild animal sighted in the estate in Sightseeing Records book. Reviewed the records FY 2021 and to-date FY 2023. 	Complied
Criterion 4.5.7: Zero burning practices			

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Criterion / Indicator		Assessment Findings	Compliance
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 -	Keresa Plantations Sdn Bhd has established and implemented Best Management Practice (KP 2) approach through its standard operations and procedures (KP2-4 SOPs – Field Policy Manual). Addressed in SOP no. 7 – Conservation Measures, under section iii. - Environment Conservation, version 2 dated 1 Jan 2009, all mitigations measures for plantation activities including land preparation or replanting shall be in compliance with the approved Environment Impact Assessment (EIA) by Natural Resource and Environmental Board of Sarawak. No open burning noted based on the records on the land clearing and felling for the replanting at the estate. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	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 -	No open burning noted based on the records on the land clearing and felling for the replanting at the estate. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	N/A
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 -	No open burning noted based on the records on the land clearing and felling for the replanting at the estate. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	N/A
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	No open burning noted based on the records on the land clearing and felling for the replanting at the estate. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	Complied
4.6 Principle 6: Best Practices			

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	Keresia Plantations Sdn Bhd have established SOPs for the estate as a guidance on the daily estate operation. Refer Keresia Plantations Sdn. Bhd. – Standard Operations & Procedures, Ver. 2, Effective date 01/01/2009. The SOP covers Muster Call, Nursery, Establishment, General Maintenance, Harvesting and Pruning, Operational Procedures and Conservation Measures among others.	Complied
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 of surface and groundwater through runoff of either soil, nutrients or chemicals. - Major compliance -	The management strategy for planting on slopes is addressed in the Keresia Plantations Sdn Bhd SOP (Section 3.0 Development). Based on the SOP, terrace to be constructed at slopes exceeding 8° gradients. Cover crop shall also be planted to minimize erosion.	Complied
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Visual identification has been established for each field and divided into division and blocks. Each block is named by road and visual identification (field marker) erected for reference. Cross checked with the records and the pictorial evidence provided found to be consistent.	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 -	Keresia Plantations Sdn Bhd have established 5 years business plan as a guidance for daily estate operations. Sighted the 5-year business plan FY 2023 – 2027 available for verification. The business plan contains Total mature ha, Estimated FFB Price/mt, Yield Per Hectare, Estimated FFB/mt, Upkeep & Maintenance, Harvesting, General Charges, Income and Profit Loss.	Complied

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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 -	Sg Kubud Estate established a replanting program spanned over a 5-year period till 2027. As of now there are no plans for replanting soon as all palms are within the prime age category. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>2023</th> <th>2024</th> <th>2025</th> <th>2026</th> <th>2027</th> </tr> </thead> <tbody> <tr> <td>Ha</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Year	2023	2024	2025	2026	2027	Ha	0	0	0	0	0	Complied
Year	2023	2024	2025	2026	2027										
Ha	0	0	0	0	0										
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 -	Sg Kubud Estate have established 5 years business plan as a guidance for daily estate operations. Sighted the 5-year business plan FY 2023 – 2027 available for verification. The business plan contains Total mature ha, Estimated FFB Price/mt, Yield Per Hectare, Estimated FFB/mt, Upkeep & Maintenance, Harvesting, General Charges, Income and Profit Loss.	Complied												
4.6.2.4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented. - Major compliance -	The management plan was effectively implemented, and the achievement of the goals and objectives were regularly monitored, documented and reviewed through Monthly Progress Reports, Monthly Accounts Reports, Annual Financial Reports, Agronomist Visit Reports and Internal Audit Report.	Complied												
Criterion 4.6.3: Transparent and fair price dealing															
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	As per verified there is only 1 contractor has been appointed by the management of Sungai Kubud Estate which are Yun Hoo Sdn Bhd as FFB transporter and provide machinery. Pricing mechanisms has been clearly stated in the contract agreement dated on 30/12/2022 that has	Complied												

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Criterion / Indicator		Assessment Findings	Compliance
		been signed by both parties. As stated, pricing has been set based on distances and tonnage.	
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Sighted the agreement for contractor Yun Hoo Sdn Bhd for FFB Transportation dated 30/12/2022. The agreement was sign by both parties and valid until 31/12/2023. There is evidence that the agreement is fair, legal, and transparent which has been confirmed through interview with the contractors. Sighted that payment has been made on timely manner which the payment term is 30 days. It has been verified based on payment voucher and invoices. Sample as per below. 1. Invoice number K/MT0560 dated 28/02/2023 Payment: W.O Number 1831 dated 07/03/2023 2. Invoice number K/MT0559 dated 31/01/2023 Payment: W.O number 1825 dated 07/02/2023	Complied
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	Communication and socialization of the MSPO requirement has been done during the contract agreement signing, stakeholders respond assessment for Yun Hoo Sdn Bhd. It has been confirmed through interview with Mr Paul Teo where he can demonstrate his understanding on the MSPO requirement. There is evidence that contractor has been provided required documentation such as employment contract, workers' pay slips, EPF and SOCSO contribution to the management.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor.	Sighted the agreement for contractor Yun Hoo Sdn Bhd for FFB Transportation dated 30/12/2022. The agreement was sign by both parties and valid until 31/12/2023.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	Sighted evidence in the contract, "The management accept MSPO approved auditors to verify assessments through a physical inspection if required". Refer Section B.11.1 under item i, ii and iii.	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 -	The contractor works has been recorded and approved in work verification and work order records before approved for payment.	Complied
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A

Criterion / Indicator		Assessment Findings	Compliance
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
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.	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A

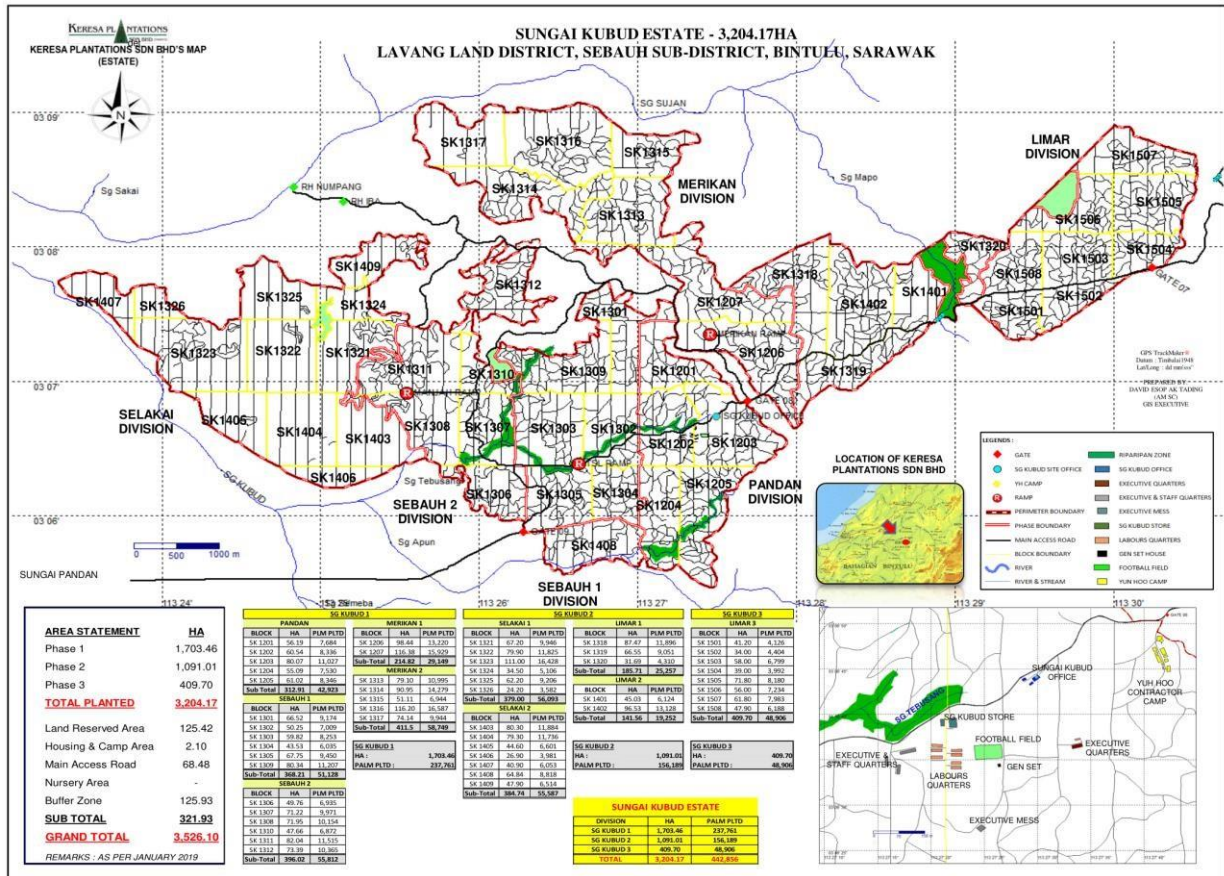
Criterion / Indicator		Assessment Findings	Compliance
- Minor compliance -			
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation. - Major compliance -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
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. - Major compliance -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A

Criterion / Indicator	Assessment Findings	Compliance
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.
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. - Major compliance -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.

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Criterion / Indicator		Assessment Findings	Compliance
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A
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 -	This indicator is not applicable as there were no new planting at Sg Kubud Estate.	N/A

Appendix C: Location and Field Map



Appendix D: 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