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MSP0 Summary Report for Certification Assessment

Palmgroup Holding Sdn Bhd
Palmcol Estate

Report prepared by:

Report Number: BSI/MSP0/2017-Palmcol Estate-Stage 2

Assessment Conducted by:

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1.0 SUMMARY

1.1 Details of Initial Certification Assessment Scope and Certification Recommendation:			
BSI has conducted the Initial Certification Assessment of Palmcol Estate located in Balingian, Sibul, Sarawak Malaysia comprising oil palm plantation, support services and infrastructure.			
The assessment was conducted onsite to assess the compliance of the certification unit against the MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for oil palm plantations and organised smallholders and MSPO Guidance - Part 3_EDITED VERSION (240214). The onsite assessment was conducted on 20-21 st January 2017			
Based on the assessment result and, BSI would recommends Palmcol Estate in compliance with MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for oil palm plantations and organised smallholders and MSPO Guidance - Part 3_EDITED VERSION (240214).			
1.2 Identity 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
Palmcol Estate	Lot 2, Block 1, Arip Land District, Sibul Division, Sarawak	112.6249	2.8252
1.3 FFB Production (Actual) and Projected (tonnage).			
Name of Estate	Projected from last audit	Actual production (2016)	Projected production for next 12 months (2017)
	FFB	FFB	FFB
Palmcol Estate	-	97,309.17	98,000
1.4 Certification Details			
Number	(will be assigned upon MPOB Approval)		
Issued Date	(will be assigned upon MPOB Approval)		
Expiry Date	(will be assigned upon MPOB Approval)		
Stage 1 Date	2-3 rd August 2016		
Stage 2 / Initial Assessment Visit Date (IAV)	Main Assessment: 20-21 st January 2017		
Continuous Assessment Visit Date (CAV) 1	NA		
Continuous Assessment Visit Date (CAV) 2	NA		
Continuous Assessment Visit Date (CAV) 3	NA		
Continuous Assessment Visit Date (CAV) 4	NA		
1.6 Detail of other certification held			
No.	Type of Certification	Certificate #	Expiry Date
Nil			
1.7 Organizational Information and Contact Person			
Company name:	Palmcol Sdn Bhd		
Business address:	HQ: 25.1-25.2, level 25, Wisma Sanyan, No.1, Jalan Sanyan, 96000 Sibul, Sarawak Site: Lot 2, Block 1, Arip Land District, Sibul Division, Sarawak		
Group name if applicable:	Mafrica group		
Contact person:	Raymond Nyian (Assistant Manager OSH and Environment)		
Tel.:	Office: +60 84- 353 155 ; H/P: +60 12-881 0052		
Fax:	+60 84-332 153		
e-mail:	raymondny@mafrica.com.my		
Web site:	https://www.mafrica.com.my/		
MPOB License:	564007002000, 539584002000		

2.0 ASSESSMENT PROCESS

2.1 Certification Body	
<p>BSI Services Malaysia Sdn Bhd (Co.Reg. 804473 A) Unit 10-03, Level 10, Tower A The Vertical Business Suites, Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur Malaysia. Tel.: +603 2242 4211; Fax: +603 2242 4218 www.bsigroup.com.my</p>	
2.2 Qualification of the Lead Assessor and Assessment Team	
<p>Mohamed Hidhir Lead Assessor</p>	<p>He holds Bachelor Degree in Chemical Engineering, graduated from National University of Malaysia on 2006. He has 7 years working experience in palm oil industry specifically on palm oil milling for 5 years. He also has the experiences as auditor for several standards including ISO 9001, ISO 140001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health, environmental and workers and stakeholders consultation.</p>
2.3 Assessment Methodology, Programme and Site Visits	
<p>The initial Certification Assessment was conducted on 20-21st January 2017. The audit programme is included as Appendix A.</p> <p>The approach to the audit was to treat the estate as a MSPO Certification Unit. Estate was audited together with its support services and infrastructure. A range of safety & health, environmental and social factors were covered. These included consideration of safe working practice, environmental issues and local communities. The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families, review of documentation and monitoring data. Checklists and questionnaires were used to guide the collection of information. The comments made by external stakeholders were also taken into account in the assessment.</p>	
2.4 Stakeholder Consultation	

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss the operating unit's practices in relation to environmental and social performance.

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. The meeting was conducted without the present of management of Certification Unit. At the start of each meeting, the auditor explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions continued. The auditor recorded comments made by stakeholders and verified with the management before incorporating into the assessment findings.

Employee interviews with male and female workers and staff were held in private at the workplace in the estate. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Company officials were not present at any of the internal or external stakeholder interviews which were appreciated by the stakeholders. A list of Stakeholders contacted is included as Appendix B.

3.0 ASSESSMENT FINDINGS

3.1 Summary of the findings by Principles and Criteria		
Principle 1: Management commitment and responsibility		
Criterion 1: MSPO Policy		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Policy for the implementation of MSPO shall be established.	Palmcol Sdn Bhd has established a policy on sustainable palm oil production. Signed b MD, Mr Tiong Chiong Hee dated 20/4/16. Refer to MSPO Management Policy and Procedure, PGHSB/SOPP/014/2016,version 1 dated 20/4/16	Yes
Indicator 2: The policy shall also emphasize on the commitment to continual Improvement with the objective of improving the milling operation.	The established policy has emphasized on the commitment for key legal, social and environmental consideration with the objective of improving the milling and estate operation.	Yes
Criterion 2: Internal audit		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.	Internal audit was carried by Sustainability team on 28/9/16 for Palmcol estate. Audit covered both documentation and field operation for the mill. Rating was given based on audit finding. Audit report was available with the summary of findings for each respective work units.	Yes
Indicator 2: The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary	Palmcol Estate has implemented Internal Audits Procedure under the established procedure, to MSPO Management Policy and Procedure, PGHSB/SOPP/014/2016,version 1 dated 20/4/16 which prepared by Assistant Manager OHS and Environment, Mr Raymond Nyian.	Yes

corrective action.	The procedure has incorporated the internal auditor competency requirement. By default, internal audit is planned once a year. No finding recorded in the last internal audit and only a few comments for improvement recorded in the report.	
Indicator 3: Reports shall be made available to the management for their review.	Internal audit report dated 28/9/16 was made available for management review.	Yes
Criterion 3: Management review		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.	Combined MSPO management review was carried out on 14/11/16. Meeting was held together with other group estates in HQ, Sibul. All pertinent elements for MSPO implementation has been reviewed and presented to top management. In addition, monthly TQM management meeting was also discussing on the MSPO elements on top of group's performance review..	Yes
Criterion 4: Continual improvement		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: The action plan for continual improvement shall be based on a Consideration of the main social and environmental impact and opportunities for the company.	Palmcol Estate has established management plan on social, safety and health and environmental impact. Verified the management plan for 2016 which covers social, environmental, safety and best practices as well as biodiversity aspect in plantation. Monthly update will be presented via TQM management meeting in HQ.	Yes
Indicator 2: The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption.	Palmcol Estate has optimised the use of mechanised operations to reduce pollutions and in the same time improved efficiency of field operation. Verified in CAPEX for 2017, budget allocated for Lorry 5 MT BDM tipper truck – plus Hook System + 4 bins. This to improve FFB evacuation and to avoid backlogs in the field.	Yes
Indicator 3: An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.	Palmcol Estate has appointed the assistant manager as in charge person to implement and monitor any new technologies being implemented and training of other personnel's. No new technology adopted by the estate for field operation. Any changes to the current practices must be justified and approved by management prior to implementation. Training will be provided to respective workers that involved with any new technologies.	Yes

Principle 2: Transparency		
Criterion 1: Transparency of information and documents relevant to MSPO requirements		
Indicator	Summary	Compliance (Yes / No)
<p>Indicator 1: The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.</p>	<p>There is a procedure: application for company information. The procedure has been developed for workers and staff as well as government agencies and other stakeholders.</p> <p>The estate management will communicate all information requested by relevant stakeholders. All information relating to external stakeholder will be responded by Estate Manager or the General Manager depends on the confidentiality. According to the procedure, if the stakeholder is requested for any information, he shall fill in the application information form from the office clerk. Assigned person in charge will response to the request and prepare the information requested with the approval from Mill Manager/General Manager/ Regional Human Resources Manager. The request shall be responded within 3 working days from the date of receipt of request email.</p> <p>All the request and respond and release of information recorded in the "Records Book of Stakeholder or interested Party who has viewed/ obtained documents. The latest request dated 17 Feb 2016.</p>	Yes
<p>Indicator 2: Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p>	<p>All the management documents for the estate are made publicly available upon request. Below are the example of documents that made publicly available:</p> <ol style="list-style-type: none"> a. Records of Request and response b. Policy - The policy is publicly available at mill office c. Social Impact Assessment d. List of Stakeholders e. Records of all communication and consultation f. Records of Complaints and Grievances <p>All management documents requested by external stakeholders will be handled by Estate Manager, General Manager and Regional Human Resources Manager.</p>	Yes
Criterion 2: Transparent method of communication and consultation		
Indicator	Summary	Compliance (Yes / No)
<p>Indicator 1: Procedures shall be established for consultation and communication with the relevant stakeholders.</p>	<p>Palmgroup has established a Communication and Consultation Procedure (version 1) dated December 2015 to establish and maintain best practices in communicating with the internal and external stakeholders.</p> <p>Mr. Teng has been appointed as Senior Manager (Social & Legal) and (Environment & BMP) which will be responsible in implementation and maintain of</p>	Yes

	<p>Company's Social and Legal Management System. The appointment letter is dated 28/12/2015 which issued by Managing Director in charge, Mr. Tiong. Records of consultation and communication is available in following documents:</p> <ol style="list-style-type: none"> ST 07- Register of Legal Land Titles ST 19- Monitoring of request Complaint/ suggestion record Consultation records with community log book Community Responsibility Service- Record of Assistance to Communities. <p>List of external stakeholders (ST02) is available which included stakeholder from nearby village, contractors, FFB suppliers, government bodies, internal stakeholders and NGO.</p> <p>Training (complaint and grievance procedures, communication and consultation procedure) has been conducted too all the workers in Palmcol estate on 29 Jan 2016.</p>	
<p>Indicator 2: A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.</p>	<p>Mr. Teng has been appointed as Senior Manager (Social & Legal) and (Environment & BMP) which will be responsible in implementation and maintain of Company's Social and Legal Management System. The appointment letter is dated 28/12/2015 which issued by Managing Director in charge, Mr. Tiong.</p>	<p>Yes</p>
<p>Indicator 3: A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained.</p>	<p>List of external stakeholders (ST02) is available which included stakeholder from nearby village, contractors, FFB suppliers, government bodies, internal stakeholders and NGO.</p> <p>Records of consultation and communication with management response is available in following documents:</p> <ol style="list-style-type: none"> ST 07- Register of Legal Land Titles ST 19- Monitoring of request Complaint/ suggestion record (for example, latest dated 12 Jan 2016 regarding minimum wages) Consultation records with community log book House facilities complaints log Community Responsibility Service- Record of Assistance to Communities. <p>Training (complaint and grievance procedures, communication and consultation procedure) has been conducted too all the workers in Palmcol estate on 29 Jan 2016</p>	<p>Yes</p>
<p>Criterion 3: Traceability</p>		
<p>Indicator</p>	<p>Summary</p>	<p>Compliance (Yes / No)</p>
<p>Indicator 1: The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).</p>	<p>SOP on the traceability of the FFB has been established under Guidelines on Traceability Procedures, PGHSB/SOPP/001/2017, rev:01 dated November 2016.</p>	<p>Yes</p>

Indicator 2: The management shall conduct regular inspections on compliance with the established traceability system.	Traceability inspection report carried out on daily basis based on daily task assignment @ muster chit. Refer to harvesting activities dated 20/1/17 at Phase 5.	Yes
Indicator 3: The management shall identify and assign suitable employees to implement and maintain the traceability system.	Mr Teng Tion Kee has been assigned to maintain the traceability system. The appointment letter dated 1/12/16 with job responsibility has been clearly defined.	Yes
Indicator 4: Records of sales, delivery or transportation of FFB shall be maintained.	Inspection of records confirmed these were updated daily according to the established traceability procedure. Verified traceability records for phase 5 dated 20/2/17: i) Bunch count chit, # B#114939 (block G05) ii) FFB despatch chit, PCSB# A20596, vehicle# QS1502B. iii) Daily weighbridge summary, PH5 @ phase 5. iv) Weighbridge ticket# 133519, for total of 9.8 mt.	Yes

Principle 3: Compliance to legal requirements

Criterion 1: Regulatory requirements

Indicator	Summary	Compliance (Yes / No)
Indicator 1: All operations shall be in compliance with applicable local, national and ratified international laws and regulations.	<p>Palmcol Estate has maintained the systems for documentation, checking and assessment of legal compliance with applicable laws and regulations. Inspection of records showed that the Palmcol Estate has maintained legal compliance with statutory requirements. Sample of permit and license sighted at Palmcol Estate were :</p> <p>i) MPOB licence – registered under Palmcol Sdn Bhd, 564007002000 (1,626.621 ha) & 539584002000 (2,964.7 ha) valid until 31/10/17 and 31/5/17. Area statement: 4,739.26 ha</p> <p>ii) Trading License – The Business, Professions and Trading License Ordinance. (Borang I, Seksyen 5, 23 dan 24(2)) – No. A 487424 valid until 31/7/17</p> <p>iii) EIA approval base on Environment (Prescribed Activities) Order 1994, refer to approval ref: (13)NREB/6-1/2D/32 dated 17 November 2006.</p> <p>Noted non-compliance found at Palmcol for these issues:</p> <p>i) No permit to buy diesel obtained from KPDNKK as per Regulation 9(2), Control of Supplies Act 1974</p> <p>ii) No valid work permit obtained for TKI workers (Passport# B3673878, B4117612 and B3673731) as per requirement under License to Employ Non-Resident Employee Under Section 119, Labour Ordinance (Sarawak, CAP 76)</p> <p>iii) Permit for salary deduction was not obtained from Labour Department as todate</p>	No

	Thus, a major NC was raised. Refer to NC 1431236-201701-M1	
Indicator 2: The management shall list all relevant laws related to their operations in a legal requirements register.	A Legal Compliance procedure has been established ref# OT05 dated December 2016. All operating units have Legal & Other Requirements Register (LORR) covering all the necessary regulatory requirements.	Yes
Indicator 3: The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations. Tracking system on any changes in the law been well implemented. E.g. regular notification by Head Office and regular updates from the DOE/DOSH websites as well as from government gazette website.	Yes
Indicator 4: The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.	Senior manager, Mr Teng Tiong Kee is the person responsible to monitor compliance and to track and update the changes in regulatory requirements.	Yes
Criterion 2 : Land use rights		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: The management shall ensure that their oil palm activities do not diminish the land use rights of other users.	Palmcol estate shared the same land titles with Palmgroup POM where the estate is operating on valid land title of Country Lease (03-LCLS-045-001-00001; 10-LCLS-044-181-00003; 10-LCLS-044-181-00005) with total title area of 5,190.20 Ha. The special term of the land is for the purpose of agriculture/processing of crops. All the land lease belong to state land. There is no issue on land use claims evidence during the audit.	Yes
Indicator 2: The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.	Palmcol estate shared the same land titles with Palmgroup POM where the estate is operating on valid land title of Country Lease (03-LCLS-045-001-00001; 10-LCLS-044-181-00003; 10-LCLS-044-181-00005) with total title area of 5,190.20 Ha. The special term of the land is for the purpose of agriculture/processing of crops. All the land lease belong to state land. There is no issue on land use claims evidence during the audit.	Yes
Indicator 3: Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground, where practicable.	The estate boundary is well maintained with the construction of boundary pegs to demarcate the mill's compound. There are more than 10 boundary pegs installed at the boundary of the estate and are evidence in Layout Plan with details GPS Coordinate.	Yes
Indicator 4: Where there are, or have been disputes, documented proof of legal acquisition of land title and fair	There is no issue on legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants in the estate. If	

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).	there is any legal acquisition of land title, the estate will respond according to established procedure, Identification of Customary Land Rights and Compensation Procedures (PGHSB/SOPP/005/2015) dated 21st December 2015 and in lined with FPIC process.	Yes
Criterion 3 : Customary land rights		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.	There is no land dispute or customary rights issues in the estate. The estate will respond according to the- Identification of Customary Land Rights and Compensation Procedures (PGHSB/SOPP/005/2015) dated 21st December 2015 if there is any cases arise in future. Based on interview with long house leader "Tuai Rumah" there were no issues or disputes with regards to customary land rights involving their land area and Palmcol Estate.	Yes
Indicator 2: Maps of an appropriate scale showing extent of recognized customary rights shall be made available.	There is no land dispute or customary rights issues in the estate. The estate will respond according to the- Identification of Customary Land Rights and Compensation Procedures (PGHSB/SOPP/005/2015) dated 21st December 2015 if there is any cases arise in future. Based on interview with long house leader "Tuai Rumah" there were no issues or disputes with regards to customary land rights involving their land area and Palmcol Estate.	Yes
Indicator 3: Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available.	There is no land dispute or customary rights issues in the estate. The estate will respond according to the- Identification of Customary Land Rights and Compensation Procedures (PGHSB/SOPP/005/2015) dated 21st December 2015 if there is any cases arise in future. Based on interview with long house leader "Tuai Rumah" there were no issues or disputes with regards to customary land rights involving their land area and Palmcol Estate.	Yes

Principle 4: Social responsibility, health, safety and employment condition		
Criterion 1: Social impact assessment (SIA)		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.	The Social Impact Assessment (SIA) was conducted on 5th – 9th October 2015 by external consultant, WildAsia including consideration of feedbacks from the stakeholder engagement meeting. Below are the details of the reviewed SIA: <ul style="list-style-type: none"> - Introduction - Site Location and Size - Land Use - Human Environment - List of Stakeholders Nearby the Site - Survey Methodology - Identify Direct and Indirect Potential Impacts from operation - Mitigation Plan - Monitoring and Review 	Yes

	The SIA included mitigation plan for the identified negative impacts and also the monitoring and review of the impacts. The timeframe and responsible person to for SIA management plan has been incorporated in the latest plan, SIA Mitigation Plan, version:1 (Oct2016)/SU dated 10/10/16.	
Criterion 2: Complaints and grievances		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: A system for dealing with complaints and grievances shall be established and documented.	The estate has established the procedure to deal with complaints and grievances by using the complaint form.	Yes
Indicator 2: The system shall be able to resolves disputes in an effective, timely and appropriate manner, which is accepted by all parties.	Inspection of records at estate indicated that written communications were replied promptly and the correspondence kept in file.	Yes
Indicator 3: A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints.	The Estate maintains 'complaint form' and 'maintenance and repairing report' for receiving and responding to requests and complaints from employees. No external stakeholders were recorded related on complaint and grievances. Review of the registers found there was no outstanding or unresolved grievance.	Yes
Indicator 4: Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time.	Interview with stakeholders found that they are aware of the procedure. Last training was given to all workers on 21 January 2016. As to date, no pending issues recorded and all complaints have been resolved.	Yes
Indicator 5: Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.	Record review found that previous complaints and requests from 2012 were still available.	Yes
Criterion 3: Commitment to contribute to local sustainable development		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Growers should contribute to local development in consultation with the local communities.	In Palmcol estate has conducted some of the CSR activities where two ways communication is used. The stakeholders will write-in the request and the management will response to the request. Some of activities are sighted as below: a. Clearing of the road dated 25 May 2016 b. Donation for school and sport day dated 15 Aug 2015	Yes
Criterion 4: Employees safety and health		
Indicator	Summary	Compliance (Yes / No)

<p>Indicator 1: An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p>	<p>Palmcol estate has implemented an OSH Management Plan for improvement of safety of employees that was updated in January 2017 for the calendar year. Verified daily, monthly, quarterly and annual programme incorporated in the OSH management plan for 2017.</p>	<p>Yes</p>
<p>Indicator 2: The occupational safety and health plan shall cover the following: a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: i) all employees involved are adequately trained on safe working practices; and ii) All precautions attached to products should be properly observed and applied. d) The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements. g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those</p>	<p>Palmcol Estate has safety and health policy that has been communicated to the staff and workers. On site supervisors and estate assistant managers ensure the implementation of it.</p> <p>HIRARC – Latest review, version 2 dated 26/10/15. Coverage of activities (Field maintenance, manuring, transportation, farm tractor, workers transportation, diesel station, domestic waste, security, worksop and warehouse)</p> <p>In addition to specific training courses, safety briefings are given during muster to reinforce awareness, such as correct wearing of PPE.</p> <p>Chemical register dated December 2016 was sighted. Total of 24 chemicals and there was no class IA and IB used for weeding and P&D treatment. For bagworm treatment, Cypermethrin under class II chemical was used.</p> <p>SDS for the said chemicals are available at the store in Dual-language (Bahasa Malaysia and English). I.e Matikus, Amatic 20 EC, Canyon 500GM.</p> <p>Records were available of PPE issued to individual workers and contractors, including signatures to confirm receipt.</p> <p>Palmcol estate follows the SOP for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (CLASS) Regulation 2013 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. Refer to SOP for chemical handling dated February 2015.</p> <p>Palmcol Estate has established Safe & Standard Operating Procedure for Oil Palm Plantations (SSOP) dated February 2015. Estate upkeep, crop evacuation, chemical and agrochemical management, transportation of workers, utilities management, Pest control and welding works @ hot work etc.</p> <p>CHRA dated 15 March 2012 (JKKP HIE 127/171-2[253]) Recommendation : i)Medical Surveillance(Sprayer, chemical mixer)</p> <p>Medical surveillance was last done for 5 batch of workers from workshop, store, chemical sprayer and mixer. The last medical surveillance was carried out on 9/7/16 by Occupational Health Doctor DOSH Reg.</p>	<p>YEs</p>

<p>related to employees' safety, health and welfare are discussed openly. Records from such meetings shall be kept and the concerns of the employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p>	<p>No. JKKP HQ/10/DOC/00/147. Result of the Medical Examinations found to be normal without any health detrimental issues.</p> <p>At the estate, there is a designated OSH Coordinator who is responsible for organising safety training, meetings and investigation and reporting of accidents and Incidents.</p> <p>Palmcol Estate : Appointment of SHC – Estate manager (Chairman): Andrew Wong Wen Ing (8/1/17), ref#MAF/PCSB/HRD/OSH-SHC/17-001, SHC secretary: Unchau Melintang (8/1/17), ref# MAF/PCSB/HRD/OSH-SHC/17-001</p> <p>Refer OHS meeting minutes : #1: 18/2//16 #2: 20/5/16 #3: 26/8/16 #4: 10/10/16</p> <p>Workplace inspection, JSA and line site inspection will be carried out prior to SHC meeting. Records were available confirming that quarterly OSH meetings had been held at the estate.</p> <p>Emergency Preparedness and Response Plan was developed for the following type of scenario : i)ERP for Fire ii)ERP for wild animal attack iii)ERP for Chemical Spillage iv) ERP for Bush Fire (estate and forest area)</p> <p>The estate has site specific Plans (refer to the above) including maps showing assembly areas and up-to-date lists of emergency contacts with training conducted to communicate the Plan. Interviews of estate staff and workers confirmed understanding of emergency response.</p> <p>First Aid Kits are provided at various work sites at the estates and inspection confirmed these had been appropriately stocked. Total of 8 certified first aider available at Palmcol Estate.</p> <p>All accidents are investigated and reported to Head Office and well as DOSH. Accident statistics for Palmcol Estate as follows : Based on JKKP 8 for 2016; i) 12 cases, total of 5 LTI recorded.</p>	
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Criterion 5: Employment conditions

Indicator	Summary	Compliance (Yes / No)
<p>Indicator 1: The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the</p>	<p>The top management of Palmgroup Holding Sdn Bhd is committed to implement the equal opportunity within their organization. Their commitment is clearly described with the statement indicated in the "Human Rights Policy" which approved on 21st March 2016 by estate manager.</p>	<p>Yes</p>

<p>employees.</p>	<p>The policy was communicated by displayed at the strategic location, induction & training, memo and meeting room.</p>	
<p>Indicator 2: The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p>	<p>The top management of Palmgroup Holding Sdn Bhd is committed to implement the equal opportunity within their organization. Their commitment is clearly described with the statement indicated in the "Human Rights Policy".</p> <p>There were no evidences of any form of discrimination based on race, national origin, religion, gender, union and political affiliation and is covered in the policy as well.</p> <p>Interview with workers indicates that there is no such discrimination occurs in the workplace</p>	<p>Yes</p>
<p>Indicator 3: Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p>	<p>There is a contract and agreement for staff and workers including foreign workers and pay and conditions are documented and are above the industry minimum standard. Inspection of a sample of employee contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker. Staff and Workers confirmed this during interview.</p> <p>Local workers interviewed and contract of employment checked for:</p> <ul style="list-style-type: none"> i) Bakat Anak Kaong (Welder, J2C) ii) Rusmadi Samsuddin (Assistant Mechanic, J2E) iii) Robby Joe Anak Dempri (Mechanic, J3A) iv) Tiong Ping King (Mechanic, J2A) <p>Foreign workers interviewed and contract of employment checked for:</p> <ul style="list-style-type: none"> i) Rahmawati Rahman (MY00004837) work permit valid until 8/9/17. ii) Yudiono (MY00004905), still in the renewal process. iii) Jayadi Amat (MY00005323), work permit valid until 24/3/17. 	<p>Yes</p>
<p>Indicator 4: Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p>	<p>Palmcol Estate arranges contracts for the purchase of goods and services, including those with FFB suppliers. The contract clearly stated that the contractor must strictly follow all applicable national and ratified international laws. Noted also there memo sent to all contractors dated 1/10/16 on the adoption of MSPO requirements in Palmgroup Holdings Sdn Bhd. Interviews of contractors indicated that they understand their contracts terms and conditions as well as the MSPO requirements.</p> <p>Sample of contractor's workers under Hong Sing Teck checked (FFB – Phase 4) under Group Edi:</p> <ul style="list-style-type: none"> i) Passport# A8536271 	<p>Yes</p>

	<p>ii) Passport# A8536296 iii) Passport# A8536295 iv) Passport# A6355157 v) Passport# A4429768 vi) Passport# A2598968 vii) Passport# A3826069</p> <p>Based on the contractor’s workers payslips found that they were paid more minimum wages requirement.</p>	
<p>Indicator 5: The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, and date of birth, date of entry, a job description, wage and the period of employment.</p>	<p>Estate maintain an accurate record of all employees under the following documents :</p> <ol style="list-style-type: none"> 1) Workers paid on monthly basics 2) Working paid on daily/hourly workers <p>Both above records (e.g. records updated as of year 2016) verified during the audit were found contains the following details of information for every employees.</p> <ul style="list-style-type: none"> - Employee Name - Division - Nationality - Race - Place of Birth - Date of Birth - Work Station - Work Station - Type of work - Employment Date - Passport No. and Expiry Date (for foreigner) - Identification Card no. - Socso. No. - EPF no 	<p>Yes</p>
<p>Indicator 6: All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.</p>	<p>There is a contract and agreement for staff and workers including foreign workers and pay and conditions are documented and are above the industry minimum standard. Inspection of a sample of employee contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker. Sample of workers contracts sampled are referred to the previous indicator 3 & 4.</p>	<p>Yes</p>
<p>Indicator 7: The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers.</p>	<p>Palmcol Estates had established a time recording system for all employees</p> <p>Time recording system has been carried out manually on daily basis for field and office staff & executives.</p> <p>For office staff & executives, the working hours are recorded in the Executives & Staff Attendance List.</p> <p>For field workers, they record the working hours in the Daily Time Record. The overtime working hours always approved by the assistant manager.</p> <p>The documented working hours available in the daily</p>	<p>Yes</p>

	check roll records	
Indicator 8: The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirement applicable.	The management has obtained the overtime permit from labour department. Interview of workers and pay record shows the overtime payments are in accordance to law and workers are not forced to work overtimes.	Yes
Indicator 9: Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.	<p>Pay slips of all employees are available as evidence of salary payment. The pay slip contain the following information :</p> <ul style="list-style-type: none"> a) Earnings <ul style="list-style-type: none"> - Basic Salary (Daily Rated Work, Work on Rest Day and Work on Holiday) - Overtime (Week days, Rest days and Holiday) b) Deduction <ul style="list-style-type: none"> - SOCSO, EPF , Others c) Levy Deduction <p>Observed that the wages and overtime payment documented on the pay slips are in line with legal requirement and as stated in the employment contract.</p>	Yes
Indicator 10: Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, payment, and support of professional development, medical care and health provisions.	Palmcol estate has provided yearly bonus, monthly incentive which are paid according to staff's performances. Annual performance appraisal carried out in December every and performance bonus will be paid before Chinese New year.	Yes
Indicator 11: In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.	Apart from that, the management also provides free housing facilities with water and electricity. In addition, employees will be sent to nearby clinic and the cost is reimbursable.	Yes
Indicator 12: The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace.	<p>The policy and guidelines to prevent all forms of sexual harassment and violence of work place are clearly described in the documented "Sexual Harassment Policy" established by the management of Palmgroup Holdings on 22nd Feb 2016.</p> <p>Up to date, there no case reported in the estate.</p>	Yes
Indicator 13: The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in	Interviews of staff and workers confirmed Palmcol supports freedom of association. At estate there is a local committee made up of workers representatives elected by workers. JCC meeting has been conducted for the internal stakeholder with the company	Yes

<p>accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p>	<p>management staffs. The latest meeting was conducted on the 16/11/2016. Interview of Staff and Workers also confirmed their awareness of freedom of association but there was no worker unions being formed at the moment.</p>	
<p>Indicator 14: Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not expose to hazardous working conditions.</p>	<p>Estate maintain an accurate record of all employees under the following documents :</p> <ol style="list-style-type: none"> 1) Workers paid on monthly basics 2) Working paid on daily/hourly workers <p>Both above records verified (e.g. record updated as of year 2016) evidence that there is no underage worker (below 18 years old) employed at the work locations visited.</p>	<p>Yes</p>
<p>Criterion 6: Training and competency</p>		
<p>Indicator</p>	<p>Summary</p>	<p>Compliance (Yes / No)</p>
<p>Indicator 1: All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p>	<p>Palmcol Estate has prepared an Annual Training Plan for 2016 & 2017 for workers and contractors that lists the internal and external training courses scheduled for the year. Training carried out for 2016:</p> <ol style="list-style-type: none"> i)MSPO awareness training for workers and contractors (9/11/16) ii) FFB Grading Training (25/11/16) iii) P&D and New Peat Soil Classification Seminar (2/12/16) iv) P&D training (termite control) (10/11/16) v) Manuring Training (broadcast fertilizer NK MIX MOP and UREA) (9/11/16) vi) Harvesting Training (23/11/16) vii) Chemical Handling and Spraying Training (23/11/16) viii) Safety Training and Demonstration (Fire Safety and Fire Fighting)- 10/12/16 ix) First Aid Training – 9/11/16 	<p>Yes</p>
<p>Indicator 2: Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p>	<p>Palmcol Estate has conducted training needs assessment prior to prepare the annual training plan for the year 2017 for all the employee groups including new and existing workers and staffs. Training programmes is based on worker's competency requirements. Workers must be properly trained before assigned to the respective work units. On-site observation @ assessment will be carried out by field staff and assistant to monitor training effectiveness.</p>	<p>Yes</p>

<p>Indicator 3: A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.</p>	<p>Continuous training programme is planned and implemented covering all employees and contractors as per the documented training procedure. For example in 2017, all relevant MSPO training programme which consist of occupational safety and health, environmental, bio-diversity and social has been planned as part of part of continuous training programme for the estate.</p>	<p>Yes</p>
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Principle 5: Environment, natural resources, biodiversity and ecosystem services

Criterion 1: Environmental management plan

Indicator	Summary	Compliance (Yes / No)
<p>Indicator 1: An environmental policy and management plan which shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.</p>	<p>Palmcol Estate has an Environmental policy that has been signed by the managing director, dated 6 January 2014 and environmental management plan with relevant to the applicable laws and regulations. Interviews of staff and workers found that the policy has been communicated and implemented.</p>	<p>Yes</p>
<p>Indicator 2: The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations.</p>	<p>The established environmental management plan has covered the environmental aspects and impacts based on Palmcol Estate Sdn Bhd activities; refer to Form 1: Identification and Significance Determination of Environmental Aspect and Setting Objective and Targets, version: 1(Nov2016)/SU dated 21/11/16. Main estate activities such as herbicides spraying, P&D spraying, manuring, harvesting and pruning, EFB mulching, harvesting and loose fruit collection, chemical mixing, chemical storage and handling, replanting and nursery management was documented in the procedure.</p> <p>During development stage in 2006, EIA was carried out by NREB consultant, registration# NREB/F/00021 (Ecosol Consultancy Sdn Bhd). The project is entitled " The Proposed Palmcol Oil Palm Plantation on Lot 14 of Balingian Land District, Mukah and Sibul Division" Total of 5,200 ha of logged-over peat swap area to be developed into an oil palm plantation in 5 phases.</p> <p>Phase 1: 1st planting in 2007 Phase 2: 1st planting in 2008 Phase 3: 1st planting in 2010 Phase 4: 1st planting in 2008 Phase 5: 1st planting in 2008</p> <p>Significant environmental aspect and impact was identified in EIA report related to all estate operation such as management of peat soil, water management and drainage control, preservation of water quality, preservation of air quality and solid waste management, protection of ecological</p>	<p>Yes</p>

	<p>resources, management of socio-economic impacts and replanting and abandonment.</p> <p>EIA approval undertaking, form NREB 39/37 between MD of Ecosol and R&D manager of Palmcol in presence of Controller of Environmental quality Sarawak dated 12/12/06.</p>	
<p>Indicator 3: An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.</p>	<p>The continuous monitoring as per initial implementation was implemented on timely basis where for each operating unit the planned programs were included in annual budgeting. As per the requirements under, The Natural Resources and Environment (Prescribed Activities) Order 1994, refer to approval ref: (13)NREB/6-1/2D/32 dated 17 November 2006, environmental improvement plan was carried out as per the EIA approval, under section 5.5: environmental monitoring system and compliance.</p> <p>5.5.1 Monitoring of water quality (quarterly) 5.5.2 Monitoring of subsidence (twice per year) 5.5.3 Monitoring of ground water (fortnightly) 5.5.4 Drain water level monitoring 5.5.5 Monitoring of other environmental and socio-economic parameters</p> <p>The above monitoring has been monitored on every 3 month based on the EIA approval conditions. Environmental Monitoring Report (EMR) shall be submitted to Natural Resources and Environmental Board (NREB) once every 3 months. Verified the latest EMR Report 1st to 3rd quarter of 2016. Refer to report# NREB/6-1/2D/32 (Feb-Apr 16), report# NREB/6-1/2D/32 (May-July 16) and report# NREB/6-1/2D/32 (Aug-Oct 16). The last quarter report is still in progress. The visit was carried out in December 2016. Based on the EMR, 5 water sampling point were selected (WM1-Upstream Sg Anak, WM2-Dowstream Sg Anak at phase 4, WM3- outlet discharge at phase 5, WM4-outlet discharge point between phase 4 and 5 , WM5- Sg Mana).</p> <p>Based on the result, water quality monitoring is generally within Class IIB of NWQS at all monitoring points.</p>	<p>Yes</p>
<p>Indicator 4: A programme to promote the positive impacts should be included in the continual improvement plan.</p>	<p>Palmcol estate's environmental improvement programme also includes continual improvement plans. Verified continuous improvement programme for rain harvesting system in the estate.</p>	<p>Yes</p>
<p>Indicator 5: An awareness and training programme shall be established and implemented to ensure that all employees understand the policy, objectives and management plans and are working towards achieving the objectives.</p>	<p>Annual training programme of the estate includes environmental awareness and compliance related trainings to the executives, staffs and workers. MSPO awareness programme was conducted on 9/11/16 for all workers and contractor. This programme has include the need of environmental conservation in the estate and in line with company's environmental policy and objectives.</p>	<p>Yes</p>

<p>Indicator 6: Management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.</p>	<p>Environmental related matters were discussed during morning briefing and safety meeting. Workers interview reveal that they are free and encouraged to discuss environmental issues with the management.</p> <p>In addition, quarterly environmental meeting was last conducted on 16/11/16. All pertinent environmental matters were discussed during the meeting.</p>	<p>Yes</p>
<p>Criterion 2 : Efficiency of energy use and use of renewable energy</p>		
<p>Indicator</p>	<p>Summary</p>	<p>Compliance (Yes / No)</p>
<p>Indicator 1: Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.</p>	<p>The estate maintains records of energy usage, which is reported monthly to head office. The use of the fossil fuel against the FFB production is being monitored.</p> <p>Diesel consumption for 2015: 348,909 litre Diesel consumption for 2016: 371,013 litre</p>	<p>Yes</p>
<p>Indicator 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.</p>	<p>Palmcol estate has estimation on total energy required. This estimation was compared to the actual usage by monthly and reported to the head office for monitoring. Fossil fuel@ diesel usage is mainly from estate vehicle and generator set as there was no electricity supply from government @ Sarawak Energy. Palmcol Estate generate their own electricity for domestic and office consumption.</p>	<p>Yes</p>
<p>Indicator 3: The use of renewable energy should be applied where possible.</p>	<p>There was no use of renewable energy at Palmcol Estate as to date. Operation of diesel set and vehicle is fully dependent on fossil fuel.</p>	<p>Yes</p>
<p>Criterion 3 : Waste management and disposal</p>		
<p>Indicator</p>	<p>Summary</p>	<p>Compliance (Yes / No)</p>
<p>Indicator 1: All waste products and sources of pollution shall be identified and documented.</p>	<p>Based on the established procedures under, Domestic Waste Management Policy & BMP, ET001 dated 12/8/13 and Scheduled Waste Handling and Storage Guidance, PGHSB/SOPP/014/2016 dated 21/11/16 among the waste products identified and documented including general waste and scheduled waste. Sources of waste were from, estates and housing area. Common waste identified including domestic waste and scheduled waste.</p> <p>For estates, its reusable and recyclable wastes identified included empty fertilizer bags and triple rinsed empty chemical containers. Organic biomass waste generated by estates including fronds and chipped fell palms. Other specific</p>	<p>Yes</p>

	activities such as estate vehicle workshop generate few categories of scheduled waste such as SW 305, SW 306, SW 409 and SW 410.	
Indicator 2: A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution. b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.	Documented pollution prevention plan for Palmcol Sdn Bhd was emphasized in the pollution prevention plan where the site visit confirmed that the practice of reduce, reuse and recycle of materials has been implemented throughout the estate. Noted records of triple rinsed container either to be used back for pre-mix activities or pierced and disposed to recycler.	Yes
Indicator 3: The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Wastes) Regulations, 2005.	For scheduled wastes, the handling was done according to the legal requirement where a scheduled waste store was constructed for storage. A company registered with DOE, Jun Enterprise on 16 February 2016 (1800 litre) i) No evidence to show disposal was made by license contractor ii) No records of disposal @ 6th schedule was kept for the said disposal. iii) Contaminated soil to be classified as one type of schedule waste. Thus, a major NC was raised. Refer NC reference 1431236-201701-M2	No
Indicator 4: Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.	Empty pesticide containers were triple rinse and punctured before return back to supplier. Empty chemical container need to be marked or painted before re-used back for premix. Verified latest inventory records for December 2017 found that all triple rinsed and punctured container were recycled back to supplier. Site observation at workers line site found that no evidence of empty chemical container being used.	Yes
Indicator 5: Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.	Domestic waste are being disposed at approved municipal council landfill either Sibul or Balingian dumpsite. Centralized waste location was located at phase 1 before collection made to the approved land fill. It was noted that the collection centre is away from watercourse.	Yes
Criterion 4 : Reduction of pollution and emission including greenhouse gas		

Indicator	Summary	Compliance (Yes / No)												
<p>Indicator 1: An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.</p>	<p>Palmcol estate has done environmental impact and aspect identification involving all the activities within the estate. Refer to Form 1: Identification and Significance Determination of Environmental Aspect and Setting Objective and Targets, version: 1(Nov2016)/SU dated 21/11/16.</p>	<p>Yes</p>												
<p>Indicator 2: An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p>	<p>Environmental improvement plan for 2017 has include assessment of all polluting activities within the estate operation such as solid waste and scheduled waste, air emissions and water discharges. Sample of activities and related mitigation measure as per below table:</p> <table border="1" data-bbox="557 685 1222 1384"> <thead> <tr> <th data-bbox="557 685 692 743">Work Unit</th> <th data-bbox="692 685 828 743">Source of Pollution</th> <th data-bbox="828 685 991 743">Mitigation plan</th> <th data-bbox="991 685 1222 743">Person In Charge</th> </tr> </thead> <tbody> <tr> <td data-bbox="557 743 692 1265">Workshop</td> <td data-bbox="692 743 828 1265">Oil leakages from vehicle Waste generated from vehicle servicing</td> <td data-bbox="828 743 991 1265">i)2nd containment tray at parking bay ii)Oil Interceptor installation i)Waste categorized as schedule waste ii)Disposal via DOE license contractor</td> <td data-bbox="991 743 1222 1265">Workshop personnel/foreman</td> </tr> <tr> <td data-bbox="557 1265 692 1384">Pre-mix area</td> <td data-bbox="692 1265 828 1384">Rinsed water from premix</td> <td data-bbox="828 1265 991 1384">Collection sump installation</td> <td data-bbox="991 1265 1222 1384">Store keeper</td> </tr> </tbody> </table>	Work Unit	Source of Pollution	Mitigation plan	Person In Charge	Workshop	Oil leakages from vehicle Waste generated from vehicle servicing	i)2 nd containment tray at parking bay ii)Oil Interceptor installation i)Waste categorized as schedule waste ii)Disposal via DOE license contractor	Workshop personnel/foreman	Pre-mix area	Rinsed water from premix	Collection sump installation	Store keeper	<p>Yes</p>
Work Unit	Source of Pollution	Mitigation plan	Person In Charge											
Workshop	Oil leakages from vehicle Waste generated from vehicle servicing	i)2 nd containment tray at parking bay ii)Oil Interceptor installation i)Waste categorized as schedule waste ii)Disposal via DOE license contractor	Workshop personnel/foreman											
Pre-mix area	Rinsed water from premix	Collection sump installation	Store keeper											
<p>Criterion 5 : Natural water resources</p>														
Indicator	Summary	Compliance (Yes / No)												
<p>Indicator 1: The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a) Assessment of water usage and sources.</p> <p>b) Monitoring of outgoing</p>	<p>Water management plan is based on the conditions stipulated in the EIA report and the established procedure for Water Management In Peat Soil (BMP and Policy) dated 1st July 2014. The plan involved the management of ground and surface water as well as the peat subsidence monitoring. As per EMR, water quality monitoring was monitored every quarterly and selected sampling station. There were 5 sampling station identified (W1-W5) taken from (WM1- Upstream Sg Anak, WM2-Dowstream Sg Anak at phase 4, WM3- outlet discharge at phase 5, WM4-outlet discharge point between phase 4 and 5 , WM5- Sg Mana) and other small stream located in the estates.</p> <p>Refer to certificate of analysis, for 2nd and 3rd quarter of 2016,</p>	<p>Yes</p>												

<p>water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</p> <p>c) Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>d) Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.</p> <p>e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p>	<p>ref# EL/WE/16/0550 dated 4 July 2016 and ref# EL/WE/16/0825 dated 10 October 2016.</p> <p>Based on the EMR report, protection of water quality in compliance with class IIB of NWQS and NREB approvals requirements.</p> <p>As for the water management in peat soil, drain stopper@ weirs constructed as to control the water flow and to avoid flooding. Water level indicator was placed at certain location for the monitoring. Water level monitored on daily basis. & moniting points located for each phases and for peat subsidence 29 monitoring points were located.</p> <p>Water level monitoring : Phase1 : peg# 1-22 : 51.77 mm (average for the month)</p> <p>Peat subsidence: Phase 1: PS#1 15/12/16 – 90 mm todate (quarterly monitoring) Total of 5 peat monitoring points (PM1-PM5)</p> <p>Plamcol estate has prepared a map showing riparian buffer zones and demarcated the areas prior to replanting for all the estates. Field inspection at palmcol estate confirmed that the buffer zone beside the stream was maintained and undisturbed. No evidence of intrusion observed during site review.</p> <p>Total of 55 ha riparian buffer zone identified with the estate area.</p>	
<p>Indicator 2: No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p>	<p>There were no construction of bunds, weirs and dams across main rivers or waterways passing through an estate. Wiers and bunds constructed only at filed drain as part of estate's water management plan for peat.</p>	<p>Yes</p>
<p>Indicator 3: Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).</p>	<p>Water management plan includes BMP on peat, rain water harvesting, desilting of road side drains and etc.</p>	<p>Yes</p>
<p>Criterion 6 : Status of rare, threatened, or endangered species and high biodiversity value area</p>		
<p>Indicator</p>	<p>Summary</p>	<p>Compliance (Yes / No)</p>
<p>Indicator 1: Information shall be collated that includes both the planted area itself and relevant wider landscape-level</p>	<p>Palmcol estate has engaged a consultant (Wild Asia) in 2016 to conduct a biodiversity assessment of the land at the Estate as well as preparation of site-specific short-term and long-term HCV Management Plans. The draft report was made available during this assessment dated 8/12/16. From the</p>	<p>Yes</p>

<p>considerations (such as wildlife corridors). This information should cover:</p> <p>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</p> <p>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>	<p>report, it was noted that 5 types of HCV identified, HCV1 to HCV 6 except for HCV2. Presence of the rare and endemic Bornean Ground Cuckoo with categorized under IUCN list.</p>	
<p>Indicator 2: If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p>	<p>Based on the draft report, there are HCV and rare, threatened, or endangered species being identified within the estate area.</p> <p>No illegal hunting signages are prominently erected at the estate entrance and other strategic area and awareness training has been given to workers and other stakeholders</p>	Yes
<p>Indicator 3: A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p>	<p>No management plan established as to date. Thus, major NC was issued. Refer to NC reference 1431236-201701-M3.</p>	No
Criterion 7 : Zero burning practices		
Indicator	Summary	Compliance (Yes / No)

Indicator 1: Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.	There was no replanting at Palmcol Estate. No evidence of open burning sighted during site review.	Yes
Indicator 2: A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.	Not applicable for Palmcol Estate	N/A
Indicator 3: Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.	Not applicable for Palmcol Estate	N/A
Indicator 4: Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.	Not applicable for Palmcol Estate	N/A

Principle 6: Best practices

Criterion 1: Site management

Indicator	Summary	Compliance (Yes / No)
Indicator 1: Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	<p>Palmcol Estate has well established management systems for monitoring and control of best practice implementation at its estate. This includes the programme of regular internal audits by Sustainability Department and agronomist for maintaining and improving the production. In addition, 3rd party Plantation Advisory visit by Pantropical Agricultural Services (PANTROPAS) Sdn Bhd was conducted on from 17-22 March 2016. Refer to report dated 5 April 2016. Areas of visit scope (crop recovery, harvesting guidelines, field upkeep and maintenance, frond stacking discipline, manuring matters, pest management, FFB production etc.</p> <p>Sustainability visit: 28/9/2016</p> <p>Palmcol estate: 90,315.24 mt (yield 19.08 mt per ha)</p>	Yes

<p>Indicator 2: Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.</p>	<p>Palmcol Estate has 93% of very deep peat (>250 cm), low-ash peat/organic soil of Anderson 3 Series. Significant areas (6.7%) are also endowed with the shallower peat soils of Anderson 1 and 2 series, with peat depths of 200-250cm and 150-200 cm. Minor soil in the estate include Mukah and Bijat Series.</p> <p>Summary of soil type and terrain within Palmcol Estate:</p> <table border="1" data-bbox="639 481 1214 801"> <thead> <tr> <th>Soil type</th> <th>Terrain</th> <th>Area (ha)</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Anderson 1,2 & 3</td> <td rowspan="3">Generally flat, though dome shaped; Flat (0-60)</td> <td>68</td> <td>1.3</td> </tr> <tr> <td>Anderson 2</td> <td>284</td> <td>5.4</td> </tr> <tr> <td>Anderson 3</td> <td>4,835</td> <td>93</td> </tr> <tr> <td>Bijat/Anderson</td> <td>Flat (0-60)</td> <td>13</td> <td>0.3</td> </tr> </tbody> </table> <p>Inspection of field conditions at estate showed well established and maintained groundcover vegetation.</p>	Soil type	Terrain	Area (ha)	%	Anderson 1,2 & 3	Generally flat, though dome shaped; Flat (0-60)	68	1.3	Anderson 2	284	5.4	Anderson 3	4,835	93	Bijat/Anderson	Flat (0-60)	13	0.3	<p>Yes</p>
Soil type	Terrain	Area (ha)	%																	
Anderson 1,2 & 3	Generally flat, though dome shaped; Flat (0-60)	68	1.3																	
Anderson 2		284	5.4																	
Anderson 3		4,835	93																	
Bijat/Anderson	Flat (0-60)	13	0.3																	
<p>Indicator 3: A visual identification or reference system shall be established for each field.</p>	<p>Palmcol estate generally flat with (0-6°) elevation based on EIA report carried out by NREB registered consultant; registration# NREB/F/00021 (Ecosol Consultancy Sdn Bhd). The project is entitled " The Proposed Palmcol Oil Palm Plantation on Lot 14 of Balingian Land District, Mukah and Sibul Division".</p>	<p>Yes</p>																		
<p>Criterion 2 : Economic and financial viability plan</p>																				
<p>Indicator</p>	<p>Summary</p>	<p>Compliance (Yes / No)</p>																		
<p>Indicator 1: A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p>	<p>Palmcol Estate has implemented a management system for monitoring and reporting of performance against production targets for achieving long-term economic and financial viability.</p>	<p>Yes</p>																		
<p>Indicator 2: Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.</p>	<p>The earlier planting was in 2007. The next cycle of replanting would be in 20-25 year time as recommended by plantation advisory.</p>	<p>Yes</p>																		
<p>Indicator 3: The business or management plan may contain:</p> <p>a) Attention to quality of planting materials and FFB</p> <p>b) Crop projection: site yield potential, age profile, FFB yield trends</p> <p>c) Cost of production : cost per tonne</p>	<p>Palmcol Estate has an annual operating budget for the calendar year 2016 and 2 projections (2017 – 2018) for production. The plan includes age profile, yield projection, cost per tonne of FFB production and etc. Besides the OPEX, CAPEX was also gazetted for improvement. Sample of CAPEX for 2017:</p> <p>i) Bulding and Construction – Water gate and labour line 12 doors.</p> <p>ii) Plant & Machineries – Lorry 5 MT BDM tipper truck – plus Hook System + 4 bins.</p>	<p>Yes</p>																		

of FFB d) Price forecast e) Financial indicators : cost benefit, discounted cash flow, return on investment		
Indicator 4: The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.	Palmcol Estate monitored the estate performance against the targets. It also recommends changes to the plans if necessary based on monthly production report submitted to HQ. Refer to the annual production report for 2016 and cross reference to MPOB EL4 report which also submitted on monthly basis.	Yes
Criterion 3 : Transparent and fair price dealing		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Pricing mechanisms for the products and other services shall be documented and effectively implemented.	The pricing method has been clearly stated in the contract and contractors are explained on the term of contracts prior to the signing of contract.	Yes
Indicator 2: All contracts shall be fair, legal and transparent and agreed payments shall be made in a timely manner.	Sample contract and payment record verification together with interviews of suppliers and contractor found the payments has been made as per contract. Sampled Contractor (Sia Soon Ming, Hong Sing teck & BCM Services (Sarikei) Sdn Bhd). Record of payment for December 2016: i) Harvesting work (Hong Sing Teck _ SA2008089), Payment#558 dated 31/12/2016. ii) Maintenance work (Sia Soon Ming_650905135239) Payment# 311 dated 31/12/2016. iii) Harvesting work (BCM Services_ BCM01), Payment#582 dated 31/12/2016.	Yes
Criterion 4 : Contractor		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information.	Palmcol Estate has initiated the MSPO awareness to all its contractors. Interview with the contractors found that they have limited information on the MSPO requirements even though the mill has conducted awareness training. This will be followed up for further details during next assessment. Awareness training for contractors was carried out together with check roll workers on 30/12/16. The purpose of training is to promote MSPO awareness for the contractor and also workers.	Yes
Indicator 2: The management shall provide evidence of agreed contracts with the contractor.	Palmcol Estate has prepared a standard contract for all the contractors. The signed copy of the contract available at the estate office. Sample of contract labour agreement for harvesting contractor and	Yes

	<p>maintenance work;</p> <p>i) Hong Sing Teck, contract valid from 1/1/17 to 31/12/17, contract#NC16010002.</p> <p>ii)BCM Services (Sarikei) Sdn Bhd valid from 1/1/17 to 31/12/17, contract# PCSB/NC16010032.</p> <p>iii) Sia Soon Ming valid from 1/1/17 to 31/12/17, contract# PCSB/NC16010001.</p>	
Indicator 3: The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.	Palmcol Estate has no objection to allow BSI auditors to verify the assessment through physical inspection if required.	Yes

Principle 7: Development of new plantings

Palmcol estate has not carried out any new oil palm developments and there are no plans for expansion of plantings after January 2015. Thus, principle 7 is therefore not applicable to this Assessment.

3.2 Details of Nonconformities and Observation / Opportunity for improvement identified, Evidence of closing out Major NC and Audit team conclusion

Major Nonconformities:

Ref	Area/Process	Clause
1431236-201701-M1	Palmcol Estate	Criteria 4.3.1.1
Details:	Compliance with the applicable local, state, national and ratified international laws and regulations was not effectively implemented	
Requirements:	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.	
Objective Evidence:	<p>i)No permit to buy diesel obtained from KPDNKK as per Regulation 9(2), Control of Supplies Act 1974</p> <p>ii) No valid work permit obtained for TKI workers (Passport# B3673873, B4117612 and B3673731) as per requirement under License to Employ Non- Resident Employee Under Section 119, Labour Ordinance (Sarawak, CAP 76)</p> <p>iii) Permit for salary deduction was not obtained from Labour Department as todate.</p>	
Close Out Evidence:	<p>i)Permit to buy diesel applied through BLESS system dated 24/3/17. Refer to submission ref# BL2017024752. Fire Department has done onsite inspection on 17/3/17 to support the application. Refer to recommendation letter by Fire Department dated 21/3/17, ref# JBPM/SK/ZSU:700-5/1/20 Jld.9</p> <p>ii)Visit pass (temporary employment) verified for:</p> <ul style="list-style-type: none"> - Passport B4117612 (employed as plantation worker), permitted until 10/3/18 - Passport B3673873 (employed as plantation worker), permitted until 10/3/18 	

	<p>- Passport B3673731 (employed as plantation worker), permitted until 10/3/18</p> <p>iii) Permit for salary deduction is still in the process of approval. Refer to email confirmation on 5/4/17 by Enforcement Officer, Labour Department.</p>
Audit team conclusion:	<p>Audit team have reviewed the evidence submitted and the major NC has been satisfactorily closed provided with the adequate supporting evidence for NC closure.</p> <p>Continuous implementation will be further verified in the next assessment visit.</p> <p>The major NC was closed out on 17/4/17</p>

Ref	Area/Process	Clause
1431236-201701-M2	Palmcol Estate	Criteria 4.5.3.2

Details:	Waste management plan was not effectively implemented.
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Requirements:	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution</p> <p>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products</p>
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Objective Evidence:	<p>i) No evidence to show disposal was made by DOE licensed contractor on 16 February 2016.</p> <p>ii) No records of disposal @ 6th schedule was not available for the said disposal.</p>
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Close Out Evidence:	<p>i) Verified license of DOE contractor, Kien San Metal Sdn Bhd. Refer to license to transport, serial# 001740 valid until 30/4/17 and license to store, serial#001739 valid until 30/4/17 for the said company.</p> <p>ii) Verified 6th schedule @ consignment note for SW305 disposal on 23/3/17 collected by Kien San Metal Sdn Bhd</p>
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Audit team conclusion:	<p>Audit team have reviewed the evidence submitted and the major NC has been satisfactorily closed provided with the adequate supporting evidence for NC closure.</p> <p>Continuous implementation will be further verified in the next assessment visit.</p> <p>The major NC was closed out on 17/4/17</p>
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Ref	Area/Process	Clause
1431236-201701-M3	Palmcol Estate	Criterion 4.5.6.3

Details:	A HCV management plan was not established and effectively implemented.
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Requirements:	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.
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Objective Evidence:	No HCV management plan established based on the draft HCV assessment dated 8/12/16.
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Close Out Evidence:	Verified HCV management plan dated 4/3/17 developed based on the HCV assessment report recommendation. The plan includes protection of rivers, protection of habitat and species at risk, protection of remnant peat swamp forest, monitoring of water quality, fire prevention control and improved communication with communities to monitor results.
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Audit team conclusion:	Audit team have reviewed the evidence submitted and the major NC has been satisfactorily closed provided with the adequate supporting evidence for NC closure.
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	Continuous implementation will be further verified in the next assessment visit. The major NC was closed out on 17/4/17
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Observations / Opportunity for improvements:

Nil

3.3 Issues Raised by Stakeholders and Findings with respect to each issue

During this initial certification assessment, stakeholders were contacted through phone calls as well as private meeting conducted without the present of management team. The majority of stakeholders had positive comments about Palmcol Estate. Issues raised by stakeholders were discussed with the management and the company’s response is obtained. The detail of stakeholders comment is provided in each criterion as part of this summary report.

Local villagers/long house: There are no any issues or disputes were raised. Good relationship maintained by the mill.

Local and foreign workers: There are no any issues or disputes were raised.

Union representative: Confirmed that no any unresolved disputes or grievance.

Contractors and suppliers: Confirm that payment is made promptly and no any disputes. Contracts are transparent and legal.

Labour Department: Informed that there is no reported case of labour issue.

DOSH Department: No non-compliance issue against occupational health and safety regulations by Palmcol Estate

DOE Department, Bintulu: No non-compliance issue against environmental regulations by Palmcol Estate

NREB, Bintulu: Palmcol estate complying with its EIA/NREB requirement well.

4.0 CERTIFIED ORGANISATION’S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

4.1 Date of Next Assessment Visit
The next Assessment visit will be scheduled within 9-12 months of Palmcol Estate’s MSPO Certificate being issued.

4.2 Date of Closing Nonconformities (Major and Minor)			
NC Ref.	CLASS	ISSUED	STATUS

1431236-201701-M1	Major	21/1/2017	Closed out on 17/4/17. Applied for additional 30 days extension
1431236-201701-M2	Major	21/1/2017	Closed out on 17/4/17. Applied for additional 30 days extension
1431236-201701-M3	Major	21/1/2017	Closed out on 17/4/17. Applied for additional 30 days extension

4.3 Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
<p><i>Signed for on behalf of</i> Palmcol Estate</p>  <p>.....</p> <p>Raymond Nyian Assistant Manager Palmgroup Holdings Sdn Bhd Date : 25th July 2017</p>	<p><i>Signed for on behalf of</i> BSI Services Malaysia Sdn. Bhd</p>  <p>.....</p> <p>Mohamed Hidhir Zainal Abidin BSI Lead Auditor Date : 17th July 2017</p>

Appendix A: MSPO Initial Certification Assessment Plan

PRELIMINARY AGENDA			
Date	Time	Subjects	Hidhir
Sunday 15/1/2017	PM	Audit Team travelling to Bintulu via AK5242, ETA 1920 Check in hotel at Bintulu	√
Monday 16/1/2017	AM/PM	External stakeholder meeting (government agencies at Bintulu) NREB, DOE, DOSH, Sarawak Energy, Labor Department etc.	√
Bintulu			
Tuesday 17/1/2017	0700	Traveling to Palmgroup site (Mill and Estate)	√
Palmgroup Oil Mill	08.30 – 09.00	Opening Meeting: <ul style="list-style-type: none"> • Opening Presentation by Audit team leader. • Confirmation of assessment scope and finalize Audit plan 	√
	09.00 – 12.30	Palmgroup Oil Mill Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment.	√
	12.30 – 13.30	Lunch	√

PRELIMINARY AGENDA			
Date	Time	Subjects	Hidhir
	13.30 – 16.30	Continue with unfinished elements Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√
	16.30 - 17.00	Interim Closing briefing.	√
Wednesday 18/1/2017	09.00 – 12.30	Document Review (part 4), P1: Management commitment and responsibility, P2: Transparency	
Palmgroup Oil Mill	12.30 – 13.30	Lunch	√
	13.30 – 16.30	P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices	√
	16.30 - 17.00	Interim Closing briefing.	√
Thursday 19/1/2017	09.00 – 10.00	P4: Social responsibility, health safety and employment condition	√
Palmgroup Oil Mill	10.00 – 12.30	Internal stakeholder interviews (combined with estate's stakeholders)	
	12.30 – 13.30	Lunch	√
	13.30 – 16.30	Continue with unfinished elements P3: Compliance to legal requirement	√
	16.30 - 17.00	Interim Closing briefing.	√

Friday 20/1/2017 Palmcol Estate	08.30 – 12.30	Palmcol Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√
	12.30 – 13.30	Lunch	√
	13.30 – 16.30	Palmcol Estate Document review P1 – P6 (part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement,	√
	16.30 - 17.00	Interim Closing briefing.	√
Saturday 21/1/2017 Palmcol Estate	08.30 – 12.30	Continue with unfinished elements P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and	√
	12.20 - 13.30	Lunch	√
	13.30 – 15.30	P6 : Best practices, P7: Development of New Planting	√
	15.30 – 16.30	Verify any outstanding issues & Preparation for closing meeting	√
	16.30 – 17.00	Closing meeting & end of audit	√
	1700	Travelling back to Bintulu. Flight back to KL via MH 2747 ETD 1930	√

Appendix B: List of Stakeholders Contacted

Internal Stakeholders	External Stakeholders
Representatives from TQM Department	Department of Safety and Health
On site compliance executives	Department of Environment
Mill Manager and Assistants	Natural Resources Environmental Board Sarawak, NREB
Estate Managers and Assistants	Labour Department, Bintulu
Facility Administrators	Malaysian Palm Oil Board (on-site)
Gender Committee Representatives	General Contractor
Male and Female workers	FFB Supplier
Workers Representatives	FFB Transport contractor
Foreign Workers Representatives	Local vilagers/long house