

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

UM PLANTATIONS SDN. BHD.
Head Office: Locked Bag 538, 81900 Kota Tinggi, Johor, Malaysia
Certification Unit: University of Malaya Oil Palm Research Estate Location of Certification Unit: KM 41, Jalan Jemaluang, 81900 Kota Tinggi, Johor, Malaysia

Report prepared by:
Hafriazhar Mohd. Mokhtar (Lead Auditor)

Report Number: 3056501

Assessment Conducted by:

BSI Services Malaysia
Suite 29.01, Level 29, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur
Tel +6 03 9212 9638 Fax +603 9212 9639
www.bsigroup.com

TABLE of CONTENTS	Page No
Section 1: Executive Summary	3
1.1 Organizational Information and Contact Person	3
1.2 Certification Information	3
1.3 Location of Certification Unit	3
1.4 Plantings & Cycle	3
1.5 FFB Production (Actual) and Projected (tonnage).....	4
1.6 Certified CPO / PK Tonnage	4
1.7 Certified Area:	4
1.8 Details of Certification Assessment Scope and Certification Recommendation:	4
Section 2: Assessment Process	5
1. Assessment Program	6
Section 3: Assessment Findings	8
3.1 Details of audit results	8
3.2 Details of Nonconformities and Opportunity for improvement.....	8
3.3 Status of Nonconformities Previously Identified and OFI	22
3.4 Issues Raised by Stakeholders	23
3.5 Summary of the Nonconformities and Status.....	24
3.6 Summary of the findings by Principles and Criteria	25
Section 4: Assessment Conclusion and Recommendation	47
Appendix A: Assessment Plan	48
Appendix B: List of Stakeholders Contacted	49
Appendix C: Smallholder Member Details.....	50
Appendix D: University of Malaya Oil Palm Research Estate Location	51
Appendix E: University of Malaya Oil Palm Research Estate Field Map.....	52
Appendix G: List of Abbreviations	53

Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
MPOB License	University of Malaya Oil Palm Research Estate: 50393802000		
Company Name	Boustead Plantations Berhad		
Address	Head Office: 19 th Floor Menara Boustead, 69, Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia Certification unit: Universiti of Malaya Oil Palm Research Estate, KM 41, Jalan Jemaluang, 81900 Kota Tinggi, Johor, Malaysia		
Group name if applicable:	N/A		
Subsidiary of (if applicable)	N/A		
Contact Person Name	Rafli Bin Halim / Ahmad Amirul Arif Bin Mohamad Noh		
Website	www.bousteadplantations.com.my	E-mail	umplantations@gmail.com aaamn.bea@boustead.com.my
Telephone	+603-2145 2121 Ext. 351	Facsimile	+603-2144 7917

1.2 Certification Information			
Certificate Number	MSPO 715201		
Issue Date	11/03/2020	Expiry date	10/03/2025
Scope of Certification	Estate: Production of Sustainable Oil Palm Fruits		
Stage 1 Date	11-12/07/2019		
Stage 2 / Initial Assessment Visit Date (IAV)	24-25/10/2019		
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
Nil	N/A	N/A	N/A

1.3 Location of Certification Unit			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Longitude	Latitude
University of Malaya Oil Palm Research Estate	KM 41, Jalan Jemaluang, 81900 Kota Tinggi, Johor, Malaysia	103° 51' 57.05" E	02° 01' 51.25" N

1.4 Plantings & Cycle					
Estate	Age (Years) - ha				
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30
University of Malaya Oil Palm Research Estate	-	397.37	-	-	-
Total	-	397.37	-	-	-

MSPO Public Summary Report Revision 0 (Aug 2017)

1.5 FFB Production (Actual) and Projected (tonnage)			
Producer Group	Estimated	Actual	Forecast (Jan 2020– Dec 2020)
University of Malaya Oil Palm Research Estate	N/A	N/A	5,300.00
TOTAL			5,300.00

1.6 Certified CPO / PK Tonnage			
Mill	Estimated	Actual	Forecast (Jan 2020– Dec 2020)
N/A	CPO (OER: %)	CPO (OER: %)	CPO (OER: %)
	N/A	N/A	N/A
	PK (KER: %)	PK (KER: %)	PK (KER: %)
	N/A	N/A	N/A

1.7 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
University of Malaya Oil Palm Research Estate	397.37	-	7.33	404.70	98.19
Total	397.37	-	7.33	404.70	98.19

1.8 Details of Certification Assessment Scope and Certification Recommendation:
<p>BSI Services Malaysia Sdn Bhd has conducted the Initial Certification Assessment of University of Malaya Oil Palm Research Estate located in Kota Tinggi, Johor, Malaysia comprising of a single estate (University of Malaya Oil Palm Research Estate) and infrastructure.</p> <p>The assessment was conducted onsite to assess the compliance of the certification unit against the MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholder and MSPO Guidance.</p> <p>The onsite assessment was conducted on 24 - 25/10/2019.</p> <p>Based on the assessment result, University of Malaya Oil Palm Research Estate complies with the MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholder and MSPO Guidance and recommended for certification.</p>

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia
Suite 29.01, Level 29, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur
Tel +6 03 9212 9638 Fax +603 9212 9639
Azrul Wan Azizan: Azrul.WanAzizan@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 24-25 October 2019. The audit programme is included as Appendix A. The approach to the audit was to treat the University of Malaya Oil Palm Research 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. Prior to audit conducted, public consultation was made accordingly; refer <https://www.bsigroup.com/globalassets/localfiles/en-my/mspo/public-notification-2019/mspo-pn-university-of-malaya-research-estate-en-1909.pdf> (earlier assessment date of 15-16 August 2019 was rescheduled to 24-25 October 2019).

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

Meetings 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 estate. 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.

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.

MSP0 Public Summary Report
Revision 0 (Aug 2017)

This report was externally reviewed by MSP0 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)
University of Malaya Oil Palm Research Estate	✓	✓	✓	✓	✓
Stakeholder Consultation	✓	✓	✓	✓	✓

Tentative Date of Next Visit: December 3, 2020 - December 4, 2020

Total No. of Mandays: 2 mandays

BSI Assessment Team:**Hafriazhar Mohd. Mokhtar – Lead Assessor**

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 9001, ISO 14001, ISO 45001 and ISO 50001 and has accumulated more than 1000 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia, Indonesia and Thailand. He has been trained in the RSPO P&C and SCCS standards and recently completed his RSPO P&C Lead Assessor training and has been involved in RSPO audits within Malaysia, Papua New Guinea, Solomon Islands, Gabon, Nigeria and Pakistan. During assessment, he covered the estate best practices, legal issues, social issues, workers consultation, stakeholder consultation, environmental and occupational safety & health. He is fluent in Bahasa Malaysia and English languages.

Accompanying Persons: Nil

Section 3: Assessment Findings

3.1 Details of audit results

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

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

3.2 Details of Nonconformities and Opportunity for improvement

The nonconformity is listed below.

During the Certification Assessment there were one (1) major and one (1) minor nonconformities raised. The University of Malaya Oil Palm Research Estate (hereinafter referred to as UM Oil Palm Research Estate) 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
1840031-201906-M1	MS2530:2011-3 (MSPO Part 3) UM Plantations Sdn. Bhd. - UM Oil Palm Research Estate	4.4.5.9
Requirements:	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements	
Statement of Nonconformity:	The wages and overtime payment documented on sampled workers' pay slips were not fully in line with legal regulations and collective agreements.	
Objective Evidence:	The information to ensure that employees on estates to be provided with minimum number of days' work in each month [Clause 16 (1) Employment Act 1955] were not reflective in the pay slips for sampled contractor's (HCK Jemaluang Enterprise) workers based on the daily attendance recorded in the check-roll book and the pay slips for July 2019, August 2019 and September 2019 of sampled workers as following: - Employee ID # B4065456; Work: Harvester - Employee ID # C0819768; Work: Loose Fruit Collector - Employee ID # B9247097; Work: Tractor driver	
Corrections:	For the October 2019 pay slip, the contractor had followed the estate's format to comply with the Employment Act 1955.	
Root cause analysis:	All the sampled workers were contractor's workers and most of them not permanently work in the estate as the contractor also have other place of work.	

MSPO Public Summary Report
Revision 0 (Aug 2017)

Corrective Actions:	To advice the relevant contractor to follow the format of estate checkroll's workers pay slip with immediate effect.
Assessment Conclusion:	CAP has been accepted and evidence of CAP submitted confirmed that the CAP taken was efficient to address the NC. Hence, Major NC was closed on 20/12/2019

Minor Nonconformities:		
Ref	Area/Process	Clause
1840031-201906-N1	MS2530:2011-3 (MSPO Part 3) UM Plantations Sdn. Bhd. - UM Oil Palm Research Estate	4.4.5.10
Requirements:	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	
Statement of Nonconformity:	Mandatory social benefits contributions (SOCSO) for sampled foreign workers were not evidence	
Objective Evidence:	Mandatory social benefits contributions (SOCSO) were not evidence for sampled foreign workers employed by contractor (HCK Jemaluang Enterprise) as following: - Employee ID # B4065456; Work: Harvester - Employee ID # C0819768; Work: Loose Fruit Collector - Employee ID # B9247097; Work: Tractor driver	
Corrections:	For October 2019, the SOCSO contribution was done for the foreign workers.	
Root cause analysis:	All the sampled workers were contractor's workers and most of them not permanently work in the estate as the contractor also have other place of work.	
Corrective Actions:	To advice the contractor to pay the SOCSO contribution for their workers at soonest. Evidence attached.	
Assessment Conclusion:	CAP has been accepted and evidence of CAP effectiveness to be verified in the next assessment.	

Noteworthy Positive Comments	
1	Good implementation of Good Agricultural Practices (GAP)
2	Positives feedbacks from external stakeholders

3.3 Status of Nonconformities Previously Identified and OFI

Not applicable since this is Initial Assessment.

Major Nonconformities:		
Ref	Area/Process	Clause
NC ID from eReport	N/A	N/A
Requirements:	N/A	
Statement of Nonconformity:	N/A	
Objective Evidence:	N/A	
Corrections:	N/A	
Root cause analysis:	N/A	
Corrective Actions:	N/A	
Assessment Conclusion:	N/A	
Stage II Status:	N/A	
Minor Nonconformities:		
Ref	Area/Process	Clause
NC ID from eReport	N/A	N/A
Requirements:	N/A	
Statement of Nonconformity:	N/A	
Objective Evidence:	N/A	
Correction Action Evidence:	N/A	
Assessment Conclusion:	N/A	

3.4 Issues Raised by Stakeholders

IS #	Description
1	Feedbacks: FFB receiving mill (Telok Sengat POM) – no issue in crop quality since management agent representatives are from same group of company under Boustead
	Management Responses: Management always maintain good quality FFB complying with Boustead Plantations requirements
	Audit Team Findings: No further issue.
2	Feedbacks: Vendors & contractors – long service to Boustead for more than 10 years. No issue in pricing and payment.
	Management Responses: Positive comment noted.
	Audit Team Findings: No further issue.
3	Feedbacks: Smallholder neighbour & village representative (Felcra Sg. Ara) – having few villagers working with company at the estate. No issue in estate and villagers land boundary since most villagers cultivate rubber.
	Management Responses: Priorities always given to local communities to fulfil any relevant post vacancy within estate. Periodical consultation made with villagers from time to time.
	Audit Team Findings: No further issue.
4	Feedbacks: School headmaster & teachers (SK Felcra Sg. Ara) – Estate management always support school programs and contributed a lot for student events. The estate manager himself participating actively in school's Teacher & Parents Association (PIBG) as the president.
	Management Responses: Social responsibilities are part of management commitments towards local communities
	Audit Team Findings: No further issue
5	Feedbacks: Wildlife department representative (Pejabat Perhilitan Kota Tinggi) – Estate management and staff cooperating very well in wildlife program such as attending the seminar for human-elephant conflict conducted for growers and communities within Kota Tinggi area which is highly populated by wildlife mainly elephants.
	Management Responses: Estate has own high biodiversity program including monitoring of sightings for rare, threatened and endangered species within estate field. Based on AP patrol reports, no any encroachment of wildlife within estate field and recent incident involved smallholders plot in nearby area.
	Audit Team Findings: HBV program has been implemented sufficiently as per assessment and plan. Refer criterion 4.5.6.

3.5 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1840031-201906-M1	Major (4.4.5.9-Part 3)	25/10/2019	Closed on 20/12/2019
1840031-201906-N1	Minor (4.4.5.10-Part 3)	25/10/2019	"Open"

3.6 Summary of the findings by Principles and Criteria

MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) 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 -	Since Boustead appointed as the management agency, UM Oil Palm Research Estate has adopted Boustead Plantations Berhad’s established MSPO Policy i.e. <i>Polisi Pelaksanaan Dan Komitmen Terhadap Sijil Akuan MSPO</i> and signed by the Senior General Manager of Boustead Plantations Berhad dated on 1/11/2014.	Comply
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The policy has emphasized the commitment towards continual improvement based on the seven (7) principles of MSPO.	Comply
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	Based on the Internal Audit Procedure; Issue 1; Date: July 2016; internal audit was planned to be conducted once a year. The latest internal audit was conducted on 3 rd - 4 th April 2019 by internal auditors among HQ Sustainability personnel. A total of 2 nonconformities and 3 OFIs were raised during the audit. Both NCs were verified closed by the internal auditors on 25/4/2019. OFIs also were been taken action and verified by the internal auditors accordingly. Sighted also a sample	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		training records of internal auditor (Ahmad Amirul Ariff); Certificate of Completion of Internal Auditing MSPO MS2530:2013 Serial # 054586; Training Date: 26-27/11/2015. Records of internal audit including the report assessed confirmed that the audit able to determine the strong and weak points and potential area for further improvement.	
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	Internal Audit Procedure; Issue 1; Date: July 2016 was established by the management to include audit frequency, audit schedule, audit team, performing audit, audit responsibility and etc. Internal audit shall be carried out once a year.	Comply
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	All records related to Internal Audit including audit plan, audit checklist and non-conformance report were maintained and available during site visit. Internal audit records also been reviewed by the top management.	Comply
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 -	Management review meeting was conducted on 5/4/2019 upon completion of internal audit. Records of Management Review Agenda and Minutes for the meeting shown the review chaired by representative of Boustead Planting Director cum Sustainability Chairman and attended by estate manager as well sustainability personnels of Boustead HQ. The meeting demonstrated review of adequacy and effectiveness of the requirements for effective implementation of MSPO for UM Oil Palm Research Estate.	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p> <p>- Major compliance -</p>	<p>Action Plan for continual improvement was observed based on consideration of social and environmental impact. UM Oil Palm Research Estate has taken good measures on action of continual improvement as following:</p> <ul style="list-style-type: none"> - Continuous road maintenance - All maintenance programs were update yearly such as weeding, manuring, pruning, palm sanitations and etc. - Social Plan had well established, there were 23 issues had been addressed b te management of UM Plantations - Water Management Plan, Water Usage Monitoring & Water Sampling Analuyusu 	<p>Comply</p>
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>Boustead has been adopting a new operation, administration management including checkroll and material control systems i.e. PIMACS Database. The system able to improve practices for ectracting crop reports, yield statistics, revenue expenditure, upkeep and cultivation (mature and immature), store balance and reconcillation and employee management for payslips, checkroll data, employee profile and etc.</p>	<p>Comply</p>
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>Due to landscaping issue of UM Oil Palm Research Estate that is 30% hilly and 70% undulating, limited applicability of new industry standards and technology able to be implement. Except for</p>	<p>Comply</p>

Criterion / Indicator		Assessment Findings	Compliance
	established. - Major compliance -	mechanized trailer (tractor) only manual labour operation been implemented.	
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 -	The company has maintained records of request and response, land titles and OSH plans, complaints and grievances records that make available upon request.	Comply
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 -	The company holds copies of each of the management documents that are required to be publicly available. Copies of the document such as documents related to environmental and social issues, waste management plan, records of complaints and grievances were available upon request. All the policies such as Pesticide Use Policy, Human Rights Policy and Foreign Workers Policy were publicly available in the company's website: http://www.bousteadplantations.com.my/sustain_policy.html Others sustainability practices were also available in the website.	Comply
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.	Since Boustead appointed as the management agency, UM Oil Palm Research Estate has adopted Boustead Plantations Berhad's	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	established Communication Procedure. The scope of the procedure is to handle communication for internal and external stakeholders. The methods of communication such as formally write in, through phone call, discussion or meeting and etc. The communication is achieved through notice board, meeting minutes, trainings and newspapers. Complaint/ Suggestion Form (UMP 001 & UMP 002) and the Suggestion Box was implemented in the company.	
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 -	University of Malaya Oil Palm Research Estate has established a Complaint Panel Committee to handle external and internal communication/ complaint in the estate. Appointment letters for the committee team consists of Field Supervisors dated 1/1/2019 were sighted. Estate Manager was the Chairman of the committee.	Comply
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - Major compliance -	Stakeholder list was developed in UM Oil Palm Research Estate and last updated on 1/7/2019. The list has included government authorities such as DOE, DOSH and BOMBA, contractors and suppliers, local communities and NGOs. External stakeholder meeting was conducted on 23/1/2019 with the relevant stakeholders such as government authorities, contractors and suppliers, neighboring plantation and schools' representatives. Sighted the meeting also attended by JTK Office Johor Bahru. Records of action taken in response to stakeholders inout available as per sample invitation to "Program Libat Urus Bersama Pihak Berkepentingan Berkaitan Pengurusan Gajah Di Negeri Johor Bil. 2/2019; Letter # JPHL & TN.J:90-5/2.16 JLD 3(32); Date: 21/10/2019 – Program Date: 3/11/2019. Location: Felda Residence Tanjung Leman. Also for a sampled housing inspection book – latest complaint	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		dated 17/10/2019 on house occupied by AP with fan, door and door knob damage.	
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	University of Malaya Oil Palm Research Estate implemented the supply chain program based on adopted Bousted Plantations MSPO Traceability Procedures; Issue 1; Issue date: July 2016; Rev. # 2; Rev. date: March 2918. The procedure was approved by MSPO Chairman which covering the implementation of all supply chain requirements for both POM and estate.	Comply
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Regular inspections on compliance with the established traceability system were conducted through periodical internal audit. Furthermore, the estate management and staff responsible to conduct related inspections on compliance of all operations including traceability system. Verification on site confirmed the inspections were regularly implemented accordingly.	Comply
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The procedure also specified that the Sustainability Chairman shall have the overall responsibility for the implementation of the procedure with assignment of relevant personnel from various departments to assist in the implementation. At University of Malaya Oil Palm Research Estate, the estate manager responsible for the MSPO implementation.	Comply
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Records of FFB sales & delivery including FFB Weighbridge Tickets together with FFB Delivery Note (Chit) and Daily Report (FFB Production, Loose Fruit Manday, Productivity & FFB Despatch To Mill) were maintained. Sighted samples record available as following:	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		i) Weighbridge Ticket # 98829; FFB DO # 4573; Date: 21/10/2019; Field: 00; Net Weight: 30.21; Transport: JEE3752 ii) Weighbridge Ticket # 98748; FFB DO # 4572; Date: 19/10/2019; Field: 00; Net Weight: 37.29; Transport: JEE3752	
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. - Major compliance -	The list of permit and license required for the operations of the estate was sighted. The sample of permit and license: 1. MPOB License: 503935802000; Validity period: 1/5/2019 – 30/4/2020; Estate area: 404.7ha 2. BAKAJ Water Abstraction License # 07/A/KT007; Year 2019; File # BAKAJ/334/430/02/08/03; Max volume: 45m ³ /day	Comply
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register. - Major compliance -	LORR was established to cover all legal acts, regulations and other requirement related to POM and supply base. The sample of Act and Legal: 1. OSHA 1994 2. FMA 1967 3. Pesticide Act 1974 4. Electrical Supply (Amendment) Act 2015 5. Fire Services Act 6. Environmental Quality Act 7. Local Government Act	Comply

Criterion / Indicator	Assessment Findings	Compliance
<p>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.</p> <p>- Major compliance -</p>	<p>LORR was established to cover all legal acts, regulations and other requirement related to POM and supply base. The sample of Act and Legal:</p> <ol style="list-style-type: none"> 1. OSHA 1994 2. FMA 1967 3. Pesticide Act 1974 4. Electrical Supply (Amendment) Act 2015 5. Fire Services Act 6. Environmental Quality Act 7. Local Government Act <p>Last evaluation was conducted on 2/8/2018.</p>	<p>Comply</p>
<p>4.3.1.4 The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>Tracking system available to identify changes in the relevant regulations through head office, sustainability team, website information and the information are communicated from the Head Office (Sustainability Section). Boustead Plantations Berhad have centralised system for tracking any changes in the law and subscribe into Lawnet. The latest communication was done on 9/11/2018 regarding Employment Insurance System Act 2017.</p>	<p>Comply</p>
<p>Criterion 4.3.2 – Lands use rights</p>		
<p>4.3.2.1 The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.</p> <p>- Major compliance -</p>	<p>University of Malaya was awarded the land by the late Duli Yang Maha Mulia, Sultan Johor in 1965 for 1,000 acres (Lot No: M.L.O 940 under University of Malaya). Sighted the letter of awarded and agreement namely " Hadiah 1,000 ekar Tanah Kerajaan kepada Universiti Tanah Melayu".</p>	<p>Comply</p>

Criterion / Indicator		Assessment Findings	Compliance
		<p>The UM Plantation Sdn Bhd was established to do the business for UM Oil Palm Research Estate. Sighted the website for UM Holding stated that UM Plantations is a wholly owned subsidiary of UM Holdings Sdn Bhd. UM Holdings Sdn Bhd is a company incorporated in Malaysia on 13 December 2001 under the Companies Act 1965, is wholly owned by the University of Malaya.</p> <p>Boustead Agency and Consultancy Services Sdn Bhd was appointed as managing agent for UM Oil Palm Research Estate. Sighted the supplemental agreement between UM Plantations and Boustead Estates Agency</p> <p>The letter from Boustead Estate Agency dated 29/12/2015 (CKC/AASI/st) stated that all current agreements between BACS shall be assigned to Boustead Estates Agency (BEA). However, in 2018 BEA notifying UMP that the contract will be assigned to Boustead Agency and Consultancy Services Sdn Bhd. The letter (CKC/AASI/st) dated 9/11/2018 was sighted.</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>As above, documents available as following:</p> <ul style="list-style-type: none"> - Management Agreement between UM Plantations Sdn. Bhd. And Boustead Advisory and Consultancy Services Sdn. Bhd. & Supplemental Agreement; Date: 5/11/2014 between UM Plantations Sdn. Bhd. And Boustead Agency and Consultancy Services Sdn. Bhd. - University of Malaya Oil Palm Estate title # MLO 940; Lot # 396; Mukim: Ulu Sungai Sedili Besar; Daerah: Kota Tinggi, Johor. Land Office File # PT 2825/201; Ref. # P04/131118/03/03/1076/0259; Searched date: 13/11/2018 - Quit rent payment was made by UM Plantations Sdn. Bhd. As per copy of payment invoice ref. # G10/G501/2019/04/58077; Bayaran 	Comply

Criterion / Indicator		Assessment Findings	Compliance
		Cukai Tanah 2019-AAG 81/64 Lot MLO 940, Mukim Ulu Sungai Sedili Besar Daerah Kota Tinggi, Johor.	
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	A legal boundary was clearly demarcated. Site visit to boundary at field PM00I with Felcra Sungai Ara, found that the boundary stone was maintained. Some area the management has constructed the boundary trenches such as at Field Block PM00C boundary with the management had constructed the trenches as a boundary between the estate and smallholders.	Comply
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	There is no land dispute in the UM Oil Palm Research Estate at the time of audit. Stakeholder interview and site visit also confirmed that there was no encroachment of land by the estate.	Comply
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 -	The estate lands are legally owned by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and gates to differentiate the land boundaries. No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit.	Comply
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	The estate lands are legally owned by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and gates to	Comply

Criterion / Indicator		Assessment Findings	Compliance
		differentiate the land boundaries. No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit.	
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	The estate lands are legally owned by the company. The existing estates are not encumbered by any customary land rights. The company has constructed trenches, wooden pegs and gates to differentiate the land boundaries. No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit.	Comply
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 -	Social Impact Assessment was carried out on 23-24/1/2019 by Paisley Consulting Sdn. Bhd. that involved the participation of relevant stakeholders. The SIA report, <i>Laporan Kaji Selidik Impak Sosial</i> ; Report # UMP-SIA01 was sighted available. Identified positive and negative social impacts were analysed with action plans established to address relevant issues related to the impacts. Categories of identified social aspects and assessed impacts including issues among workers (internal stakeholders) and external stakeholders among local communities, neighbouring estates, government agencies, contractors, NGOs and associations.	Comply
Criterion 4.4.2: Complaints and grievances			

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	UM Oil Palm Research Estate has developed Flowchart of Complaint Procedure for internal and external stakeholders. The flowchart has clearly stated the person to be in charge in each stage of complaint. In additional, flowchart for timeframe taken to resolve the problem for workers and external stakeholders was established. Maximum 20 days to be taken to resolve the complaints. Besides, the company has developed Whistleblowing Policy dated 11/1/2011 signed by Senior General Manager.	Comply
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance -	Complaint/ Suggestion Form was established and implemented in the estate to record any complaints from the stakeholders.	Comply
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 -	UM Oil Palm Research Estate has implemented Complaint Form. There was Complaint Form Box in front of the main office and division office in the estate in order for the stakeholders to lodge complaint anytime.	Comply
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Interview conducted with the stakeholders confirmed that they are understood about the complaint procedure.	Comply
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	The company has implemented the system since April 2019. Therefore, records of complaint were since April 2019. Records to show that the complaint have been resolved were available in UM Oil Palm Research	Comply

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	Estate. no external complaints received except by internal stakeholders among workers complaining and requested on housing repairs only.	
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - Minor compliance -	The management has made contribution to the local communities and workers such as donation to the school and temple activities upon request by the stakeholders. Besides, the company has donated paint material to local authority. The company also provided job opportunity to the local communities.	Comply
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -	Since Boustead appointed as the management agency, UM Oil Palm Research Estate has adopted Boustead Plantations Berhad's Safety and Health Policy, dated 1/6/2012 signed by Group Managing Director. Safety programme schedule for 2019 was established. The programme comprises of emergency response plan (ERP), training, safety committee activities, medical surveillance.	Comply
4.4.4.2	The occupational safety and health plan shall cover the following: a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:	a) The communication of safety and health policy was done by displayed the policy on the notice board at the estate office. b) SOP for HIRARC was established. Last reviewed of the assessment was done on December 2018 to include Harvesting, Manuring, Spraying, transportation, Replanting and etc. c) A formal training programme on all aspects of OSH and MSPO was established and implemented. Training for various categories of operators, including all field and office staff, with regards to individual duties and training needs had been reviewed and found	Comply

Criterion / Indicator	Assessment Findings	Compliance																				
<p>i. all employees involved shall be adequately trained on safe working practices</p> <p>ii. all precautions attached to products shall be properly observed and applied</p> <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 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>to be complied. The records of training were available at estate office. Sample training checked:</p> <table border="1" data-bbox="1128 512 1789 850"> <thead> <tr> <th>Date</th> <th>Training title/activities</th> </tr> </thead> <tbody> <tr> <td>6/1/2019</td> <td>Policy training</td> </tr> <tr> <td>21/5/2019</td> <td>Harvesting</td> </tr> <tr> <td>14/4/2019</td> <td>Spraying</td> </tr> <tr> <td>16/7/2019</td> <td>Zero open burning and environmental</td> </tr> <tr> <td>12/6/2019</td> <td>Fire Drill</td> </tr> <tr> <td>17/4/2019</td> <td>Tractor Driver</td> </tr> <tr> <td>18/6/2019</td> <td>Spill kit</td> </tr> <tr> <td>12/2/2019</td> <td>Manuring</td> </tr> <tr> <td>18/2/2019</td> <td>First aid</td> </tr> </tbody> </table> <p>d) Based on the field activities observation and interview, adequate and appropriate protective equipments were use by the workers for harvesting and spraying. Records of PPE issuance 2019 also shown all workers were provided with mandatory PPE as per HIRARC based on their tasks</p> <p>e) The operating unit complies with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During visit it was noted that all the remaining pesticides were kept in the store and securely locked and comply with regulation.</p> <p>f) The responsible persons were the Estate Manager and Assistant Manager of the respective operating units.</p> <p>g) JKKP meeting members consist of employer & employee representatives. Records of regular meetings between the responsible person and workers were maintained. There was no</p>	Date	Training title/activities	6/1/2019	Policy training	21/5/2019	Harvesting	14/4/2019	Spraying	16/7/2019	Zero open burning and environmental	12/6/2019	Fire Drill	17/4/2019	Tractor Driver	18/6/2019	Spill kit	12/2/2019	Manuring	18/2/2019	First aid	
Date	Training title/activities																					
6/1/2019	Policy training																					
21/5/2019	Harvesting																					
14/4/2019	Spraying																					
16/7/2019	Zero open burning and environmental																					
12/6/2019	Fire Drill																					
17/4/2019	Tractor Driver																					
18/6/2019	Spill kit																					
12/2/2019	Manuring																					
18/2/2019	First aid																					

Criterion / Indicator		Assessment Findings	Compliance
	i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite. j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals. - Major compliance -	major issue. Last meeting was done on 18/6/2019 but still pending for 3 rd quarter. h) Accident and emergency procedure was established to include emergency evacuation, fire situation, chemical spillage, accident at work place. The accident report was maintained at office accordingly. 2018 JKPP 8 submission dated 29/1/2019 a total of 1 LTA case. Fire drill training was done on 12/6/2019 first aid training was last conducted on 18/2/2019. i) First aid equipment was available at site. First aider's competency certificate available. j) Records of incident and accident were available, using internal reporting system. Records on Lost Time Incident (LTI) metrics found to be satisfactory.	
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees. - Major compliance -	Since Boustead appointed as the management agency, UM Oil Palm Research Estate has adopted Boustead Plantations Berhad's established Human Rights Policy dated 11/1/2016 signed by Senior General Manager. The company is committed to ensure every individual are treated with fairness, dignity and respect. The company will respect the rights of every individual. They also recognize their responsibilities to respect human rights and avoid complicity in human rights abuses. Training of the policy was conducted on 6/1/2019 in UM Oil Palm Research Estate. Seen the training attendance list and photo of the training. Besides, the policy was publicly displayed at the notice board outside the office.	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>Since Boustead appointed as the management agency, UM Oil Palm Research Estate has adopted Boustead Plantations Berhad's established Equal Opportunities Policy dated 11/1/2011 signed by Senior General Manager. The company will ensure all the relevant parties will be treated equally and no discrimination based on race, caste, nationalities, religion, gender, age and etc. Interviewed with the workers from different nationalities, gender and age confirmed that no discrimination was occurred in the estate.</p>	Comply
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>There were employment contracts for workers. Pay and conditions are documented and are above the Minimum Wage Order 2018. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker. The daily rate of RM 42.31 for the workers was stated in the contract according to Minimum Wage Order 2018. Sampled of the payslips for checkroll workers as below for April 2019:</p> <ul style="list-style-type: none"> - Employee # 1326H; Group: G; Date joined: 1/1/2017; Malaysian - Employee # 1319F; Group: G; Date joined: 1/10/2013; Malaysian - Employee # 1329I; Group: G; Date joined: 3/9/2018; Malaysian - Employee # 1322J; Group: G; Date joined: 1/7/2014; Malaysian <p>All the sampled workers have achieved Minimum Wage Order 2018 and were paid accordingly if work on rest day and overtimes.</p>	Comply
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>The contractors have signed on the contract agreement with the terms of they must comply with legal requirements on the wages for their workers was clearly stated. Sampled of payslips for replanting contractors' workers in UM Oil Palm Research Estate for Month April 2019, shown that workers achieved Minimum Wage Order 2016 for</p>	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	<p>sample as following Contractor Agreements – HCK Jemaluang Enterprise:</p> <ul style="list-style-type: none"> - Employee ID # B4065456; Work: Harvester; Date joined: 1/10/2019; Permit expiry: 9/10/2020; Nationality: Indonesian - Employee ID # B9247097; Work: Tractor driver; Date joined: 1/5/2019; Permit expiry: 10/3/2020; Nationality: Indonesian - Employee ID # B3628906; Work: Mandore; Date joined: 1/5/2019; Permit expiry: 10/6/2020; Nationality: Indonesian - Employee ID # C0819768; Work: Loose Fruit Collector; Date joined: 8/6/2019; Permit expiry: 29/1/2020; Nationality: Indonesian <p>The contractors’ workers also signed on the employment contract where basic salary, annual leave and public holiday entitlement was clearly outlined in the contract.</p>	
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>All the direct employment workers will be registered in the Marterfile Prooflist and Labour Registers where personal details such as name, nationality, date of employed, job offered, salary and date of birth was stated in the list.</p> <p>The details for the contractors’ workers are registered in the Workers Registration Form in UM Oil Palm Research Estate.</p>	Comply
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>Employment contracts for checkroll workers were acknowledged and kept a copy by the workers verified through interviewed with the workers. The contract was in the language that understood by the workers. The terms and conditions were clearly stated in the contract such as salary, annual leaves and public holiday entitlement, rate of</p>	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		<p>work on rest day and overtime. Sampled of employment contracts as below:</p> <ul style="list-style-type: none"> - Employee # 1326H; Group: G; Date joined: 1/1/2017; Malaysian - Employee # 1319F; Group: G; Date joined: 1/10/2013; Malaysian - Employee # 1329I; Group: G; Date joined: 3/9/2018; Malaysian - Employee # 1322J; Group: G; Date joined: 1/7/2014; Malaysian 	
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p> <p>- Major compliance -</p>	<p>The estate management has maintained Field & General Workers Daily Attendance Record and Bunches Record to record the attendance, tonnage, overtime and etc for individual checkroll workers.</p>	Comply
4.4.5.8	<p>The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p> <p>- Major compliance -</p>	<p>The working hour and break time has been clearly stated in the employment contract. Besides, the attendance record was available and able to trace through Field & General Workers Daily Attendance Record.</p>	Comply
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>Documented payslip was distributed to individual workers on the day of payment. Daily attendance was recorded in the checkroll book. Sighted the payslips for July 2019, August 2019 and September 2019 of sampled workers as following:</p> <ul style="list-style-type: none"> - Employee ID # B4065456; Work: Harvester - Employee ID # C0819768; Work: Loose Fruit Collector - Employee ID # B9247097; Work: Tractor driver 	Major noncompliance

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		However, the information to ensure that employees on estates to be provided with minimum number of days' work in each month were not reflective in the payslips for sampled contractor's (HCK Jemaluang Enterprise) workers above. Hence, the wages and overtime payment documented on the pay slips were not fully in line with legal regulations and collective agreements. Thus, major NC was raised.	
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	The management provided free medical facilities to all the workers and dependents. The company also subsidized water and electricity to certain units. However, mandatory social benefits contributions (SOCISO) were not evidence for sampled foreign workers employed by contractor (HCK Jemaluang Enterprise) as following: - Employee ID # B4065456; Work: Harvester - Employee ID # C0819768; Work: Loose Fruit Collector - Employee ID # B9247097; Work: Tractor driver Hence, Mandatory social benefits contributions (SOCISO) for sampled foreign workers were not evidence. Thus minor NC was raised.	Minor noncompliance
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major compliance -	Linesite inspection was carried out on weekly basis by Hospital Assistant. The record namely Laporan Perumahan Pekerja was sighted.	Comply
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.	Since Boustead appointed as the management agency, UM Oil Palm Research Estate has adopted Boustead Plantations Berhad's established Sexual Harassment Policy signed by Senior General Manager, En. Shoib Abdullah dated 11/1/2011. The company will	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	ensure the comfort and security of every employee, clients, business partners and public that involved in the plantations' activities. The policy has clearly stated the types of sexual harassment such as verbal, visual, psychology, physical and etc.	
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>Since Boustead appointed as the management agency, UM Oil Palm Research Estate has adopted Boustead Plantations Berhad's established Freedom of Association Policy dated 11/11/2011 signed by Senior General Manager, En. Shoib Abdullah. The company is committed and allowed their stakeholders such as employees, clients, business partner and etc to form or join any association. The workers are allowed to join NUPW or any workers association.</p>	Comply
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>Since Boustead appointed as the management agency, UM Oil Palm Research Estate has adopted Boustead Plantations Berhad's established Employment of Child and Age Limit Policy dated 11/1/2011. The company will comply with the Children and Young Persons (Employment) Act 1966 and ILO Convention 138 (1973) Article 1-3. No workers less than 16 years old will be recruited and less than 18 years old for hazardous work. Document verified on the Employee Master List confirmed that all the workers employed were above 18 years old.</p>	Comply
Criterion 4.4.6: Training and competency			

Criterion / Indicator		Assessment Findings	Compliance																				
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 training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>A formal training programme on all aspects of MSPO was established and implemented. Training for various categories of operators, including all field and office staff, with regards to individual duties and training needs were reviewed and found to be complied.</p> <p>Training programme planned for year 2019 was consistently implemented. The programme includes training for all categories of workers. Evidence of adequate and appropriate training on safe working practices provided to:</p> <ul style="list-style-type: none"> - harvesters - pesticides operators - manurers <p>The records of training were available at estate office. Sample training checked:</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Training title/activities</th> </tr> </thead> <tbody> <tr> <td>6/1/2019</td> <td>Policy training</td> </tr> <tr> <td>21/5/2019</td> <td>Harvesting</td> </tr> <tr> <td>14/4/2019</td> <td>Spraying</td> </tr> <tr> <td>16/7/2019</td> <td>Zero open burning and environmental</td> </tr> <tr> <td>12/6/2019</td> <td>Fire Drill</td> </tr> <tr> <td>17/4/2019</td> <td>Tractor Driver</td> </tr> <tr> <td>18/6/2019</td> <td>Spill kit</td> </tr> <tr> <td>12/2/2019</td> <td>Manuring</td> </tr> <tr> <td>18/2/2019</td> <td>First aid</td> </tr> </tbody> </table>	Date	Training title/activities	6/1/2019	Policy training	21/5/2019	Harvesting	14/4/2019	Spraying	16/7/2019	Zero open burning and environmental	12/6/2019	Fire Drill	17/4/2019	Tractor Driver	18/6/2019	Spill kit	12/2/2019	Manuring	18/2/2019	First aid	Comply
Date	Training title/activities																						
6/1/2019	Policy training																						
21/5/2019	Harvesting																						
14/4/2019	Spraying																						
16/7/2019	Zero open burning and environmental																						
12/6/2019	Fire Drill																						
17/4/2019	Tractor Driver																						
18/6/2019	Spill kit																						
12/2/2019	Manuring																						
18/2/2019	First aid																						
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</p>	<p>A formal training programme on all aspects of MSPO was established and implemented. Training for various categories of operators, including all field and office staff, with regards to individual duties and training needs were reviewed and found to be complied.</p>	Comply																				

Criterion / Indicator		Assessment Findings	Compliance
	competency required to all employees based on their job description. - Major compliance -	Training programme planned for year 2018 was consistently implemented. The programme includes training for all categories of workers. Evidence of adequate and appropriate training on safe working practices provided to: - harvesters - pesticides operators - manurers	
4.4.6.3	A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure. - Minor compliance -	A formal training programme on all aspects of MSPO was established and implemented. Training for various categories of operators, including all field and office staff, with regards to individual duties and training needs were reviewed and found to be complied. Training programme planned for year 2018 was consistently implemented. The programme includes training for all categories of workers. Evidence of adequate and appropriate training on safe working practices provided to: - harvesters - pesticides operators - manurers	Comply
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. - Major compliance -	An environmental policy was established. The management had established the environmental management programme for the year 2019. The plan was as following: - To ensure water quality meets the environmental quality act 1974 - To ensure soil erosion reduce at any point from further destruction	Comply

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - To reduce contamination of chemical or fertilizer to surface water source - To conserve soil fertility - To reduce application of chemical usage 	
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. <p>- Major compliance -</p>	<p>The environmental management plan covered in the established action plan of significant environmental aspects identified and impacts evaluated as per documents established.</p> <ul style="list-style-type: none"> - Environmental Aspect and Impact Identification 2019; dated 1/1/2019 - Environmental Impact Evaluation Form dated 1/1/2019 <p>The estate implemented the relevant management plan for their existing planting which covered all field and facilities operational activities including operation of field upkeeps, machinery repair workshop, spraying and harvesting.</p>	Comply
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p>- Major compliance -</p>	<p>The developed environmental improvement plan to mitigate the negative impacts and to promote the positive ones were effectively implemented and monitored.</p>	Comply
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>Few environmental plan was established (environmental management plan and waste management plan). The plan was as follow:</p> <ul style="list-style-type: none"> - To ensure water quality meets the environmental quality act 1974 - To ensure the slope/ terracing area minimum or free facing soil erosion - To ensure zero application of highly toxicity pesticides or herbicides 	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> - To minimize soil destruction and reduce frequency of chemical and fertilizer application - To substitute chemical to cultural and biological practices - To reduce conserve soil fertility - To recycle waste 	
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>The above programs were regularly communicated by estate management to all employees from time to time during routine workers assembly. The recent specific biodiversity and environmental policy briefing was conducted by the management.</p>	Comply
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>Specific Environmental Aspects & Impacts reviews were conducted annually at each operating units. Briefings were done as part of the environmental management plan on regular basis including during workers daily muster briefing and weekly assembly.</p> <p>The meeting with employees was conducted by the management during OSHE meeting, latest conducted on 4/7/2019.</p>	Comply
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 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>There was a plan established for improving efficiency of the use of fossil fuel. Sighted the estate diesel consumption 2018 and to date Jan –June 2019. For 2018, the diesel consumption was 3.05 ltr/mt FFB. For Jan-June 2019, the average diesel consumption was 2.61 ltr/mt FFB.</p>	Comply

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	The estate was established estimation on total energy required. This estimation was compared to the actual usage by monthly and reported to the head office for monitoring.	Comply
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	No renewable energy used at UM Oil Palm Research Estate.	Comply
Criterion 4.5.3: Waste management and disposal			
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	All waste products and sources of pollution was identified in Identification & management of wastewater. Waste Management Action Plan Year 2019 for the estate was established. Based on the Waste Management Action Plan Year 2019 dated 4/1/2019, the following wastes, its sources and action plan were identified: - Domestic waste: Rubbish from linesite, office and etc. - Scheduled waste: Used lubricants and engine oil, used filter, empty herbicide container, used batteries etc - Recyclable waste: Empty chemical container, empty fertilizer bag, etc.	Comply
4.5.3.2	A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:	As above, all waste products and sources of pollution was identified in Waste Management Action Plan Year 2019 for the estate. Site visit	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products - Major compliance -	confirmed that the practice of reduce, reuse and recycle of materials was implemented. Segregation of wastes i.e. general wastes and scheduled wastes were verified to be satisfactory. Proper storage areas were identified for the storage of the recyclable wastes at the estate.	
4.5.3.3	The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. - Major compliance -	Based on the SOP for Scheduled Waste Management was established, the estate manage its Scheduled Waste as per EQ (SW) 2005 requirements where most of its scheduled waste, i.e. spent lubricants and engine oil (SW305), used filter (SW409), empty chemical (pesticide) container (SW409), used batteries (SW102) etc. were collected by authorized DOE scheduled waste disposal contractor except for punctured and tripled rinsed empty chemical container that was collected by the supplier (G-Planter).	Comply
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 -	Visit to estates confirmed that all pesticides stored at chemical store where empty chemical containers were triple rinsed and punctured. The containers were collected by G-Planter for recycle purposes.	Comply
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. - Minor compliance -	The management used to segregate the waste, i.e. general wastes and scheduled wastes was verified to be satisfactory. Proper storage areas	Comply

Criterion / Indicator		Assessment Findings	Compliance
		were identified for the storage of the recyclable wastes. Domestic waste were collected and disposed by Majlis Daerah Kota Tinggi.	
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 -	Based on the assessment done by the estate of all polluting activities as of the Environment Aspect and Impact assessment, identified sources were fertilizer, diesel and pesticide chemicals.	Comply
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Action plan to reduce identified significant pollutants including IPM implementation, empty chemical container & empty fertilizer bags recycle.	Comply
Criterion 4.5.5: Natural water resources			
4.5.5.1	The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include: a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application,	Documented Water Management Plan Year 2019. The plan was as follow: - Action plan for herbicide free zone - Action plan for areas where buffer zone not established. - Action plan for water quality monitoring There was no water courses and wetlands at the estate. However the management had established policy of slope and river buffer protection policy (Refer <i>Polisi Zon Perlindungan Cerun dan Zon Penampakan Sungai</i>); dated 12/1/2015.	Comply

Criterion / Indicator		Assessment Findings	Compliance
	<p>maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.</p> <p>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p>- Major compliance -</p>		
4.5.5.2	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	No construction of bunds, weirs and dams across main rivers or waterways passing through UM Oil Palm Research Estate.	Comply
4.5.5.3	<p>Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).</p> <p>- Minor compliance -</p>	The estate practiced rain water harvesting at strategic locations through the construction of silt pit by the side of field access road.	Comply
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			

Criterion / Indicator	Assessment Findings	Compliance
<p>4.5.6.1 Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <ul style="list-style-type: none"> a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. <p>- Major compliance -</p>	<p>Information was available as per Biodiversity Assessment Final Report For UM Oil Palm Research Estate; Final report (version 1.0) – August 2019.</p> <p>It was reported that there were potential presence of wildlife among leopard cat, malayan tapir, long-tailed macaque, barking deer and wild boar. There were also presence of elephant dung, water catchment, hotspot reported by the assessor team. The HCV assessment was done by a team of HBV assessor consists of the following:</p> <ul style="list-style-type: none"> - Mohamad Nur Arifudin - Muhamad Aidil Zahidin - Aida Ghani Quilter 	<p>Comply</p>
<p>4.5.6.2 If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <ul style="list-style-type: none"> a) Ensuring that any legal requirements relating to the protection of the species are met. b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts. <p>- Major compliance -</p>	<p>Based on the Biodiversity Assessment Final Report For UM Oil Palm Research Estate; Final report (version 1.0) – August 2019, the management has established the management plan for conservation and protection of the high biodiversity areas and wildlife which includes communication with the authority (Wildlife Department) for any unusual sightings involving wildlife, patrolling by AP at potentially high biodiversity areas and awareness training program among internal and external stakeholders.</p>	<p>Comply</p>
<p>4.5.6.3 A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>Based on the Biodiversity Assessment Final Report For UM Oil Palm Research Estate; Final report (version 1.0) – August 2019, the management has established the management plan for conservation</p>	<p>Comply</p>

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
		and protection of the high biodiversity areas and wildlife which includes communication with the authority (Wildlife Department) for any unusual sightings involving wildlife, patrolling by AP at potentially high biodiversity areas and awareness training program among internal and external stakeholders.	
Criterion 4.5.7: Zero burning practices			
4.5.7.1	Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice. - Major compliance -	The earlier planting was in year 1995 and the next replanting would be in year 2020. Replanting programme planning has established until year 2025. The company has implemented Clearing Methods (From Oil Palm), O.P.C. No. 51.c – July 1999 where the company implemented zero burning unless there were incidences of Basal Stem Rot [BSR] on the old stands or high risk of Oryctes infestation, then partial burning and pulverisation are to be carried out.	Comply
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 -	The visit to estate field confirmed no use of fire for land preparation during replanting. Hence, no special application made and no approval granted.	Comply
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.	The visit to estate field confirmed no use of fire for land preparation during replanting. Hence, no special application made and no approval granted.	Comply

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.5.7.4	<p>Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.</p> <p>- Minor compliance -</p>	The visit to estate field confirmed no use of fire for land preparation during replanting. Hence, no special application made and no approval granted.	Comply
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	<p>Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p> <p>- Major compliance -</p>	Since Boustead appointed as the management agency, UM Oil Palm Research Estate has adopted Boustead Plantations Berhad's established Agriculture Manual (Oil Palm Circular) that covers felling and clearing, planting material, weeding, lalang, manuring, pest & disease, census & thinning out, drains, road & bridges, soil/water conservation, boundaries, fences & survey, supplying, pruning, collection (harvesting), external transport and etc.	Comply
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>	The implementation in UM Oil Palm Research Estate was consistent with the Quality Assurance Manual and Work Instruction. Sighted Internal Audit report which was conducted once a year by Sustainability section, the 1 st internal audit was conducted accordingly to cover the entire criterion stated in the standard and SOP.	Comply

Criterion / Indicator		Assessment Findings	Compliance
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Field marking was sighted established as signages within field as visual identification of planting year of palm and field block of UM Oil Palm Research Estate.	Comply
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 -	Since Boustead appointed as the management agency, UM Oil Palm Research Estate has adopted Boustead Plantations Berhad's implementation of management system for monitoring and reporting of performance against production targets for achieving long-term economic and financial viability. The budget will be approved by the board director of UM Plantations Sdn Bhd.	Comply
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 earlier planting was in year 2000. The replanting will take place in 2022 (91.1Ha), 2023 (82.7Ha) and 2024 (87.7Ha).	Comply
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production: cost per tonne of FFB d) Price forecast	UM Oil Palm Research Estate has established an annual operating budget for the calendar year 2019 and five-year planning horizon (2020 - 2024) for estate operation and production. The plan includes age profile, yield projection and cost per tonne of FFB production.	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

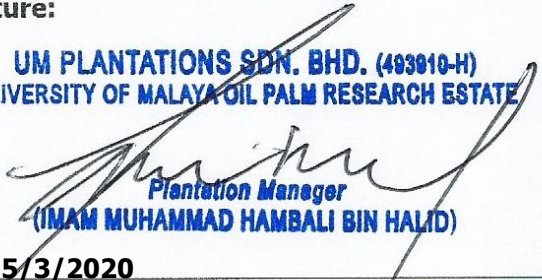

Criterion / Indicator		Assessment Findings	Compliance
	e) Financial indicators: cost benefit, discounted cash flow, return on investment - Major compliance -		
4.6.2.4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented. - Major compliance -	The management has monitored the estate performance against the estimates. They have monitored the performance through Estate Weekly Report and action plan was developed if necessary.	Comply
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 -	The pricing mechanism was clearly stated in the contract or purchase order made for the products and other services acquired by the company.	Comply
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Fair, legal and transparent sampled of contract agreement that signed by the contractors as below: <ul style="list-style-type: none"> - Contract # UMP 001/2019; Estate Maintenance, Harvesting and Road Work between UM Plantations Sdn. Bhd. & HCK Jemaluang Enterprise; Period: 1/1/2019 -31/12/2019 - Contract # UMP 002/2019; Transporting FFB Ex-Ramp; between UM Plantations Sdn. Bhd. & Distinction One Sdn. Bhd.; Period: 1/1/2019 -31/12/2019 	Comply
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required	The contract agreement contained Clause 22 stated that the contractors have to comply with MSPO/ RSPO requirements for sampled agreements as following:	Comply

MSPO Public Summary Report
Revision 0 (Aug 2017)

Criterion / Indicator		Assessment Findings	Compliance
	documentation and information. - Major compliance -	<ul style="list-style-type: none"> - Contract # UMP 001/2019; Estate Maintenance, Harvesting and Road Work between UM Plantations Sdn. Bhd. & HCK Jemaluang Enterprise; Period: 1/1/2019 -31/12/2019 - Contract # UMP 002/2019; Transporting FFB Ex-Ramp; between UM Plantations Sdn. Bhd. & Distinction One Sdn. Bhd.; Period: 1/1/2019 -31/12/2019 	
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	The contractors have signed on the contract agreement prior to provide services. Seen the contract agreement and details as refer to Criterion 4.6.3.1.	Comply
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	UM Oil Palm Research Estate through its management agent Boustead Plantations Berhad has agreed for BSI auditors to verify the assessment through a physical inspection if required. As per addendum to contract # UMP 001/2019 dated 1/1/2019 with additional clause # 15: The Contractor must give their fullest commitment and co-operation in the implementation of MSPO e.g. understand the MSPO requirement and shall provide the required documentation and information	Comply
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	The contractor will submit the invoice for that particular month for all the works done to the estate management and payment will be made by head office accordingly.	Comply
4.7 Principle 7: Development of new planting			

Criterion / Indicator	Assessment Findings	Compliance
UM Oil Palm Research Estate - No new planting.		

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment of UM Oil Palm Research Estate complies with the MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholder. It is recommended that the certification of UM Oil Palm Research Estate is approved.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Imam Muhammad Hambali Bin Halid	Name: Hafriazhar Mohd. Mokhtar
Company name: UM Plantations Sdn. Bhd.	Company name: BSI Services Malaysia Sdn. Bhd.
Title: Plantation Manager	Title: Lead Auditor
Signature:  UM PLANTATIONS SDN. BHD. (493910-H) UNIVERSITY OF MALAYA OIL PALM RESEARCH ESTATE Plantation Manager (IMAM MUHAMMAD HAMBALI BIN HALID)	Signature: 
Date: 5/3/2020	Date: 30/1/2020

Appendix A: Assessment Plan

Date	Time	Subjects	HMM	
23/10/2019	PM	Audit team travel from KL to Kota Tinggi	✓	
24/10/2019 Day 1	0830	Opening meeting: <ul style="list-style-type: none"> • Presentation by Boustead/UMRE Team • Presentation by BSI Lead Auditor -introduction of team member and assessment agenda • Confirmation of assessment scope and finalizing audit scope 	✓	
	0900	University of Malaya Research Estate: Document (manual/procedures/policies etc.) assessment (MS:2530 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	✓	
	1000	University of Malaya Research Estate: External stakeholder interview to be selected – preference among relevant government agencies, NGOs, local village/community representatives including aboriginal native (if any), neighbours, vendors (contractor/supplier) etc.	✓	
	1100	Continue with documentation assessment		
	1230	Lunch/break	✓	
	1330	University of Malaya Research Estate: Facilities/Work station assessment visit: Workers housing, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, scheduled waste management, clinic, crèche & etc.	✓	
	1630	Assessment interim briefing	✓	
	1700	End of Day 1	✓	
	25/10/2019 Day 2	0830	University of Malaya Research Estate: Operation/Implementation field visit: Boundary inspection, field operations (e.g. harvesting, spraying, manuring, etc.), staff & workers interview, buffer zone/riparian, HCV area, IPM implementation, OSH & ERP, landfill & etc.	✓
		1230	Lunch/break & Friday prayer	✓
1400		University of Malaya Research Estate: Records (e.g. land use rights, customary right land, SIA, EIA, HIRARC, SW, accident/incident, complaints and grievance, work contracts, pay slips, complaint records, workers records, training records, permits, CIP, etc.) assessment	✓	
1600		Report/findings preparation	✓	
1630		Closing meeting & presentation of audit findings by BSI Lead Auditor	✓	
1700		End of audit	✓	
26/10/2019	AM	Audit team travel back to KL	✓	

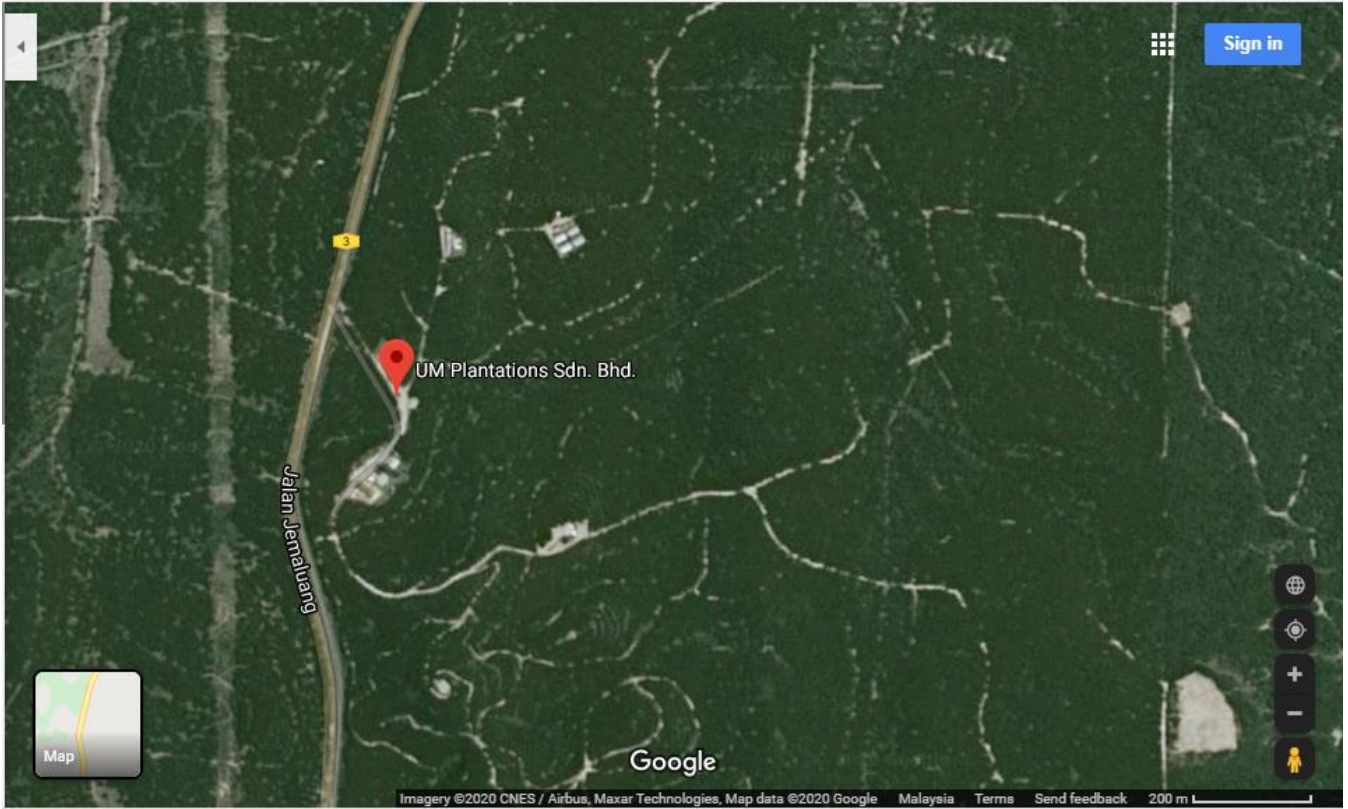
Appendix B: List of Stakeholders Contacted

1. FFB receiving mill (Telok Sengat POM)
2. Sprayers
3. Harvesters
4. Vendors
5. Contractor
6. Smallholder neighbour
7. Village representative
8. SK Felcra Sungai Ara
9. Pejabat Perhilitan Kota Tinggi

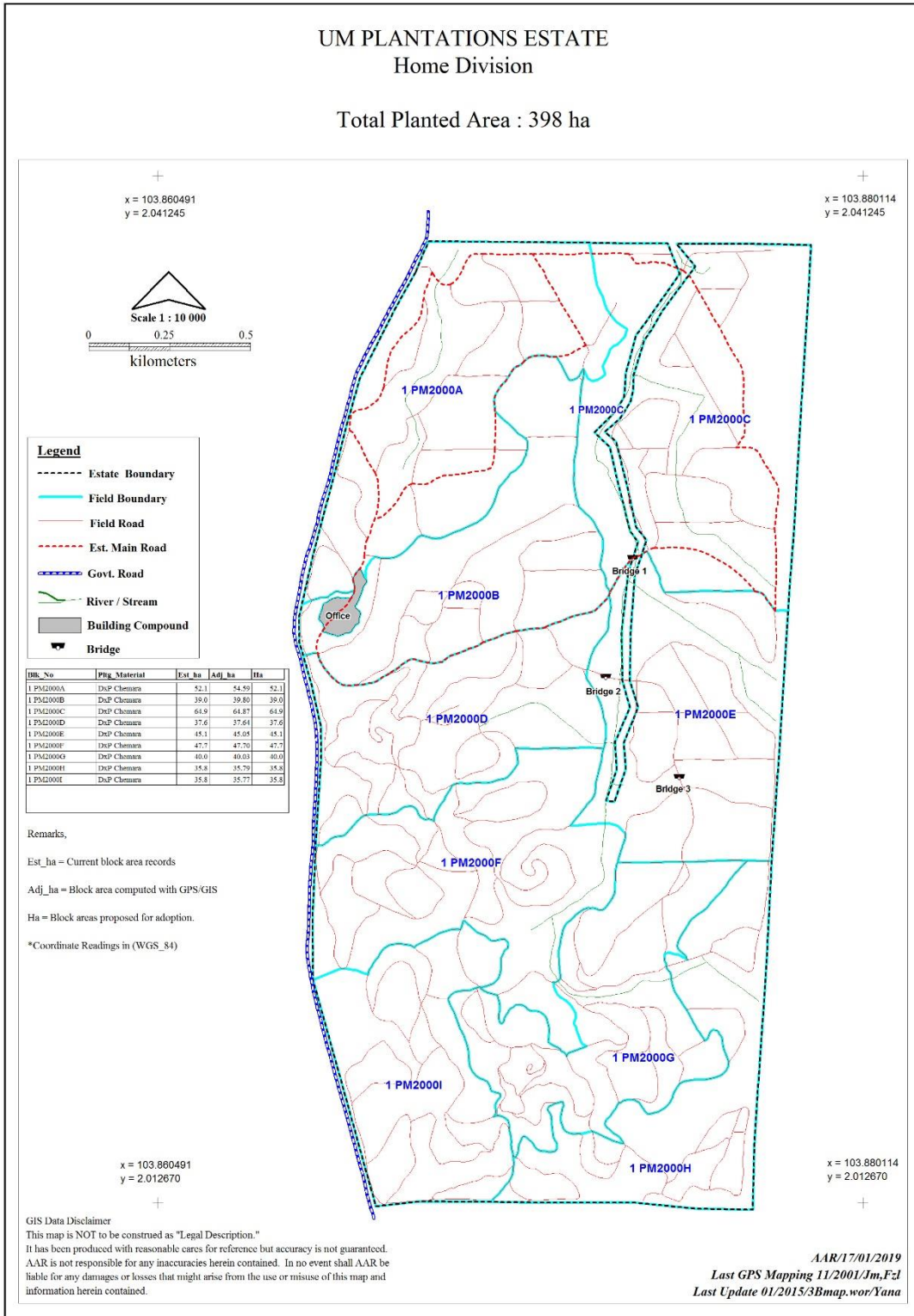
Appendix C: Smallholder Member Details

No	Name of smallholder	Year Planted	Land Area (ha)	Forecast FFB (Mt/ha/year)
Nil	N/A	N/A	N/A	N/A
TOTAL			N/A	N/A

Appendix D: UM Oil Palm Research Estate Location



Appendix E: UM Oil Palm Research Estate Field Map



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