

**MALAYSIAN SUSTAINABLE PALM OIL
 INITIAL ASSESSMENT
 Public Summary Report**

Negri Sembilan Oil Palms Berhad
<p>Client company Address: Negri Sembilan Oil Palms Berhad Suite 2B-3A-2, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, 50470 KL Sentral Kuala Lumpur, Malaysia</p>
<p>Certification Unit: 1. Gula Palm Oil Mill 2. Gula Estate 3. Maran Palm Oil Mill 4. Maran Estate 5. Senama Estate 6. Ibam Estate</p> <p>Location of Certification Unit: 1. Gula Estate Palm Oil Mill and Gula Estate Eng Thye Plantations Berhad, Ladang Gula, 34350 Kuala Kurau, Perak</p> <p>2. Maran Estate Palm Oil Mill and Maran Estate, Timor Oil Palm Plantation Berhad, Maran Estate, Batu 4, Jalan Sekolah, 26500 Maran, Pahang</p> <p>3. Senama Estate Negri Sembilan Oil Palms Berhad, Ladang Senama, 72109 Bahau, Negeri Sembilan</p> <p>4. Ibam Estate Negri Sembilan Oil Palms Berhad, Ladang Ibam, P.O. Box 65, 26700 Muadzam Shah, Pahang</p>

Report prepared by:
Muhammad Fadzli Masran (Lead Auditor)

Report Number: 9784318

Assessment Conducted by:
 BSI Services Malaysia Sdn Bhd,
 Unit 3, Level 10, Tower A
 The Vertical Business Suites, Bangsar South
 No. 8, Jalan Kerinchi
 59200 Kuala Lumpur
 Tel +603 2242 4211 Fax +603 2242 4218
www.bsigroup.com

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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
MPOB License	Gula Estate Palm Oil Mill- 500028-104000 Gula Estate - 501490-802000 Maran Estate Palm Oil Mill - 500019-204000 Maran Estate - 501560-202000 Senama Estate – 501621-802000 Ibam Estate - 617859-002000		
Company Name	Negri Sembilan Oil Palms Berhad		
Address	Suite 2B-3A-2, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, 50470 KL Sentral, Kuala Lumpur, Malaysia		
Group name if applicable:	N/A		
Subsidiary of (if applicable)	N/A		
Contact Person Name	Ng Yeen Chern		
Website	www.nsop.com.my	E-mail	sinthyekl@yahoo.com
Telephone	03-2261 4633	Facsimile	03-2261 4733

1.2 Certification Information			
Certificate Number	Mill: MSPO 712224 Plantation: MSPO 712225		
Issue Date	26/06/2019	Expiry date	25/06/2024
Scope of Certification	Mill: Production of Sustainable Palm Oil and Palm Oil Products Estate: Production of Sustainable Oil Palm Fruits		
Stage 1 Date	7 - 9 May 2019		
Stage 2 / Initial Assessment Visit Date (IAV)	28 - 31 May 2019		
Continuous Assessment Visit Date (CAV) 1	N/A		
Continuous Assessment Visit Date (CAV) 2	N/A		
Continuous Assessment Visit Date (CAV) 3	N/A		
Continuous Assessment Visit Date (CAV) 4	N/A		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
N/A			

1.3 Location of Certification Unit			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Longitude	Latitude
Gula Estate Palm Oil Mill	Eng Thye Plantations Berhad, Ladang Gula, 34350 Kuala Kurau, Perak	100° 28' 8.78" E	4° 57' 14.97" N
Gula Estate	Eng Thye Plantations Berhad, Ladang Gula, 34350 Kuala Kurau, Perak	100° 28' 8.78" E	4° 57' 14.97" N
Maran Estate Palm Oil Mill	Timor Oil Palm Plantation Berhad, Maran Estate, Batu 4, Jalan Sekolah, 26500 Maran, Pahang	102° 45' 56.91" E	3° 38' 5.87" N
Maran Estate	Timor Oil Palm Plantation Berhad, Maran Estate, Batu 4, Jalan Sekolah, 26500 Maran, Pahang	102° 45' 56.91" E	3° 38' 5.87" N
Senama Estate	Negeri Sembilan Oil Palms Berhad, Ladang Senama, 72109 Bahau, Negeri Sembilan	102° 28' 4.12" E	2° 45' 46.45" N
Ibam Estate	Negeri Sembilan Oil Palms Berhad, Ladang Ibam, P.O. Box 65, 26700 Muadzam Shah, Pahang	103° 14' 19.68" E	2° 58' 0.04" N

1.4 Plantings & Cycle					
Estate	Age (Years) - ha				
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30
Gula Estate	371	607	1,219	297	0
Maran Estate	112	332	198	942	0
Senama Estate	264	457	76	0	148
Ibam Estate	712	1,112	0	0	320
Total	1459	2508	1493	1239	468

1.5 FFB Production (Actual) and Projected (tonnage)			
Producer Group	Projected from last audit	Actual production last 12 months	Projected production for next 12 months
Gula Estate	N/A	35443	41560
Maran Estate	N/A	21503	20780
Senama Estate	N/A	13063	13300
Ibam Estate	N/A	26249	21770

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Total		96258	97410
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Remarks: Senama Estate and Ibam Estate is not FFB supplier for either Maran Estate POM or Gula Estate POM. They supply the FFB to other independent mill.

1.6 Certified CPO / PK Tonnage			
Mill	Estimated (Previous Year)	Actual (This Year)	Forecast (Next Year)
Gula Estate POM Supply Base: Gula Estate 20 MT/hr	CPO (OER: %)	CPO (OER: %)	CPO (OER: 18.30%)
	N/A	N/A	7605 MT
	PK (KER: %)	PK (KER: %)	PK (KER: 5.00%)
	N/A	N/A	2078 MT
Maran Estate POM Supply Base: Maran Estate 20 MT/hr	CPO (OER: %)	CPO (OER: %)	CPO (OER: 18.60%)
	N/A	N/A	3865 MT
	PK (KER: %)	PK (KER: %)	PK (KER: 5.00%)
	N/A	N/A	1039 MT

1.7 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Gula Estate	2494	0	104	2598	96.00
Maran Estate	1584	0	397	1981	79.96
Senama Estate	945	0	2	947	99.79
Ibam Estate	2150	0	30	2180	98.62
TOTAL	7173	0	533	7706	93.08

1.8 Details of Certification Assessment Scope and Certification Recommendation:

BSI Services Malaysia Sdn Bhd has conducted the Initial Assessment Certification Assessment of Negri Sembilan Oil Palms Berhad located in Kuala Kurau, Perak, Maran, Pahang and Bahau, Negeri Sembilan comprising 2 Mill and 3 Estate and infrastructure.

The assessment was conducted onsite to assess the compliance of the certification unit against the MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders and MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mill.

The onsite assessment was conducted on 27 - 31 May 2019

Based on the assessment result, Negri Sembilan Oil Palms Berhad complies with the MS 2530- 3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders and MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mill and recommended for certification.

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
Unit 3, Level 10, Tower A
The Vertical Business Suites, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel +603 2242 4211 Fax +603 2242 4218
Nicholas Cheong: Nicholas.Cheong@bsigroup.com
www.bsigroup.com

BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 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 27 - 31 May 2019. The audit programme is included as Appendix A. The approach to the audit was to treat the Gula Estate Palm Oil Mill, Maran Estate Palm Oil Mill, Gula Estate, Maran Estate, Senama 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 or MS 2530-4:2013 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The estates or smallholders sample were determined based on formula $N = 1.0\sqrt{y}$ where y 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 $(1.0\sqrt{y}) \times (z)$; where 1.0 is the risk factor (may defer to 1.2 and 1.4 depending on risk), where y is total number of group members and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix C.

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 Appendix B.

The assessment findings for the initial assessment are detailed in Section 4.2.

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

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

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

1. Assessment Program					
Name (Mill / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Gula Estate POM	X	X	X	X	X
Gula Estate	X	X	X	X	X
Maran Estate POM	X	X	X	X	X
Maran Estate	X	X	X	X	X
Senama Estate	X		X		X
Ibam Estate		X		X	
Stakeholder Consultation	X				

Tentative Date of Next Visit: May 25, 2020 - May 29, 2020

Total No. of Mandays: 10

BSI Assessment Team:

Muhammad Fadzli Masran – Lead Assessor

He graduated in Bachelor of Forestry Science at University Putra Malaysia. He started his career as Assistant Manager at Kulim Plantations Sdn. Bhd. managing the day to day plantation operations. In his career at Kulim Plantation, Fadzli had accumulated more than 10 years of sustainability implementation experience including workers’ welfare, workers’ occupational, health & safety, environment conservation and protection at buffer areas and continuous improvement management plans. He had accumulated auditing experience when he was the internal auditor for ISO9001 and ISO14001 at Kulim Plantations. He has completed ISO IMS 9001, 14001, 45001(OHS 18001) Lead Auditor Course in April 2018, endorsed RSPO Lead Auditor Course in July 2018 and endorsed MSPO Lead Auditor Course in October 2018. During this assessment, he assessed on the aspects of environmental and estate best practise. He is fluent in Bahasa Malaysia and English languages.

Hafriazhar Mohd. Mokhtar – Team Member

Hafriazhar Mohd. Mokhtar is a Chemical Engineer by qualification. He has more than five years of direct work experience in the upstream processes of palm oil within the plantation industry. He is a qualified Lead Auditor for CDM, ISO 14001, ISO 50001 and ISO 9001 and has accumulated more than 1000 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia, Indonesia, Thailand and Brunei. He has been completed his RSPO P&C and SCCS Lead Assessor training and has been involved in RSPO audits within Malaysia, Papua New Guinea, Solomon Islands, Gabon and Nigeria. During assessment, he covered the land and legal issues, social issues, workers consultation, welfare and stakeholder consultation. He is fluent in Bahasa Malaysia and English languages.

Accompanying Persons: N/A

Section 3: Assessment Findings

3.1 Details of audit results

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

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

3.2 Details of Nonconformities and Opportunity for improvement

The nonconformity is listed below.

During the Certification Assessment there were two (2) Major & Six (6) Minor nonconformities raised. The Negri Sembilan Oil Palms Berhad Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

Major Nonconformities:		
Ref	Area/Process	Clause
1774852-201905-M1	Plantations	4.4.5.9 - Part 3
Requirements:	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.	
Statement of Nonconformity:	The detail wages/overtime payment and/or deduction/company contribution on pay sheet was not in line with legal regulations and collective agreements.	
Objective Evidence:	<p>Maran Estate: Payslips for the month of Sep – Dec 2018 and Jan – Apr 2019 were not available for the following harvesting check roll employee: - Workers ID # 04164; Type: Harvester; Date joined: 28/2/2018; Nationality: Indonesia - Only Payment Voucher (Sample # B36/1/19; Dated 6/1/2019) given to worker</p> <p>Senama Estate: Wages payment found not in line with legal regulations and collective agreements documented on pay slip as per following samples: - Employee # 03044; Daily Worker ND (Normal Day) Pay = 29; instead of 26 ND + 3 RD for April 2019 wages - Employee # 03061; Daily Worker ND (Normal Day) Pay – 29; instead of 26 ND + 3 RD for April 2019 wages</p>	
Corrections:	With respect to objective evidence for Maran Estate	

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	<p>An immediate attempt was made to utilise the PIMS payroll system for payslip generation. The Chief Clerk referred to her colleague in a sister company for assistance but encountered some technical difficulties.</p> <p>As an alternative, the estate is now using a new pay statement/pay slip (which is in full compliance with regulatory requirements) for workers developed by our management Company, Sin Thye Management (STM). This new pay statement has been provided to Saepuddin (Employee ID. 04164) for the month of April and May.</p> <p>With respect to objective evidence for Senama Estate</p> <p>The normal rate of pay for each worker was RM42.31 per day as daily rated workers. Both workers were paid for work done on rest day.</p> <p>As they worked for not more than half of normal hours of work on their rest day, they were paid one day's wages.</p> <p>Furthermore, the payslips of both workers have been amended and re-issued</p>
<p>Root cause analysis:</p>	<p>With respect to objective evidence for Maran Estate</p> <p>The estate has been practicing manual issuance of payment vouchers to harvesters. The manual checkroll system is prepared by Field Conductor and verified by the Assistant Manager before approval by the Estate Manager. Workers acknowledge their receipt of pay via a pay sheet and payment voucher.</p> <p>With respect to objective evidence for Senama Estate</p> <p>These two workers were assigned to carry out watering works in OP Nursery:</p> <p>Agus (Employee No. 03044) 8.00 am - 11.00 am (3 Hours)</p> <p>Suparman (Employee No. 03061) 3.00 pm - 6.00 pm (3 Hours)</p>
<p>Corrective Actions:</p>	<p>With respect to objective evidence for Maran Estate</p> <p>As above.</p> <p>Will also solicit the assistance of STM to address the possibility of using PIMS for payroll generation. If that is not possible, we shall utilise STM's pay statement/ pay slip for all workers from May 2019.</p> <p>With respect to objective evidence for Senama Estate</p> <p>For transparency and the avoidance of doubt, Estate will indicate pay for work done on rest day and public holidays clearly for the nursery workers instead of the current practice.</p> <p>The following documents are essential elements of the process to ensure the workers records are correctly recorded.</p> <p>Pocket Checkroll – will indicate day worked and hours worked. Attendance taken by Field Conductors and approved by Manager.</p> <p>Time Card – worker will indicate the hours worked daily. Verified by the field conductors and approved by the Manager.</p>

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Assessment Conclusion:	All the evidence of correction and corrective action were found to be adequate. The Major NC was closed on 17/06/2019
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Major Nonconformities:		
Ref	Area/Process	Clause
1774852-201905-M2	Plantations	4.5.3.3 - Part 3
Requirements:	The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.	
Statement of Nonconformity:	The waste management procedure was not effectively implemented	
Objective Evidence:	<p>Gula Estate The scheduled waste were stored more than 180 days without any approval from DOE. Sighted the last disposal records for SW as follows: i. SW 305, C/N no. 2018032210M4AKCI dated 22/3/2018. No disposal records since last disposal until the audit day. ii. SW 404 were send to Klinik Kesihatan Kuala Gula for disposal. The last 2 disposal was done on 7/11/2017 and 24/4/2019. The storage of SW 404 were stored more than 180 days without any approval from DOE as per records in 'Buku Rekod Sharp Bin, Klinik Ladang Gula.'</p> <p>Senama Estate The scheduled waste generated was not notified to DOE within 30 days the wastes are generated. The waste inventory records for the month of April 2019 were not notified to DOE as the estate has yet to register with E-SWISS.</p>	
Corrections:	<p>With respect to objective evidence for Gula Estate We have appointed a licensed Scheduled Waste disposer to dispose of scheduled waste SW305.</p> <p>We shall ensure SW404 is disposed of within 180 days going forward.</p> <p>With respect to objective evidence for Senama Estate Teleconversation with DOE officer for Negeri Sembilan, Cik Shafiqah on 3rd June 2019 (Monday) directed Senama Estate to contact DOE officer in charge of Jempol District, Puan Haslinda and Encik Khairi. These officers promised to visit Senama Estate in June 2019 in order to verify type of waste and volume followed by registration.</p> <p>The officers were unable to provide the DOE File Reference Number for us to start the self-registration process until they have visited the Estate.</p>	
Root cause analysis:	<p>With respect to objective evidence for Gula Estate. Failure to dispose SW305 since March 2018 as estate management intended to accumulate enough quantities as scheduled waste collectors were unwilling to dispose of such small quantities.</p>	

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	<p>While the estate had communicated with the scheduled waste disposers, there was no communication with HQ to raise the problem and HQ also failed to adequately monitor the records to ensure compliance with the law. Failure to dispose SW 404 within the requirement of 180 days was due to the very low volume of clinical waste generated.</p> <p>With respect to objective evidence for Senama Estate Delay in registration via eSWIS for disposal of scheduled waste.</p>
Corrective Actions:	<p>With respect to objective evidence for Gula Estate To strictly abide by the Company's policy MSPO-P5-C3, in particular Appendix 1C - Scheduled Waste Disposal Procedure (Supplement) – Industrial (Palm Oil Mill and Estate). The scheduled waste shall be disposed off within 180 days going forward. If we anticipate that we may exceed the 180 days threshold, we shall apply to DOE for an extension. Currently, the estate has been instructed to contact a scheduled waste disposer that is servicing a neighbouring cluster of other estates from another company. As these estates generate adequate quantities of scheduled waste in aggregate and these estates are prompt in their disposal, appointing their scheduled waste disposer could allow the Estate to promptly dispose of scheduled waste.</p> <p>The Group Health and Safety Officer shall also review scheduled waste disposal records during his regular estate visits.</p> <p>To appoint and train the storekeeper as the Person-in-Charge (PIC) to assist the POM Engineer (qualified CePSWaM) to monitor the management of Scheduled Waste.</p> <p>With respect to objective evidence for Senama Estate Estate will promptly proceed to eSWIS registration for all scheduled waste after verification by DOE officers.</p>
Assessment Conclusion:	<p>All the evidence of correction and corrective action were found to be adequate. The Major NC was closed on 17/06/2019</p>

Minor Nonconformities:		
Ref	Area/Process	Clause
1774852-201905-N1	Plantations	4.4.5.11 - Part 3
Requirements:	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.	
Statement of Nonconformity:	The housing area not fully in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 requirement.	
Objective Evidence:	Gula Estate Evidence that the requirements for perimeter drains around each dwelling or block of dwellings including all outlet drains are kept in a good state of repair and clear of refuse or undergrowth to permit free flow of water was not met at the drain near house # L24 within the workers housing area.	

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Corrections:	To clean and remove undergrowth in the drains.
Root cause analysis:	The drain was due for cleaning in the labour quarter maintenance schedule but was delayed due to other field matters.
Corrective Actions:	To adhere to the labour quarters maintenance schedule. Estate has transited to using the SOP (previously in book form): "MSPO Staff and Labour Quarters Inspection (form)" weekly, which covers shared areas like drains etc.
Assessment Conclusion:	All the corrective action were found to be adequate. Effectiveness of the implementation will be confirm on next assessment visit

Minor Nonconformities:		
Ref	Area/Process	Clause
1774852-201905-N2	Plantations	4.4.5.13 - Part 3
Requirements:	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.	
Statement of Nonconformity:	Union membership payment conditions not met by employer	
Objective Evidence:	Gula Estate: Union payment subsidy as per MAPA/NUPW Field and Other General Employees and Fringe Benefits Agreement, 2015; Agree Note No. 2-Irrevocable Agreement between MAPA and NUPW on NUPW/AIA Personal Accident Group Scheme; MAPA Circular No. 22/2015; Dated 4/8/2015 & Memo by Plantation Administration & Procurement Controller; Dated 14/8/2015 & Letter by Director; Dated 13/8/2015 was not followed/met.	
Corrections:	Estate has written to the COO and the Chief Administrator to report the problem and will reimburse the workers for the premium that they had borne.	
Root cause analysis:	Estate Management received memos from MAPA and our Management Company but did not act accordingly in 2015. There was an inadequate process of review of changes to laws and regulations at the Estate as omission by Estate Management was not picked up by any other staff. Furthermore, there was no subsequent review by HQ of whether Estate Management complied with the requirement.	
Corrective Actions:	To improve vigilance with respect to amendments in the MAPA/NUPW Agreement. Ensure memos/agreements from MAPA/NUPW are directed to estate Legal Officer Mr. Pannirselvan for compliance, aside from being reviewed by the Estate Manager and Assistant Manager. Engagement with NUPW representative(s) whenever visits are made to the estates.	

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	HQ will look into compliance to laws and regulations as part of MSPO Internal Audit.
Assessment Conclusion:	All the corrective action were found to be adequate. Effectiveness of the implementation will be confirm on next assessment visit

Minor Nonconformities:		
Ref	Area/Process	Clause
1774852-201905-N3	Plantations	4.4.6.2 - Part 3
Requirements:	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.	
Statement of Nonconformity:	The training need analysis conducted were not covered all estate employee and contractors	
Objective Evidence:	Gula Estate The estate has conducted the training need analysis to identify the training needs for all the employees and contractors. However, the training need analysis not cover all job designation in the estate. The training need analysis only covers the field drivers only.	
Corrections:	TNA shall be prepared for all employees/groups of employees with specific vocations.	
Root cause analysis:	Gula Estate Management failed to understand that the Standards required that TNA must be carried out for all Employees.	
Corrective Actions:	Shall abide by the Company's SOP MSPO-P4-C6 Training Procedure which is comprehensive and indicates that training needs of all individuals shall be assessed.	
Assessment Conclusion:	All the corrective action were found to be adequate. Effectiveness of the implementation will be confirm on next assessment visit	

Minor Nonconformities:		
Ref	Area/Process	Clause
1774852-201905-N4	Plantations	4.4.4.2 - Part 3
Requirements:	e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000	
Statement of Nonconformity:	The SOP for chemical handling was not effectively implemented	
Objective Evidence:	Maran Estate During interview with the field supervisor, it was noted that the chemical premix was not effectively conducted at the premix area. The chemical was diluted in 4 Litter chemical container. The chemical premixing was conducted in the field using the diluted chemical. It was against the Safety Work Procedure Using Chemical and Safety Work Procedure at Premix Area established.	

Corrections:	Immediate cessation of pre-mixing in the field.
Root cause analysis:	Ineffective understanding of the importance of the chemical premix SOP and tendency to favour convenience rather than compliance.
Corrective Actions:	Schedule training program with our Group Safety Officer for proper safe working procedure using chemical and safe work procedure at premix area. Shall also arrange training program with STM's Agriculture Development Department (ADD) for appropriate chemical usage & dilution dosage. The above training shall be documented as per Company's MSPO Procedure MSPO-P4-C6 "Training Procedure".
Assessment Conclusion:	All the corrective action were found to be adequate. Effectiveness of the implementation will be confirm on next assessment visit

Minor Nonconformities:

Ref	Area/Process	Clause
1774852-201905-N5	Plantations	4.5.6.3 - Part 3
Requirements:	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.	
Statement of Nonconformity:	Biodiversity management plan was not effectively implemented	
Objective Evidence:	Senama Estate The estate has established Biodiversity Management Plan. In the plan stated the estate promote the prohibition of illegal hunting and ownership any wildlife. The estate has erected the signage on prohibition of illegal hunting and ownership any wildlife. Sighted during site visit at linesite, noted that house no. 46 owned 6 bird cages with birds.	
Corrections:	Estate management suggested that the owner either release or move the birds to premises outside the estate.	
Root cause analysis:	The worker who resides in the house displayed 6 bird cages of various species of birds in front of house NO. 46. The birds involved are not categorised as protected species. The Estate had on briefed all workers of its environmental policy. Unfortunately, the particular worker had to be re-briefed.	
Corrective Actions:	During the weekly Labour Quarters inspection*, the presence of animals and birds will be recorded. Workers will be issued three reminders in writing and if they do not abide by these, warning letters in writing will be issued. (*The Estate is currently using a Line Site Inspection Book but will transit to the HQ issued SOP: "MSPO Staff and Labour Quarters Inspection (form)" for weekly inspections.	
Assessment Conclusion:	All the corrective action were found to be adequate. Effectiveness of the implementation will be confirm on next assessment visit	

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Minor Nonconformities:		
Ref	Area/Process	Clause
1774852-201905-N6	Plantations	4.4.1.1 - Part 3
Requirements:	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.	
Statement of Nonconformity:	Identification and implementation of social impact plans related to cattle/goat rearing within estate area was insufficient.	
Objective Evidence:	Senama Estate: Sighted few cattle barns located inside estate nearby housing area despite signages for prohibition of cattle rearing been installed.	
Corrections:	Efforts have been ongoing to persuade workers to reduce the number of ungulates within the estate. Estate management has fenced the line site by 7th June 2019 as a measure to prevent cattle from encroaching into workers quarters.	
Root cause analysis:	Cattle corrals are located in field 1992B close to workers quarters. (The cattle corrals were approximately 120 m away from nearest line site.) Over the past few years, the Company had approached local elected representatives to mediate with the cattle owners but to no avail.	
Corrective Actions:	During the MSP0 stakeholder meeting in May 2019 (documented), the OCS of Rompin Balai Polis suggested that a meeting be held together with the Veterinary dept and internal stakeholders to raise this issue again. The Company will consider this approach and handle the matter sensitively.	
Assessment Conclusion:	All the corrective action were found to be adequate. Effectiveness of the implementation will be confirm on next assessment visit	

Noteworthy Positive Comments	
1.	Good commitment from the top management and operating units
2.	Good hospitality provided for the audit team

3.3 Status of Nonconformities Previously Identified and OFI

Not applicable as this is Initial Assessment.

3.4 Issues Raised by Stakeholders

IS #	Description
1	Feedbacks: Jabatan Perhilitan Kuala Gula - Good commitment shown by management such as in assisting Wildlife Department in allowing the use of estate area to conduct birds migration monitoring
	Management Responses: Positive comment noted.
	Audit Team Findings: No further issue.

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2	Feedbacks: Jabatan Perhilitan Maran - Welcoming MSPO implementation by NSOP that will further enhanced existing good relationship in assisting Wildlife Department in monitoring any presence of endangered wildlife species in forest nearby estate
	Management Responses: Look forward to MSPO certifications
	Audit Team Findings: No further issue
3	Feedbacks: SJK(T) Ladang Gula - always received support by company management in school programs
	Management Responses: Positive comment noted.
	Audit Team Findings: No further issue.
4	Feedbacks: SJK(C) Maran - attended stakeholder meeting and interested to know further on MSPO certification
	Management Responses: Consulted stakeholders been explained on company procedures of any request of information
	Audit Team Findings: Mechanism of request of information available
5	Feedbacks: NUPW representatives - partial subsidy of membership fee as per NUPW agreements not received
	Management Responses: Memo on subsidy payment review was missed out
	Audit Team Findings: Minor NC was raised in indicator 4.4.5.13 based on further evidence verifications
6	Feedbacks: Local communities - no issues with company operation and management. Always notified on opportunities of employment within company.
	Management Responses: Positive comment noted.
	Audit Team Findings: No further issue.
7	Feedbacks: Suppliers/Contractors - long relationship with company. No issue in price and payment of service/products supplied.
	Management Responses: Positive comment noted.
	Audit Team Findings: No further issue.
8	Feedbacks: Local & Foreign Workers – no issue in provision of housing and accommodation. PPE always provided by management. Contract agreements terms and conditions were fully explained by management.
	Management Responses: Workers conditions are always priority to management.
	Audit Team Findings: All feedbacks from workers were used as the input to the checklist.

3.5 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1774852-201905-M1	Major	31/5/2019	Closed on 17/6/2019
1774852-201905-M2	Major	31/5/2019	Closed on 17/6/2019
1774852-201905-N1	Minor	31/5/2019	To be verified during next assessment.
1774852-201905-N2	Minor	31/5/2019	To be verified during next assessment.
1774852-201905-N3	Minor	31/5/2019	To be verified during next assessment.
1774852-201905-N4	Minor	31/5/2019	To be verified during next assessment.
1774852-201905-N5	Minor	31/5/2019	To be verified during next assessment.
1774852-201905-N6	Minor	31/5/2019	To be verified during next assessment.

3.6 Summary of the findings by Principles and Criteria

MSPO MS:2530-Part 3 : General principles for 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 -	<p>Policy established as part of Principles, Policies & Procedures (MSPO 2 File) as following:</p> <ul style="list-style-type: none"> • Sustainability Policy; Date: 2/1/2019 • Occupational Safety and Health Policy; Date: 2/1/2019 • Environmental Policy; Date: 2/1/2019 • Environmental Policy; Rev. 00; Date: 2/1/2019 • Social and Human Rights Policy; Date: 2/1/2019 • Definition of Sexual Harassment; Ver. Control: 1.00; Date: 29/8/2018; Rev. -; Source: ILO <p>All policies were available in dual language (BM & English) and signed by Eng Thye Plantations Berhad Executive Chairman (Goh Wei Lei).</p>	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The Sustainability Policy; Date: 2/1/2019 sighted emphasized commitment to continual improvement.	Complied

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Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.1.2 – Internal Audit			
4.1.2.1	<p>Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.</p> <p>- Major compliance -</p>	<p>Internal audit implemented based on Sustainability MSPO Procedure Title: Internal Audit; Doc. # MSPO-01; Rev. 0; Date: 1/7/2018. Sighted Internal Audit Schedule (Appendix 2) for the audit as following:</p> <ul style="list-style-type: none"> - Audit Ref. # MSPO-IA-1-NSOPG-GE (Gula Estate) - Audit Ref. # MSPO-IA-NSOPG-GE-M (Gula POM) <p>conducted on 20/3/2019 and 30/3/2019 led by Lead Auditor (Ng Yeen Chern) from HQ (Sin Thye Management) and assisted by Baldab Singh and Jogindro Nath both from HQ Safety & Health Dept. sighted also Annual Internal Audit Plan (Appendix 1).</p> <p>Templates used was MPOCC’s Means of Accessing Compliance Guidance Checklist.</p> <p>Sighted that all findings still in progress of corrective actions. It was found that for both NCRs and OBS, no specific MSPO indicators were referred to the findings. It will be better if MPSO indicators/clauses number to be included in the audit findings/reporting.</p> <p>Internal audit for Senama Estate was conducted on 21/3/2019.</p>	<p>Complied</p>
4.1.2.2	<p>The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of</p>	<p>Documented as procedures above, Annual Internal Audit Plan (Appendix 1), Audit Schedule (Appendix 2), Audit Checklist (Appendix</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
	strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	3), Non-conformity from (Appendix 4) & MSPO Internal Audit Report (Appendix 5).	
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	Report available as MSPO-P1-C2; Appendix 4 Non-Conformance Form & Appendix 5 Internal Audit Report.	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	Based on records of report review sighted (MSPO-P1-C2) Management Review Meeting was conducted on 19/5/2019 for Gula Estate. For Senama Estate, review meeting was conducted on 13/3/2019 as per MSPO Meeting Minutes (1/2019) attended by COO, PA to SOM, Estate Manager, AOM & Estate CC.	Complied
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. - Major compliance -	Action plan for continual improvement recorded as MSPO-P1-C4; Management Commitment & Responsibility – Continual Improvement; Occasional Bulletin as well as Kaizen Sheet as per following samples Area of Improvement: - Reduction of Turbine Steam Consumption - Effective Workplace/Safety; Date: October 2015; 50mt x 12m weighbridge changed to 80mt x 18m new weighbridge	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Process Improvement; Date: January 2017; De-oiling Tank to recover oil loss from sludge - Process Improvement/Social; Date: May 2018; Bigger capacity Watergate to discharge water faster - Safety; Date: May 2018; Bigger diameter sterilizer blowdown chamber to reduce noise of steam discharge 	
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>The company established the system as per MSPO Title: Latest Technology and Systems, Standards and Practices; Ref. # MSPO-P1-2. Amongst all, options included the following:</p> <ul style="list-style-type: none"> - As per budget 0803 CAPEX Submission; for mill has estimation for a new Air Pollution Control System which applies a new technology i.e. Wet Scrubber System to replace the existing multi-cyclone cone dust collector system of boiler. - Estate on consideration of using an Agriculture Mechanical Buffalo SL 153T Longstar MT 2. - Mechanized cutter (cantas) - Mechanical buffalo - Life Enhancement Technologies - Air Pollution Control System (APCS) - Online Measurement of Opacity and TPM - Mechanized Collection of FFB - Methane Capture - Mechanized Loose Fruit Collection 	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</p>	<p>Action plan including training was provided as per above proposed technologies practices.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	established. - Major 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 -	Communication implementation were based on procedure title: Stakeholder Communication & Consultation Procedure; Ref. # MSPO-P2-C2; Rev. 0; Date: 1/7/2018. Stakeholders records will use the following: <ul style="list-style-type: none">- Stakeholders List (Appendix 1)- Stakeholders Concerns and Resolution Matrix (Appendix 2)- Grievances/Complaints Form (Appendix 3)- Information Request Form – MSPO Related (Appendix 4) Records of communication available at individual operating units audited.	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 -	Management documents established as List of Public Documents Available for MSPO Stakeholder Inspection; MSPO-P2-C1. Public available documents listed included: <ul style="list-style-type: none">- All MSPO Policies and Licenses: Sustainability Policy, Environmental Policy, Social and Human Rights Policy, Safety and Health Policy, Licenses from Regulators (e.g. MPOB)- Safety and health plan: safety planner	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Plans and impact assessment relating to social impact: SIA report & plan - Plans and impact assessment relating to environment impact/pollution prevention plan: EMP, EIA Guidance for Estate - Records of complaints and grievances: Stakeholders concerns and resolution matrix - CIP - Others: AR/SR (Public Listed Companies), etc. 	
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 -	Established procedure title: Stakeholder Communication & Consultation Procedure; Ref. # MSPO-P2-C2; Rev. 0; Date: 1/7/2018. Latest Stakeholder Meeting – MSPO Stakeholder Meeting conducted on 6/5/2019.	Complied
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	Management official nominated as following: <u>Gula Estate:</u> <ul style="list-style-type: none"> • Surat Lantikan Ahli Jawatankuasa MSPO – sebagai Internal and External Communication Officer – Mr. Tion Hoong Hee (Senior Field Supervisor); Date: 1/2/2019 <u>Senama Estate:</u> <ul style="list-style-type: none"> • Appointment – MSPO Committee Complaints and Grievances Officer – Mr. Nasyrol Hakimi Che Komarudin (Field Conductor); Date: 1/4/2019 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • Appointment – MSPO Committee Internal and External Communication Officer – Mr. Hasfol Akbar Hassan (Field Supervisor); Date: 1/4/2019 • Appointment – MSPO Committee Environmental Officer – Mr. Gunaseelan Manoharan (Field Supervisor); Date: 1/4/2019 <p><u>Maran Estate:</u></p> <ul style="list-style-type: none"> • Appointment – MSPO Committee Internal and External Communications Officer – Mr. Kasturi Ali (Senior Field Supervisor); Date: 1/1/2019 • Appointment – MSPO Committee Complaints and Grievances Officer – Mr. Kasturi Ali (Senior Field Supervisor); Date: 1/1/2019 	
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 established as the appendix to the Stakeholder Consultation & Communication Procedure as per following sample:</p> <ul style="list-style-type: none"> - Stakeholders List (Appendix 1); Date recorded: 27/3/2019 which includes external among Harvesting Contractor, Government Body, Local Temple, Local Surau Malay & Chinese Villages – Gula Estate - Negri Sembilan Oil Palms Berhad – Senama Estate Stakeholders List; Date: 11/5/2019 - Negri Sembilan Oil Palms Berhad – Senama Estate Stakeholders Meeting; Date: 24/5/2019 – External; 25/4/2019 - Internal 	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	<p>The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).</p>	<p>Traceability requirements established as SOP for Products Traceability Title: Traceability for Estate/Palm Oil Mill Products; Ref. # MSPO-08; Rev. 00; Date: 1/7/2018</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Regular inspections conducted by management including internal audit as per indicator 4.1.2.1.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	Appointment was made as following: - Surat Perlantikan Ahli Jawatankuasa MSPO: Traceability Officer (Gula Estate) – Fairus binti Ali Rajamani (Field Clerk); Date: 1/2/2019 - Appointment – MSPO Committee Traceability Officer – Mr. Azera Chiong (Office Clerk); Date: 1/4/2019 – Senama Estate - Appointment – MSPO Committee Traceability Officer; Pn. Norisah Chik (Office Clerk); Date: 1/1/2019 & Pn. Rosmizon Ramli (Lab Assistant); Date: 1/1/2019 – Maran Estate	Complied
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Records of sales, delivery/transportation maintained as per following samples: Gula Estate: - Weighbridge ticket # 3008937; Date: 27/4/2019; Field # 02C; Product: FFB; Nett Weight: 3.89mt; Vehicle # TS 55/88 - Weighbridge ticket # 3008707; Date: 22/4/2019; Field # 06D; Product: Loose Fruit; Nett Weight: 0.79mt; Vehicle # WCB 2783 <u>Maran Estate:</u> - Weighbridge ticket # 54276; Date: 1/2/2019; Field # 98D; Product: FFB; Nett Weight: 4.47mt; Vehicle # 10	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Weighbridge ticket # 54297; Date: 2/2/2019; Supplier: S0171-Usaha Ladang; Product: FFB; Nett Weight: 4.46mt; Vehicle # CCL 989 <p><u>Senama Estate:</u></p> <ul style="list-style-type: none"> - Weighbridge ticket # 34558; Date: 5/3/2019; Field # 12C; Product: FFB; Nett Weight: 5.67mt; Vehicle # C2 - Weighbridge ticket # 34554; Date: 5/3/2019; Product: FFB; Nett Weight: 5.81mt; Vehicle # C3 	
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	<p>All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>Sin Thye Management (management company for NSOP Berhad) and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.</p> <p>Gula Estate</p> <p>The estate has established the Register of Laws and List of Relevant Acts, Laws and Regulations. Monitoring on the compliance to the Laws and Regulations was conducted as per Legal Registry for Financial Year 2019 (Gula Estate).</p> <ul style="list-style-type: none"> i. MPOB Licensed no. 501490-802000 ii. Permit for Purchasing Paraquat, permit no. PRK/2019/PARA/005(GL) for purchasing 1560 liter. Valid from 22/4/2019 till 12/5/2019 	Complied

Criterion / Indicator	Assessment Findings	Compliance
	<p>Maran Estate</p> <p>The estate has established the Register of Laws and List of Relevant Acts, Laws and Regulations. Monitoring on the compliance to the Laws and Regulations was conducted as per Legal Registry. Sighted the sampled the compliance as follows:</p> <ul style="list-style-type: none"> i. MPOB Licensed no. 501560-202000 ii. Diesel purchasing and storage permit application are still in progress, waiting approval from KPDNKK. BLESS submission ref. no BL 22019015480 <p>Senama Estate</p> <p>The estate has established the Register of Laws and List of Relevant Acts, Laws and Regulations. Monitoring on the compliance to the Laws and Regulations was conducted as per Legal Registry. Sighted the sampled the compliance as follows:</p> <ul style="list-style-type: none"> i. MPOB Licensed no. 501621-802000 ii. Diesel purchasing and storage permit application are still in progress, waiting approval from KPDNKK. Application has been submitted to KPDNKK on 27/3/2018., the application has not been approved as the Jabatan Bomba was not supporting the application as the storage area was not comply with 'Kehendak-kehendak Pemasangan Keselamatan'. The estate has comply with the regulation and the application has been resubmitted to KPDNKK. 	

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Criterion / Indicator		Assessment Findings	Compliance
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register. - Major compliance -	Applicable legal requirements listed as Register of Laws and List of Relevant Act, Laws and Regulations; MSPO-P3-1 as per sample sighted: - Legal Registry for Financial Year 2019 (Gula Estate); Date: 30/4/2019	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 -	Chief Administrator in HQ will notify any update and/or changes in legal requirements.	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 -	Management assigned either Estate Managers or Chief Clerks as person responsible to monitor compliance and tracking/updating changes in legal requirements. Sighted sample letter of appointment as following: - Surat Perlantikan Ahli Jawatankuasa MSPO: Legal Officer– Pannirselvan a/l Murugan (Chief Clerk); Date: 1/2/2019 – Gula Estate	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. - Major compliance -	Management ensured that their oil palm cultivation activities do not diminish the land use rights of other user based on the following: - Procedure title: Stakeholder Communication & Consultation Procedure; Ref. # MSPO-P2-C2; Rev. 0; Date: 1/7/2018.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>- Procedure title; FPIC with Respect to Land Use Rights and Customary Rights; MSPO-P3-C2; Rev. 1.01; Date: 22/5/2019</p> <p>Consultation with stakeholders confirmed no any land use rights issues occurred within audited sites.</p>	
4.3.2.2	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p> <p>- Major compliance -</p>	<p>NSOP Berhad acquired all the land (leased and freehold) directly from the Perak, Pahang and Negeri Sembilan state government. There were no issues of land disputes recorded. All land title were kept in the office and available for review. Sighted the sampled land title as follows:</p> <p>Gula Estate & Palm Oil Mill:</p> <ul style="list-style-type: none"> i. Ownership no 3423, lot no. 1009 for 0.5792ha ii. Ownership no 8223, lot no 1668 for 1349.03ha iii. Ownership no 69673, lot no. 4583 for 769.7ha <p>Maran Estate</p> <ul style="list-style-type: none"> i. Ownership no. HS(D) 728, lot no. PT2/2273 for 4895 acre for planting of Oil Palm only. <p>Senama Estate</p> <ul style="list-style-type: none"> i. Ownership no. 63965, lot no. 594 for 125.4524 ha for Agriculture use only. ii. Ownership no. 70423, lot no. 607 for 816.6543 ha. iii. Ownership no. 70467, lot no. 947 for 0.3665 ha 	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.3.2.3	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- Major compliance -</p>	<p>Legal boundaries at estates visited were clearly demarcated with red and white colour concrete pole/ wooden stick. Sighted during site visit at the estates boundaries.</p> <p>Gula Estate</p> <p>Legal boundaries at estates visited were clearly demarcated with wooden stick. Sighted during site visit at the estates boundaries during site visit at P97A (3S) adjacent with Sg. Gula.</p> <p>Maran Estate</p> <p>Legal parameter were clearly demarcated with red colour stick. Sighted the boundary peg at P18A adjacent with Berkelah Forest Reserve.</p> <p>Senama Estate</p> <p>Legal parameter were clearly demarcated with red and yellow colour concrete pole. Sighted the boundary peg at P13A and P13B adjacent with St. Heleir Estate and railway reserve.</p>	Complied
4.3.2.4	<p>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).</p> <p>- Minor compliance -</p>	<p>Review of documentations and records including consultation with stakeholders confirmed that no any land use rights issues occurred within audited sites. In case of any, FPIC will be ensured as per established procedure title: FPIC with Respect to Land Use Rights and Customary Rights; MSPO-P3-C2; Rev. 1.01; Date: 22/5/2019.</p>	Complied
<p>Criterion 4.3.3 – Customary rights</p>			

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Criterion / Indicator		Assessment Findings	Compliance
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 -	Review of documentations and records including consultation with stakeholders confirmed that no any land use rights issues occurred within audited sites. In case of any, FPIC will be ensured as per established procedure title: FPIC with Respect to Land Use Rights and Customary Rights; MSPO-P3-C2; Rev. 1.01; Date: 22/5/2019.	Complied
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	Review of documentations and records including consultation with stakeholders confirmed that no any land use rights issues occurred within audited sites. In case of any, FPIC will be ensured as per established procedure title: FPIC with Respect to Land Use Rights and Customary Rights; MSPO-P3-C2; Rev. 1.01; Date: 22/5/2019.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	Review of documentations and records including consultation with stakeholders confirmed that no any land use rights issues occurred within audited sites. In case of any, FPIC will be ensured as per established procedure title: FPIC with Respect to Land Use Rights and Customary Rights; MSPO-P3-C2; Rev. 1.01; Date: 22/5/2019.	Complied
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	<u>Gula Estate:</u> Based on Social Impact Assessment (SIA) Procedure MSPO Procedure Title: Social Impact Assessment (SIA); Doc. # MSPO-09; Rev. 00; Date: 1/7/2018	Minor noncompliance

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Social improvements established as SIA Plan; Estate Name: Gula Estate (& Mill); Assessment date: 20/5/2019; Includes the following social factors/criteria:</p> <ul style="list-style-type: none"> - Housing facilities - Economic livelihood - Religious facilities - Health service - Education facilities - Cemetery - Encroachment of livestock into estate land - Water tidal gate operation <p><u>Maran Estate:</u></p> <ul style="list-style-type: none"> - Based on MSPO Procedure Title: Social Impact Assessment (SIA); Doc. # MSPO-09 and Stakeholder Communication & Consultation Procedure; Ref. # MSPO-P2-C2 - Based on stakeholder consultation as per Social Impact Assessment Questionnaire record conducted on 18/4/2019. Social factors/Criteria included housing facilities, economic livelihood, religious facilities, health services, educational facilities, communication facilities, transportation, safety, working hours & equal opportunity <p><u>Senama Estate:</u></p> <p>Established as Social Impact Assessment Questionnaire (SIA) Senama Estate; Date: 24/5/2019 & Social Impact Assessment Plan (SIA); Dated 24/5/2019. Identified social factors/criteria including Road Access/Facility; Job Opportunities and Livestock (Cattle/Goats).</p>	

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Criterion / Indicator		Assessment Findings	Compliance
		<p>However, based on sighted few cattle & barns located inside estate nearby housing area despite signage for prohibition of cattle rearing been installed, it was found that the identification and implementation of social impact plans related to cattle/goat rearing within estate area was insufficient.</p> <p>Due to isolated issue found in one audited site, hence, a minor noncompliance has been raised.</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>System for dealing with complaints and grievances established as Grievance & Complaints Handling Procedure; MSPO-P4-C2; Rev. 1.01; Date: 8/5/2019.</p> <p>Review of documentations and records including consultation with stakeholders confirmed that no any issues related to negative complaints and grievances by external stakeholders occurred within audited sites.</p> <p>Sighted records of housing repair reports/complaints by workers been maintained as documented information.</p>	Complied
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>System for dealing with complaints and grievances established as Grievance & Complaints Handling Procedure; MSPO-P4-C2; Rev. 1.01; Date: 8/5/2019.</p> <p>Review of documentations and records including consultation with stakeholders confirmed that no any issues related to negative complaints and grievances by external stakeholders occurred within audited sites.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Sighted records of housing repair reports/complaints by workers been maintained as documented information.	
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	System for dealing with complaints and grievances established as Grievance & Complaints Handling Procedure; MSPO-P4-C2; Rev. 1.01; Date: 8/5/2019. Review of documentations and records including consultation with stakeholders confirmed that no any issues related to negative complaints and grievances by external stakeholders occurred within audited sites. Sighted records of housing repair reports/complaints by workers been maintained as documented information.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	System for dealing with complaints and grievances established as Grievance & Complaints Handling Procedure; MSPO-P4-C2; Rev. 1.01; Date: 8/5/2019. Review of documentations and records including consultation with stakeholders confirmed that no any issues related to negative complaints and grievances by external stakeholders occurred within audited sites. Sighted records of housing repair reports/complaints by workers been maintained as documented information.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	System for dealing with complaints and grievances established as Grievance & Complaints Handling Procedure; MSPO-P4-C2; Rev. 1.01; Date: 8/5/2019.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>Review of documentations and records including consultation with stakeholders confirmed that no any issues related to negative complaints and grievances by external stakeholders occurred within audited sites.</p> <p>Sighted records of housing repair reports/complaints by workers been maintained as documented information.</p>	
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>Contribution implementation were based on records of Contribution to Local Sustainable Development; Ref. # MSPO-P4-1. Part of contribution made by company was sighted as following:</p> <ul style="list-style-type: none"> - Donation to Society of The Blind Malaysia; Dated 11/1/2019 - Donation to Chinese Temple Hua Seng Keng; Date: 11/5/2019 - From Sekolah Menengah Kebangsaan Maran: Memohon Sumbangan Tanah Hitam Sawit; Ref. # CEA.9059.100/2/8/ 1 (72); Dated 19/2/2019 - From Majlis Daerah Maran: Memohon Tanah Sawit Baja Untuk Keceriaan Landskap Majlis Daerah Maran; Ref. # Bil.(3)d/m.MDM/BDR/213 Jld.9; Dated 22/1/2019 - Latihan Pemanduan 4x4 Polis Diraja Malaysia (PDRM) Daerah Maran 	Complied
Criterion 4.4.4: Employees safety and health			

Criterion / Indicator		Assessment Findings	Compliance
4.4.4.1	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>NSOP Berhad has established Safety and Health Policy signed by the Executive Chairman dated 2/1/2019.</p> <p>In the policy stated the commitment to comply with the Occupational Safety and Health Act 1994 and Factory and Machinery Act 1967 towards achieving zero incidences.</p>	Complied
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risks of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <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 <p>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).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety</p>	<p>NSOP Berhad has established Safety and Health Policy signed by the Executive Chairman dated 2/1/2019.</p> <p>The policy was communicated through tool box meeting, morning muster briefing and displayed at several designated notice board in the mill.</p> <p>Noted during interview with the workers shows the understanding on the Safety and Health Policy among the workers.</p> <p>The estates visited have established risk assessment and documented Hazard Identification, Risk Assessment and Risk Control</p> <p>Gula Estate</p> <p>The estate has conducted risk assessment and documented on Borang Mengenalpasti Hazard, Menilai Risiko dan Mengawal Risiko (HIRARC): Established as HIRARC 2018 & 2019 for Eng Thye Plantation Berhad Palm Oil Estate.</p> <p>Maran Estate</p>	Minor NC

Criterion / Indicator	Assessment Findings	Compliance
<p>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>The estate has established risk assessment and documented Hazard Identification, Risk Assessment and Risk Control. The assessment covered all the activities in the estate.</p> <p>The HIRARC was reviewed on quarterly basis during Safety Committee Meeting and when necessary if accident happen. Latest review was conducted on 20/9/2018 for fertilizer application activity.</p> <p>Senama Estate</p> <p>The estate has established risk assessment and documented Hazard Identification, Risk Assessment and Risk Control. The assessment covered all the activities in the estate.</p> <p>Awareness and training program for employees exposed to pesticides has been included in the annual training program. Sighted the sampled training conducted for pesticides handlers as follows:</p> <p>Gula Estate</p> <p>i. SOP for chemical premixing, received and storage training dated 17/4/2019</p> <p>ii.SOP and PPE for sprayers training dated 20/2/2019</p> <p>Maran Estate</p> <p>i. Chemical at workplace: Potential danger and control measures training dated 4/2/2019.</p> <p>ii. SOP for chemical spillage dated 20/12/2018</p> <p>iii. Riparian bufferzonew, prohibition of chemical activities dated 13/12/2019</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Senama Estate</p> <p>i. SOP for PPE and chemical storage for sprayers training dated 12/9/2018</p> <p>ii. SOP for spraying Cyphermetrin (Power Spray) training dated 3/9/2018</p> <p>NSOP Berhad has provided all PPE to all the workers base on job type and designation following the HIRARC and the Occupational Safety and Health Manual for Plantation Workers.</p> <p>Gula Estate</p> <p>Sighted the PPE issuance records for cotton gloves recoded in Safety Equipment, PPE Requisition and Issuing Record Book.</p> <p>Maran Estate</p> <p>Sighted the PPE issuance records gloves, safety boots, safety helmets and apron recoded in Safety Equipment, PPE Requisition and Issuing Record Book.</p> <p>Senama Estate</p> <p>NSOP Berhad has provided all PPE to all the workers base on job type and designation following the HIRARC and the Occupational Safety and Health Manual for Plantation Workers and HIRARC.</p> <p>NSOP Berhad has established SOP for chemical handling and documented in and the Occupational Safety and Health Manual for Plantation Workers under section Safety Work Procedure Using Chemical, Safety Work Procedure for Trunk Injection and Bagworm</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Spraying, Safety Work Procedure for Highly Toxic Pesticide and Safety Work Procedure at Premix Area.</p> <p>Maran Estate</p> <p>During interview with the field supervisor, it was noted that the chemical premix was not effectively conducted at the premix area. The chemical was diluted in 4 Liter chemical container. The chemical premixing was conducted in the field using the diluted chemical. It was against the Safety Work Procedure Using Chemical and Safety Work Procedure at Premix Area established.</p> <p>Estates visited has appointed person responsible to handle workers safety and health matters.</p> <p>Gula Estate</p> <p>The management has appointed the Safety Supervisor as PIC for workers safety and health as per letter dated 1/2/2019 signed by the estate manager.</p> <p>Maran Estate</p> <p>The management has appointed the Medical Officer as PIC for workers safety and health as per letter dated 1/1/2019 signed by the estate manager.</p> <p>Senama Estate</p> <p>The management has appointed the Safety Supervisor as PIC for workers safety and health as per letter dated 1/1/2019 signed by the estate manager.</p>	

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Criterion / Indicator	Assessment Findings	Compliance

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Criterion / Indicator	Assessment Findings	Compliance
	<p>The estate has established Emergency Response Plan for fire, chemical spillage, accidents at workplaces and communicated to the workers through briefing and displayed at the 'Bulletin Board' at several location in the estate. The latest training was conducted on 12/4/2019.</p> <p>The estates visited provided the first aid box and available at all workstation in the estates. Noted during interview with workers and supervisor shows the understanding of basic emergency treatment for injured workers. The medical officer conducted the first aid box monitoring on monthly basis.</p> <p>Gula Estate</p> <ul style="list-style-type: none"> i. First aid training by First Aider (HA) to Mandore, dated 25/10/2018; ii. First Aid & CPR Training by Green Plus Consultancy dated 25-26/7/2018. Refer certificate no 18302 and 18304 <p>Maran Estate</p> <p>The management has appointed and trained the Medical Officer and Sr. Field Supervisor as First Aider. The medical officer has attended the First Aid and CPR Training dated 25 – 26/7/2018. Refer certificate no 18316.</p> <p>Senama Estate</p> <p>The management has appointed and trained the Safety Supervisor as First Aider. Training has been attended on 25 – 26/7/2018. Refer certificate no. 18301.</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>The estate has provided the mandore with first aid box and available at all workstation in the estate. Noted during interview with the mandore shows the understanding of basic emergency treatment for injured workers. The medical officer conducted the first aid box monitoring on monthly basis. Sighted the monitoring records for the month of December 2018, January and February 2019.</p> <p>Accident records reviewed by the OSH Committee during Safety and Health Committee Meeting conducted on quarterly basis. The estate submitted annual accident records to DOSH through JKPP 8 form on annually basis.</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>Policy on good social practices established as Social and Human Rights Policy; Signed by Executive Chairman (Goh Wei Lei); Date: 2/1/2019. Stated 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>	Complied
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>Based on the established Social and Human Rights Policy; Signed by Executive Chairman (Goh Wei Lei); Date: 2/1/2019, no any evidence of discriminatory practices within company.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
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>Conditions of pay available in work agreement (Perjanjian Pekerjaan) and employee handbook (Buku Panduan Pekerja). Amongst all, worker's price rate were sighted as following:</p> <ul style="list-style-type: none"> - Manuring: RM1.40/bag - Apply rat bait: RM7.93/OT Hours - Harvesting: RM30/mt (mature 02 planting) <p>Sighted payslip for sample workers as following:</p> <ul style="list-style-type: none"> - Workers ID # 04101; Type: Manuring; Date joined: 10/11/2011; Nationality: Pakistan - Workers ID # 2293; Type: Upkeep; Date joined: 1/6/2009; Nationality: Indonesia 	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>Contractors' employees ensured their pay through monitoring of payslips. Minimum industry standards were met based on sample payslip for contractor workers as following:</p> <p><u>Gula Estate:</u></p> <ul style="list-style-type: none"> - Workers ID # FB9847791; Type: Manuring; Contractor: Jong Cheong Enterprise - Workers ID # AN067170; Type: Harvesting; Contractor: V. Anparasan - Workers ID # AN028721; Type: Harvesting; Contractor: Tan Yee Boon <p><u>Maran Estate:</u></p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Workers ID # B8472613; Type: Harvesting; Contractor: Hasbollah Bin Johari - Workers ID # C0465033; Type: Harvesting; Contractor: Hasbollah Bin Johari - Workers ID # AT826765; Type: Harvesting; Contractor: Hasbollah Bin Johari <p><u>Senama Estate:</u> Based on sample payslip for contractor workers as following:</p> <ul style="list-style-type: none"> - Workers ID # B1572990; Type: Harvesting; Contractor: Khoo Choon Lin - Workers ID # AT993934; Type: Harvesting; Contractor: Lee Thoo Kim 	
4.4.5.5	<p>The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>Records established provided accurate account of all employees as per sighted sample of Monthly Employee Statement for 1 Jan – 31 Dec 2018 which contained accurate information as following:</p> <ul style="list-style-type: none"> - List of Local Employee - List of Employee – Foreign Workers - List of Contractor Workers (Foreign Workers) - Lee Thoo Kim Contractor - List of Contractor Workers (Local Employee) - Lee Thoo Kim Contractor - List of Contractor Workers (Foreign Workers) - Khoo Choon Lin Contractor 	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>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.</p> <p>- Major compliance -</p>	<p>Fair contracts given in the form of work agreement (Perjanjian Pekerjaan) and employee handbook (Buku Panduan Pekerja). Sighted work agreements for sample workers as following:</p> <p><u>Gula Estate:</u></p> <ul style="list-style-type: none"> - Workers ID # 04101; Type: Manuring; Date joined: 10/11/2011; Nationality: Pakistan - Workers ID # 2293; Type: Upkeep; Date joined: 1/6/2009; Nationality: Indonesia <p><u>Maran Estate:</u></p> <ul style="list-style-type: none"> - Workers ID # 04164; Type: Harvester; Date joined: 28/2/2018; Nationality: Indonesia - Workers ID # 04212; Type: Field Workers; Date joined: 28/3/2019; Nationality: Indonesia - Workers ID # 04199; Type: Field Workers; Date joined: 28/3/2019; Nationality: Indonesia - Workers ID # 04175; Type: Tractor Driver; Date joined: 25/1/2018; Nationality: Indonesia - Workers ID # 03012; Type: Field Workers; Date joined: 19/5/2013; Nationality: Indonesia <p><u>Senama Estate:</u></p> <ul style="list-style-type: none"> - Workers ID # B1572990; Type: Harvesting: Contractor: Khoo Choon Lin - Workers ID # AT993934; Type: Harvesting: Contractor: Lee Thoo Kim 	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
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 -	Time recording system that makes working hours and overtime transparent for both employees established through PIMS accounting system.	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 -	Normal working hours is 8 hours either from Monday to Saturday or Saturday to Thursday. Total monthly normal working hours is 208 hours. The overtime maximum is 104 hours according to the employment act. As at current status, there was none has crossed 80 hours of overtime. Verified the pay slips, the payment and calculation of overtime was well distributed.	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	<u>Maran Estate:</u> Payslips for the month of Sep – Dec 2018 and Jan – Apr 2019 were not available for the following harvesting check roll employee: - Workers ID # 04164; Type: Harvester; Date joined: 28/2/2018; Nationality: Indonesia - Only Payment Voucher (Sample # B36/1/19; Dated 6/1/2019) given to worker which does not documented the detail wages/overtime payment and/or deduction/company contribution as per legal regulations and collective agreements <u>Senama Estate:</u> Wages payment found not in line with legal regulations and collective agreements documented on pay slip as per following samples:	Major non compliance

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Employee # 03044; Daily Worker ND (Normal Day) Pay = 29; instead of 26 ND + 3 RD for April 2019 wages - Employee # 03061; Daily Worker ND (Normal Day) Pay – 29; instead of 26 ND + 3 RD for April 2019 wages <p>Due to multiple issues found in two audited site, hence, a major noncompliance has been raised. Refer NC no. 1774852-201905-M1.</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>Other form of social benefits as sighted in the pay slip including company's contributions of EPF, SOCSO and EIS. Medical care and health provisions also provided for entire work force.</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><u>Gula Estate:</u></p> <p>Weekly inspection done as per Staff & Labour Quarters Inspection form; Doc. # MSPO-P4-4-8; Rev. 0; Date: 1/7/2018; latest inspection done on 22/5/2019.</p> <p>VMO latest visit conducted on 21/5/2019. By Dr. Lim Hock Gee from Klinik Tan Cheng Leng, Taiping.</p> <p>However, the housing area not fully in compliance with the Workers's Minimum Standards Housing and Amenities Act 1990 requirement. This was based on evidence that the requirements for perimeter drains around each dwelling or block of dwellings including all outlet drains are kept in a good state of repair and clear of refuse or undergrowth to permit free flow of water was not met at the drain near house # L24 within the workers housing area.</p>	Minor noncompliance

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Criterion / Indicator	Assessment Findings	Compliance
	<p><u>Maran Estate & Palm Oil Mill:</u></p> <ul style="list-style-type: none"> - TOP received letter "Permohonan Kebenaran Untuk Menggunakan Sumber Bekalan Air Persendirian Di Bawah Seksyen 6(1)(a), Akta Standard-Standard Minimum Perumahan Dan Kemudahan Pekerja 1990" Ref. # 10601/14812; Dated 25/8/2016. Application submitted before 30/9/2016; Response by Pejabat Tenaga Kerja Kuantan– Letter to Pegawai Kesihatan Daerah, Pejabat Kesihatan Daerah Maran; Rev. # 10601/; Dated 14/10/2106 - Lesen Penggunaan Sumber Air; Serial # 0273; License # SWUL/LPSA/10/2019; Validity period: 1/1-31/12/2019 - Domestic water Certificate of Analysis; Reg. # PLW-009241-00006467-19; Sampling date: 27/3/2019; Analysis date: 29/9/2019 by Permulab Sdn. Bhd. - Order Form (PO) # 28458; Date: 13/5/2019 for fire extinguisher 35 units - MSPO Procedure Title: Staff & Labour Quarters Inspection; Date: 23/2/2019 <p><u>Senama Estate:</u></p> <p>Weekly inspection done as per Staff & Labour Quarters Inspection form; Doc. # MSPO-P4-4-8; Rev. 0; Date: 1/7/2018; latest inspection done on 25/5/2019.</p> <p>Due to isolated issue found in one audited site, hence, a minor noncompliance has been raised.</p>	

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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>Policy established as Social and Human Rights Policy; Signed by Executive Chairman (Goh Wei Lei); Date: 2/1/2019. Stated to provide workplace free of violence and sexual harassment whether directly or indirectly against all employees and stakeholders. Also referred to the Definition of Sexual Harassment; Ver. Control: 1.00; Date: 29/8/2018; Rev. -; Source: ILO</p> <p>Surat Lantikan Ahli Jawatankuasa MSPO – sebagai Internal and External Communication Officer – Mr. Tion Hoong Hee (Senior Field Supervisor); Date: 1/2/2019</p>	Complied
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><u>Gula Estate:</u></p> <p>Management respect the right of all employees by allowing employees to join NUPW. Two employees are the NUPW representative as per letter for meeting schedule received from NUPW Cawangan Negeri Perak as per sighted:</p> <ul style="list-style-type: none"> - Letter ref. # NUPW/PK/5/2019; Date: 23/5/2019; Ref.: Monthly NUPW Estate/Mill Secretaries Meeting 29/5/2019 - Letter ref. # NUPW/PK/2/2019; Date: 11/2/2019; Ref.: Explanation (Working Standard and Collective Agreement) Meeting to Mill Workers 18/2/2019 - Union payment subsidy as per MAPA/NUPW Field and Other General Employees and Fringe Benefits Agreement, 2015; Agree Note No. 2-Irrevocable Agreement between MAPA and NUPW on NUPW/AIA Personal Accident Group Scheme; MAPA Circular No. 22/2015; Dated 4/8/2015 & Memo by Plantation Administration & 	Minor noncompliance

Criterion / Indicator		Assessment Findings	Compliance
		<p>Procurement Controller; Dated 14/8/2015 & Letter by Director; Dated 13/8/2015</p> <p>However, it was found that the union membership payment conditions not met by employer since all fees were deducted from members' salary instead of partial subsidy by employer.</p> <p>Due to isolated issue found in one audited site, hence, a minor noncompliance has been raised.</p>	
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 programmes. Children shall not exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>Established as Social and Human Rights Policy; Signed by Executive Chairman (Goh Wei Lei); Date: 2/1/2019. Stated prohibit employment by coercion. Children and young persons shall not be employed or exploited, the minimum age shall comply with local state and national legislation</p> <p>During site visit to field and line site, there was no evidence found of workers below 18 years old. Workers are aware of the minimum age policy is being strictly enforced by the management at which the age limit is above 18 years old. During site visit to field and line site, there was no evidence found of workers below 18 years old. Workers are aware of the minimum age policy is being strictly enforced by the management at which the age limit is above 18 years old.</p>	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of</p>	<p>Estates visited has established training program for all workers based on training need analysis conducted on annually basis.</p> <p>Gula Estate</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>Estates visited has established training program for all workers based on training need analysis conducted on annually basis. The training program was documented in the SOP training program and Safety and Health Program FY 2019: Field. Sighted the training records as follows:</p> <ul style="list-style-type: none"> i. Safety and health policy training dated 25/4/2019 ii. Safety work procedure for harvesters training dated 30/3/2019 iii. SOP and PPE for manuring training dated 5/3/2019 iv. Tractor driver, competency and inspection before driving training dated 9/2/2019 <p>Maran estate</p> <p>The estate has established the training program documented in the Safety and Health Program FY 2019 and Environmental Planner FY 2019. The training plan was reviewed on annually basis. Sighted the training records as follows:</p> <ul style="list-style-type: none"> i. Tractor driver, competency and driving skills training dated 19/12/2018 ii. Riparian bufferzone area prohibition of chemicals activity training dated 13/12/2018 iii. SOP for FFB harvesting training dated 20/2/2019 <p>Senama Estate</p> <p>The estate has established the training program documented in the Safety and Health Program FY 2019. The training plan was reviewed on annually basis. Sighted the training records as follows:</p>	

Criterion / Indicator		Assessment Findings	Compliance
		i Tractor driver, competency and driving skills training dated 23/11/2018 ii. Manuring application in safe condition training dated 14/12/2018 iii. Safe work procedure for workshop and loading ramp training dated 10/10/2018	
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 -	<p>Gula Estate</p> <p>The estate has conducted the training need analysis to identify the training needs for all the employees and contractors. However, the training need analysis not cover all job designation in the estate.</p> <p>Thus, Minor NC raised. Refer NC no. 1774852-201905-N3</p> <p>Maran Estate</p> <p>The estate has conducted the training need analysis to determine the training requirement for the management, employee and contractors and documented in Training Need Analysis, Plan and Implementation 2019. The analysis was conducted on annually basis.</p> <p>Senama Estate</p> <p>The estate has conducted the training need analysis to determine the training requirement for the management, employee and contractors and documented in Training Need Matrix Guidance and annual Training Calendar for Field Supervisors. The analysis was conducted on annually basis. Latest review was done on 15/5/2019.</p>	Minor NC

Criterion / Indicator		Assessment Findings	Compliance
4.4.6.3	<p>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.</p> <p>- Minor compliance -</p>	<p>The estates visited has established training program which reviewed and updated on annually basis and documented in SOP training program and Safety and Health Program FY 2019: Field.</p>	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	<p>An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>NSOP Berhad has established the Environmental Policy signed by the Executive Chairman dated 2/1/2019. The policy stated the company commitment in protecting the environment and ensure necessary effort is taken to reduce the impact on the environment from the estates and mill operation in line with EQA 1974 and other applicable laws and regulations. The policy was communicated to the employee through training, tool box meeting and displayed at the designated notice board in the mill.</p> <p>Gula Estate</p> <p>The mill has established the environmental management plan base on the aspects and impacts analysis conducted. Sighted the implementation of the management plan as follows:</p> <p>i. The construction of the new scrap iron yard was budgeted in the 2019 Capex. The contract tender process has been completed and waiting for top management approval to proceed.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>ii. The vehicle maintenance was conducted on timely basis as per scheduled. Sighted the records of vehicle maintenance for TR 23, TR 26 and TR 30 documented in the Vehicle Service and Maintenance Requisition form no. 0182, 0103, 0077, 0172 and 0083.</p> <p>Maran Estate</p> <p>The estate has conducted the aspects and impacts analysis of all operations and documented in the Environmental Aspect Impact Assessment Guidance for Maran Estate.</p> <p>The estate has established environmental management plan base on the aspect and impact analysis conducted. The management plan was reviewed on annually basis. Sighted the implementation of the management plan as follows:</p> <ul style="list-style-type: none"> i. Sighted during site visit at Sg. Chedong, the riparian bufferzone was demarcated with red and white ring at the palm along the bufferzone. ii. Sighted the vehicle daily inspection records recorded in the 'Borang Pemeriksaan Harian Lori' for the month of December 2018 and Januari 2019. <p>Senama Estate</p> <p>The estate has conducted the aspects and impacts analysis of all operations and documented in the Environmental Aspect Impact Assessment Guidance for Estate.</p> <p>The estate has established environmental management plan base on the aspect and impact analysis conducted. The management plan was reviewed on annually basis. Latest review was conducted in</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>15/5/2019. Sighted the implementation of the management plan as follows:</p> <p>i. Sighted the sales record for recycle of scrap iron. Refer receipt no 227481 dated 2/5/2019.</p> <p>ii. Sighted the vehicle monthly inspection recorded in 'Senarai Menyemak (Checklist) Pekerja, Latihan dan Peralatan Kerja' for the month of October, November and December 2018.</p>	
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <p>a) An environmental policy and objectives;</p> <p>b) The aspects and impacts analysis of all operations.</p> <p>- Major compliance -</p>	<p>Estates visited have established the Environmental Management Plan base on aspects and impacts analysis conducted.</p> <p>Gula Estate</p> <p>The estate has established the environmental management plan base on the aspects and impacts analysis conducted and documented in the Environmental Aspect Impact Assessment for Estate. The management plan was conducted on annually basis. Latest review was conducted on 16/5/2019.</p> <p>Maran Estate</p> <p>The estate has established environmental management plan base on the aspect and impact analysis conducted. The management plan was reviewed on annually basis. Latest review was conducted on 13/5/2019.</p> <p>Senama Estate</p> <p>The estate has established environmental management plan base on the aspect and impact analysis conducted. The management plan was</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		reviewed on annually basis. Latest review was conducted on 15/5/2019.	
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored. - Major compliance -	The estates visited has established the environmental plan based on the aspects and impacts analysis conducted and documented in the Environmental Aspect Impact Assessment for Estate. The management plan was established for the activity which give significant impact for the environment. The management plan were reviewed annually basis.	Complied
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Estates visited has established programme to promote the positive impacts was included in the continual improvement plan . Gula Estate The estate has established environmental improvement plan and documented in Kaizeen Sheet. Sighted the improvement plan as follows: i. Discharge of Water from Estate Field: To Replace the Existing Water Gate to a Bigger Capacity in Order to Discharge the Water Faster. Maran Estate The estate has established environmental management plan base on the aspect and impact analysis conducted include the program to promote the positive impacts as follows: i. Prevent pollution of surface and groundwater by	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>a. Maintaining and restoring appropriate riparian bufferzone along water bodies</p> <p>b. Established water quality monitoring for testing river and domestic water</p> <p>Senama Estate</p> <p>The estate has established environmental management plan base on the aspect and impact analysis conducted include the program to promote the positive impacts as follows:</p> <p>i. Disposal of scrap iron through recycle</p>	
4.5.1.5	<p>An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.</p> <p>- Major compliance -</p>	<p>Estates visited has included the environmental training in training program established.</p> <p>Gula Estate</p> <p>The estate has established training program which reviewed and updated on annually basis and documented in SOP training program and Safety and Health Program FY 2019: Field.</p> <p>Maran estate</p> <p>The estate has established the training program documented in the Safety and Health Program FY 2019 and Environmental Planner FY 2019. The training plan was reviewed on annually basis.</p> <p>Sighted the sampled training conducted as follows:</p> <p>i. Triple rinse for empty container dated 4/5/2019</p> <p>ii. Chemical spillage training dated 16/1/2019</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>iii. Prohibition of spraying and manuring activity at bufferzone area</p> <p>Senama estate</p> <p>The estate has established the training program documented in the Safety and Health Program FY 2019. The training plan was reviewed on annually basis.</p> <p>Sighted the sampled training conducted as follows:</p> <p>i. SOP for spraying training dated 17/4/2018</p>	
4.5.1.6	<p>Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>Gula Estate</p> <p>The meeting with workers to discuss on the environmental issue conducted on quarterly basis during Committee Meeting. Latest meeting on the environmental issue was conducted on 24/5/2019.</p> <p>Maran Estate</p> <p>Discussion with employees regarding any concerns about environmental quality conducted during the environmental meeting. Latest meeting was conducted on 14/3/2019.</p> <p>Senama Estate</p> <p>Discussion with employees regarding any concerns about environmental quality conducted during the environmental meeting. Latest meeting was conducted on 29/3/2019.</p>	Complied
<p>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</p>			

Criterion / Indicator		Assessment Findings	Compliance				
<p>4.5.2.1</p> <p>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.</p> <p>- Major compliance -</p>	<p>Estates visited monitored the consumption of non-renewable energy on monthly basis. Action plan was established plan to assess the usage of non-renewable energy.</p> <p>Gula Estate</p> <p>The estate monitored the consumption of the non-renewable energy on monthly basis. The monitoring was done base on the type of the energy usage. Sighted the monitoring records for diesel usage FY 2018 @ 86045 liters</p> <p>Maran Estate</p> <p>The monitoring of the non-renewable energy has been conducted on monthly basis. The estate has established plan to assess the usage of non-renewable energy and documented in the Energy Optimization Plan. The plan stated the issue, action plan, person responsible, timeline and status of the implementation.</p> <p>Senama Estate</p> <p>The monitoring of the non-renewable energy has been conducted on monthly basis. The estate has established plan to assess the usage of non-renewable energy and documented in the Environmental Management Plan.</p> <p>Sighted the monitoring records for diesel usage as follows;</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Month</th> <th style="width: 50%;">Usage</th> </tr> </thead> <tbody> <tr> <td>Jan</td> <td>420.00</td> </tr> </tbody> </table>		Month	Usage	Jan	420.00	<p>Complied</p>
Month	Usage						
Jan	420.00						

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Criterion / Indicator		Assessment Findings		Compliance
		Feb	345.00	
		Mar	450.00	
		Apr	591.23	
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 estimate for the direct usage of nonrenewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel use by contractors, including all transport and machinery operations was available in the respective estate yearly budgets.		Complied
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	No applicable		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 -	The estates visited has identified the waste products and source of pollution. Gula Estate The estates visited has identified the waste products and source of pollution and documented in List of Waste Identified. Waste identified as follows:		Complied

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> i. Spent lubricant oil ii. Used oil filter iii. Used chemical pesticides container iv. Household Rubbish v. Palm oil mill effluent vi. Empty fruit bunches vii. Clinical waste <p>Maran Estate</p> <p>The estate has identified all waste and source of pollution and documented in the List of Waste Identified. The list was reviewed on annually basis. The latest review was done on 12/5/2019. The waste identified as follows:</p> <ul style="list-style-type: none"> i. Industrial waste – Scrap Iron ii. Scheduled Waste – SW110, SW 305, SW409, SW410 iii. Domestic Waste – Wet waste, kitchen waste, garden waste, sanitary waste, dry waste <p>Senama Estate</p> <p>The estate has identified all waste and source of pollution and documented in the Waste Management Plan. The list was reviewed on annually basis. The latest review was done on 12/5/2019. The waste identified as follows:</p> <ul style="list-style-type: none"> i. Non- Scheduled Waste – Plastic, Paper, Glass, GHG Emmission 	

Criterion / Indicator		Assessment Findings	Compliance
		ii. Scheduled Waste – Used baterries, spent Lubricant, chemical containers, base filter	
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>Gula Estate</p> <p>The estate has established waste management plan base on the identification and source of pollutions and documented in Waste Management Plan Year 2019 – Industrial (Palm Oil Mill and Estate) the plan were available for review.</p> <p>Maran Estate</p> <p>The estate has established and documented Waste Management Plan for Estate and Mill. Management plan was done base on the type of waste identified in the List of Waste Identified. The plan was reviewed on annually basis. Latest review was conducted on 16/5/2019. The plan stated the Issue identified, management action, period of monitoring and person responsible.</p> <p>Sighted the implementation of the management plan established as follows:</p> <p>i. Sighted the records of mill waste disposal records for EFB and Decanter cake at Maran Estate for the month of April 2019</p> <p>ii. Sighted the records of domestic waste collection for the month of February, March and April 2019</p> <p>iii. The estate maintain the Scheduled Waste inventory and recorded in Inventory of Scheduled Waste records for. The inventory was submitted to DOE through E-SWISS system. Sighted the inventory</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>records for the month of January, February and March 2019 and List of Notification of Scheduled Waste dated 6/5/2019.</p> <p>Senama Estate</p> <p>The estate has established and documented the Waste Management Plan. The plan was reviewed on annually basis. .</p>	
4.5.3.3	<p>The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p>- Major compliance -</p>	<p>NSOP Berhad has established Standard Operating Procedure for handling of used chemicals and documented in MSPO Procedure Title: Waste Management; Ref. no. MSPO-05; Rev. 00; Date: 1/7/2018 under title Scheduled Waste Disposal Flow.</p> <p>Gula Estate</p> <p>The scheduled waste were stored more than 180 days without any approval from DOE.</p> <p>Sighted the last disposal records for SW as follows:</p> <p>i. SW 305, C/N no. 2018032210M4AKCI dated 22/3/2018. No disposal records since last disposal until the audit day.</p> <p>ii. SW 404 were send to Klinik Kesihatan Kuala Gula for disposal. The last 2 disposal was done on 7/11/2017 and 24/4/2019. The storage of SW 404 were stored more than 180 days without any approval from DOE as per records in 'Buku Rekod Sharp Bin, Klinik Ladang Gula.'</p> <p>Senama Estate</p> <p>The scheduled waste generated was not notified to DOE within 30 days the wastes are generated.</p>	Major NC

Criterion / Indicator		Assessment Findings	Compliance
		The waste inventory records for the month of April 2019 were not notified to DOE as the estate has yet to register with E-SWISS. Thus, Major NC were raised, Refer NC no. 1774852-201905-M2	
4.5.3.4	Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers. - Major compliance -	Maran Estate Empty pesticides containers were identified and disposed as scheduled waste. Sighted the disposal records as follows: i. SW 409, C/N no. 201905061564NM2U dated 6/5/2019 Gula and Senama Estate The empty pesticides containers will be triple rinse and punctured and send to licensed contractor for disposal as stated in the 'Manual Kesihatan and Keselamatan Pekerjaan Bahagian Ladang' under section Pelupusan Bahan Terjadual.	Complied
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. - Minor compliance -	Domestic waste was collected by the estate twice a week and send to the designated area before collected by municipal contractors and disposed at municipal landfill.	Complied
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 -	Gula Estate The assessment of all polluting activities has been conducted and documented in the GHG Management Plan and waste management Plan. The assessment was reviewed on annually basis. Latest review was conducted on 17/5/2019.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>Maran Estate</p> <p>The assessment of all polluting activities has been conducted and documented in the GHG Management Plan and waste management Plan. The assessment was reviewed on annually basis. Latest review was conducted on 22/1/2019.</p> <p>The assessment of all polluting activities has been conducted in the Environmental Aspects and Impacts Assessment.</p> <p>Senama Estate</p> <p>The assessment of all polluting activities has been conducted.</p>	
4.5.4.2	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p>- Major compliance -</p>	<p>Gula Estate</p> <p>The estate has established management plan to reduce the significant pollutants and documented in the Greenhouse Gases Management Plan. In the management plan stated the plan to reduce identified significant pollutants and emissions. The management plan was reviewed on annually basis. Latest review was conducted on 17/5/2019.</p> <p>In the GHG Management Plan stated the Source of GHG, Impacts, Mitigation Measures, Action Taken, Status, and PIC.</p> <p>Maran Estate</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance		
		<p>The estate has established action plan to reduce the significant pollutions and documented in the GHG Management Plan and waste management Plan.</p> <p>In the GHG Management Plan stated the Source of GHG, Impacts, Mitigation Measures, Action Taken, Status, Timeline and PIC</p> <p>Sighted the implementation of the management plan as follows:</p> <p>i. vehilcle inspection</p> <p>Senama Estate</p> <p>The estate has established action plan to reduce the significant pollutions and documented in the GHG Management.</p> <p>In the GHG Management Plan stated the Source of GHG, Impacts, Mitigation Measures, Action Taken, Status and Timeline</p>			
Criterion 4.5.5: Natural water resources					
4.5.5.1	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a. Assessment of water usage and sources of supply.</p> <p>b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities.</p> <p>c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application,</p>	<p>NSOP Berhad has established SOP for riparian bufferzone and documented in Establishment and Management of Riparian Zone. Refer document no Gap-1 dated 1/1/2019.</p> <p>The estate also follows guidelines from MPOB for “Mengenalpasti kawasan rezab sungai dalam ladang” Refer letter no (3)04/C/PD/87/2 dated 28/9/2009.</p> <table border="1" data-bbox="1093 1300 1870 1369"> <tr> <td>River width</td> <td>Buffer zone</td> </tr> </table>	River width	Buffer zone	Complied
River width	Buffer zone				

Criterion / Indicator		Assessment Findings		Compliance
	maintenance of equipment to reduce leakage, collection of rainwater, etc.). d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate. e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented. f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually. - Major compliance -	> 40 meters	50 meters	
		20 to 40 meters	40 meters	
		10 to 20 meters	20 meters	
		5 to 10 meters	10 meters	
		< 5 meters	5 meters	
		* > 3 meters	20 meters	
		Gula Estate The estate has established the water management plan and documented in the Water Management Plan for Estate. The plan was reviewed on annually basis. Latest Review was conducted on 28/3/2019. Sighted the implementation as follows: i. The estate conducted river water analysis on annually basis. Sighted the water sampling as follows: a. Report no: AR-19-SV-021007-01 Sampling point: field 4S, 7S, 10S and 18S Result: Confirm with EQA 1974, Environmental Quality		

Criterion / Indicator	Assessment Findings	Compliance
	<p>(Industrial Effluent) Regulation 2009</p> <p>Maran Estate</p> <p>The estate has established water management plan and reviewed annually basis. The management plan focusing on activity with impact to natural water sources such as water contamination.</p> <p>Sighted the implementation of the management plan as follows:</p> <p>i. Sighted during site visit, the bufferzone at Sg. Chedong and Sg. Maran was demarcated with red and white ring at the palm along the river. No evidence of chemical application at the area.</p> <p>ii. iii. Prohibition of spraying and manuring activity at bufferzone area 13/12/2018</p> <p>River water analysis was conducted twice a year. Sighted the river water sampling records as follows:</p> <p>Sg. Maran:</p> <p>Report no: PLW-000144-00006693-19 (in) PLW-000144-00006694-19 (out)</p> <p>Sampling date: 2/4/2019</p> <p>Result: conform with NWQS class II</p> <p>Sg. Chedong</p> <p>Report no: PLW-000144-00004799-19 (in)</p>	

Criterion / Indicator	Assessment Findings	Compliance										
	<p>PLW-000144-00004800-19 (middle) PLW-000144-00004801-19 (out)</p> <p>Sampling date: 2/4/2019 Result: conform with NWQS class II</p> <p>Senama Estate</p> <p>The estate has established the water management. The plan was reviewed on annually basis. Latest review was 25/5/2019</p> <p>Sighted the implementation of the management plan as follows:</p> <p>i. Sighted during site visit the silt pits, side drain to divert water into field terrace and bunding of drain to retain desired water level.</p> <p>Monitoring of water usage has been conducted on monthly basis. Sighted the records as follows:</p> <table border="1" data-bbox="1088 1074 1910 1401"> <thead> <tr> <th>Month</th> <th>Usage (L)</th> </tr> </thead> <tbody> <tr> <td>Jan</td> <td>119000</td> </tr> <tr> <td>Feb</td> <td>94000</td> </tr> <tr> <td>Mar</td> <td>137000</td> </tr> <tr> <td>Apr</td> <td>151000</td> </tr> </tbody> </table>	Month	Usage (L)	Jan	119000	Feb	94000	Mar	137000	Apr	151000	
Month	Usage (L)											
Jan	119000											
Feb	94000											
Mar	137000											
Apr	151000											

Criterion / Indicator		Assessment Findings	Compliance
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	No rivers or waterways passing through Gula Estate and Senama Estate. Maran Estate Two Rivers flow through the estate, Sg. Maran and Sg. Chedong. Sighted during site visit, no construction of bunds, weirs and dams across main rivers 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 -	The practice water harvesting of water from road-side drains being directed and stored in conservation road side pits was observed in both estates.	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.	Gula Estate The estate has conducted the assessment on the Status of rare, threatened, or endangered species and high biodiversity value and documented in the Identification form for Type 1 (Wildlife Species) and Identification of High Biodiversity Value (HBV) Habitat Area report. The estate continue to conduct monitoring of wildlife species to identify the status of wildlife in the estate.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>b) Conservation status (<i>e.g.</i> The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p> <p>- Major compliance -</p>	<p>The estate has identify High Biodiversity Area for Type 2, rare, threatened or endangered ecosystems, habitats or refugia as follows:</p> <ul style="list-style-type: none"> i. Area C: Bird sanctuary adjacent to P15A ii. Area D: Mangroves adjacent to estate boundary at 14A, 14B, 15A, 97B, 13C, 13G, 10A and 11A. <p>Maran Estate</p> <p>The estate has conducted the assessment on the Status of rare, threatened, or endangered species and high biodiversity value and documented in the Identification of High Biodiversity Value (HBV) Habitat Area report.</p> <p>The estate continue to conduct monitoring of wildlife species to identify the status of wildlife in the estate.</p> <p>The estate has identify High Biodiversity Area for Type 2, rare, threatened or endangered ecosystems, habitats or refugia as follows:</p> <ul style="list-style-type: none"> i. Sg. Maran ii. Sg. Chedong iii. Hutan Simpan Berkelah adjacent with estate field iv. Hutan Simpan Betong adjacent with estate field <p>No rare, threatened or endangered species identified in the reports.</p> <p>The estate communicated on the prohibition illegal or inappropriate hunting, fishing or collecting activities to the employee and stakeholders through training, muster briefing and erecting signage at</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>the estate entrance.No RTE identified as per Identification of High Biodiversity Value (HBV) Habitat Area report.</p> <p>Senama Estate</p> <p>The estate has conducted the assessment on the Status of rare, threatened, or endangered species and high biodiversity value and documented in the Identification of High Biodiversity Value (HBV) Habitat Area report.</p> <p>The estate continue to conduct monitoring of wildlife species to identify the status of wildlife in the estate.</p> <p>No rare, threatened or endangered species and high biodiversity value identified in the reports.</p>	
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> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p>- Major compliance -</p>	<p>Gula Estate</p> <p>No rare, threatened or endangered species identified in the reports.</p> <p>The estate has identify High Biodiversity Area for Type 2, rare, threatened or endangered ecosystems, habitats or refugia as follows:</p> <p>i. Area C: Bird sanctuary adjacent to P15A</p> <p>ii. Area D: Mangroves adjacent to estate boundary at 14A, 14B, 15A, 97B, 13C, 13G, 10A and 11A.</p> <p>The estate communicated on the prohibition illegal or inappropriate hunting, fishing or collecting activities to the employee and stakeholders through training, muster briefing and erecting signage at the estate entrance.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Maran Estate</p> <p>No RTE identified as per Identification of High Biodiversity Value (HBV) Habitat Area report.</p> <p>Management has been established and documented in Biodiversity Management Plan. In the management plan stated the Biodiversity Areas Identified, Management Action, Monitoring and Indicators, PIC, Timeline and status. Sighted the implementation as follows:</p> <ul style="list-style-type: none"> i. The estate communicated on the prohibition illegal or inappropriate hunting, fishing or collecting activities to the employee and stakeholders through training, muster briefing and erecting signage at the estate entrance. ii. Sighted the wildlife monitoring records for the month of April 2019 iii. Sighted the HBV monitoring sheet for 1st quarter 2019 <p>Senama Estate</p> <p>No rare, threatened or endangered species and high biodiversity value identified in the reports.</p>	
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>Gula Estate</p> <p>Management has been established and documented in Biodiversity Management Plan. In the management plan stated the Biodiversity Areas Identified, Management Action, Monitoring and Indicators, PIC, Timeline and status. Sighted the implementation as follows:</p>	Minor NC

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Criterion / Indicator		Assessment Findings	Compliance
		<p>i. The estate communicated on the prohibition illegal or inappropriate hunting, fishing or collecting activities to the employee and stakeholders through training, muster briefing and erecting signage at the estate entrance.</p> <p>Maran Estate</p> <p>Management has been established and documented in Biodiversity Management Plan. In the management plan stated the Biodiversity Areas Identified, Management Action, Monitoring and Indicators, PIC, Timeline and status.</p> <p>Senama Estate</p> <p>The estate has established Biodiversity Management Plan. In the plan stated the estate promote the prohibition of illegal hunting and ownership any wildlife.</p> <p>The estate has erected the signage on prohibition of illegal hunting and ownership any wildlife. Sighted during site visit at linesite, noted that house no. 46 owned 6 bird cages.</p> <p>Thus, Minor NC were raised, Refer NC no. 1774852-201905-N5</p>	
Criterion 4.5.7: Zero burning practices			
4.5.7.1	<p>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.</p> <p>- Major compliance -</p>	<p>Zero burning practice as per stated in the Environmental Policy – To practice zero burning on new planting, replanting unless permitted by the relevant regulatory agencies</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Zero burning practice for land preparation as stated in the Introduction to Guidelines for Good Agriculture Practice. Refer document no. GAP-1 dated 1/1/2019	
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 -	NA	Complied
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -	No controlled burning is allowed as stated in Introduction to Guidelines for Good Agriculture Practice. Refer document no. GAP-1 dated 1/1/2019	Complied
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	The previous crop were felled or mowed down, chipped and shredded and windrowed as per Guidelines for Good Agriculture Practice. Refer document no. GAP-1 dated 1/1/2019	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	NSOP has established the SOP for operation and documented in Introduction to Guidelines for Good Agriculture Practice.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>The monitoring was done by the Chief Operating Officer Visit on quarterly basis and agronomist on annually basis. The COO visiting reports covers on the Accounting, FFB yield, Harvesting Quality, Other field operations, General Management and expenditure vs budget.</p> <p>The Agronomist visit report covers on the Leaf and Soil Sampling, Rainfall, Best Agronomic Management Practice, Area Statement, Palm Growth and Field Conditions, FFB Production and Yield, Leaf and Soil Analysis and Fertilizer Recommendation.</p>	
4.6.1.2	<p>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.</p> <p>- Major compliance -</p>	<p>Terrace and or platform was constructed in sloped that exceed 15 degrees as stated in Introduction to guidelines for good agriculture practice under Oil Palm Terrace and Platform Construction - Guidelines</p>	Complied
4.6.1.3	<p>A visual identification or reference system shall be established for each field.</p> <p>- Major compliance -</p>	<p>Both Estates visited had a visual identification/reference system for each established field/block and maps established. Field numbers and hectare were marked on palms and in some areas on concrete slaps</p>	Complied
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p> <p>- Major compliance -</p>	<p>The estates visited has established 10 years business plan and documented in 10 years production, expenditure and profit/loss projection. 2019 – 2028. In the management plans stated:</p> <p>i. Hectare statement</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance																								
		ii. FFB production iii. FFB purchase iv. FFB, CPO and PK dispatch v. Production cost vi. Yield and area statement																									
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 -	The estates visited has established 10 years replanting program base on the palm age with consideration of yield and terrain. Sighted the sampled replanting program as follows <table border="1" style="margin-left: 40px;"> <thead> <tr> <th></th> <th>Gula Estate</th> <th>Maran Estate</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>216.10</td> <td>185.35</td> </tr> <tr> <td>2020</td> <td>115.98</td> <td>99.14</td> </tr> <tr> <td>2021</td> <td>145.03</td> <td>81.21</td> </tr> <tr> <td>2022</td> <td>127.05</td> <td>74.58</td> </tr> <tr> <td>2023</td> <td>134.82</td> <td>115.57</td> </tr> <tr> <td>2024</td> <td>132.39</td> <td>59.87</td> </tr> <tr> <td>2025</td> <td>138.65</td> <td>136.37</td> </tr> </tbody> </table>		Gula Estate	Maran Estate	2019	216.10	185.35	2020	115.98	99.14	2021	145.03	81.21	2022	127.05	74.58	2023	134.82	115.57	2024	132.39	59.87	2025	138.65	136.37	Complied
	Gula Estate	Maran Estate																									
2019	216.10	185.35																									
2020	115.98	99.14																									
2021	145.03	81.21																									
2022	127.05	74.58																									
2023	134.82	115.57																									
2024	132.39	59.87																									
2025	138.65	136.37																									

Criterion / Indicator		Assessment Findings			Compliance
		2026	137.71	87.82	
		2027	120.10	115.34	
		2028	112.50	114.53	
4.6.2.3	<p>The business or management plan may contain:</p> <ul style="list-style-type: none"> 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) e) Financial indicators : cost benefit, discounted cash flow, return on investment <p>- Major compliance -</p>	<p>The estates visited has established 10 years business plan as guidance for the estate to conduct the daily operation and expenditure. The business plan was documented in 10 years production, expenditure and profit/loss projection 2019 – 2028. Items stated in the business plan as follows:</p> <ul style="list-style-type: none"> i. Hectare statement ii. FFB yield/ha and Total Production by age iii. FFB Production and FFB purchase (FFB, CPO, PK, OER, KER) iv. Production cost v. Cost/ha and Cost/tons vi. Dispatch (CPO and PK) <p>The capital expenditure was documented in Financial Year Projected Capital Expenditure (CAPEX).</p>			Complied

Criterion / Indicator		Assessment Findings	Compliance
4.6.2.4	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p>- Major compliance -</p>	<p>Maran Estate</p> <p>The business management plan were reviewed by the Chief Operating Officer during his visit on quarterly basis. Sighted the visiting report dated 23/5/2018 and 24/8/2018.</p> <p>Senama Estate</p> <p>The business management plan were reviewed by the Chief Operating Officer during his visit on quarterly basis. Sighted the visiting report dated 27/2/2018 and 23/5/2018.</p>	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>Pricing mechanisms were documented and effectively implemented through few measures as per following samples:</p> <ul style="list-style-type: none"> - Dealer price agreement - Smallholder price list - sample: association price (Northern Palm Oil Mill Association) Summary of purchased FFB (smallholder) for the month of April 2019: 1st – 4th: RM315; 5th 23rd: RM335; 24th -30th: RM325 - List of Monthly FFB Price/1% OER Price Year 2019 	Complied
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p>- Major compliance -</p>	<p>All contracts were fair, legal and transparent. Sample agreed payments made sighted as following:</p> <p><u>Gula Estate:</u></p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Anparasan a/l N Valoo (Harvesting Contractor); Payment Voucher # 3067; Date: 7/5/2019; for tax invoice # STDN19-411; STDN190403 & ETD 19-21 - Tan Soh Chye (Harvesting Contractor); Payment Voucher # 3066; Date: 7/5/2019; for tax invoice # STDN19-412; STDN190304 & ETD 19-22 <p><u>Maran Estate:</u></p> <ul style="list-style-type: none"> - Hasbollah Bin Johari (Harvesting Contractor); Report # GLMN015; Month: March 2019 <p><u>Senama Estate:</u></p> <ul style="list-style-type: none"> - Khoo Choon Lin (Harvesting Contractor); Payment Voucher # 3/BB/5; Date: 5/3/2019 - Microsun Enterprise (Vendor); Payment Voucher # 3/BB/8; Month: 15/3/2019 	
Criterion 4.6.4: Contractor			
4.6.4.1	<p>Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.</p> <p>- Major compliance -</p>	<p>Documentation and information for contractors were established as Control Points for Contractors; Doc. # MSPO-11; 11/9/2018. Sighted the sample latest MSPO Briefing Conducted as following:</p> <ul style="list-style-type: none"> - Sing Chuan Aik Transport Sdn. Bhd.; (Transporter); Date: 11/1/2019 - Yeoh Kok Heng (Harvesting Contractor); Date: 3/5/2019 - Jong Cheong Enterprise (Harvesting Contractor); Date: 3/5/2019 	

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.2	<p>The management shall provide evidence of agreed contracts with the contractor.</p> <p>- Major compliance -</p>	<p>Agreed contracts sighted as per following sample of agreements:</p> <p><u>Gula Estate:</u></p> <ul style="list-style-type: none"> i) GE/FC/05/19 (Estate Field Work) Agreement; between Eng Thye Plantations Berhad and Tan Soh Chye; Date: 1/1/2019 ii) Tenancy Agreement; between Eng Thye Plantations Berhad and Ng Eng Ling (Shop Tenant); Date: 1/10/2018 <p><u>Maran Estate:</u></p> <ul style="list-style-type: none"> i) ME/FC/10/19 (Estate Field Work) Agreement; between Timor Oil Palm Plantation Berhad and Hasbollah Bin Johari; Date: 1/1/2019 <p><u>Senama Estate:</u></p> <ul style="list-style-type: none"> i) SE/FC/01/19 (Estate Field Work) Agreement; between Negri Sembilan Oil Palms Berhad and Khoo Choon Lin; Date: 1/1/2019 ii) SE/FC/02/19 (Estate Field Work) Agreement; between Negri Sembilan Oil Palms Berhad and Lee Thoo Kim; Date: 1/1/2019 	Complied
4.6.4.3	<p>The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.</p> <p>- Minor compliance -</p>	<p>The company management has no objection to allow BSI auditors to verify the assessment through physical inspection if required.</p>	Complied
4.6.4.4	<p>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.</p>	<p>The observance established as Control Points for Contractors; Doc. # MSPO-P6-C4; 11/1/2019 which includes the following:</p> <ul style="list-style-type: none"> - Work performance parameters 	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<ul style="list-style-type: none"> - Compliance to safety and health standards - Compliance with laws/statutes/regulations - MSPO requirements 	
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 -	No new plantings within NSOP sites.	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 -	No new plantings within NSOP sites.	n/a
Criterion 4.7.2: Peat Land			

Criterion / Indicator		Assessment Findings	Compliance
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 -	No new plantings within NSOP sites.	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 -	No new plantings within NSOP sites.	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 -	No new plantings within NSOP sites.	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 -	No new plantings within NSOP sites.	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	No new plantings within NSOP sites.	n/a

Criterion / Indicator		Assessment Findings	Compliance
	documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - 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 -	No new plantings within NSOP sites.	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 -	No new plantings within NSOP sites.	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 -	No new plantings within NSOP sites.	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.	No new plantings within NSOP sites.	n/a

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	No new plantings within NSOP sites.	
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 -	No new plantings within NSOP sites.	n/a
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	No new plantings within NSOP sites.	n/a
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 -	No new plantings within NSOP sites.	n/a

Criterion / Indicator		Assessment Findings	Compliance
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance -	No new plantings within NSOP sites.	n/a
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	No new plantings within NSOP sites.	n/a
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 -	No new plantings within NSOP sites.	n/a
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	No new plantings within NSOP sites.	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 -	No new plantings within NSOP sites.	n/a

MSPO MS:2530 - Part 4: General Principles for Palm Oil Mills

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	Policy for the implementation of MSPO shall be established. - Major compliance -	Policy established as part of Principles, Policies & Procedures (MSPO 2 File) as following: <ul style="list-style-type: none"> • Sustainability Policy; Date: 2/1/2019 • Occupational Safety and Health Policy; Date: 2/1/2019 • Environmental Policy; Date: 2/1/2019 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • Environmental Policy; Rev. 00; Date: 2/1/2019 • Social and Human Rights Policy; Date: 2/1/2019 • Definition of Sexual Harassment; Ver. Control: 1.00; Date: 29/8/2018; Rev. -; Source: ILO <p>All policies were available in dual language (BM & English) and signed by Eng Thye Plantations Berhad Executive Chairman (Goh Wei Lei).</p>	
4.1.1.2	<p>The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation.</p> <p>- Major compliance -</p>	<p>The Sustainability Policy; Date: 2/1/2019 sighted emphasized commitment to continual improvement.</p>	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	<p>Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.</p> <p>- Major compliance -</p>	<p>Internal audit implemented based on Sustainability MSPO Procedure Title: Internal Audit; Doc. # MSPO-01; Rev. 0; Date: 1/7/2018. Sighted Internal Audit Schedule (Appendix 2) for the audit as following:</p> <ul style="list-style-type: none"> - Audit Ref. # MSPO-IA-1-NSOPG-GE (Gula Estate) - Audit Ref. # MSPO-IA-NSOPG-GE-M (Gula POM) <p>conducted on 20/3/2019 and 30/3/2019 led by Lead Auditor (Ng Yeen Chern) from HQ (Sin Thye Management) and assisted by Baldab Singh and Jogindro Nath both from HQ Safety & Health Dept. sighted also Annual Internal Audit Plan (Appendix 1).</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Templates used was MPOCC's Means of Accessing Compliance Guidance Checklist.</p> <p>Sighted that all findings still in progress of corrective actions. It was found that for both NCRs and OBS, no specific MSPO indicators were referred to the findings. It will be better if MSPO indicators/clauses number to be included in the audit findings/reporting.</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>Documented as procedures above, Annual Internal Audit Plan (Appendix 1), Audit Schedule (Appendix 2), Audit Checklist (Appendix 3), Non-conformity from (Appendix 4) & MSPO Internal Audit Report (Appendix 5).</p>	Complied
4.1.2.3	<p>Reports shall be made available to the management for their review.</p> <p>- Major compliance -</p>	<p>Report available as MSPO-P1-C2; Appendix 4 Non-Conformance Form & Appendix 5 Internal Audit Report.</p>	Complied
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>Based on records of report review sighted (MSPO-P1-C2) Management Review Meeting was conducted on 19/5/2019 for Gula Estate.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	<p>The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company.</p> <p>- Major compliance -</p>	<p>Action plan for continual improvement recorded as MSPO-P1-C4; Management Commitment & Responsibility – Continual Improvement; Occasional Bulletin as well as Kaizen Sheet as per following samples Area of Improvement:</p> <ul style="list-style-type: none"> - Reduction of Turbine Steam Consumption - Effective Workplace/Safety; Date: October 2015; 50mt x 12m weighbridge changed to 80mt x 18m new weighbridge - Process Improvement; Date: January 2017; De-oiling Tank to recover oil loss from sludge - Process Improvement/Social; Date: May 2018; Bigger capacity Watergate to discharge water faster - Safety; Date: May 2018; Bigger diameter sterilizer blowdown chamber to reduce noise of steam discharge 	Complied
4.1.4.2	<p>The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.</p> <p>- Major compliance -</p>	<p>The company established the system as per MSPO Title: Latest Technology and Systems, Standards and Practices; Ref. # MSPO-P1-2. Amongst all, options included the following:</p> <ul style="list-style-type: none"> - As per budget 0803 CAPEX Submission; for mill has estimation for a new Air Pollution Control System which applies a new technology i.e. Wet Scrubber System to replace the existing multi-cyclone cone dust collector system of boiler. 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Estate on consideration of using an Agriculture Mechanical Buffalo SL 153T Longstar MT 2. - Mechanized cutter (cantas) - Mechanical buffalo - Life Enhancement Technologies - Air Pollution Control System (APCS) - Online Measurement of Opacity and TPM - Mechanized Collection of FFB - Methane Capture - Mechanized Loose Fruit Collection 	
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	<p>The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms.</p> <p>- Major compliance -</p>	<p>Communication implementation were based on procedure title: Stakeholder Communication & Consultation Procedure; Ref. # MSPO-P2-C2; Rev. 0; Date: 1/7/2018. Stakeholders records will use the following:</p> <ul style="list-style-type: none"> - Stakeholders List (Appendix 1) - Stakeholders Concerns and Resolution Matrix (Appendix 2) - Grievances/Complaints Form (Appendix 3) - Information Request Form – MSPO Related (Appendix 4) <p>Records of communication available at individual operating units audited.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.2.1.2	<p>The 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.</p> <p>- Major compliance -</p>	<p>Management documents established as List of Public Documents Available for MSPO Stakeholder Inspection; MSPO-P2-C1. Public available documents listed included:</p> <ul style="list-style-type: none"> - All MSPO Policies and Licenses: Sustainability Policy, Environmental Policy, Social and Human Rights Policy, Safety and Health Policy, Licenses from Regulators (e.g. MPOB) - Safety and health plan: safety planner - Plans and impact assessment relating to social impact: SIA report & plan - Plans and impact assessment relating to environment impact/pollution prevention plan: EMP, EIA Guidance for Estate - Records of complaints and grievances: Stakeholders concerns and resolution matrix - CIP - Others: AR/SR (Public Listed Companies), etc. 	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p>- Major compliance -</p>	<p>Established procedure title: Stakeholder Communication & Consultation Procedure; Ref. # MSPO-P2-C2; Rev. 0; Date: 1/7/2018.</p> <p>Latest Stakeholder Meeting – MSPO Stakeholder Meeting conducted on 6/5/2019.</p>	Complied
4.2.2.2	<p>The management shall nominate management officials at the</p>	<p>Management official nominated as following:</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	operating unit responsible for issues related to <i>indicator 1</i> . - Minor compliance -	<p><u>Gula POM:</u></p> <ul style="list-style-type: none"> Surat Lantikan Ahli Jawatankuasa MSPO – sebagai Internal and External Communication Officer – Mr. Tion Hoong Hee (Senior Field Supervisor); Date: 1/2/2019 <p><u>Maran POM:</u></p> <ul style="list-style-type: none"> Appointment – MSPO Committee Internal and External Communications Officer – Mr. Kasturi Ali (Senior Field Supervisor); Date: 1/1/2019 Appointment – MSPO Committee Complaints and Grievances Officer – Mr. Kasturi Ali (Senior Field Supervisor); Date: 1/1/2019 	
4.2.2.3	A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained. - Major compliance -	<p>List established as the appendix to the Stakeholder Consultation & Communication Procedure as per following sample:</p> <ul style="list-style-type: none"> Stakeholders List (Appendix 1); Date recorded: 27/3/2019 which includes external among Harvesting Contractor, Government Body, Local Temple, Local Surau Malay & Chinese Villages – Gula POM 	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability. - Major compliance -	Traceability requirements established as SOP for Products Traceability Title: Traceability for Estate/Palm Oil Mill Products; Ref. # MSPO-08; Rev. 00; Date: 1/7/2018	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Regular inspections conducted by management including internal audit as per indicator 4.1.2.1.	Complied
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. - Minor compliance -	Appointment was made as following: <ul style="list-style-type: none"> - Surat Perlantikan Ahli Jawatankuasa MSPO: Traceability Officer (Gula POM) – Usha a/p Murugan (Mill Clerk); Date: 1/2/2019 - Appointment – MSPO Committee Traceability Officer; Pn. Norisah Chik (Office Clerk); Date: 1/1/2019 & Pn. Rosmizon Ramli (Lab Assistant); Date: 1/1/2019 – Maran POM 	Complied
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	Records of sales, delivery/transportation maintained as per following samples: Gula POM CPO dispatch sample: <ul style="list-style-type: none"> - Weighbridge ticket # 13572; Date: 10/5/2019; DO # 33513; Nett Weight: 33.25mt; Vehicle # NCE 5762; Buyer: Yee Lee Edible Oils Sdn. Bhd. - Weighbridge ticket # 13559; Date: 26/4/2019; DO # 33499; Nett Weight: 33.35mt; Vehicle # NCE 5762; Buyer: Yee Lee Edible Oils Sdn. Bhd. Gula POM PK dispatch sample: <ul style="list-style-type: none"> - Weighbridge ticket # 13457; Date: 3/1/2019; DO # 33387; Nett Weight: 23.43mt; Vehicle # PJG 1030; Buyer: Hup Lee Oil Mill Sdn. Bhd. 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>Maran POM CPO dispatch sample:</p> <ul style="list-style-type: none"> - Weighbridge ticket # 2242; Date: 18/2/2019; DO # 22129; Nett Weight: 44.03mt; Vehicle # JST 8730; Buyer: Mewah Oils Sdn. Bhd. <p>Maran POM PK dispatch sample:</p> <ul style="list-style-type: none"> - Weighbridge ticket # 2245; Date: 20/2/2019; DO # 22068; Nett Weight: 29.22mt; Vehicle # NCE 5028; Buyer: Hup Lee Oil Mill Sdn. Bhd. 	
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	<p>All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>Sin Thye Management (management company for NSOP Berhad) and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.</p> <p>Sighted the evidence of compliance to the Laws and Regulations:</p> <p>Gula POM</p> <p>Competent Person:</p> <p>i. CePSWaM, certificate no. CePSWaM/185300. Validation date 15/11/2018 – 15/11/2019.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> ii. <ul style="list-style-type: none"> a. Engine Driver 1st grade, Certificate no. PK/12/EIS/01/12 b. Engine Driver 1st grade, Certificate no. PK/12/EIS/01/13 c. Engine Driver 1st grade, Certificate no. PK/16/EIS/01/8 iii. AGTES, certificate no. NW-PNG-AGT-0399-P Maran POM Competent Person <ul style="list-style-type: none"> i. Authorized Entrance and Standby Person for Confine Space <ul style="list-style-type: none"> a. NW-NCC-AE-R-1392-C b. NW-NCC-AE-R-1391-C c. NW-NCC-AE-1305-C ii. Working at Height <ul style="list-style-type: none"> a. WAH-2413-P iii. CePPOME, Certificate no. CePPOME/185911 	
4.3.1.2	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>Applicable legal requirements listed as Register of Laws and List of Relevant Act, Laws and Regulations; MSPO-P3-1 as per sample sighted:</p> <ul style="list-style-type: none"> - Legal Registry for Financial Year 2019 (Gula Estate); Date: 30/4/2019 	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 -	Chief Administrator in HQ will notify any update and/or changes in legal requirements.	Complied
4.3.1.4	The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements. - Minor compliance -	Management assigned either Mill Engineers or Chief Clerks as person responsible to monitor compliance and tracking/updating changes in legal requirements. Sighted sample letter of appointment as following: - Surat Perlantikan Ahli Jawatankuasa MSPO: Legal Officer– Pannirselvan a/l Murugan (Chief Clerk); Date: 1/2/2019 – Gula POM	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users. - Major compliance -	Management ensured that their oil palm cultivation activities do not diminish the land use rights of other user based on the following: - Procedure title: Stakeholder Communication & Consultation Procedure; Ref. # MSPO-P2-C2; Rev. 0; Date: 1/7/2018. - Procedure title; FPIC with Respect to Land Use Rights and Customary Rights; MSPO-P3-C2; Rev. 1.01; Date: 22/5/2019 Consultation with stakeholders confirmed no any land use rights issues occurred within audited sites.	Complied
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.	NSOP Berhad acquired all the land directly (leased and freehold) from the Perak, Pahang and Negeri Sembilan state government. There were no issues of land disputes recorded. All land title were	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>kept in the office and available for review. Sighted the sampled land title as follows:</p> <p>Gula Estate and Palm Oil Mill:</p> <ul style="list-style-type: none"> i. Ownership no 3423, lot no. 1009 for 0.5792ha ii. Ownership no 8223, lot no 1668 for 1349.03ha iii. Ownership no 69673, lot no. 4583 for 769.7ha <p>Maran Estate and Palm Oil Mill</p> <ul style="list-style-type: none"> i. Ownership no. HS(D) 728, lot no. PT2/2273 for 4895 acre for planting of Oil Palm only. 	
4.3.2.3	<p>Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- Major compliance -</p>	<p>The mills visited were located in the sister estate (Gula Estate and Maran Estate). Mill boundary were demarcated with fences.</p>	Complied
4.3.2.4	<p>Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC).</p> <p>- Minor compliance -</p>	<p>Review of documentations and records including consultation with stakeholders confirmed that no any land use rights issues occurred within audited sites. In case of any, FPIC will be ensured as per established procedure title: FPIC with Respect to Land Use Rights and Customary Rights; MSPO-P3-C2; Rev. 1.01; Date: 22/5/2019.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	Review of documentations and records including consultation with stakeholders confirmed that no any land use rights issues occurred within audited sites. In case of any, FPIC will be ensured as per established procedure title: FPIC with Respect to Land Use Rights and Customary Rights; MSPO-P3-C2; Rev. 1.01; Date: 22/5/2019.	Complied
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	Review of documentations and records including consultation with stakeholders confirmed that no any land use rights issues occurred within audited sites. In case of any, FPIC will be ensured as per established procedure title: FPIC with Respect to Land Use Rights and Customary Rights; MSPO-P3-C2; Rev. 1.01; Date: 22/5/2019.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	Review of documentations and records including consultation with stakeholders confirmed that no any land use rights issues occurred within audited sites. In case of any, FPIC will be ensured as per established procedure title: FPIC with Respect to Land Use Rights and Customary Rights; MSPO-P3-C2; Rev. 1.01; Date: 22/5/2019.	Complied
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	Identification was based on Social Impact Assessment (SIA) Procedure MSPO Procedure Title: Social Impact Assessment (SIA); Doc. # MSPO-09; Rev. 00; Date: 1/7/2018	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>For Gula POM, social improvements established as SIA Plan; Estate Name: Gula Estate (& Mill); Assessment date: 20/5/2019; Includes the following social factors/criteria:</p> <ul style="list-style-type: none"> - Housing facilities - Economic livelihood - Religious facilities - Health service - Education facilities - Cemetery - Encroachment of livestock into estate land - Water tidal gate operation <p>- For Maran POM, identification was based on stakeholder consultation as per Social Impact Assessment Questionnaire record conducted on 18/4/2019. Social factors/Criteria included housing facilities, economic livelihood, religious facilities, health services, educational facilities, communication facilities, transportation, safety, working hours & equal opportunity</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>System for dealing with complaints and grievances established as Grievance & Complaints Handling Procedure; MSPO-P4-C2; Rev. 1.01; Date: 8/5/2019.</p> <p>Review of documentations and records including consultation with stakeholders confirmed that no any issues related to negative complaints and grievances by external stakeholders occurred within audited sites.</p>	Complied

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		Sighted records of housing repair reports/complaints by workers been maintained as documented information.	
4.4.2.2	The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties. - Major compliance -	System for dealing with complaints and grievances established as Grievance & Complaints Handling Procedure; MSPO-P4-C2; Rev. 1.01; Date: 8/5/2019. Review of documentations and records including consultation with stakeholders confirmed that no any issues related to negative complaints and grievances by external stakeholders occurred within audited sites. Sighted records of housing repair reports/complaints by workers been maintained as documented information.	Complied
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - Minor compliance -	System for dealing with complaints and grievances established as Grievance & Complaints Handling Procedure; MSPO-P4-C2; Rev. 1.01; Date: 8/5/2019. Review of documentations and records including consultation with stakeholders confirmed that no any issues related to negative complaints and grievances by external stakeholders occurred within audited sites. Sighted records of housing repair reports/complaints by workers been maintained as documented information.	Complied
4.4.2.4	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time.	System for dealing with complaints and grievances established as Grievance & Complaints Handling Procedure; MSPO-P4-C2; Rev. 1.01; Date: 8/5/2019.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	<p>Review of documentations and records including consultation with stakeholders confirmed that no any issues related to negative complaints and grievances by external stakeholders occurred within audited sites.</p> <p>Sighted records of housing repair reports/complaints by workers been maintained as documented information.</p>	
4.4.2.5	<p>Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.</p> <p>- Major compliance -</p>	<p>System for dealing with complaints and grievances established as Grievance & Complaints Handling Procedure; MSPO-P4-C2; Rev. 1.01; Date: 8/5/2019.</p> <p>Review of documentations and records including consultation with stakeholders confirmed that no any issues related to negative complaints and grievances by external stakeholders occurred within audited sites.</p> <p>Sighted records of housing repair reports/complaints by workers been maintained as documented information.</p>	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	<p>Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.</p> <p>- Minor compliance -</p>	<p>Contribution implementation were based on records of Contribution to Local Sustainable Development; Ref. # MSPO-P4-1. Part of contribution made by company was sighted as following:</p> <ul style="list-style-type: none"> - Donation to Society of The Blind Malaysia; Dated 11/1/2019 - Donation to Chinese Temple Hua Seng Keng; Date: 11/5/2019 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - From Sekolah Menengah Kebangsaan Maran: Memohon Sumbangan Tanah Hitam Sawit; Ref. # CEA.9059.100/2/8/ 1 (72); Dated 19/2/2019 - From Majlis Daerah Maran: Memohon Tanah Sawit Baja Untuk Keceriaan Landskap Majlis Daerah Maran; Ref. # Bil.(3)dIm.MDM/ BDR/213 Jld.9; Dated 22/1/2019 - Latihan Pemanduan 4x4 Polis Diraja Malaysia (PDRM) Daerah Maran 	
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>NSOP Berhad has established Safety and Health Policy signed by the Executive Chairman dated 2/1/2019.</p> <p>In the policy stated the commitment to comply with the Occupational Safety and Health Act 1994 and Factory and Machinery Act 1967 towards achieving zero incidences.</p> <p>The mill has established the safety and health plan and documented in Safety and Health Program for the Year 2019: Mill. The program divided into General, workplace inspection, training program, safety, health and environment, emergency response plan, vehicle safety, OSH reporting/evaluation and OSH training/seminars/course.</p>	Complied
4.4.4.2	<p>The occupational safety and health plan should cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p>		Complied

Criterion / Indicator	Assessment Findings	Compliance
<ul style="list-style-type: none"> b) The risk of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill: <ul style="list-style-type: none"> i. All employees involved are adequately trained on safe working practices; ii. All precautions attached to products should be properly observed and applied; d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements. g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept 	<p>NSOP Berhad has established Safety and Health Policy signed by the Executive Chairman dated 2/1/2019. The policy was communicated through tool box meeting, morning muster briefing and displayed at several designated notice board in the mill.</p> <p>Noted during interview with the workers shows the understanding on the Safety and Health Policy among the workers.</p> <p>The mill has established risk assessment and documented Hazard Identification, Risk Assessment and Risk Control. The assessment covered all the activities in the estate. However, the management has to revise the HIRARC and detailed out the Hazard Identification.</p> <p>The HIRARC was reviewed on quarterly basis during Safety Committee Meeting and when necessary if accident happen. Latest review was conducted on 27/11/2018 for laboratory activity for Maran POM and 20/1/2019 for Gula POM</p> <p>The awareness training program for employee exposed to chemicals has been included in the training program established.</p> <p>Sighted the training records as follows:</p> <p>Gula POM</p> <ul style="list-style-type: none"> i. Safety Data Sheet for Poly (Acrylamide-sodium acrylate) training dated 20/12/2018 ii. SOP for Chemical Handling training dated 17/12/2018 	

Criterion / Indicator	Assessment Findings	Compliance
<p>ant the concerns of employees and any remedial actions taken shall be 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 shall be present at all mill operations. First Aid equipment 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>Maran POM</p> <p>i. Chemical at workplace; dangerous potential and control measure training dated 4/2/2019</p> <p>ii. SOP for chemicals spillage training dated 20/12/2018</p> <p>NSOP Berhad has provided all PPE to all the workers base on job type and designation following the HIRARC and the Occupational Safety and Health Manual for Plantation Workers. Sighted the PPE issuance records for safety shoes, wellington boots, and ear plug recorded in the PPE Issue logbook (Maran POM) and PPE issuance records – Safety Equipment, PPE Requisition and Issuing Record Book (Gula POM).</p> <p>NSOP Berhad has established SOP for chemical handling and documented in and the Occupational Safety and Health Manual for Plantation Workers. Refer SOP 'Penggunaan Kerja Selamat Penggunaan Bahan Kimia/Racun; Procedure no. SOP/CHEMICAL/09; Rev. no. 02; Date: 15/12/2017 – Labelling: Panduan Label Bahan Kimia.</p> <p>The mills visited has appointed responsible person for safety and health as follows:</p> <p>c) Gula POM has appointed the Safety Supervisor as per 'Surat Lantikan Ahli Jawatankuasa MSPO sebagai Safety Officer' date 1/2/2019 signed by the mill manager</p>	

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Criterion / Indicator	Assessment Findings	Compliance	
		<p>d) Maran POM has appointed the Medical Officer as PIC for workers safety and health as per letter dated 1/1/2019 signed by the estate manager.</p> <p>The mills visited conducted the Safety and Health committee consist of meeting on quarterly basis. Latest meeting was conducted on 14/3/2019 (Maran POM) and 30/3/2019 (Gula POM). In the meeting discuss on workplace inspection report, accident and near miss report, training and Safety and Health program. The minutes available for review at the mills office. Additionally, the employee can communicate any issue during weekly toolbox meeting.</p> <p>NSOP Berhad has established Standard Operating Procedure for accident and emergency and documented in Emergency Response Plan (Pelan Tindakan Kecemasan); Appendix F5, Major Spillage (Appendix F6), Incident (Appendix F2), Physical Injury (Appendix F1).</p> <p>The Emergency Response Plan has been communicated to the workers through briefing and displayed at the 'Bulletin Board' at several location in the mill. Noted during the interview with the workers shows the understanding on the ERP procedure.</p> <p>Latest ERP training was conducted on 25/10/2018 (Gula POM) and 10/1/2019 (Maran POM collaboration with Jabatan Bomba Maran)</p> <p>The mill visited provided the first aid box and available at all workstation in the mills. Noted during interview with workers and supervisor shows the understanding of basic emergency treatment</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>for injured workers. The medical officer conducted the first aid box monitoring on monthly basis</p> <p>Gula POM</p> <p>i. First aid training by First Aider (HA) to Mandore, dated 25/10/2018;</p> <p>ii. First Aid & CPR Training by Green Plus Consultancy dated 25-26/7/2018. Refer certificate no 18302 and 18304</p> <p>Maran POM</p> <p>i. First Aid and CPR Training dated 25-26/7/2018. Refer certificate no 18316 and 18318.</p> <p>Accident record is recorded in the Statement of Safety Performance. The accident records was reviewed on quarterly basis during Safety Committee Meeting.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.	Policy on good social practices established as Social and Human Rights Policy; Signed by Executive Chairman (Goh Wei Lei); Date: 2/1/2019. Stated not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.	
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. - Major compliance -	Based on the established Social and Human Rights Policy; Signed by Executive Chairman (Goh Wei Lei); Date: 2/1/2019, no any evidence of discriminatory practices within company.	Complied
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance -	Conditions of pay available in work agreement (Perjanjian Pekerjaan) and employee handbook (Buku Panduan Pekerja). Mill workers pay were rated either on monthly or daily basis. Sighted payslip for sample workers as following: - Workers ID # 04124; Type: Workshop; Date joined: 13/6/2013; Nationality: Indonesia - Workers ID # 02379; Type: Process; Date joined: 2/1/2016; Nationality: Malaysia	Complied
4.4.5.4	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee. - Minor compliance -	No direct contractor workers engaged within both Gula POM and Maran POM. In case of any, contractors' employees will be ensured their pay through monitoring of pay slips.	Complied
4.4.5.5	The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain	Records established provided accurate account of all employees as per sighted sample of Monthly Employee Statement for 1 Jan – 31 Dec 2018 which contained accurate information as following: - List of Local Employee	Complied

Criterion / Indicator		Assessment Findings	Compliance
	<p>full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>- List of Employee – Foreign Workers</p>	
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>Fair contracts given in the form of work agreement (Perjanjian Pekerjaan) and employee handbook (Buku Panduan Pekerja). Sighted work agreements for sample workers as following:</p> <p><u>Gula Palm Oil Mill:</u></p> <ul style="list-style-type: none"> - Workers ID # 04124; Type: Workshop; Date joined: 13/6/2013; Nationality: Indonesia - Workers ID # 02379; Type: Process; Date joined: 2/1/2016; Nationality: Malaysia <p><u>Maran Palm Oil Mill:</u></p> <ul style="list-style-type: none"> - Workers ID # 02225; Type: Process Workers; Date joined: 2/7/2009; Nationality: Malaysia - Workers ID # 02202; Type: General Workers; Date joined: 4/7/2004; Nationality: Malaysia - Workers ID # 3002; Type: Process Workers; Date joined: 20-/6/2016; Nationality: Indonesia 	Complied
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers.</p> <p>- Major compliance -</p>	<p>Time recording system that makes working hours and overtime transparent for both employees established through PIMS accounting system.</p>	Complied
4.4.5.8	<p>The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective</p>	<p>Normal working hours is 8 hours either from Monday to Saturday or Saturday to Thursday. Total monthly normal working hours is</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	<p>agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable.</p> <p>- Major compliance -</p>	<p>208 hours. The overtime maximum is 104 hours according to the employment act.</p> <p>As at current status, there was none has crossed 80 hours of overtime. Verified the pay slips, the payment and calculation of overtime was well distributed.</p>	
4.4.5.9	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p>- Major compliance -</p>	<p>Wages and overtime payment documented on the pay slips were in line with legal regulations as per sighted pay slips for sample workers as following:</p> <p><u>Gula Palm Oil Mill:</u></p> <ul style="list-style-type: none"> - Workers ID # 04124; Type: Workshop; Date joined: 13/6/2013; Nationality: Indonesia - Workers ID # 02379; Type: Process; Date joined: 2/1/2016; Nationality: Malaysia <p><u>Maran Palm Oil Mill:</u></p> <ul style="list-style-type: none"> - Workers ID # 02225; Type: Process Workers; Date joined: 2/7/2009; Nationality: Malaysia - Workers ID # 02202; Type: General Workers; Date joined: 4/7/2004; Nationality: Malaysia - Workers ID # 3002; Type: Process Workers; Date joined: 20-/6/2016; Nationality: Indonesia 	Complied
4.4.5.10	<p>Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings.</p>	<p>Other form of social benefits as sighted in the pay slip including company's contributions of EPF, SOCSO and EIS. Medical care and health provisions also provided for entire work force.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -		
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. - Major compliance -	On-site living quarters provided for both Gula POM and Maran POM workers found to be habitable and have basic amenities and facilities such as football field, surau, temple and etc.	Complied
4.4.5.12	The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	Policy established as Social and Human Rights Policy; Signed by Executive Chairman (Goh Wei Lei); Date: 2/1/2019. Stated to provide workplace free of violence and sexual harassment whether directly or indirectly against all employees and stakeholders. Also referred to the Definition of Sexual Harassment; Ver. Control: 1.00; Date: 29/8/2018; Rev. -; Source: ILO Surat Lantikan Ahli Jawatankuasa MSPO – sebagai Internal and External Communication Officer – Mr. Tion Hoong Hee (Senior Field Supervisor); Date: 1/2/2019	Complied
4.4.5.13	The management shall respect the right of all employees to form and join trade union and allow workers’ own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions. - Major compliance -	Mill employees were given freedom to join relevant trade unions and organize themselves for collective bargaining as per sighted evidence of union membership fees payment of workers as following sample: - Workers ID # 02225; Type: Process Workers; Date joined: 2/7/2009; Nationality: Malaysia- Feb 2019 payslip deduction Union Deduction RM31.00 - Workers ID # 02202; Type: General Workers; Date joined: 4/7/2004; Nationality: Malaysia- Feb 2019 payslip deduction Union Deduction RM31.00	Complied

Criterion / Indicator		Assessment Findings	Compliance
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.</p> <p>- Major compliance -</p>	<p>Established as Social and Human Rights Policy; Signed by Executive Chairman (Goh Wei Lei); Date: 2/1/2019. Stated prohibit employment by coercion. Children and young persons shall not be employed or exploited, the minimum age shall comply with local state and national legislation</p> <p>During site visit to field and line site, there was no evidence found of workers below 18 years old. Workers are aware of the minimum age policy is being strictly enforced by the management at which the age limit is above 18 years old. During site visit to field and line site, there was no evidence found of workers below 18 years old. Workers are aware of the minimum age policy is being strictly enforced by the management at which the age limit is above 18 years old.</p>	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	<p>All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.</p> <p>- Major compliance -</p>	<p>Gula POM</p> <p>The mill has established the training program and documented in Safety and Health Program FY 2019: Mill under section training. The training program was done based on the training need analysis conducted and reviewed on annually basis.</p> <p>Sighted the training records as follows:</p> <ul style="list-style-type: none"> i. Safety and Health Policy training dated 25-26/4/2019 ii. Safety procedure in workshop dated 24/4/2019 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>iii. Function, SOP and Work Instruction at sterilizer station training dated 10/4/2019</p> <p>Maran POM</p> <p>The mill has established the training program documented in the Safety and Health training program. The training program covers all operations, safety and health, social, environmental, MSPO certification and company policy.</p> <p>Sighted the training records as follows:</p> <ul style="list-style-type: none"> i. SOP for sterilizer training dated 5/11/2018 ii. SOP for confined space dated 19.8.2018 iii. SOP for working at height training dated 10/5/2018 	
4.4.6.2	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>Gula POM</p> <p>The mill has conducted the training need analysis for all the employee to identify the training required for all the employees and contractors.</p> <p>Maran POM</p> <p>The mill has conducted the training need analysis to determine the training requirement for the management, employee and contractors and documented in Training Need Analysis, Plan and Implementation 2019. The analysis was conducted on annually basis.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.6.3	<p>A continuous training programme shall 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.</p> <p>- Minor compliance -</p>	<p>The mills visited continuously conducted training as training program established. The training conducted was discussed and review during Safety and Health Committee meeting.</p> <p>The training program is reviewed and updated on annually basis.</p>	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	<p>An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>NSOP Berhad has established the Environmental Policy signed by the Executive Chairman dated 2/1/2019. The policy stated the company commitment in protecting the environment and ensure necessary effort is taken to reduce the impact on the environment from the estates and mill operation in line with EQA 1974 and other applicable laws and regulations. The policy was communicated to the employee through training, tool box meeting and displayed at the designated notice board in the mill.</p>	Complied
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <p>a) An environmental policy and objectives;</p> <p>b) The aspects and impacts analysis of all operations</p> <p>- Major compliance -</p>	<p>Gula POM</p> <p>The mill has established the environmental management plan base on the aspects and impacts analysis conducted and documented in the Environmental Aspect Impact Assessment for Estate. The management plan was conducted on annually basis. Latest review was conducted on 16/5/2019.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>Sighted the implementation of the management plan as follows:</p> <p>i. Records vehicle maintenance documented in Vehicle Service and Maintenance Requisition. Sighted the records for TR 23 (form no. 0182, 0103 and 0077) and TR 26 (form no. 0172 and 0083).</p> <p>Maran POM</p> <p>The mill has conducted the aspects and impacts analysis of all operations and documented in the Environmental Aspect Impact Assessment Guidance for Maran Palm Oil Mill.</p> <p>The mill has established environmental management plan base on the aspect and impact analysis conducted. The management plan was reviewed on annually basis. Latest review was conducted on 13/5/2019.</p> <p>Sighted the implementation of the management plan as follows:</p> <p>i. Sighted the records of EFB and Decanter Solid disposal records for the month of April 2019. The mill by product was disposed at the sister estate.</p>	
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.</p> <p>- Major compliance -</p>	<p>The mills visited has established the environmental plan based on the aspects and impacts analysis conducted and documented in the Environmental Aspect Impact Assessment for Estate. The management plan was established for the activity which give significant impact for the environment. The management plan were reviewed annually basis.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p>- Minor compliance -</p>	<p>Gula POM</p> <p>The Mill has established environmental improvement plan and documented in Kaizeen Sheet. Sighted the improvement plan as follows:</p> <ul style="list-style-type: none"> i. Sludge pump to Effluent Pond: <ul style="list-style-type: none"> a. Proposed to new oil recovery system (Deoiling Tank) to recover any oil in sludge. b. The deoiling tank serve as a monitoring point to monitor any oil lost in the process. <p>Maran POM</p> <p>The mill has established environmental management plan base on the aspect and impact analysis conducted include the program to promote the positive impacts as follows:</p> <ul style="list-style-type: none"> i. Mulching EFB within estate ii. Disposal of boiler ash and decanter solid within estate iii. Parameter of final discharge POME within limit iv. Provide transparent information about quality of environment to stakeholder v. Shell and fibre wastes are used as fuel for steam production 	Complied
4.5.1.5	<p>An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards</p>	<p>Gula POM</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	<p>achieving objectives.</p> <p>- Major compliance -</p>	<p>The estate has established training program which reviewed and updated on annually basis and documented in SOP training program and Safety and Health Program FY 2019: Mill.</p> <p>Maran POM</p> <p>The estate has established the training program documented in the Safety and Health Program FY 2019 and Environmental Planner FY 2019. The training plan was reviewed on annually basis.</p> <p>Sighted the sampled training conducted as follows:</p> <p>i. Environmental, Safety and Health, Sustainability and Human Rights Policy briefing dated 25/4/2019</p>	
4.5.1.6	<p>The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>Gula POM</p> <p>The meeting with workers to discuss on the environmental issue conducted on quarterly basis during Committee Meeting. Latest meeting on the environmental issue was conducted on 24/5/2019.</p> <p>Maran POM</p> <p>Discussion with employees regarding any concerns about environmental quality conducted during the environmental meeting.</p>	Complied
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel,</p>	<p>The mills visited monitored the consumption of the non-renewable energy on monthly basis. The monitoring was done base on the type of the energy usage.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	electricity in the operations over the base period - Major compliance -	The mills has established plan to assess the usage of non-renewable energy and documented in the Energy Optimization Plan. The plan stated the issue, action plan, person responsible, timeline and status of the implementation. Sighted the sample monitoring records for diesel usage FY 2018 as follows: Gula POM Contractors: 37101 liter Mill Operations: 43984 liter	
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 estimate for the direct usage of nonrenewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel use by contractors, including all transport and machinery operations was available in the respective estate yearly budgets.	Complied
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	The mill consume the shell and fiber as boiler fuel.	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 -	The mill has identified the waste products and source of pollution and documented in List of Waste Identified. Waste identified as follows:	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> i. Spent lubricant oil ii. Used oil filter iii. Used chemical pesticides container iv. Household Rubbish v. Palm oil mill effluent vi. Empty fruit bunches vii. Clinical waste <p>Maran Mill</p> <p>The mill has identified all waste and source of pollution and documented in the List of Waste Identified. The list was reviewed on annually basis. The latest review was done on 12/5/2019. The waste identified as follows:</p> <ul style="list-style-type: none"> i. Industrial waste – Scrap Iron ii. Scheduled Waste – SW110, SW 305, SW409, SW410 iii. Domestic Waste – Wet waste, kitchen waste, garden waste, sanitary waste, dry waste iv. Solid waste – EFB, Shell, Boiler Ash, Decanter Solid 	
4.5.3.2	<p>A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:</p> <p>a) Identifying and monitoring sources of waste and pollution.</p>	<p>Gula POM</p> <p>The mill has established waste management plan base on the identification and source of pollutions and documented in Waste</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p>- Major compliance -</p>	<p>Management Plan Year 2019 – Industrial (Palm Oil Mill and Estate) the plan were available for review.</p> <p>Sighted the implementation of the management plan established as follows:</p> <p>i. Sighted the records of domestic waste collection for the month of January, February, March and April 2019</p> <p>iii. The estate maintain the Scheduled Waste inventory and recorded in Inventory of Scheduled Waste records for. The inventory was submitted to DOE through E-SWISS system. Sighted the inventory records for the month of January, February and March 2019</p> <p>Maran POM</p> <p>The mill has established and documented Waste Management Plan for Estate and Mill. Management plan was done base on the type of waste identified in the List of Waste Identified. The plan was reviewed on annually basis. Latest review was conducted on 16/5/2019. The plan stated the Issue identified, management action, period of monitoring and person responsible.</p> <p>Sighted the implementation of the management plan established as follows:</p> <p>i. Sighted the records of mill waste disposal records for EFB and Decanter cake at Maran Estate for the month of April 2019</p> <p>ii. Sighted the records of domestic waste collection for the month of February, March and April 2019</p>	

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Criterion / Indicator		Assessment Findings	Compliance
		iii. The estate maintain the Scheduled Waste inventory and recorded in Inventory of Scheduled Waste records for. The inventory was submitted to DOE through E-SWISS system. Sighted the inventory records for the month of January, February and March 2019 and List of Notification of Scheduled Waste dated 6/5/2019.	
4.5.3.3	<p>The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p> <p>- Major compliance -</p>	<p>NSOP Berhad has established SOP Scheduled Waste Management ver. 3.0, 2019 and MSPO Procedure Title: Waste Management; Ref. no. MSPO-05; Rev. 00; Date: 1/7/2018 under title Scheduled Waste Disposal Flow</p> <p>Disposal of scheduled waste was conducted as per SOP established. Sighted the sampled of disposal records for Maran POM as follows:</p> <p>i. SW 409, C/N no. 201905061564NM2U dated 6/5/2019</p> <p>ii. SW 305, C/N no. 2019030115YFTAH5 dated 28/2/2019</p> <p>iii. SW 305, C/N no. 201808301638SCJC dated 1//8/2018</p>	Complied
4.5.3.4	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.</p> <p>- Minor compliance -</p>	<p>Gula POM</p> <p>The domestic waste were collected by the estate twice a week and dump at designated area before collected by the municipal collectors. Sighted the records of rubbish collection in Estate Vehicle Work Distribution dated 13/4/2019, /4/2019 and 2/4/2019.</p> <p>Maran POM</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		Domestic waste was collected by the estate twice a week and send to the designated area before collected by municipal contractors and disposed at municipal landfill.	
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, particulate and soot emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	The assessment of all polluting activities has been conducted and documented in the GHG Management Plan and waste management Plan. The assessment was reviewed on annually basis. Latest review was conducted on 17/5/2019 (Gula POM) and 22/1/2019 (Maran POM).	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Mills visited has established management plan to reduce the significant pollutants and documented in the Greenhouse Gases Management Plan. In the GHG Management Plan stated the Source of GHG, Impacts, Mitigation Measures, Action Taken, Status, Timeline and PIC. The management plan was reviewed on annually basis. Latest review was conducted on 17/5/2019 (Gula POM) and 22/1/2019 (Maran POM). Sighted the implementation of the management plan as follows: i. Observed the stack emission monitoring conducted twice a year and submitted Dept. of Environmental as follows: Gula POM	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>1st half 2018</p> <ul style="list-style-type: none"> - Report no.: ISO/013/2018 - Report date: 13/3/2018 - Result: within limit Ringleman chart no. 2 <p>2nd half 2018</p> <ul style="list-style-type: none"> - Report no.: ISO/077/2018 - Report date: 11/8/2018 - Result: within limit Ringleman chart no. 2 <p>Maran POM</p> <p>1st half 2018</p> <ul style="list-style-type: none"> - Report no.: TIMOR/18-2-1 - Report date: 26/7/2018 - Result: within limit Ringleman chart no. 2 <p>2nd half 2018</p> <ul style="list-style-type: none"> - Report no.: DTIMOR/18-2-1 - Report date: 30/11/2018 - Result: within limit Ringleman chart no. 2 	
4.5.4.3	<p>Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.</p> <p>- Major compliance -</p>	<p>Effluent generated were disposed as prescribed under "Jadual Pematuhan".</p> <p>Regular monitoring was done on monthly basis and every quarterly via "Borang Penyata Suku Tahun" to DOE for compliance.</p> <p>Noted the following 1st quarter report submitted to DOE as follows:</p> <p>1st quater</p>	Complied

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Criterion / Indicator		Assessment Findings				Compliance																												
		<table border="1"> <thead> <tr> <th>Month</th> <th>Parameter</th> <th>Gula</th> <th>Maran</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Jan</td> <td>BOD</td> <td>41.00</td> <td>11.00</td> </tr> <tr> <td>pH</td> <td>7.40</td> <td>8.92</td> </tr> <tr> <td>S. Solid</td> <td>90.00</td> <td>4.00</td> </tr> <tr> <td rowspan="3">Feb</td> <td>BOD</td> <td rowspan="3">No. Discharge</td> <td>10.00</td> </tr> <tr> <td>pH</td> <td>7.84</td> </tr> <tr> <td>S. Solid</td> <td>107.00</td> </tr> <tr> <td rowspan="3">Mar</td> <td>BOD</td> <td rowspan="3">No. Discharge</td> <td>29.00</td> </tr> <tr> <td>pH</td> <td>9.00</td> </tr> <tr> <td>S. Solid</td> <td>193.00</td> </tr> </tbody> </table>	Month	Parameter	Gula	Maran	Jan	BOD	41.00	11.00	pH	7.40	8.92	S. Solid	90.00	4.00	Feb	BOD	No. Discharge	10.00	pH	7.84	S. Solid	107.00	Mar	BOD	No. Discharge	29.00	pH	9.00	S. Solid	193.00		
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	S. Solid		193.00																															
Criterion 4.5.5: Natural water resources																																		
4.5.5.1	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a) Assessment of water usage and sources.</p>	<p>NSOP Berhad has established SOP for riparian bufferzone and documented in Establishment and Management of Riparian Zone. Refer document no Gap-1 dated 1/1/2019.</p> <p>The estate also follows guidelines from MPOB for "Mengenalpasti kawasan rezab sungai dalam ladang" Refer letter no (3)04/C/PD/87/2 dated 28/9/2009.</p>	Complied																															

Criterion / Indicator	Assessment Findings		Compliance														
<p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities.</p> <p>c) Ways to optimize water and nutrient usage and reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>- Major compliance -</p>	<table border="1" data-bbox="1126 448 1906 906"> <tr> <td>River width</td> <td>Buffer zone</td> </tr> <tr> <td>> 40 meters</td> <td>50 meters</td> </tr> <tr> <td>20 to 40 meters</td> <td>40 meters</td> </tr> <tr> <td>10 to 20 meters</td> <td>20 meters</td> </tr> <tr> <td>5 to 10 meters</td> <td>10 meters</td> </tr> <tr> <td>< 5 meters</td> <td>5 meters</td> </tr> <tr> <td>*> 3 meters</td> <td>20 meters</td> </tr> </table> <p>The mill has established water management plan and reviewed annually basis. The management plan focusing on activity with impact to natural water sources such as water contamination.</p> <p>Gula POM</p> <p>The mill has established the water management plan and documented in the Water Management Plan for Estate. The plan was reviewed on annually basis. Latest Review was conducted on 28/3/2019.</p> <p>Sighted the implementation as follows:</p> <p>i. The mill conducted river water analysis on annually basis. Sighted the water sampling as follows:</p>		River width	Buffer zone	> 40 meters	50 meters	20 to 40 meters	40 meters	10 to 20 meters	20 meters	5 to 10 meters	10 meters	< 5 meters	5 meters	*> 3 meters	20 meters	
River width	Buffer zone																
> 40 meters	50 meters																
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Criterion / Indicator	Assessment Findings	Compliance

Criterion / Indicator		Assessment Findings	Compliance
		Result: conform with NWQS class II	
4.5.5.2	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations. - Major compliance -	Effluent generated were disposed as prescribed under "Jadual Pematuhan". Regular monitoring was done on monthly basis and every quarterly via "Borang Penyata Suku Tahun" to DOE for compliance.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Mill Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	NSOP Berhad (Sin Thye Management Sdn. Bhd) has established the Standard Operations Procedure for Palm Oil Mill, version 3 released 2019. The monitoring was done by the Chief Operating Officer during his visit on quarterly basis.	Complied
4.6.1.2	All palm oil mills shall implement best practices. - Major compliance -	The mills operation were conducted base on the SOP established.	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 -	The mills visited have established 10 years business plan as guidance for the mill to conduct the daily operation and expenditure. The business plan was documented in 10 years production, expenditure and profit/loss projection 2019 – 2028. Items stated in the business plan as follows:	

Criterion / Indicator		Assessment Findings	Compliance
		i. Hectare statement ii. FFB yield/ha and Total Production by age iii. FFB Production and FFB purchase (FFB, CPO, PK, OER, KER) iv. Production cost v. Cost/ha and Cost/tons vi. Dispatch (CPO and PK) The capital expenditure was documented in Financial Year Proposed Capital Expenditure (CAPEX).	
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 -	Pricing mechanisms were documented and effectively implemented through few measures as per following samples: - Dealer price agreement - Smallholder price list - sample: association price (Northern Palm Oil Mill Association) Summary of purchased FFB (smallholder) for the month of April 2019: 1 st – 4 th : RM315; 5 th 23 rd : RM335; 24 th -30 th : RM325 List of Monthly FFB Price/1% OER Price Year 2019	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	All contracts were fair, legal and transparent. Sample agreed payments made sighted as following: <u>Gula Palm Oil Mill:</u>	Complied



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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - Heng Soon Hee Transport & Trading Sdn. Bhd.; Payment Cheque # 27-08056; Date: 22/5/2019; for tax invoice # 00002688 <p><u>Maran Palm Oil Mill:</u></p> <ul style="list-style-type: none"> - Chong Hock Heng (FFB Supplier); Credit Note # MEFFB19/65; Date: 30/4/2019 	
Criterion 4.6.4: Contractor			
4.6.4.1	<p>In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information.</p> <p>- Major compliance -</p>	<p>Documentation and information for contractors were established as Control Points for Contractors; Doc. # MSPO-11; 11/9/2018. Sighted the sample latest MSPO Briefing Conducted as following:</p> <ul style="list-style-type: none"> - Sing Chuan Aik Transport Sdn. Bhd.; (Transporter); Date: 11/1/2019 	Complied
4.6.4.2	<p>The management shall provide evidence of agreed contracts with the contractor.</p> <p>- Major compliance -</p>	<p>Agreed contracts sighted as per following sample of agreements:</p> <p><u>Gula POM:</u></p> <ul style="list-style-type: none"> iii) Transport Agreement; between Eng Thye Plantations Berhad (Ladang Gula) and Sing Chuan Aik Transport Sdn. Bhd. (67059-V); Date: 1/1/2019 iv) Tenancy Agreement; between Eng Thye Plantations Berhad and Ng Eng Ling (Shop Tenant); Date: 1/10/2018 <p><u>Maran POM:</u></p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> ii) Transport Agreement; between Timor Oil Palm Plantation Berhad (Ladang Maran) and Teo Tuan Kwee Sdn. Bhd. (231954-X); Date: 1/1/2019 iii) Offer to Purchase Fresh Fruit Bunches (FFB); between Timor Oil Palm Plantation Berhad and Chong Hock Heng (Smallholder); Date: 1/1/2019 iv) Palm Oil Sale Contract No.: TOPO/007/19; Date: 8/1/2019; Volume: 200mt; Buyer: Mewah Oils Sdn. Bhd. v) Palm Kernel Sale Contract No.: TOPO/006/19; Date: 20/3/2019; Volume: 200mt; Buyer: Mewah Oils Sdn. Bhd. 	
4.6.4.3	<p>The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.</p> <p>- Minor compliance -</p>	<p>The company management has no objection to allow BSI auditors to verify the assessment through physical inspection if required.</p>	Complied

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
<p>Based on the findings during the assessment Negri Sembilan Oil Palms Berhad Certification Unit complies with the MS 2530- 3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders and MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mill. It is recommended that the certification of Negri Sembilan Oil Palms Berhad Certification Unit is approved and/or continued.</p>	
Acknowledgement of Assessment Findings	Report Prepared by
<p>Name:</p> <p>NEGRI SEMBILAN OIL PALMS BHD (0592D)</p>	<p>Name:</p> <p>Muhammad Fadzli Masran</p>
<p>Company name:</p> <p>Ng Yeen Chern Chief Operating Officer</p>	<p>Company name:</p> <p>BSI Services Malaysia Sdn. Bhd.</p>
<p>Title:</p> <p>Ng Yeen Chern Chief Operating Officer</p>	<p>Title:</p> <p>Client Manager</p>
<p>Signature:</p> 	<p>Signature:</p> 
<p>Date: 26/6/2019</p>	<p>21/6/2019</p>

Appendix A: Assessment Plan

PRELIMINARY AGENDA				
Date	Time	Subjects	MFM	HMM
Sunday 26/5/2019	AM/PM	Audit team travel to Kuala Kurau, Perak		
Monday 27/5/19 Gula POM	08.30 – 09.00	Opening Meeting: <ul style="list-style-type: none"> Opening Presentation by Audit team leader. Confirmation of assessment scope and finalize Audit plan 	√	√
	09.00 – 11.00	Gula POM Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	√
	11.00 – 13.00	Document review (MSPO part 4), P1: Management commitment and responsibility, P2: Transparency P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition P5: Environment, natural resources, biodiversity and ecosystem services P4: Social responsibility, health safety and employment condition, P6 : Best practices	√	√
	13.00 – 14.00	Lunch/Rest	√	√
	14.00 – 16.30	Continue with document review (MSPO part 4), P1: Management commitment and responsibility, P2: Transparency P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition P5: Environment, natural resources, biodiversity and ecosystem services P4: Social responsibility, health safety and employment condition, P6 : Best practices	√	√
	16.30 - 17.00	Interim Closing briefing.	√	√
Tuesday 28/5/2019 Gula Estate	08.00 – 11.00	Gula Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	09.30 – 11.00	Meeting with stakeholders combine estate and POM (Government, village rep, smallholders, Union Leader, contractor etc.)		√

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	11.00 – 12.30	Document review P1 – P6 (MSPO part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting (if any)		
	13.00 – 14.00	Lunch / Rest	√	√
	14.00 – 16.00	Continue Document review P1 – P6 (MSPO part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting (if any)	√	√
	16.00 - 16.30	Interim Closing.	√	√
	16.30	Audit team travel to Temerloh	√	
Wednesday 29/5/19 Maran POM	08.30 – 09.00	Opening Meeting: <ul style="list-style-type: none"> Opening Presentation by Audit team leader. Confirmation of assessment scope and finalize Audit plan 	√	√
	09.00 – 11.00	Maran POM Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	√
	11.00 – 13.00	Document review (MSPO part 4), P1: Management commitment and responsibility, P2: Transparency P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition P5: Environment, natural resources, biodiversity and ecosystem services P4: Social responsibility, health safety and employment condition, P6 : Best practices	√	√
	13.00 – 14.00	Lunch/Rest	√	√
	14.00 – 16.30	Continue with document review (MSPO part 4), P1: Management commitment and responsibility, P2: Transparency P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition P5: Environment, natural resources, biodiversity and ecosystem services P4: Social responsibility, health safety and employment condition, P6 : Best practices	√	√
	16.30 - 17.00	Interim Closing briefing.	√	√

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Thursday 30/5/2019 Maran Estate	08.00 – 11.00	Maran Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	09.30 – 11.00	Meeting with stakeholders combine estate and POM (Government, village rep, smallholders, Union Leader, contractor etc.)		√
	11.00 – 12.30	Document review P1 – P6 (MSPO part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting (if any)		
	13.00 – 14.00	Lunch / Rest	√	√
	14.00 – 16.00	Continue Document review P1 – P6 (MSPO part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting (if any)	√	√
	16.00 - 16.30	Interim Closing.	√	√
	16.30	Audit team travel to Bahau	√	
	Friday 31/5/2019 Senama Estate	08.00 – 11.00	Senama Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√
09.30 – 11.00		Meeting with stakeholders combine estate and POM (Government, village rep, smallholders, Union Leader, contractor etc.)		√
11.00 – 12.30		Document review P1 – P6 (MSPO part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting (if any)		
13.00 – 14.00		Lunch / Rest	√	√

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	14.00 – 16.00	Continue Document review P1 – P6 (MSP0 part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices, P7: Development of New Planting (if any)	√	√
	16.00 - 16.30	Verify any outstanding issues & Preparation for closing Meeting	√	√
	16.30 – 17.00	Closing Meeting	√	√
Saturday 01/6/2019	AM	Audit team travel back to Kuala Lumpur	√	√

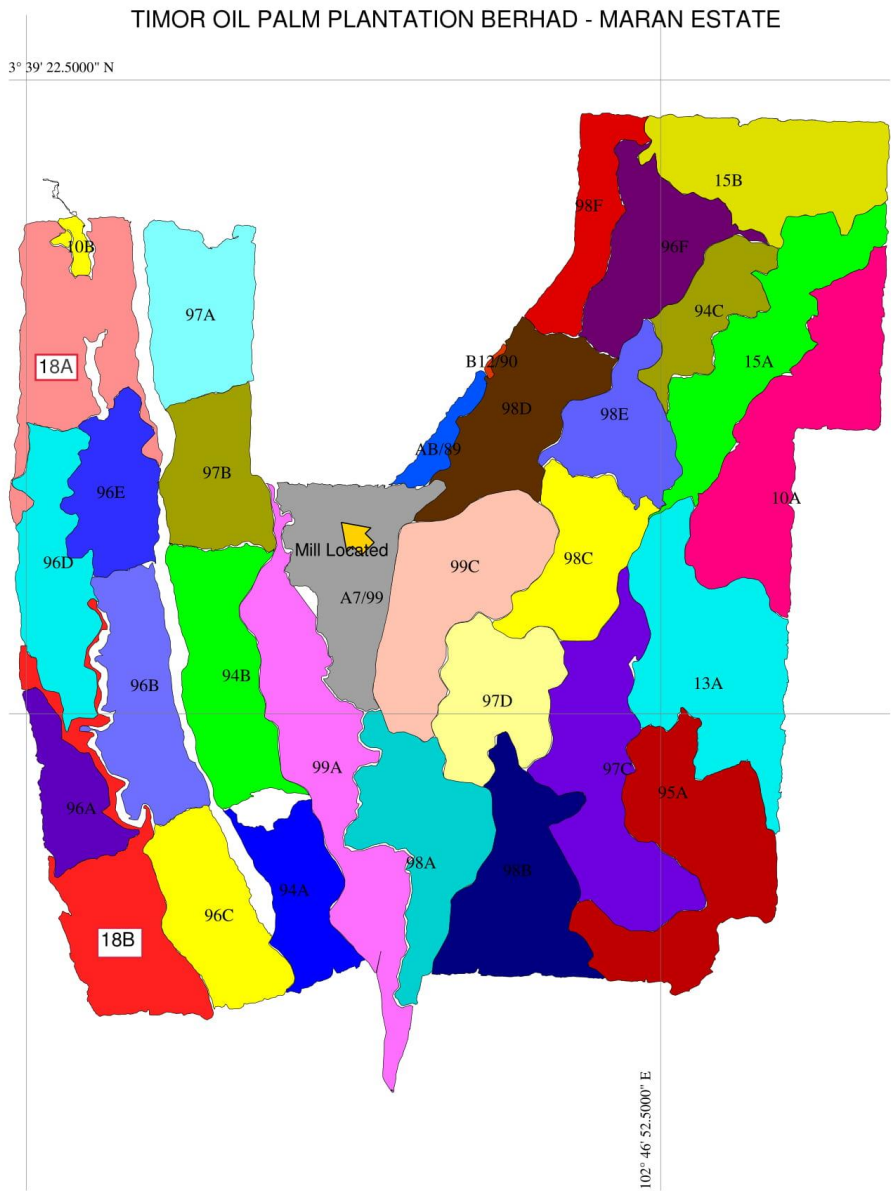
Appendix B: List of Stakeholders Contacted

List of Stakeholders Contacted	
<p>Internal Stakeholders</p> <p>Estate managers Mill engineer Supervisors, Staff & Clerks Mill local & foreign workers (process, workshop, etc.) Estate local & foreign workers (harvesters, sprayers, etc.) Local workers representatives Foreign workers representatives Gender committee representative Crèche minder Estate Hospital Assistant</p>	<p>Union/Contractors/Local Communities</p> <p>Gula Mill & Estate NUPW representative Maran Mill & Estate NUPW representative Senama Estate NUPW representative Kampong Melayu Kuala Gula Kampong Orang Asli Batu 55 Kuala Gula MPKCOA Kampung Klebang Maran Jong Cheong Enterprise (Supplier) Contractor Anparasan (Harvesting Contractor) GNC Lab (Supplier) Pemborong TOP (Supplier) Miang Huat Hardware (Supplier) Cheong Wing Chan Estate (Neighbour Estate) Smallholder</p>
<p>Government Departments</p> <p>Jabatan Perhilitan Kuala Gula Jabatan Perhilitan Maran SJK(T) Ladang Gula SJK(C) Maran Tadika Ladang Gula</p>	<p>NGO</p>

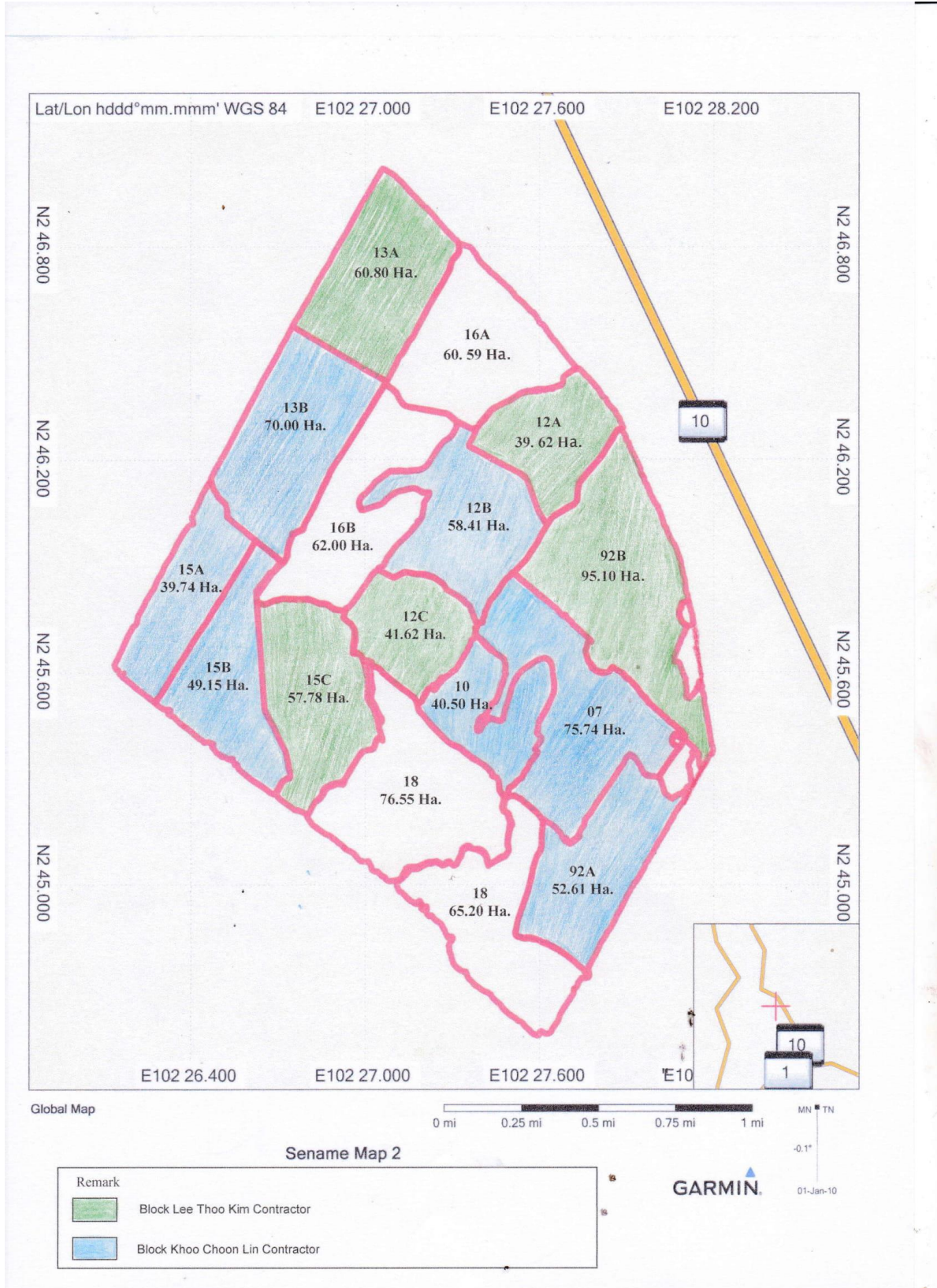
Appendix C: Smallholder Member Details

No	Name of smallholder	Year Planted	Land Area (ha)	Forecast FFB (Mt/ha/year)
1	Not Applicable			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
TOTAL				

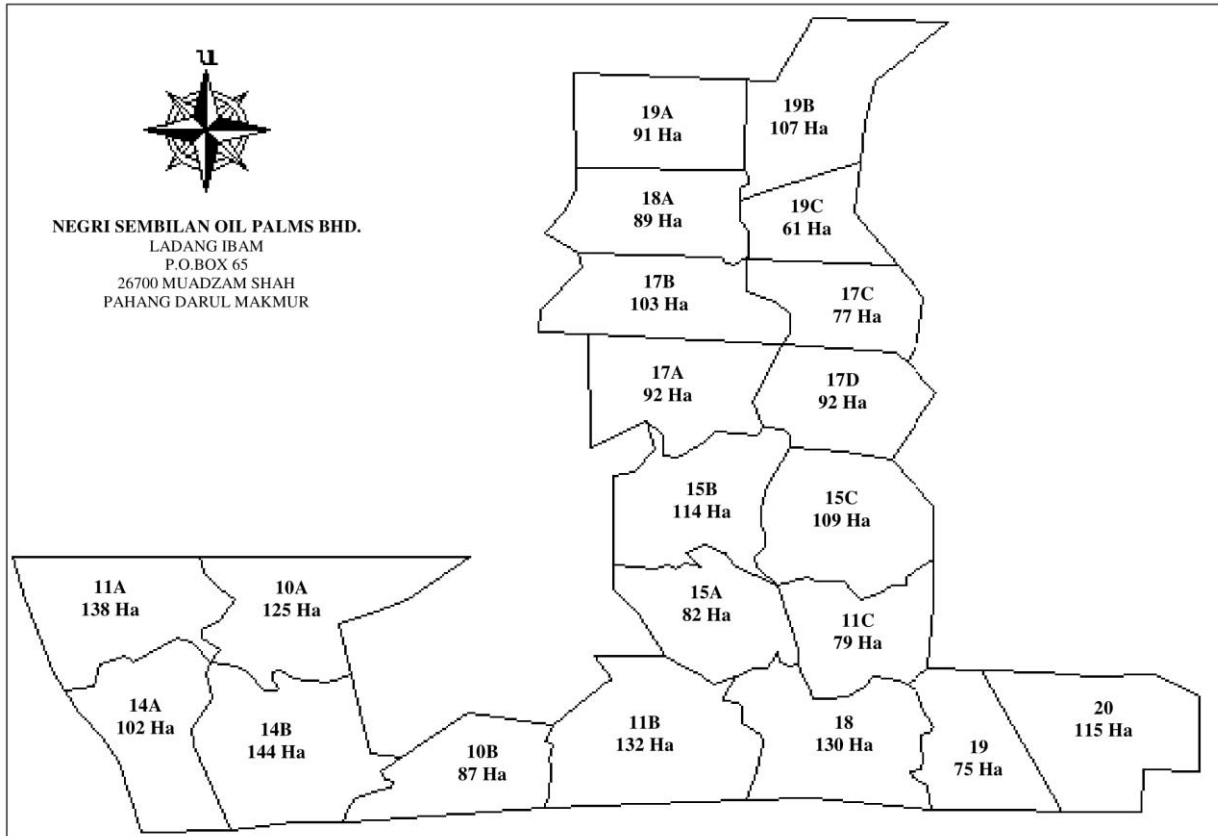
Maran Estate and Maran POM



Senama Estate



Ibam Estate



Appendix G: 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