



# Assessment Report

Date: 14<sup>th</sup> August to 18<sup>th</sup> August

# 2019

*[Disclaimer: The audit report has been generated to reflect the compliance of the company toward the MSPO standard and every criterion's have been in every effort taken to ensure the accuracy of the assessment and reporting produced. As the assessment is been carried out based on sampling, certain areas or processes may not be able to verified on its compliances. ]*

MSPO 2530:2013 Part 3

Company name	Perbadanan Kemajuan Pertanian Selangor (PKPS) 1. Ladang PKPS Sungai Panjang 2. Ladang PKPS Jelutong Jati 3. Ladang PKPS Badak 4. Ladang PKPS Kerling 5. Ladang PKPS Sungai Tinggi 6. Ladang PKPS Ulu Tinggi 7. Ladang PKPS Ulu Yam 8. Ladang PKPS Tanjung 12 9. Ladang PKPS Editas Kelatan 10. Ladang PKPS Jaguh Harmoni Sabah 11. Ladang PKPS Irat Sabah
Address	HQ address : Tingkat 10-11, Wisma PKPS, Persiaran Perbandaran, Seksyen 14,40675 Shah Alam, Selangor.
Report no	MS19MM298
Status of audit	Main Assessment If surveillance NA



## Section A General Information

General	
Audit objectives	<input checked="" type="checkbox"/> To verify that the system initial implementation is in accordance to requirements of the standard adopted. <input type="checkbox"/> To verify that the system implementation is continuously in accordance to the requirements of the standards adopted. <input type="checkbox"/> To verify that the system implementation is continuously after and in third years of implementation is in accordance to the standards adopted. <input type="checkbox"/> Other, (please specify)
Integrate Assessment	No
Issue of certificate	Yes

Scope of Certification	
Scope of certification in English	The Provision of Planting and Harvesting of Fresh Fruit Bunch (FFB) By Organised Plantation
Requirement not being applicable	P7 - Development of New Planting
Justification	The company doesn't have any new planting activities.
Other language than above	NA
Changes from Previous registration	No
Extension/changes of scope date	NA
List others sustainability certification available if applicable (eg: RSPO, ISCC, SCCS, CoGAP& etc.):	NIL

Contact Details	
Management Representative	Mr Mohamad Fadzil Bin Hitam
Alternate contacts	Siti Masayu Binti Laton
Management Representative contact no.	019-6322889 (Pn Masayu)
E-mail address	pkpssgpanjang@gmail.com, sitimasayu@pkps.gov.my
Fax Number	-
Fixed Line Number	03-55192621 (HQ)
NO OF SPOC/ GROUP MEMBERS	12

## Section B Previous Audit Result

The result of the last audit system have been reviewed, in particular to ensure appropriate correction and corrective action has been implemented to address any nonconformities identified. This review has concluded that:

<input type="checkbox"/>	No nonconformities have been raised during last assessment.
<input type="checkbox"/>	Any nonconformities identified during last previous audit have been corrected and the corrective action continuous to be effective.
<input type="checkbox"/>	The management system has not adequately addressed non conformity identified during previous audit activities and the specific issue has been re-defined in the nonconformity section of this report.

## Section C Conclusion

The audit team conducted a process based audit focusing on significant aspects/risk objectives required by the standard(s). The audit methodology used is based on 3P which were People, Paper and Practice.

The audit team concludes and express

- CONGRATULATION and has  
 CONGRATULATION however some processes need to address non-compliance(s) but others has  
 SORRY and the organization has not established and maintained its management system in line with the requirements of the standard and

- demonstrated  
 not demonstrated

the ability of the system to systematically achieved agreed requirements within the scope of the organizations.

Base on the record, there is/are NIL unresolved issue.

Therefore the audit team recommends that based on the results of this audit and the system's demonstrated state of development and maturity, management system certification be:

- Granted (initial certification or recertification)  
 Granted upon the acceptance of the noncompliance(s)  
 Continued (surveillance)  
 Continued (surveillance) upon the acceptance of the noncompliance(s)  
 Withheld  
 suspend until satisfactory corrective action(s) is completed  
 Others (please specify)

Note :

*The assessment and recommendation for the initial or continue was based on random samples and therefore nonconformities may exist which have not been identified. All the pages should be attached if the organization wishes to copy and delivered to the interested party.*

## Section D (For Recertification only)

1	The company has demonstrated effective implementation and maintenance/improvement on its management system	<input type="checkbox"/> Yes <input type="checkbox"/> No
2	The internal audit program has been fully implemented and demonstrates its effectiveness as a tool for maintaining and improving the management system.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	The management review process demonstrates its capability to ensure the continuing suitability, adequacy and effectiveness of the management system	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	The management review process demonstrates its capability to ensure the continuing suitability, adequacy and effectiveness of the management system	<input type="checkbox"/> Yes <input type="checkbox"/> No
4	Throughout the audit process, the management system demonstrates overall conformance with	<input type="checkbox"/> Yes <input type="checkbox"/> No

the requirements of the audit standard	
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## Section E Auditor and Auditees Names

CCI Assessors	Attendance during opening and closing meeting	
Team leader	Name	Designation
Mohamad Hafis Bin Mustafa	Mr Irwan Sareman Bin Abdul Hamid	Pengurus Ladang
Team member	Mr Norzakaria B. Nodin	Penolong Pengurus
Mohamad Zulkefli Bin Md Isa	Mr Syaiful Asyraf B. Lokman	Penolong Pengurus Kanan
Mohammad Hafizuddin Bin Rossley	Muhammad Ishak Arif Bin Mokhdi	Penyelia Ladang
Mohammad Zahin Bin Zaidi	Mohd Nasir B. Ahmad	Penyelia Ladang
Muhammad Syamil Bin Mat Salleh	Hafizul Hafiz Mohamed	Penyelia Ladang
Trainee auditor	Mohd Naim Mat Daud	Penyelia Ladang
NIL	Mohd Soffi b. Roslan	Penyelia Ladang
Observer	Noor Amira Bt Ruslee	Kerani
NIL	Thalina B Mahmud	Kerani
	Mohd Hasanul Azam	Kerani
	Nurul Aida Binti Mohd Hanafiah	Ketua Kerani
	Azman Jamaluddin	Pengurus Ladang Sungai Tinggi/ Ulu Tinggi
	Mohd Ismail Abdul Aziz	Penolong Pengurus Ladang Sungai Tinggi
	Agus Muallim B Mazlan	Penolong Pengurus Ulu Tinggi

## Section F Audit Process Matrix

**Next Audit Matrix (legend "☒" plan to cover & covered, "☐" for uncover)**

Planned month & year	08/2019	07/2020	07/2021	07/2022	07/2023
Internal Audits	☒	☒	☒	☒	☒
Stakeholder consultation / survey	☒	☒	☒	☒	☒
Use of logo	☒	☒	☒	☒	☒
Follow-up from previous audit finding	☒	☒	☒	☒	☒
<b>4.1 Management Commitment &amp; Responsibility</b>					
4.1.1 MSPO Policy	☒	☒	☒	☒	☒
4.1.2 Internal audit	☒	☒	☒	☒	☒
4.1.3 Management Review	☒	☒	☒	☒	☒
4.1.4 Continual Improvement	☒	☒	☒	☒	☒
<b>4.2 Transparency</b>					
4.2.1 Transparency of information and documents relevant to MSPO requirements	☒	☒	☒	☒	☒

4.2.2 Transparent method of communication and consultation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.2.3 Traceability	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>4.3 Compliance to legal requirements</b>					
4.3.1 Regulatory requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.3.2 Land use rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.3.3 Customary rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>4.4 Social responsibility, health, safety and employment condition</b>					
4.4.1 Social impact assessment (SIA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.2 Complaints and grievances	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.3 Commitment to contribute to local sustainable development	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.4 Employees safety and health	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.5 Employment conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.6 Training and competency	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>4.5 Environment, natural resources, biodiversity and ecosystem services</b>					
4.5.1 Environmental management plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.2 Efficiency of energy use and use of renewable energy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.3 Waste management and disposal	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.4 Reduction of pollution and emission	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.5 Natural water resources					
4.5.6 Status of rare, threatened, or endangered species and high biodiversity value area	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.7 Zero burning practices	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>4.6 Best Practices</b>					
4.6.1 Site management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.2 Economic and financial viability plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.3 Transparent and fair price dealing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.4 Contractor					
<b>4.7 Development of new planting</b>					
4.7.1 High biodiversity value	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.2 Peat land	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.3 Social and Environmental Impact Assessment (SEIA)	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.4 Soil and topographic information	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.5 Planting on steep terrain, marginal and fragile soils	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.6 Customary land	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>GROUP MEMBER- YEARLY SAMPLING MATRIX</b>	<b>Initial audit</b>	<b>Surv 1</b>	<b>Surv 2</b>	<b>Surv 3</b>	<b>Surv 4</b>
Estate 1	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Estate 2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Estate 3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Estate 4	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Estate 5	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Estate 6	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Estate 7	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Estate 8	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Estate 9	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Estate 10	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Estate 11	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Assessment man days for the next assessment : 6\_md. Recertification: 2023

Note: Recertification should be carry out minimum 2 months prior to the expiry of the certificate

## Section G Audit Summary

### Summary of Area Audited

BUSINESS AREAS	DETAILS OF AUDITED SUMMARY	
Auditor	Date	Time
MH/HF/ZU/ML/ZM	14-18/8/2019	8.30
<p>Opening Meeting</p> <ol style="list-style-type: none"> <li>introduction of the participants, including an outline of their roles;</li> <li>confirmation of the scope of certification;</li> <li>confirmation of the audit plan (including type and scope of audit, objectives and criteria), any changes, and other relevant arrangements with the client, such as the date and time for the closing meeting, interim meetings between the audit team and the client's management;</li> <li>confirmation of formal communication channels between the audit team and the client;</li> <li>confirmation that the resources and facilities needed by the audit team are available;</li> <li>confirmation of matters relating to confidentiality;</li> <li>confirmation of relevant work safety, emergency and security procedures for the audit team;</li> <li>confirmation of the availability, roles and identities of any guides and observers;</li> <li>the method of reporting, including any grading of audit findings;</li> <li>information about the conditions under which the audit may be premature terminated;</li> <li>confirmation that the audit team leader and audit team representing the certification body is responsible for the audit and shall be in control of executing the audit plan including audit activities and audit trails;</li> <li>confirmation of the status of findings of the previous review or audit, if applicable;</li> <li>methods and procedures to be used to conduct the audit based on sampling;</li> <li>confirmation of the language to be used during the audit;</li> <li>confirmation that, during the audit, the client will be kept informed of audit progress and any concerns;</li> <li>opportunity for the client to ask questions.</li> </ol> <p>Closing Meeting</p> <ol style="list-style-type: none"> <li>informing the client that the audit evidence collected was based on a sample of the information; thereby introducing an element of uncertainty</li> <li>the method and timeframe of reporting, including any grading of audit findings;</li> <li>the certification body's process for handling nonconformities including any consequences relating to the status of the client's certification;</li> <li>the timeframe for the client to present a plan for correction and corrective action for any nonconformities identified during the audit;</li> <li>the certification body's post audit activities;</li> <li>information about the complaint handling and appeal processes.</li> <li>Any diverging opinion that are not resolved.</li> <li>opportunity for the client to ask questions.</li> </ol>		
<b>Executive Summary</b>		
<p>Perbadanan Kemajuan Pertanian Selangor (PKPS) has commissioned CARE Certification International (M) Sdn Bhd to conduct MAV (Murveillance Assessment Visit ) for its 11 palm oil estates according to the requirements of MS 2530-3:2013 General Principles for Oil Palm Plantations and Organized Smallholders commencing 14th to 18th August 2019 covers the following activities but not limited to below:</p> <ul style="list-style-type: none"> <li>Onsite visit, observations and inspections of estate facilities and field activities</li> <li>Interview operation personnel and field workers for understanding for the work assigned</li> <li>Reviewed revised and updated documentation established and implemented</li> <li>Operating records;</li> <li>Training records;</li> </ul>		

- Reports established;
- Work plans established;
- Stakeholders consultation meeting;
- Review and closed out of non-conformance raised during FAV (First Assessment Visit) audit;
- Assessment reporting;

#### Assessment Approach

This is Group certification where the company hold 4 estates under their management. The determination of the sample size are as per Malaysian Sustainable Palm Oil (MSPO) Risk Management (Doc No: MPOB/MSPO/RMP/06 dated 19 Nov 2013). The audit was based on the MSPO2503:2013 Part 3 Standard, procedure and other applicable requirements.

Below are the total estate company name :

1. Ladang Sg. Panjang
2. Ladang Jelutong Jati
3. Ladang Badak
4. Ladang Kerling
5. Ladang Irat Sabah
6. Ladang Jagoharmoni
7. Ladang Editas
8. Ladang Tanjung 12
9. Ladang Sg. Tenggi
10. Ladang Ulu Yam
11. Ladang Ulu Tinggi

#### Calculation of sampling

Stage 2 audit was held on 14-18/8/2019 where the sample size of the audit is 3 estate. The calculation of the sample size determination are as below:

$$S = \sqrt{n} (RF)$$

S= sample size, n= number of estate, RF= Risk Factor

$$S = \sqrt{11} (1.5) = 3.46 \times 1.5 = 4.97$$

S= 5 estates

Base on sampling , all 6 estates were involve in the assessment.

The estate involve for this period of assessment as per below :

- i. Ladang Sg. Panjang
- ii. Ladang Jelutong Jati
- iii. Ladang Sungai Tenggi Selatan
- iv. Ladang ulu Tinggi
- v. Ladang Editas

The assessment was based on random samples and therefore nonconformities may exist that have not been identified. This report was externally reviewed by MSPO approved Peer Reviewer prior to certification decision by Care Certification International Sdn Bhd. The comments made by external stakeholders were also taken into account in the assessment where the stakeholder notification was made through email and via phone call.

The audit was lead by Mohamad Hafis Bin Mustafa who are having experience in palm oil industry for almost

5 years with background education in biodiversity and working experience as safety and sustainability practitioner. Below are the co auditor details background :

i. Mr Mohamad Zulkefli bin Md Isa who are have almost 8 years in the sustainable certification and other management system certification such as RSPO, ISCC, ISO 14001, ISO9001 etc and also attended the MSPO Lead Assessor Course conducted by SIRIM

ii. Mr Mohamad Hafizuddin Bin Rossley who are have almost 8 years in the sustainable certification and other management system certification such as RSPO, ISCC, ISO 14001, ISO9001 etc and also attended the MSPO Lead Assessor Course conducted by SIRIM.

iii. Mr Mohammad Zahin Bin Zaidi who are graduated in Australian National University with 5 years of experience in plam oil Plantaion Industry. Involved in ISO 9001 since year 2013. Attended various leadership, environmental, quality and safety training courses, seminar and programmes. Completed attend (ISO 9001:2015, ISO 14001:2015, Lead Auditor course and MSPO lead auditor course etc. Able to speak and understand Bahasa Malaysia and English.

iv. Mr Muhammad Syamil Bin Mat Salleh as Auditor for Good Practice in Operational Management and Palm Oil Mill with experiences 9 year in upstream milling opeartion and has attended the MSPO training and integrated Environment and Quality standard system.

The Stakeholder consultation was conducted by Mr. Mohammad Hafizuddin Bin Rossley and Mr. Muhammad Syamil Bin Mat Salleh.

#### Stakeholder Consultation

During audit on 15/08/2019, Care Certification International has interviewed random stakeholder for the response toward estate. Stakeholder interviewed as below:

1. Mr. Mohd Muhibbudin - Mandore harvesting ladang Sg. Panjang
2. Deepak Razbhar - mandore upkeep Ladang Sg. Panjang
3. Mr Mohd Razif - Projek Ternakan Lembu PKPS
4. En Mohamad Sampaden - Jaringan Engineering Sdn Bhd (contractor Internal FFB Transport)
5. En Alias Bin Mawan - neighbour estate Ladang Gagasan (Assistant Manager)
6. Mr. Noor Hafifi Bin Noor Mohamad - Green World Genetics Sdn. Bhd (Contractor)
7. Mr. Lutfi Shah Rashidi Bin Ab Malek - Ternakan ayam daging PKPS ulu tinggi (Neighbour Estate)
8. En. Asyraf - Mandore harvesting ladang Sg. Tenggi
9. En Rasyid - Employee representative ladang Sg. Tenggi
10. En Salimi - Supervisor ladang Ulu Tinggi

Issues discussed such:

1. Complaint

- There is no complaint has been raised during stakeholder consultation. All Stakeholder understand the grievances procedure practices by the management.

2. Positive Practices :

i. All stakeholder has compliment the estate management which has gave a good rapport with stakeholder.

ii. Understand the purpose of MSPO.

iii. Timely payment to supplier and no outstanding payment to supplier.

In conclusion, the stakeholder meeting were undergone successfully with no complaint and stakeholder aware on the requirement of MSPO and detail on MSPO such estate complaint procedure, requirement with

act for contractor, agreed to be audited by MSPO auditor & etc.

**Estates Information**

**LIST OF GROUP MEMBERS**

**1. ESTATE INFORMATION**

<b>NAME OF ESTATE</b>	<b>LOCATION</b>	<b>COORDINATE</b>
Ladang Sungai Panjang	Lot 5902 & Lot 9036, Mukim Sungai Panjang, 44010 Sabak Bernam, Selangor.	3.654589, 101.282384
Ladang Jelotong Jati	Ladang PKPS, Jelotong Jati, Lot 6447, Mukim Sungai Panjang, 44010 Sabak Bernam, Selangor.	3.677179, 101.329578
Ladang Badak	Ladang PKPS Sg. Panjang Division Badak, Lot 35329, Mukim Sungai Panjang, 44010 Sabak Bernam, Selangor	3.659656,101.335403
Ladang Sungai Tenggi	Sungai Tenggi Selatan, KM 22, Jalan Bestari Jaya, Sungai Tenggi, 44010 Kuala Kubu Bharu, Selangor	3.5415926,101.454844
Ladang Ulu Tinggi	Lot PT 610, Mukim Ulu Tinggi, 45600, 45500 Bestari Jaya, Selangor	3.445022,101.4169864
Ladang Editas	Lot PT610, Mukim Ulu Tinggi, 45600, 45500 Bestari Jaya , Selangor	4.4456, 101.5329
Ladang Kerling	Kg. Orang Asli Kerling Batu 6.44010 Kuala Kubu Bharu Selangor Darul Ehsan	3.540056 101.564473
Ladang Ulu Yam	Ulu Yam, Batang Kali, Selangor Darul Ehsan	3.379057,101.678272

Ladang Tanjung 12	Kg Olak Lempit , 42700 Banting, Selangor Darul Ehsan	2.851183, 101.595947
Ladang Jagoharmoni	Peti Surat 61672,91125 Lahad Datu, Sabah	5.384858 118.120387
Ladang Irat Sabah	Peti Surat 61672,91125 Lahad Datu, Sabah	5.384858 118.120387

## 2. AREA STATEMENT AND FFB FORECAST

ESTATE	TOTAL AREA (HA)	PLANTED AREA (HA)	FFB TON/ YEAR (2018)	YIELD TON/ YEAR
Ladang Sungai Panjang	1176.40	973	20246.07	21.07
Ladang Jelutong Jati	479.03	366	4966.49	14.48
Ladang Badak	330.50	317	4149.87	13.39
Ladang Sungai Tenggi	115.08	185	3953.37	21.37
Ladang Ulu Tinggi	689.389	332.2	2112.33	6.35
Ladang Editas	1147.59	588	6083.4	10.34
Ladang Editas	374.9	219	3236.88	14.78
Ladang Ulu Yam	80.39	44	639.77	14.54
Ladang Tanjung 12	100.89	92	1606.92	17.47
Ladang Jagoharmoni	615.9	567.15	12906.47	22.76
Ladang Irat Sabah	1005.4	848.44	18779.61	22.13
<b>TOTAL</b>	<b>6115.469</b>	<b>4531.79</b>	<b>78681.18</b>	<b>17.36</b>

P1: Management Commitment & Responsibility		
Criterion 1	Malaysian Sustainable Palm Oil (MSPO) Policy	
Indicator	Requirement	Findings
4.1.1.1	A policy for the implementation of MSPO shall be established	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted MSPO Policy signed by the Group General Manager, Tn Hj Tamby Omar Mohamed in November 2018. The policy clearly indicated the Companies' commitment in adhering to the MSPO's 7 key principles.</p> <p>Ladang Editas Sighted the communication of the policy by displayed he policy at the notice board. Policy was brief to workers during morning muster. Verified the "Buku Taklimat- Master Call" and sighted policy been brief on 14/08/2019, 08/08/2019.</p>		
4.1.1.2	The policy shall also emphasize commitment to continual improvement.	

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi It was noted that the Companies' MSPO Policy had also dedicated an emphasis towards continual improvement by providing sufficient resources in manpower, processes and technology in order to ensure the continuous production of oil palm products in a sustainable manner.		
Criterion 2	Internal Audit	
Indicator	Requirement	Findings
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.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted the Internal Audit schedule communicated on 18 March 2019 by the Group Deputy General Manager, Tn Hj Mohammed Fadzil Hitam; and the internal audit for Ladang Sungai Panjang, Ladang Jelutong Jati and Ladang Badak was conducted on 10-11 April 2019. Verified the internal audit report for Ladang PKPS Ulu Tinggi 7 Major NC and 3 minor NC were raised.  Sighted and verified the Internal Audit report, Doc No: PKPS-AD-B06/EST.LSP.LJJ.LB dated 30 June 2019.  Verified in Internal Audit Procedure, document number PKPS/SOP/E-01, edition 01/2019, revision 0, dated 1 February 2019; that internal audit shall be conducted at least once in 12 months.		
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	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Verified Internal Audit Report dated 30 April 2019. Verified NIL NC raised in the internal audit report. Noted that, in the report, 12 Major NC's, 1 Minor NC and 6 OFI's. Verified the internal audit report for Ladang PKPS Ulu Tinggi 7 Major NC and 3 minor NC were raised.  Sighted the Corrective Action Plans. All NC's were answered and submitted to HQ for verification on 26 June 2019.		
4.1.2.3	Report shall be made available to the management for their review.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Management Review Meeting (MRM) conducted on 11 July 2019. All findings arising from the Internal Audit conducted on 18 June 2019 were tabled during the meeting.		
Criterion 3	Management Review	
Indicator	Requirement	Findings
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.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi It was noted that the Management Review Meeting was held on 11 July 2019. According to the minutes of the Management Review Meeting approved by Tn Hj Tamby Omar bin Mohammed (Group General Manager) on 16 July 2019, the meeting addressed the following matters:  i) Results of internal & external audit ii) MSPO internal audit feedbacks iii) Stakeholders feedbacks & complaints		

iv) Legal compliance v) Land matters vi) Water management vii) Storage and safe use of agrochemicals viii) Training programme ix) Control of documents and records x) Waste management and power consumption xi) Social impact assessment		
Criterion 4	Continual improvement	
Indicator	Requirement	Findings
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted and verified the management had listed the document for continual improvement plan for MSPO implementation. Below are the facility or document been recorded and filed : 1. Conducted Social Impact Assessment (SIA) 2. Environmental Impacts and Aspects Assessment. 3. Other continual improvement plans: i) "Pelan Penambahbaikan Pengurusan Sosial 2019/2020/2021" ii) "Pelan Penambahbaikan Pengurusan Bahan Buangan 2019/2020/2021" iii) "Pelan Penambahbaikan Ladang PKPS Sg Panjang" iv) "Pelan Penambahbaikan Pengurusan Alam Sekitar 2019/2020/2021" v) MSPO Internal Audit Plan 2019		
4.1.4.2	The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology, where applicable, that are available and feasible for adoption.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted "Pelan Penambahbaikan Ladang PKPS SG Panjang", "Pelan Penambahbaikan Pengurusan Alam Sekitar 2019/2020/2021" and "Pelan Penambahbaikan Pengurusan Bahan Buangan 2019/2020/2021".  Any intentions or plans to adopt new information, techniques, industry standards or technology are incorporated into the above-mentioned plan for consideration and deliberation.		
4.1.4.3	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted "Training Programme c/w Training Matrix - Year 2019" which incorporates training plans for any adoption of new techniques, standards and technologies		
<b>P2: Transparency</b>		
Criterion 1	Transparency of information and documents relevant to MSPO requirements	
Indicator	Requirement	Findings
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.	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Noted the provision of an SOP "Pengendalian Dokumen dan Data", document number PKPS/SOP/D01-8 dated 1 April 2019; outlining the procedures pertaining appropriate and effective communication approaches.</p> <p>An interview with the Management Representative indicated that the relevant stakeholders are communicated mainly via mail, teleconversation or face-to-face communication.</p>		
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.	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi According to the Management Representative, all non-confidential management documents are being made available and accessible to the public upon their request.</p>		
Criterion 2	Transparent method of communication and consultation	
Indicator	Requirement	Findings
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Noted the provision of an SOP "Pengendalian Dokumen dan Data", document number PKPS/SOP/D01-8 dated 1 April 2019; outlining the procedures pertaining appropriate and effective communication approaches.</p>		
4.2.2.2	A management official shall nominated officials at the operating unit responsible for issues related to indicator 1 (4.2.2.1)	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak It was noted that 2 Asst Managers, 5 field supervisors, 1 storekeeper, 1 foreman and 3 office clerks were appointed as the Company's Management Representatives (MR). The duty of the MR's, according to the letters of appointment dated 2 July 2018, covers liaison with external parties on matter related to MSPO.</p> <p>OBS01: Ladang Sg. Tenggi - It was observed that appointment letter for Mohd Ismail Bin Abdul Aziz, Lukmanulhakim Bin A.Hadi, Hilal Azri Bin Rosman and Zamnor Bin Ibrahim as Responsible Officer for MSPO Certification in a general statement. It can be improved by stated the job description for each individual.</p>		
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.	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Sighted the list of stakeholders. There is a total of 72 stakeholders comprising individuals from different organisations populated in the list.</p> <p>Minute of External Stakeholder Meeting for Ladang PKPS Sg Panjang 2018 dated 21 November 2019 was sighted.</p> <p>Documented communication between the Company and stakeholders were sampled:</p>		

- i) "Mesyuarat Pihak Berkepentingan (Stakeholder) ke Arah Pensijilan Malaysian Sustainable Palm Oil (MSPO) Ladang Perbadanan Kemajuan Pertanian Selangor", dated 31 October 2018, sent to Edaran Badang Sdn Bhd
- ii) "Surat Jawapan Kehadiran - Mesyuarat Pihak Berkepentingan (Stakeholder) ke Arah Pensijilan MSPO Ladang Perbadanan Kemajuan Pertanian Selangor", dated 9 November 2018, sent by Bulan Sabit Merah Malaysia

Ladang Ulu Tengi

Verified the list of stakeholder with total 59 stakeholders including external and internal stakeholders on 21/11/2018. There is no complaint from stakeholders at this time of review.

Ladang Editas

Verified the list of stakeholders established by the management as below:

- a) Local Community List- listed KLS Forest Plantation Bhd, Foo Teok Woon, Lieu Ngoc Phuong, Chua Seng Giap
- b) Suppliers/ Contractors- listed- GM United Electric, Nafas Jentera Sdn Bhd, Jelai Raya Resources
- c) Government Agencies- MPOB Machang, JTK Kuala Krai, JKPP Kelantan, Pejabat Tanah Dan Jajahan Gua Musang etc

Criterion 3		Traceability
Indicator	Requirement	Findings
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).	Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tengi, Ladang Ulu Tinggi Sighted an SOP "Pengendalian Buah Tandan Segar (BTS), document number PKPS/SOP/A01-46, dated 1 February 2019. The SOP outlines the requirement for proper recording system at different stages of FFB production pipeline.  Ladang Editas Management established procedure as per "Carta Alir (Traceability Penilaian & Penghantaran BTS) dated 01/08/2019. Refer to the prosedur all FFB will record to Buku Rekod Tandan, Checkroll Book etc.
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system	Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tengi, Ladang Ulu Tinggi Verified the system inspected regularly by appointed person. Sighted evidence signature of the record as regular inspection have done regularly.  Ladang Editas Mr Zuhairi bin Ibrahim will monitor the traceability system by conducting the regular inspection as per "Pemeriksaan Bulanan Kebolehejakan". Verified the record of inspection for month of Jan, Feb & Mar 2019
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system	Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak It was noted that 2 Asst Managers, 5 field supervisors, 1 storekeeper, 1 foreman and 3 office clerks were appointed as the Company's Management Representatives (MR). The duty of the MR's, according to the letters of appointment dated 2 July 2018, covers maintenance of the records, to ensure records is controlled

as per procedure.

#### Ladang Editas

Mr Zuhairi bin Ibrahim will monitor the traceability system by conducting the regular inspection as per "Pemeriksaan Bulanan Kebolehejakan". Verified the record of inspection for month of Jan, Feb & Mar 2019

#### OBS02:

Ladang Sg. Tenggi - It was observed that appointment letter for Mohd Ismail Bin Abdul Aziz, Lukmanulhakim Bin A.Hadi, Hilal Azri Bin Rosman and Zamnor Bin Ibrahim as Responsible Officer for MSPO Certification in a general statement. It can be improve by stated the job description for each individual.

#### 4.2.3.4

Records of sales, delivery or transportation of FFB shall be maintained.

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

Verified record available:

#### Sales-

Poh Lim Enterprise (Collector)

Weighing Slip Serial No.: 0726690

Vehicle No.: WV6127

Nett Weight: 27,080kg

Date received: 8 June 2019

#### Estate-

Weighing Bridge Ticket No: S0002222

Vehicle No: WVN9061 (97B2 Jelutong Jati), BPM5748 (97B Jelutong Jati, 97B1 Jelutong Jati, Badak), BLT5264(11A Sg Panjang), VAD8342 (98C Sg Panjang)

Date: 7 June 2019

#### Ladang Ulu Tenggi

Verified Mill weighbridge ticket from Syarikat Cahaya Muda Perak (Oil Mill) Sdn. Bhd. with customer L.C.Hing Enterprise where Ladang PKPS Sg. Tenggi Selatan sell their FFB, so the Mil issued FFB ticket using L.C.Hing Enterprise then estate as last participant :

i) Date 17/07/2019, Ticket No.0729279, First Weight 41910kg, Second Weight 17110kg, Net Weight 24800kg

ii) Date 20/07/2019, Ticket No.0729514 , First Weight 40010kg, Second Weight 18020kg, Net Weight 21990kg

Observe the traceability of FFB delivery to the mill were recorded in a proper filing maintaining by the clerk.

Seen evidence of record of Sales Bill invoices from the L.C.Hing Enterprise Sdn. Bhd. Observe details of summary tonnage of FFB despatch and pricing were clearly stated inside the invoice.

#### Ladang Editas

Sighted the records available for the FFB delivery to the plam oil mill as below:

a) Buku Rekod Tandan Sawit- consist of info Block and Date., verified the harvesting dated 01/07/2019 a BLock 94A

b) Estate Weighbridge Ticket dated 17/08/2019- Serial# S6680

c) Nota Hantaran BTS- No: 12742 dated 17/08/2019

Observe the traceability of FFB delivery to the mill were recorded in a proper filing maintaining by the clerk.

Seen evidence of record of Sales Bill invoices from the L.C.Hing Enterprise Sdn. Bhd. Observe details of summary tonnage of FFB despatch and pricing were clearly stated inside the invoice.

**P3: Compliance to legal requirements**

Criterion 1	Regulatory requirements	
Indicator	Requirement	Findings
4.3.1.1.	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations	

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

Verified the license and permit available.

- 1) MPOB - Menjual dan mengalih FFB #615683002000 due date 31/08/2020 - Ladang Badak  
#503305802000 due date 31/03/2020 - Ladang Jelutong Jati  
#501394402000 due date 31/03/2020 - Ladang Sg Panjang
- 2) Perakuan Penentuan Timbang dan Sukat No. B1341440 for 80MT, due date 21/4/2019
- 3) KPDNHEP - Membeli dan menyimpan Diesel - Kuantiti Simpanan: 10,000 Liter, due date 3/3/2020
- 4) Fire extinguisher for 21 units, due date 25/6/2020

Ladang Sg. Tenggi

Verified the license and permit available.

- 1) MPOB - Menjual dan Mengalih FFB (Buah Kelapa Sawit) Licence No: 596023002000 Tempoh: 01/04/2019 - 31/03/2020
- 2) MPOB - Menghasilkan, Menjual dan mengalih, Menyimpan (SLGBiji), License No: 573044011000 Tempoh : 01/06/2019 - 31/05/2020
- 3) KPDNKK - Permit Barang Kawalan Berjadual (Diesel Euro 2M) Ref No : SL/KKB 008/2018 SK, Tempoh : 29/07/2019 - 28/07/2020

Ladang Ulu Tinggi

- 1) MPOB - Menjual dan mengalih FFB License No: 599239002000 Tempoh: 01/07/2019 - 30/06/2020

Ladang Editas

Verified all license and permit required for the operation as below:

- a) MPOB License- Lesen#616872002000 - valid until 31/10/2020
- b) Air Compressor- DOSH Permit- MPT-KN/19 06028- Valis until 14/10/2020
- c) Perakuan Kelayan Perumahan- Kelulusan# JTK KEL 57/2019

CAR01:

1. Ladang Editas - Site visit and interview Kandri and no evidence of the valid working permit.
2. Ladang Sg. Panjang - It was noted that the Estate has yet to send its personnel for scheduled waste management competency training. Such finding does not conform with the Environmental Quality Act 1974, Section 49A Competent Person.

OBS03:

Ladang Sg. Tenggi - To label the skid tank as per Permit #SL/KKB008/2018SK on Term & Condition page at

clause 6 for detail information such i) References permit no., ii) Name, iii) Address, iv) Phone number of person incharge.	
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi List of legal requirement register was made available during document review. The register encompasses all legal requirements pertaining safety & health, employee's welfare, environment, pesticides and other areas deemed by the Management as relevant to the Estate's daily operations.	
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.
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Verified the legal requirement register was true as to date. According to the Management Representative, any enforcement of new laws and/or amendment of the current laws shall be incorporated into the legal register.	
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak It was noted that 2 Asst Managers, 5 field supervisors, 1 storekeeper, 1 foreman and 3 office clerks were appointed as the Company's Management Representatives (MR). The duty of the MR's, according to the letters of appointment dated 2 July 2018, covers monitoring compliance and update changes in regulatory requirement.  Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted appointment letter for Puan Nor Azura Binti Zainal Abidin from HQ as responsible person for monitor compliance in regulatory requirements dated October 2018 signed by Timbalan Pengurus Besar (Operasi), Mr. Mohamad Fadzil Bin Hitam.  Ladang editas Mr Nur Faten Fatimah binti Rahaini been nominated as person responsible to monitor compliance of regulatory requirement, track and update the changes in regulatory requirement, perform any further function that may be required by employer to enable the implementation of MSPO.  CAR02: Ladang Editas - No evidence on the legal requirement was updated	
Criterion 2	Land used right
Indicator	Requirement Findings
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak All lands under PKPS Sg Panjang are under leasing contracts with the State Government. Discussion with personnels/entities neighbouring to the Estate confirms that the Estate did not encroach or operate within their lands.  Legal boundary stones were sighted during the field walkabout; clearly distinguishing the boundaries of land ownership. No Estate palms were planted beyond the established boundaries.	

Ladang Editas

Sighted the estate map and the palm oil area within the area stated in the estate map and land title. Map file as below:

a) Ruj Pejabat Tanah: PTGM 366/2/2011

During site visit, sighted all the palm tree are within the estate boundary.

Legal boundary stones were sighted during the field walkabout; clearly distinguishing the boundaries of land ownership. No Estate palms were planted beyond the established boundaries.

4.3.2.2

The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

Sg. Panjang

Verified a total of 2 land titles leased by the State Government to PKPS:

- i) No Lot 9036, 121.4Ha, Land Use - Pertanian, Syarat Nyata - Tanaman kekal am
- ii) No Lot 5902, 1055Ha, Land Use - Pertanian, Syarat Nyata - Tanaman kelapa sawit

Jelutong Jati

Verified a total of 3 land titles leased by the State Government to PKPS:

- i) No Lot 6447, 403.9Ha, Land Use - Pertanian, Syarat Nyata - Tanaman kelapa sawit
- ii) No Lot 35326, 58.68Ha, Land Use - Pertanian, Syarat Nyata - Nil

Badak

Verified a total of 1 land title leased by the State Government to PKPS:

- i) No Lot 35329, 330.5Ha, Land Use - Pertanian, Syarat Nyata - Nil

Verified the company were own total 3 land grant and seen evidence of land tax payment been paid yearly.

Ladang PKPS Sg. Tengi Selatan

Sample of grant as per below :

No Hakmilik : 48346

No PT : PT 1683

Total area : 264.06 Ha

Category of land use : None

No Hakmilik : 48347

No PT : PT 1684

Total Area : 602.66 Ha

Category of land use : None

Ladang PKPS Ulu Tinggi

No. Hakmilik : 5396

No PT : PT610

Total Area : 347.189 Ha

Category of land use : Agriculture

Syarat Nyata : Ternakan darat (am)

Hakmilik : 22312

No Lot : Lot 2506

<p>Total Area : 342.2 Ha  Category of land use : Agriculture  Express Condition : Tanaman Kekal Am</p> <p>Ladang Editas  Verified the land title and information are as below:  No H.S.(D) : 6073  No PT : PT 5524  Kategori Penggunaan: Pertanian  Syarat Nyata: Kelapa Sawit</p> <p>OBS04:  1. Ladang Ulu Tinggi - Observed the 'syarat nyata' for land grant PT610 is for 'Ternakan darat' and noted that the management has submitted the application to amend 'Syarat Nyata' to Pejabat Tanah Dan Daerah Kuala Selangor on 29 January 2019. The application still pending at Pejabat Tanah.  2. Ladang Jelutong Jati - Land title for Lot 35327 Division Jelutong Jati is in the midst of issuance by the Land Department. PKPS has submitted their request for the land title issuance on 7/8/2019.</p>		
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  Boundary stones were sighted during field walkabout across Sg Panjang, Jelutong Jati and Badak. The stones were clearly marked and visible from a reasonable distance.</p> <p>Ladang Sg. Tenggi, Ladang Ulu Tinggi  Boundary pegs/pole were sighted during field walkabout across Ulu Tinggi and Sg. Tenggi. The pegs/pole were clearly marked and visible from a reasonable distance.</p>		
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).	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi  As of to date, there has been no disputes between the Estate and other external parties regarding land matters.</p>		
Criterion 3	Customary rights	
Indicator	Requirement	Findings
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.	
No customary rights that the Estate needs to observe and honour within its operating parameter		
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available	
No customary rights that the Estate needs to observe and honour within its operating parameter		
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.	
No customary rights that the Estate needs to observe and honour within its operating parameter		

P4: Social responsibility, health, safety and employment condition		
Criterion 1	Social impact Assessment (SIA)	
Indicator	Requirement	Findings
4.4.1.1	Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Sighted SIA (Laporan Penilaian Impak Sosial) Reports dated Dec 2018 and found the estate management had identified social impact and action plan as per below :</p> <p>1) To dislodge the septic tank for each workers housing 2) To repair workers housing quarters</p> <p>The issues have been taken care of by: 1) Done sludging of septic tank on Mac 2019 2) Done housing maintenance on feb 2019.</p> <p>Ladang Ulu Tinggi As per Social Impact Assesment were done on 31/12/201 conducted by Muhamad Salimi Khairudin.</p> <p>Below are the details of action plan been established based on SIA :</p> <p>i. Domestic waste management - to improve domestic waste management system - land fill has been installed with fencing and sign board ii. Not enough rubbish bin at workers quarters - addition of 4 rubbish bin to meet the needs at workers quarters.</p>		
Criterion 2	Complaints and grievances	
Indicator	Requirement	Findings
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted the Prosedur Pengaduan Awam dated on 1/11/2018. . Complaints and grievances are recorded in Fail Borang Aduan. Verified the Borang Aduan has been documented and response to the complaint had been been made within 2 weeks as mention inside the procedur "Prosedur Pengaduan Awam".</p>		
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.	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak The Borang Aduan Ketidakpuasan stated the complainer details including Name, contact no, details of complaint, closing issue date, action taken, acknowledge by complainer.</p> <p>Sighted all the issue had been resolve at appropriate time within 2 weeks.</p> <p>Ladang PKPS Ulu Tinggi Verified there is one complaint from workers regarding low water pressure and insufficient of rubbish bin at workers housing on 03/02/2019. Management has take action on 04/02/2019 to repair water pump and addition of rubbish bin. The complain has been resolve and accepted by all parties on 05/02/2019.</p>		

4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Editas From site visit verified the complaint form are provided at office and guard post. Site inspection and interview with 5 workers found that the workers were aware on the complaint box and procedure.</p> <p>Ladang Ulu Tinggi, Ladang Sg. Tinggi Sighted complaint form was located at the security Post and at the management office.</p>		
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Editas The employee and surrounding community are aware with the complaint procedure was done during: 1) Announcement made to the workers during muster row call. 2) Brief to the stakeholder during stakeholder meeting dated on 21/11/2018</p> <p>Ladang Ulu Tinggi The employees and stakeholders had been made aware with the complaint procedure during Internal Stakeholder meeting on 01/02/2019 and External Stakeholder meeting on 21/11/2018</p>		
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Seen the document has been kept by each individual estate.</p> <p>OBS05: Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak - To add retention period in the procedure complaint to ensure complaint and resolution record for last 24 month were kept and can be made available upon request.</p>		
Criterion 3	Commitment to contribute to local sustainable development	
Indicator	Requirement	Findings
4.4.3.1	Growers should contribute to local development in consultation with the local communities.	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Verified CSR based on interview with management, documented evidence and interview with the workers: Documented CSR Records is available in file no: 47. Sample: 1. Provide van for transportation to the clinic for the workers. 2. Provide transport for children to go to school - Sekolah Rendah Kebangsaan Soeharto 3. Create event of PKPS Family day 4. Hari Raya contribution to the estate workers</p> <p>Ladang PKPS Ulu Tinggi Verified CSR ( Corporate &amp; Social Responsibility ) were done by estate management as been recorded inside CSR logsheet : i. Donation to Maahad Tahfiz Ummul Qura' on 19/04/2019</p> <p>Found involvement of management with local communities were observe as shown in the CSR file.</p>		

Criterion 4	Employees safety and health	
Indicator	Requirement	Findings
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented	
	<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Editas</p> <p>The Occupational Safety &amp; Health Management Policy had been established and implemented by the Estate. The policy was signed by the Group General Manager - Hj Tamby Omar and displayed prominently on notice boards and been brief to the workers during muster row call dated on 22/3/2019. The Policy is implemented through the OSH activities by the on-site Plantation staff. Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees and visitors. In interviews with the workers and staff during the site visit revealed that the employees had been briefed and had understood the policy.</p>	
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	
	<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak</p> <p>Seen the OSH policy communicated:</p> <ol style="list-style-type: none"> <li>1. The OSH policy sighted by display at the office notice board,</li> <li>2. Briefing during muster row call on 22/3/2019.</li> </ol> <p>Explained the policy to the stakeholder during the stakeholder meeting dated 21/11/2018.</p> <p>Ladang Ulu Tinggi, Ladang Sg. Tenggi</p> <p>Sighted the policy have been brief in Stakeholder meeting and displayed in notice board. Verified during site visit the awareness on safety policy is well versed to the employee and as interview with the employee they are aware on the safety policy.</p>	
	b) The risks of all operations shall be assessed and documented	
	<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak</p> <p>The estates had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. At the estates, among the HIRARC covered activities are:</p> <ol style="list-style-type: none"> <li>1. Pest &amp; Disease – Rat Baiting</li> <li>2. Weeding – Spraying</li> <li>3. FFB collection</li> <li>4. Pruning – Cutting &amp; Stacking Fronds</li> <li>5. Office operation</li> <li>6. Workshop Operation</li> <li>7. Harvesting</li> </ol> <p>b) The HIRARC assesments was prepared by En Syaiful Asraf Bin Lokman, Assistant Manager on 1/3/2019. The HIRARC assessments was approved by En Irwan Sareman Bin Abdul Hamid, Plantation Manager on 1/07/2019</p> <p>They are made on annual basis or whenever a situation deemed necessary in event of accident or new machinery / work process. All HIRARC prepared were adequate to address any situation of the risk management. All HIRARC were verified and approved accordingly.</p>	

Four CHRA assessment documents for PKPS Sg. Panjang.

Assessor's Name: Mr Ja'afar Bin Othman

DOSH Registration: HQ/13/ASS/00/326

Date of Assessment: 20<sup>th</sup> September 2018

Observe 10 workers had been sent for medical health surveillance examine by "Sabak Dispensary" and based on the result shown all the workers were fit for work.

Ladang Ulu Tinggi

Sighted HIRARC for Ladang PKPS Ulu Tinggi has been conducted on 17/07/2019 by Mr. Agus Mualim Mazlan

Sighted the HIRARC for the following activities:

a. Harvesting

- Transportation of harvester by tractor - Hazard : Injured by falling
- Sharpen the sickle/ax/machete - Hazard : Sliced hands
- Harvesting activities - Hazard : hit by the FFB

b. Spraying

- Mixing of pesticide - Hazard : inhaled pesticide vapour
- During spraying - Hazard : inhaled pesticide vapour

Sighted CHRA report prepared by Mr. Ja'afar Bin Othman dated 04/11/2018. Following sample of action required from the report :

- 1) Medical surveillance to be conducted to workers exposed to pesticide.
- 2) Proper and adequate PPE required; P95 mask, rubber gloves, safety glasses, apron, rubber boots.

Ladang Editas

Sighted management establish the risk assessment as per HIRARC dated Dec 2018 to all activities such as weeding, manuring, store etc.

CAR03:

1) Ladang Editas- Site visit sighted there is replanting activity Block 97A, however no evidence of the HIRARC for replanting activity was established

2) Ladang Ulu Tinggi - Sighted medical surveillance has been done for 5 PKPS's staff and workers. It was noted that the contractor's workers (Pertanian Bumi) not yet sent for medical surveillance. As refer to CHRA report, medical surveillance to be conducted to workers exposed to pesticide.

c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:

- i) all employees involved shall be adequately trained on safe working practices; and
- ii) all precautions attached to products shall be properly observed and applied.

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

The estates provide training to the workers and staff exposed to pesticides and chemicals. Training Records Sample:

i) Training Name: Kursus & Demo Pembajaan Kimia & Plant safe

Venue: Block 95B (Sg. Panjang)

Time: 6.45 a.m

Date: 27/2/2019

Conductor: En Shamsuddin Bin Jusoh/En. Wan M  
Participants: Field Workers

Training Name: Kalibrasi racun  
Venue: Office, ladang PKPS Sg. Panjang  
Time: 3.00 pm  
Date: 30/10/2018  
Conductor: Tn Zahari  
Participants: All sprayer and mandore sprayer.

Record of Laporan Latihan/Penerangan/Taklimat, Attendance List and photo were in evidence.

OSH programs are also included. Common programs are initiated by Plantation Manager e.g. OSH meeting, workplace inspection, inspection on PPE, training on MSPO etc.

ii) Observe all SDS of the chemical use were available and been place at the store chemical.

Ladang Ulu Tinggi

Verified the following activities and worker:

- a. Training for Spraying Techniques and the Safety Aspects as well as the Maintenance of Inter Sprayer. Participant are Assistant Manager, Staff and Spray operator.
- b. Verified SDS were in place in chemical store for all chemical .

During site visit, found that there is no spraying activity done.  
The PPE was given by the management.

Ladang editas

Refer to the Annual Training Plan and sighted the planned training for employee exposed to chemical such as Safe Handling Chemical, SOP Meracun, SOP Membaja etc.

1) Sighted training conducted as below:

- a) Latihan Meracun dated 09/05/2019 attended by Safli, Khanis, Petros etc
- b) Latihan Membaja dated 03/03/2019 attended by Safli, Kardi, Loren etc

2) During site viist sighted the safety signage and CSDS are available at the pesticide and fertilizer store.

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).

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

The estates provide PPE to the employees relevant to the work handled by the workers. The list of PPEs that were provided by the estates are as below:

- i. Harvester- Safety Helmet, Sickle Cover, Hand Glove.  
Wellington Boots
- ii. Sprayers- Respirator, Nitrile Glove (Chemical Resistant)  
Goggles, Wellington Boots, Apron.
- iii. Manuring- Apron, Wellington Boots, Dust Mask

Records of PPE issuance for both estates were sighted. During the site visit workers were observed to be in PPE.

Sample:

Documents Name: Employees PPE issuance Records

Workers Name: Jahir no pekrja : SP1180

Workers Position: general workers and sprayer

List of PPE issued:

Apron, respirator mask, rubber and cotton glove etc

Date of PPE issuance: as per issuance record and sighted signature of receiver and verified by assistant manager and manager

Ladang Ulu Tinggi - To relocate the mask from chemical store to general store in concern to avoid contamination of the new mask.

Ladang Editas

Sighted management issue the PPE to the employee and during site visit sighted the harvesting workers are wearing the safety helmet and rubber shoes. Verified the issuance records as below:

- a) Pahrurrozi- issue safety helmet, goggle dated 22/03/2019
- b) Kardi- issue safety helmet, goggle dated 18/03/2019

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.

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

Sighted the management had established SOP chemical handling dated 1/2/2019 - reference no : PKPS/SOP/A01-2 "Pengendalian bahan Racun".

Ladang Sg. Tenggi, Ladang Ulu Tinggi

Sighted the management had established SOP for chemical handling as per following :

- 1) Pengeluaran Racun Dari Store dan Membancuh Bahan Racun (PKPS/SOP/A01-1)
- 2) Pengendalian Bahan Racun (PKPS/SOP/A01-2)
- 3) Bilasan 3 kali (Triple Rinsing) (PKPS/SOP/A01-7)
- 4) Pelupusan Bahan Berjadual (PKPS/SOP/A01-8)

Ladang Editas

Sighted management establish the "Prosedur Pengurusan Bahan Kimia" dated 01/12/2018 and include all the activity for chemical handling such as storage, purchasing, mixing, disposal of the empty pesticide container etc.

- a) Verified CHRA report dated 06/10/2019 conducted by Jaafar bin Osman (HQ/13/ASS/00/326)
- b) Verified Medical Surveillance was conducted by Klinik Krai (Dr.J.P Kalamanathan) to sprayer, store keeper as below:
  - i) Shahrul Azli- result: Fit For Work
  - ii) Susilawan- result: Fit For Work

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.

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  
The Estate Manager was appointed as the Chairman of the respective estate ESH committee, letters of appointment dated 25/06/19 signed by the "Pengurus Kanan Perladangan. OSH Committee Organizational Chart is Available. Chaired by Plantation Manager. Appointment Letter as an OSH Committee Members is Available for each Committee member, signed by Plantation Manager.

Ladang Editas

Management appoint Ms Nur Faten Fatihah as responsible person for workers and health safety. The appointment dated 10/03/2019 was sighted available.

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 meetings are kept and the concerns of the employees and any remedial actions taken are recorded.

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  
Estates management conduct regular two-way communication with their employees through the OSH meetings. Chaired by Estate Manager and attended by workers and employee representatives. Sighted sample minutes of meeting dated on 14 June 2019 and 18 March 2019. Verified the meeting agenda of meeting includes OSH Policy, PPE issuance, OSH matters.

Ladang Ulu Tinggi

Safety and Health Meeting were conducted by the Management ( consist of management and employees.). The agenda includes 'membawa kenderaan di ladang dan luar ladang', 'hal kecemasan waktu malam', 'pengawal keselamatan', etc. Seen record date 08/08/2019

Ladang Editas

Management conducted the safety meeting regularly by quarterly and sighted conduct the meeting on 26/06/2019, 19/02/2019, 30/10/2019 etc.

h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  
Observe SOP for "Kemalangan di tempat kerja, Tumpahan Kimia and Kebakara" ad been established by the management including the plan . Observe all the intruction were clearly detail in the plan and been display in the notice board.

Ladang Ulu Tinggi

Verified the management had established 'Pelan Tindakan Kecemasan' for accident, fire accident and chemical spillage.

Sighted training for fire fighting has been conducted on 03/10/2019.

CAR04:

Ladang Editas - No evidence on the accident or emergency drill was conducted to ensure the instruction was clearly understood by all employees.

i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

The Plantation has send 10 employees for the first aider course provided by Bulan Sabit Merah Malaysia on 25 October 2018. Verified all the participant were consist of mandore , staff and workers and had receive certificate with the validity until 25/1/2021.

First Aid Kit equipped with approved items were available on site with mandores and work group leader. The boxes kept by the mandores were sighted during the field visit. It is also available at the workshop, chemical store, office and workers housing.

Ladang Ulu Tinggi

First Aider has been trained by Bulan Sabit Merah on 25/10/2018 and the certificate valid until 25/01/2021. Following list of the trained First Aider:

- 1) Agus Mualim Bin Mazlan
- 2) Muhamad Salimi Bin Khairudin
- 3) Irfan Bin Mistan

Ladang Editas

Verified the First Aid Training was provide to the staff conducted by St John Ambulance Malaysia as below:

- a) Mohamad Faizal bin Abdullah
- b) Siti Nur Amira bt Abdullah

Verified appointment letter as First Aider dated 01/01/2019.

Site visit sighted the First Aid Kit was equipped to the field staff and done inspection by monthly basis. Noted management equipped 9 first aid kit to every workplace and verified the list of first aid kit updated 08/08/2019.

j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.

Ladang Sungai Panjang

Observe JKPP 8 for calender year 2018 dated on 12/3/2019 with refference no: JKPP 8/37532/2017 shown 2 incident cases had happen under class none permanant diasability.

Ladang Ulu Tinggi, Ladang Editas

Sighted JKPP 8 for calendar year 2018 has been submitted and there are no accident as at todote.

Criterion 5	Employment conditions	
Indicator	Requirement	Findings
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	

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi, Ladang Editas

Establish the policy related with good social practices as below:

- a) Polisi Sosial
- b) Polisi hak Asasi Manusia
- c) Polisi Gangguan Seksual , Keganasan Serta Hak Kebebasan Reproduksi
- d) Polisi jantina

- e) Polisi Perlindungan Kanak-Kanak dan Orang Muda
- f) Polisi Pengambilan Pekerja Asing

Observe all the policy above were signed by top management and had been brief to all employees during row call and had been dispalyed at notice board.

4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.
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Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi, Ladang Editas  
 Site visit and interview sighted no any discriminatory were sighted and all employee are treated equally by provide the living quarters, salary and other benefits as per workers contract agreement. Interview with the foreign and local workers also reveals the management treat them well.

4.4.5.3	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.
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Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  
 Sample of payslip and contract agreement verified for workers as below :  
 Ladang Sg. Panjang  
 Employee name : Deepak Rajbhar    passport no : L 4458970  
 Daily rated : RM49.85/day  
 sample payslip taken - month July 2019 - Gross pay : RM2,445.95 above minimum standard wages RM1,100.  
 Contract agreement stated wages were paid base on latest minimum wages order dated on 23/8/2019.

Ladang Badak  
 Employee name : Kholidi Mohammad    Passport no : B2593019  
 Daily rated : Rm49.85  
 Sample payslip taken - month July 2019 - Gross pay : RM2, 720.80 above minimum standard wages Rm1,100.  
 Contract agreement Stated wages were paid base on latest minimum wages order dated on 23/8/2018

Ladang Jelutong Jati  
 Employee name : Anom Maslinga    Passport no : AT63446  
 Sample payslip taken - month July 2019 - Gross pay : RM1,97480 above minimum standard wages Rm1,100.  
 Contract agreement Stated wages were paid base on latest minimum wages order dated on 12/8/2018

Ladang Sg. Tenggi  
 Verified the employee payslip as below:  
 a) Monthly rated  
 Name : Mohamad Suhaimi Bin Sabri  
 Basic Pay: RM1,246.10 per month  
 Gross pay: RM1,675.80  
 b) Daily rated  
 Name : Radziah Binti Basrah

Basic Pay : RM42.31 per day  
 Gross Pay : 22 day x RM42.31 = RM930.82

Found all the payment was sufficient as per legal requirement.

Ladang Editas

Verified the workers agreement and sighted the payment was meet the Minimum Wage Act and as per agreemnt and sample as below:

- a) Raphael Naldi: Wages for month of July= RM2,730 (Day Rate: RM45/day)
- b) Ardianto: Wages for month of July= RM1,953.65 (Rate/Ton: RM37 - RM90)

Found all the payment was sufficient as per legal requirement.

4.4.5.4	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee
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Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  
 Observe the contract work done by the contractor is FFB transport to the mill. Below are the sample payment receive for by the contractor workers:  
 Contractor company : JHM Dang Enterprise  
 Contractor name : Mr Mazlan who act as driver lorry  
 Record payment of July 2019 - Rm1,500 refer to Slip Gaji reff no JD22 dated on 13/7/2019

Ladang Sg. Tenggi

Sighted the contractor Mr. Naveekumar A/L Subramaniam Company Reg No: 002700117-X involve with estate operations and found wages rated is RM60 per day which comply with minimum standards.

4.4.5.5	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.
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Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi  
 Estate Employees and available contractor employees record are available in the Employee Register, verified the record available such Name, Nationality, Date of birth, date of entered, date start employment, passport no, passport expiry date, visa number, visa expiry date, fomema issue and insurance due date. The job description and wage are stated in the Worker Contract Agreement.

4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records
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Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  
 Verified the employee contracts and and sighted fair contracts for contain of contractual periods, notice of termination, annual leave, working hour, holidays etc. Observe all the contract agreement were sign by both employee and employer.

Ladang Sg. Tenggi

The employees are having the valid employment contracts signed by each worker. Sample below worker:

i) Employee name : Radziah Binti Basrah , IC no : 570511-08-6198

Job :- General Workers

Basic Salary : RM42.31/days

Contract period : 01/01/2019 - 31/12/2019

Working Hour : Not Stated

ii) Employee name : Rubel

Job : Harvester

Basic Salary : per tone FFB

Contract period : 01/01/2019 - 31/12/2020

Working hours : 7.00am - 3.00pm

Others detail such as benefit, notice of termination, leave entitlement etc had been verified and the contract had been sign by both party employer and employee.

Ladang Editas

Verified the employee contracts as per "Syarat-Syarat Perkhidmatan DiBawah Peraturan 59(a) & (b) Seksyen 61, Akta Kerja 1965 and and sighted fair contracts for contain of contractual periods, notice of termination, annual leave, working hour, holidays etc. Sample of signed agreement as per "Contract Of Employment" below:

a) Ria Solikin- Passport# AS 797598- AGreement dated 01/03/2019

b) Ardianto- Passport# AR 718501- Agreement dated 01/03/2019

Others detail such as benefit, notice of termination, leave entitlement etc had been verified and the contract had been sign by both party employer and employee.

CAR05:

Ladang Jelutong Jati - Observe workers name Anom Maslinga worked as harvester,found the contract agreement made for the workers does not indicate clear term payment of wages for the harvesting work .

OBS06:

Ladang Sg. Tenggi - It was observed in the employment contract working hours not clearly stated for General Workers. To improve by stated working hours in employment contract to have mutual agreement.

4.4.5.7

The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

The time recording for employees for working hours and overtime are as per Checkroll Daily Record for each worker. It were transperently display inside the payslip for the attendance , over time hour, woring on holiday etc. As stated inside the contract agreement between employee and the employer shown the working hours as below :

Normal working hours

Saturday until Thursday

6.30 am - 2.30 pm

Break time 11 am-11.30 am.

Ladang Editas

Refer to the "Kontrak Pekerjaan" the working hours and breaks of each individual are as per agreement and the working time are as below:

Saturday - Thursday - 6.30am - 2.30pm

Break: 11.00 pm - 11.30am

OBS07:

Ladang Sg. Tenggi - Management had established daily checkroll book for workers attendance but there is no daily record for staff. To further improve on time recording system by implementing daily record for staff.

4.4.5.8

The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

Verified payment of overtime were paid as per legal requirement under employment act. Observe the payslip shown transparency on the overtime hour observe workers had stamped their thumbprint on the payslip to shown mutually agreed between employer and employee.

Sample evidence taken for workers name Deepak Rajhbar , mandore at Ladang Sg. Panjang.

Total mandays = 26 days x RM49.85/day = Rm1296.10

Total OT hours = 75 hours x RM9.345= Rm700.88

working on rest day = 2 days x RM99.70 = RM199.40

working on Public day = 1 days x RM149.55 = Rm149.55

fuel allowance = Rm100

Verified the payslip were paid according to the employment act and as per Minimum wages order 2018.

4.4.5.9

Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements

Hours of overtime were recorded in the payslip and rate was paid according to the regulatory requirements and employment contracts.

a) Normal day- 8 hours and 6 days a week

Overtime to rate to be paid as below:

a) Normal Day= OT Hours X 1.5

b) Weekend/ Rest Day = OT Hours X 2.0

c) Public Holiday = OT Hours X 3.0

Sample of evidence were verified as mention in clause 4.4.5.8

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

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

Refer to employment contracts sighted other social benefit was provided such as medical, bonus, free electricity, workers quarters etc.

Among other benefits offered by the company:

- Productivity incentive
- turn-out incentive
- transport allowance
- telephone allowance

Ladang Sg. Tenggi

<p>Other social benefits offered as below:</p> <ul style="list-style-type: none"> <li>a) Bonus during raya festival.</li> <li>b) Labour workers quarters.</li> <li>c) Free water supply and electricity supply.</li> <li>d) Medical treatment for free.</li> <li>e) Allowance for Security Officer</li> </ul>	
4.4.5.11	<p>In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.</p>
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak</p> <p>The estate workers are provided with free housing facilities which includes water and electricity supply, a closet and bed for each worker. One or two workers per room. Based on the visit to the labour quarters, it is in a good condition. Each house has a living room, 2 or 3 bedrooms, 1 bathroom/toilet and a kitchen.</p> <p>Ladang Editas</p> <p>Noted management already get permit from JTK- Perakuan Kelayan Perumahan- Kelulusan# JTK KEL 57/2019.</p> <p>Verified the line site inspection by weekly as per "Rekod Pemeriksaan Perumahan" for month of July 2019. Site visit to line site area and sighted the cleanliness of the line site was maintained.</p> <p>Water supply was by natural water from hilly area and noted in progress to apply the permit from JTK, verified letter form JTK dated 21/10/2019</p> <p>Electric supply by provide genset from 3pm to 8am.</p> <p>OBS08:</p> <p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak - Notice during site visit found the living quarters were inadequate due to there is room with accommodate more than 2 person.</p>	
4.4.5.12	<p>The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace</p>
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tinggi, Ladang Ulu Tinggi</p> <p>Established the Polisi Gangguan Seksual , Keganasan Serta Hak Kebebasan Reproduksi. The policy is displayed on the Office Notice Board and has been briefed to internal and external during Stakeholder Meeting. Observe management also had provide guideline in prevent sexual harrassment and violence in workplace.</p>	
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>

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Noted management respect the right of the employee to form or join trade union and the commitment are as per Polisi Etika Kerja dated Nov 2018 and signed by the Group General Manager. The policy is displayed on the Office Notice Board, and has been briefed to internal and external during Stakeholder Meeting. Interview with the employees showed that there is no restriction for them to join any trade union.	
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Established the "Polisi Perlindungan Kanak-Kanak Dan Orang Muda" and had been displayed on the Office Notice Board and has been briefed to internal and external during Stakeholder Meeting. Refer to the employee register list database, which has the information about date of birth and date all the workers were above 18 years of age at the point of recruitment. From site visit sighted no underage workers been hired by estate.	
Criterion 6	Training and competency
Indicator	Requirement Findings
4.5.6.1	All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak The plantation has organised trainings for their employees. There were also sessions held with presence of contractors. The training records were sighted. Among others are:  <ol style="list-style-type: none"> <li>1. Policy briefing- done weekly</li> <li>2. Fire Drill training - 29/3/2019</li> <li>3. Latihan PPE - 19/2/2019</li> </ol> Ladang Sg. Tenggi Seen the training conducted such Spraying techniques and the safety aspect as well as the maintenance of inter sprayer on 30/01/2018, ii) Safety, operating 7 maintenance New Holland Agricultural Tractor TD Straddle Series conducted by supplier on 28/11/2018, iii) Kursus Taklimat Keselamatan dan Pemanduan berhempah conducted by JPJ on 14/11/2018 & etc. Seen the record of evaluation made though test to all worker as seen the form "Ujian Kefahaman PPE" on 28/06/2019.	
4.5.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Training need analysis available for each worker. The details of the training needs include categories of job descriptions, sections, and employees' group. It is recorded in Buku Rekod Latihan Pekerja.	
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.

<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi  The Plantation Management establish the "Training Program C/W Training Matrix - Year 2019.  Prepared by Plantation Assistant Manager on January 2019  The implementation of the Training Plan was sighted as per Training Records. The Training Program consists of:  Type of training  Area of Training  Date planned  Person in Charge  Status of training (actual implemented)  Targert Group</p> <p>The training program includes OSH, Environment and Competencies section.</p>	
<b>P5 Environment, natural resources, biodiversity and ecosystem services</b>	
Criterion 1	Environmental management plan
Indicator	Requirement Findings
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.
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi  Sighted the Company's Environment &amp; Biodiversity Policy signed by the Group General Manager, Tn Hj Tamby Omar Mohamed in July 2018.</p> <p>Sighted "Pelan Penambahbaikan Pengurusan Alam Sekitar 2019/2020/2021"</p>	
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives. b) The aspects and impacts analysis of all operations
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  Sighted the Environmental Aspect-Impact analysis conducted towards the Estate's operation. The EAI covers areas/operation including housing area, field operation, stores, scheduled waste store, workshop, creche, power stations, roads and chemicals.</p> <p>Example of an EAI documented in PKPS Sg Panjang:</p> <p>Area: Harvesting/collection  Activity: Frond stacking  Environmental aspect: Land contamination  Environmental load item: Stacked fronds  Environmental impact score: 160</p> <p>Ladang Sg. Tenggi  a) The company established Environmental Policy. Written statement committed to comply with all environmental legislation, regulation.</p> <p>b) Sighted Environmental Aspects &amp; Impacts Assessment with activity cover all operation such Harvesting and collecting, Transportation of FFB, Spraying, Manuring &amp; etc. approved date on 01/12/2018.</p>	

Verified Environmental Impact Evaluation Form (EIE) and Environmental Aspect and Impact Identification Form (EAI) as below:

EAI -

i. Area - Power station

Activity: Engine Starting

Environmental Aspect: Release to air

Environmental Load Item: Create Air Pollution

Legal: EQ (Control of emission from diesel engine) Reg.1996

ii. Area - Power station

Activity: Engine Servicing

Environmental Aspect: Release to air

Environmental Load Item: Create Air Pollution

Legal: EQ (Control of emission from diesel engine) Reg.1996

EIE -

i. Activity Engine Starting

Environment Aspect: Fuel Consumption

Environmental Load Item: Diesel

Total Score: 220 (Normal)

ii. Activity: Engine Servicing

Environmental Aspect: Fuel Consumption

Environmental Load Item: Diesel

Total Score: 260 (Normal)

Ladang Editas

Refer to the EAIA Form for dated 01/12/2018 sighted the assessment has been done according to the activity such as;

Activity: Engine Servicing

Aspect: Spillage

Impact: Water pollution, land contamination

Total Score: 220

Activity: FFB Assessment

Aspect: Release to air

Impact: Air pollution

Total Score: 220

CAR06:

Ladang Sg. Tenggi - During site visit, seen the containment of Diesel skid tank with the flow pipe without any stop valve which may cause risk of spillage in an emergency circumstances.

OBS09:

Ladang Editas- Refer to the EAI& EIE there is a score of between 200-299, which is required for initiate CAPA, however no evidence on the CAPA was established.

4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted "Pelan Penambahbaikan Pengurusan Alam Sekitar 2019/2020/2021". Sample of the plan is as follows:</p> <p>Issue: Air and Soil Pollution  Root Cause: Spraying activity  Improvement Plan: Substitute the spraying activity with the adoption of rotor slasher  Execution Timeline: January - December  PIC: Manager, Senior Assistant Manager, Assistant Manager, Officers</p>	
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Review of "Pelan Penambahbaikan Pengurusan Alam Sekitar 2019/2020/2021" indicated the Management's plan to conduct trainings to employees to raise their awareness towards the environment at workplaces, regularly collect the domestic waste, create awareness regarding conserving the environment &amp; etc.</p>	
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  Employees, during muster calls, are constantly reminded on the importance of embracing the environmental policy, management and improvement plans. Sighted Muster Logbook that specified all speech contents delivered to the employees everyday; and signed by an employee representative.</p> <p>During an interview with a manuring worker in the field, the worker managed to demonstrate clear understanding towards environment consideration when conducting manuring activities.</p> <p>Ladang Sg. Tenggi  Seen breifing during muster morning has talk regarding Polisi Perlindungan Cerun &amp; Zon Penampan on 13/02/2019 and Environment &amp; biodiversity policy on 17/02/2019.</p> <p>Ladang Editas  Management conducted training as below:  a) Penerangan Larangan Pembakaran terbuka dated 25/06/2019 during morning muster to all employee  b) Briefing on the Environmental Policy dated 25/06/2019 during morning muster</p>	
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  It was noted that the Management has conducted an Internal Stakeholder Meeting to discuss on matters related to environmental quality. The meeting was held on 2 February 2019, chaired by the Estate Manager, En Zahari bin Lambak. The minute of meeting dated 2 February 2019 was sighted.</p> <p>Ladang Sg. Tenggi  Seen in internal stakeholder minute meeting on 12/12/2018 has discuss item regarding environmental</p>	

with employee such no hunting, no open burning & etc. Verified the minute meeting mention the frequency of meeting is yearly basis.

Ladang Editas

Management conducted 2 way communication during the safety meeting regularly by quarterly and sighted conduct the meeting on 26/06/2019, 19/02/2019, 30/10/2019 etc.

Criterion 2	Efficiency of energy use and use of renewable energy	
Indicator	Requirement	Findings
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.	

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

Verified that Energy & Resource Consumption for year 2019 of the non-renewable energy was closely monitored as below:

i) Electricity Consumption

May - 10434kWh

Jun - 9461kWh

Jul - 9709kWh

ii) Diesel consumption

Jan - 2078L

Feb - 3718L

Mar - 5130L

Apr - 3297L

May - 3384L

Jun - 4451L

Jul - 5605L

The tabulated data had also included analyses to infer any irregular non-renewable energy usage spikes. An example of the analysis is as follows:

"Penggunaan pada bulan 3, 4 & 5 adalah disebabkan penggunaan bengkel (welding) untuk kerja-kerja pembinaan kabin (pejabat) Ladang Kerling, trailer (Ladang Kerling), trap sump (Ladang Sg Tenggi, Kerling, Ulu Tinggin, Tg. 12 & Editas)".

Ladang Sg. Tenggi

Non-renewable energy recorded and monitored by established the graph monthly usage by estate operation. Non-renewable energy monitored such electricity & diesel for year 2017 - 2019. Seen the diesel usage (CO2) for year 2019 month July: 995, Jun : 1104, May: 1246 & etc., electricity for year 2019 month July: Rm6463, Jun: Rm8057.35, May: Rm6384.05 & etc.

Ladang Editas

Sighted management establish the monitoring of diesel usage as per "Penggunaan Minyak Diesel" and sighted the disesel usage per FFB are as below:

a) Diesel usage year 2019 - Jan (12.14 liter/ffb), Feb (12/19 liter/ffb), Mar (10.13 liter/ton) etc

4.5.2.2	The oil palm premises shall estimate the direct usage of nonrenewable 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.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Sighted Final Budget for Year 2019 that specifies month-to-month estimation for all types of non-renewable energy usage.		
Ladang Sg. Tenggi Estimation has been mention in annual budget, where diesel usage estimated was RM17,400 while for electricity was RM14,009		
4.5.2.3	The use of renewable energy should be applied where possible	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi As of the day of audit, the Estate has yet to adopt any forms of renewable energy.		
Criterion 3	Waste management and disposal	
Indicator	Requirement	Findings
4.5.3.1	All waste products and sources of pollution shall be identified and documented.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted "Pengenalpastian & Pengurusan Bahan Buangan Terjadual Tahun 2019". The table populated down all forms of wastes (including scheduled wastes and domestic wastes) generated in the Estate (office, housing area, workshop, stores and fields).		
4.5.3.2	A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution. b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Sighted "Pelan Penambahbaikan Pengurangan Pencemaran 2019/2020/2021" and "Pelan Penambahbaikan Pengurusan Bahan Buangan 2019/2020/2021". The plans includes the consideration of the following"		
<ul style="list-style-type: none"> <li>i) Waste category</li> <li>ii) Source of pollution</li> <li>ii) Root cause</li> <li>iii) Action plan</li> <li>iv) Execution timeline</li> <li>v) Person-in-charge</li> </ul>		
Ladang Sg. Tenggi Seen the management plan has determined in the waste management plan, where the effect/impact, action plan and Person Incharge stated such i) Domestic waste, effect to air, water & soil, action dumped to landfill, ii) SW410 (Rags), effect to air, water & soil, action plan NIL & etc.		
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.	

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted Standard Operating Procedure version 1:2019 "Pelupusan bahan terjadual" which, in summary, outlines the requirement for managing the disposal of scheduled waste in accordance with EQ (SW) Regulations 2015.

Ladang Editas

Sighted Prosedur as below:

- a) Pengurusan Sampah Di Kawasan Perumahan
- b) Melupuskan Sisi Buangan (Domestic Waste) di Tapak Pelupusan

Verified the schedule waste management and sighted below:

a) EsWISS Registration# 2018120108367YJHNR

b) Inventory record as below:

- i) SW401- (Oil Filter) = as at 28/07/2019= 74 units
- ii) SW305- (Used Engine Oil)= as at 28/07/2019 = 886 liter
- iii) SW409- (Empty Container) as at 26/06/2019 = 32 units

c) Verified disposal on 12/01/2019 to Primochem Sdn Bhd for below quantity

- i) SW305 - 0.65 MT
- ii) SW409- 0.0071MT
- iii) SW410 (Oil Filter) - 0.00120MT

CAR07:

1) Ladang Ulu Tinggi - During site visit seen the used filter and penduflor lamp stored in scheduled waste store, where as refer to Regulation 3 (1), EQ (Scheduled Waste) Regulation 2005 where every waste generator shall, within 30 days from the date of generation of scheduled wastes, notify the Director General of the new categories and quantities of shceduled wasted which are generated.

2) Ladang Sg. Panjang - At the Scheduled Waste Store, it was observed that the container keeping spent oil filters (SW 410) was not closed as required in Reg. 9(3) of EQ (Scheduled Waste) Regulations 2005.

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.
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Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak

The Standard Operating Procedure version 1:2019 "Bilangan tiga kali (triple rinsing) outlined the requirement to puncture empty pesticide containers to avoid reuse by the public.

Visual observation of the empty pesticide containers at the Estate's Scheduled Waste Store confirms the Estate's compliance the above-mentioned SOP.

Seen the procedure of triple rinse #PKPA/AOP/A01-7 dated 01/02/2019, where triple rinse and punctured is acquired upon recycling to G-Planter.

Ladang Ulu Tinggi

Seen the inventory of empty chemical container updated monthly basis where todate 17 emtpy chemical

container.	
OBS10:	
1. Ladang Sg. Tenggi - To record the inventory for empty chemical container in concern to control the container from taken by other parties.	
2. Ladang Ulu Tinggi, Ladang Sg. Tenggi - To relocate the triple rinse empty container to shaded area.	
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Domestic wastes were disposed in a landfill provided by the Estate. Sighted the landfill during estate walkabout. The landfill was properly isolated, gated, fenced and marked.	
Ladang Sg. Tenggi Landfill at block Kelapa Manggis, seen each quarter provided with rubbish bin, and the domestic waste to be collected twice a week. Seen the landfill area has signboard and fences.	
Ladang Editas Sighted waste management plan for domestic waste. All recyclable waste will be collected in 3R station and Organic waste will be dump in dumpsite located at block 94C.	
OBS11:	
Ladang Sg. Tenggi - To close the landfill before its full so that the waste was covered entirely.	
Criterion 4	Reduction of pollution and emission
Indicator	Requirement Findings
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Sighted the Environmental Aspect-Impact analysis conducted towards the Estate's operation. The EAI covers areas/operation including housing area, field operation, stores, scheduled waste store, workshop, creche, power stations, roads and chemicals.	
Example of an EAI documented in PKPS Sg Panjang:	
Area: Harvesting/collection	
Activity: Frond stacking	
Environmental aspect: Land contamination	
Environmental load item: Stacked fronds	
Environmental impact score: 160	
The EAI incorporates the assessment on all polluting activities conducted in the Estate premises.	
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Sighted "Pelan Penambahbaikan Pengurusan Bahan Buangan 2019/2020/2021" and the Environmental Aspect-Impact analysis.	
Criterion 5	Natural water resources

Indicator	Requirement	Findings
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.	
		Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi It was noted that natural waterways are absent in the Estate compound.
	b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities	
		Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Review of the field map indicated all drains lined throughout the Estate were not connected to any natural waterways. Site visits conducted during the audit stint confirmed the isolation of the drainage systems.  Ladang Editas Verified the water analysis dated 11/04/2019 was done to the natural waterways crossing the estate as below: a) Water sampling at Block O2B for the parameter of pH, BOD, COD, Total Suspended Soilid, Ammonialcal Nitrogen etc
	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.).	
		Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak The establishment of the water drainage system in the Estate across Badak, Jelutong Jati and Sg Panjang was dedicated predominantly to collect rainwater for effective palm tree irrigation, nutrient uptake and soil moisture conservation.
	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.	
		Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Field map review and site visits confirmed that no natural waterways traverse through the Estate.
	e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.	
		Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi As per site visits confirmed that no natural waterways traverse through the Estate.
	f) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.	
		Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Bore well is not in use. Therefore, this indicator is not applicable for the Estate.  Ladang Sg Tenggi, Ladang Ulu Tinggi Verified NIL bore well is being use for water supply, where Ladang Sg Tenggi use tubewell, seen the result from Pejabat Kesihatan Daerah for the water sampling taken, and PKPS Ulu Tinggi supplied domestic waste from SYABAS.

4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi As per site visits confirmed that no natural waterways traverse through the Estate.		
4.5.5.3	Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak The establishment of the water drainage system in the Estate across Badak, Jelutong Jati and Sg Panjang was dedicated predominantly to collect rainwater for effective palm tree irrigation, nutrient uptake and soil moisture conservation.  Ladang Sg. Tenggi Seen the water harvesting applied at storage and worker quarters where the water use such toilet, cleaning & etc.		
Criterion 6	Status of rare, threatened, or endangered species and high biodiversity value area	
Indicator	Requirement	Findings
4.5.6.1	Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:	
a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.		
Ladang Sungai Panjang, Ladang Jelutong Jati, Ladang Badak Observe the estates had done HCV assessment and found HCV 1, 2 and 3 were identified inside the summary report. Observe under HCV there is 4 reserve forest were identified which is Raja Musa, Sungai Dusun, Part of Bukit Belata Extension and Sungai Karang Forest. The list of endengered species were define by Jabatan Perhilitan as refer to "Rezab Hidupan Liar Sungai Dusun" book. Base on the book shown and indicate there is 46 species of mamalia, 85 species avifauna and 33 species herptofauna. Category of forest determine is mangrove peat forest.  Ladang Sungai Tenggi High Conservation Value (HCV) report developed by Assistant manager (En Mohd Ismail), assessor has identified few wildlife sich white-throated king fisher, common myna, crested serpent eagle, owl, red jungle fowls & etc.  Ladang Editas Refer to Biodiversity Report dated 01/05/2019 and sighted the identification of the species such as monkey, snakes, owl and birds as below:  1) Babi Hutan- Status IUCN: LC 2) Kera- Status IUCN; LC 3) Landak raya- Status IUCN: LC 4) Biawak: Status IUCN: LC 5) Burung Hantu: Status IUCN: LC 6) Ayam Hutan: Status IUCN: LC 7) Kambing Gurun: Status IUCN: LC		

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.		
Ladang Sungai Tenggi Seen the ICUN status and Widlidle Conservation Act 2010 for its schedule for each widllife identified in list.  OBS12: Ladang Sungai Panjang, Ladang Jelutong Jati, Ladang Badak - Base on HCV assessment that have been done by management shown input of species which are classified is still in progress for the conservation status .		
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:	
a) Ensuring that any legal requirements relating to the protection of the species are met		
Ladang Sungai Panjang, Ladang Jelutong Jati, Ladang Badak Observe signages no hunting were install in the premises. If the treaten species were encounter the management stated will liase with Jabatan Perhilitan. For this period of review thereis no encounter or treepassing of endengered species.  Ladang Sg. Tenggi Seen the wildlife determined with total 14 with least concern for the IUCN status while some are totally protected widllife as refer to WCA for Leopard cat, Common quail, white-throated king fisher, crested serpent eagle, owl & ruak.		
b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts		
Ladang Sungai Panjang, Ladang Jelutong Jati, Ladang Badak Signage of no Huntaing were install as shown discouraging of any illegal hunting by management.  Ladang Sungai Tenggi Seen the signboard erected at entrace of the estate by display the totally protected wildlife and prohibit the hunting in estate area.		
4.5.6.3	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.	
Ladang Sungai Panjang, Ladang Jelutong Jati, Ladang Badak Observe the management plan for the protection of the high biodiveristy value is as per below : i. Install signage no Hunting ii. Liase with Jabatan Perhilitan if encounter for the endengered species.  Ladang Sg. Tenggi Seen the High Conservation value (HCV) Action plan established by company for issue determined (border with forest reserve) by planned to monitor the security for the perimeter monitoring, awareness training, signboard & etc.		
Indicator 7	Zero burning practices	
Indicator	Requirement	Findings
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.	

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted "Polisi Larangan Pembakaran Terbuka" signed by Group General Manager, Tn Hj Tamby Omar Mohamed in November 2018. The policy prohibits any forms of burning activities in the estate premises.	
Ladang Editas Site visit at the line site and replanting area at 97A and 97B and sighted no any open burning activity	
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.
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi The Estate does not practice any burning approach to remedy or re-condition the land.	
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.
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Controlled burning is not allowed in the Estate	
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Sg. Tenggi, Ladang Ulu Tinggi Sighted the Agricultural Reference Manual: 3.1 (Replanting Policy) and 3.2 (Replanting Criteria). Found previous crop were felled chipping and shredded.	
<b>P6: Best Practices</b>	
Criterion 1	Site management
Indicator	Requirement Findings
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Ladang Ketengah Perwira has established management systems for monitoring and control of best practice implementation at its plantation by refer to Agricultural Reference Manual dated on 1/7/2018. Consists SOP on Nursery, Replanting, Immature and Mature Oil Palm Management Programme.  Site visit sighted all activities are as per Manual and verified the Training Records the SOP training were given to all employee. Verified the activity as below:  a) Manuring at Ladang Pasir Panjang Field Block - 12D total manurer = 9 workers Type of fertiliser use - NK Mix rate per palm 2.5kg/palm Workers were pay as daily rated Sighted the placemnet of fertiliser were broadcast at the frond pile. Observe all the manurer were wearing proper PPE provide by the management which is mask N95, rubber glove, apron, google and ruber shoes. Knowledge and understanding of the job scope for manuring were well trained to the workers as they can interperated the way and technique to do manuring.	

<p>b) Harvesting at ladang Jelutong Jati Field block 97 C2 Pay to the harvester at RM39.50/mt for field 97 C2 Management set the standard of Minimum Ripeness Standard (MRS) at 5 loose fruit on ground before cutting. Observe the harvesting interval is more than 12 days which is 22 days due to labour of shortage.</p> <p>Ladang Ulu Tinggi, Ladang Sg. Tenggi Seen the Standard Operating Procedure version 1:2019 with 46 items such as Chemical Handling, Spraying, Triple Rinsing, Disposal of Scheduled Waste, Harvesting &amp; etc.</p> <p>Seen at PKPS Ulu Tinggi, harvesting at block 2013 D, the harvester uses a chisel and loading by Mechanical Buffalo, fronds are stacked inter-row. The grading is conducted by supervisor 3 times/week as seen in the grading sheet.</p> <p>Seen at PKPS Sungai Tenggi, harvesting at block 2016 A, the harvester uses a chisel and loading by tractor, fronds are stacked inter-row. The grading is conducted by mandore every day as seen in the grading sheet. Woodies slashing is conducted by general workers monitored by mandore using sickle.</p> <p>OBS13: Ladang Jelutong Jati - Sighted the harvesting interval stated inside ARM is below 12 days for palm age more than 6 years however the harvesting interval currently more than 12 days due to labour shortage.</p>	
4.6.1.2	Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Observe the land area is flat to undulating where water management practice is in place. The sub-drain, collection drain and main drain were properly maintained by the management to ensure the water table is adequate by retaining water in the drain through blockage of soil bags at the drain. Observe no spraying was conducted at the drain edges as to prevent collapse of banks and contamination through runoff of chemical.</p> <p>Ladang Sg. Tenggi, Ladang Ulu Tinggi Verified PKPS Ulu Tinggi with flat land area, while PKPS Sg Tenggi undulating area and seen the cover crop and soft grasses area maintained to prevent soil erosion.</p>	
4.6.1.3	A visual identification or reference system shall be established for each field.
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak Sample on site visit evidence:</p> <ul style="list-style-type: none"> <li>- All fields are marked and identified with details available on plantation map. There are both painted/marked at the palm trees and at the plantation road junction. This is observed during the field visit.</li> <li>- Every plantation is marked and identified. Information like year planting (field no) and the total hectare is shown in all markers. There are both displayed at the palm trees and also displayed in signage at the boundary/corners of every field. This is observed during the field visit. Clear boundary with neighboring estates, traditional villages.</li> </ul> <p>No sensitive areas around border of every estate.</p> <p>Ladang Ulu Tinggi</p>	

<p>Seen the blocking system identified at each block by indicate/display the block name.</p> <p>OBS14: Ladang Sg, Tenggi - To ensure the on site visual identification for blocking system are available for each field.</p>		
Criterion 2	Economic and financial viability plan	
Indicator	Requirement	Findings
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.	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak</p> <p>Verified PKPS had established business strategy blueprint for 5 years from year 2018 until 2022. The content consist as per below :</p> <ol style="list-style-type: none"> <li>1. yield maximization - 18.50mt/ha for year 2019 and 21.50mt/ha in year 2022.</li> <li>2. Cost Optimization - ex estate cost RM275/mt and processing cost of RM60/mt</li> <li>3. Enhance quality and Sustainable Practices - Certified FFB MSPO</li> <li>4. Enhance Agricultural practices</li> <li>5. Strengthen Human Capital</li> </ol> <p>The above target were direction of the company for the next 5 years planning to achieve it in year 2022. Overall all the above had been deliver to all unit during Management meeting among management team.</p>		
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	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak</p> <p>Verified 10 years long range replanting programme had been established and as observe the management had plan replant started on year 2024 for ladang Sg. panjang with total Hectare 201ha and year 2022 for landang Jelutong Jati with total hectare 138ha. As verified nil plan of replant for next 10 year in Ladang Badak due to the palm wer planted on year 2013.</p> <p>Ladang Sg. Tenggi, Ladang Ulu Tinggi</p> <p>Verified the 10 Years Long Range Replanting Programme for Ulu Tinggi NIL replanting was planned for 10 year forecast and for Sungai Tenggi planned to replanting in year 2020 for 88Ha and new planting in year 2020 for 128Ha (planned to convert Orchard to Palm Oil).</p>		
4.6.2.3	<p>The business or management plan may contain:</p> <ol style="list-style-type: none"> <li>a) Attention to quality of planting materials and FFB.</li> <li>b) Crop projection: site yield potential, age profile, FFB yield trends.</li> <li>c) Cost of production: cost per tonne of FFB.</li> <li>d) Price forecast.</li> <li>e) Financial indicators: cost benefit, discounted cash flow, return on investment.</li> </ol>	
<p>Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak</p> <p>Estate had an annual budget for the financial year 2019.</p> <p>Business plan is reflected through the establishment of annual budget.</p> <p>The projection of three years was also available. Among the information available in the business plan is crop budget, cost of production per Ha and per mt basis, price forecast and estimation of ROI. Observe the budget plan were established for PKPS Sg. Panjang which include budget for ladang Jelutong Jati and Ladang Badak as the 2 estates is division estate for PKPS Sg. Panjang.</p>		

Detail of Summary estimation cost as per below :

Upkeep & Cultivation - RM117.07/mt

Collection - RM98.84/mt

General Charges - Rm49.86/mt

Amortisation - Rm43.20/mt

Total expenditure - RM308.98/mt

Yield estimation

Ladang Sg Panjang - 23.57mt/ha

Ladang Jelutong Jati - 18.22mt/ha

Ladang Badak - 16.87mt/ha

PKPS Ulu Tinggi

a) Attention of quality of planting mention in the bussines management plan

b) Crop projection in Proof list for crop budget with total 2636MT

c) Cost production in Summary of oil Palm Expenditure for estimate year 2019 with total 376.30/MT of FFB and other mention clearly in bussiness management plan.

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.
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Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  
Observe the management were monitor the yield and cost operation through system pimfosis. The system generate the summary data and found for last year 2018 achievement as per below :

Ladang Sg Panajang

Crop actual - 20,246.07 mt vs crop budget 19,229 mt surplus 1017.07 @ 5.29%

Ladang Jelutong Jati

Crop actual 4966.49 mt vs Crop budget 7380 mt deficit -2413.51 @ -32.70%

Ladang Badak

Crop actual 4149.87 mt vs crop budget 3,533 mt surplus 616.87mt @ 17.46%

As mention by management Ladang Jelutong Jati had decreaseing the crop due to flooded area and impact of bagworm attack history.

Overall crop performance for PKPS Sg. Panjang slight ly deficit from budget with variance -2.59%

Criterion 3	Transparent and fair price dealing	
Indicator	Requirement	Findings
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented.	

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  
 Observe the pricing mechanism of contract work rate were stated inside the contract agreement between management and contractor . Below are sample contract agreement been verified and the rate of contract work :

Ladang PKPS Sg. Panjang

Contractor name : Mohd Zulkarnaian Bin Zakaria

Contract work : Harvesting and Prunning

Rate of payment :

Harvesting for palm planting from year 1995-1998 at rate RM51/mt

Prunning - Rm1.20/palm per round

Contract period : 1/7/2019 until 31/12/2019

Ladang PKPS Jelutong Jati

Contractor name : Horas Br Enterprise

Contract work : Harvesting and Prunning

Rate of payment :

Harvesting at rate : RM51/mt

Prunning - RM1.20/palm per round

Contract period : 15/7/2019 -31/12/2019

Ladang Ulu Tinggi

Verified the contract agreement between PKPS (Perbadanan Kemajuan Pertanian Selangor) and L.C Hing Enterprise Sdn Bhd for transport of FFB from PKPS (Ladang PKPS Ulu Tinggi) to palm oil mill dated 13/09/2017, validation till 14/08/2020. Seen the pricing RM33/MT for transporting to Mill (Kilang Cahaya Muda Bidor, Perak). The FFB brought by FFB collector/FFB transporter (L.C Hing Enterprise Sdn Bhd), where the pricing as per schedule 1 & 2 attached with contract agreement. Seen the MPOB license #545695015000 for L.C Hing Enterprise Sdn Bhd for Menjual dan Mengalih FFB and Membeli dan Mengalih FFB due date 31/12/2019.

<b>4.6.3.2</b>	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner
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Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak  
 All contracts have state for pricing, starting date end of date. The payment made to the contractor before 10<sup>th</sup> day of calender month. Verified through payment voucher found the signiture as a prove accept on the payment given by the estate. Base on interview with the contractor found there is no issue in terms of payment.

Ladang Ulu Tinggi

Seen the deposit cheque and Payment voucher made to L.C Hing Enterprise Sdn Bhd for tranporting FFB to mill, dated 30/06/2019 with total amount RM6,912.84 as verified the payment RM33/MT as per agreed price in agreement. Verified the payment of FFB from L.C Hing for month July was RM254,263.11 with total 715.73MT of FFB.

Criterion 4	Contractor	
Indicator 1	Requirement	Findings
<b>4.6.4.1</b>	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information	

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak The understanding about MSPO requirements among the engaged contractors were delivered through a session of stakeholder meeting and during muster row call.		
Ladang Ulu Tinggi Seen the attachment of the contract agreement, PKPS has attached the additional term and condition by ensuring the contractor comply with MSPO requirement, allowed Certification Body to conduct the visual inspection & etc.		
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor.	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Ulu Tinggi, Ladang Sg. Tenggi Management has provided contracts to all contractors. The contract has state for date start, end date, and price for the contract. The signed contracts are available for each contractor. Legitimate contents of the following work contract were verified as mention in clause 4.6.3.1.		
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Ulu Tinggi, Ladang Sg. Tenggi No obstruction by management, where auditor has undergone site visit during audit session assisted by estate representatives.		
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	
Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak, Ladang Ulu Tinggi, Ladang Sg. Tenggi All works performed at the estates are checked and verified by the estate's personnel. The estate was able to establish control points to the task that performed by the contractor as sighted in the document below:  Documents Available: i. FFB Harvesting Records: 1. FFB Tonnage Records 2. Daily FFB Collection records 3. Muster Chit Records 4. Daily Backlog records 5. Crop Production Records  The documents above are Prepared by Field Conductor, Checked by Asst. Manager and Verified by Plantation Manager.		
<b>P7: Development of new plantings</b>		
Criterion 1	High biodiversity value	
Indicator	Requirement	Findings
4.7.1.1	Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation.	
Not Applicable		
4.7.1.2	No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management	

	Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required	
Not Applicable		
Criterion 2	Peat Soil	
Indicator	Requirement	Findings
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.	
Not Applicable		
Criterion 3	Social and Environmental Impact Assessment (SEIA)	
Indicator	Requirement	Findings
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations.	
Not Applicable		
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders.	
Not Applicable		
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.	
Not Applicable		
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.	
Not Applicable		
Criterion 4	Soil and topographic information	
Indicator	Requirements	Findings
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation	
Not Applicable		
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure	
Not Applicable		
Criterion 5	Planting on steep terrain, marginal and fragile soils	
Indicator	Requirements	Findings

4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.	
Not Applicable		
4.7.5.2	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.	
Not Applicable		
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion	
Not Applicable		
<b>Criterion 6</b>		
<b>Indicator</b>	<b>Requirements</b>	<b>Findings</b>
4.7.6.1	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions	
Not Applicable		
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.	
Not Applicable		
4.7.6.3	Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available	
Not Applicable		
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.	
Not Applicable		
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented.	
Not Applicable		
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.	

	Not Applicable
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available.
	Not Applicable
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.
	Not Applicable

### Observation for Improvement

Details
<p>4.2.2.2 Ladang Sg. Tenggi - It was observed that appointment letter for Mohd Ismail Bin Abdul Aziz, Lukmanulhakim Bin A.Hadi, Hilal Azri Bin Rosman and Zamnor Bin Ibrahim as Responsible Officer for MSPO Certification in a general statement. It can be improved by stated the job description for each individual.</p>
<p>4.2.3.3 Ladang Sg. Tenggi - It was observed that appointment letter for Mohd Ismail Bin Abdul Aziz, Lukmanulhakim Bin A.Hadi, Hilal Azri Bin Rosman and Zamnor Bin Ibrahim as Responsible Officer for MSPO Certification in a general statement. It can be improve by stated the job description for each individual.</p>
<p>4.3.1.1 Ladang Sg. Tenggi - To label the skid tank as per Permit #SL/KKB008/2018SK on Term &amp; Condition page at clause 6 for detail information such i) References permit no., ii) Name, iii) Address, iv) Phone number of person incharge.</p>
<p>4.3.2.2 1. Ladang Ulu Tinggi - Observed the 'syarat nyata' for land grant PT610 is for 'Ternakan darat' and noted that the management has submitted the application to amend 'Syarat Nyata' to Pejabat Tanah Dan Daerah Kuala Selangor on 29 January 2019. The application still pending at Pejabat Tanah. 2. Ladang Jelutong Jati - Land title for Lot 35327 Division Jelutong Jati is in the midst of issuance by the Land Department. PKPS has submitted their request for the land title issuance on 7/8/2019.</p>
<p>4.4.2.5 Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak - To add retention period in the procedure complaint to ensure complaint and resolution record for last 24 month were kept and can be made available upon request.</p>
<p>4.4.5.6 Ladang Sg. Tenggi - It was observed in the employment contract working hours not clearly stated for General Workers. To improve by stated working hours in employment contract to have mutual agreement.</p>
<p>4.4.5.7 Ladang Sg. Tenggi - Management had established daily checkroll book for workers attendance but there is no</p>

daily record for staff. To further improve on time recording system by implementing daily record for staff.

#### 4.4.5.11

Ladang Sg. Panjang, Ladang Jelutong Jati, Ladang Badak - Notice during site visit found the living quarters were inadequate due to there is room with accommodate more than 2 person.

#### 4.5.1.2

Ladang Editas- Refer to the EAI& EIE there is a score of between 200-299, which is required for initiate CAPA, however no evidence on the CAPA was established.

#### 4.5.3.4

1. Ladang Sg. Tenggi - To record the inventory for empty chemical container in concern to control the container from taken by other parties.
2. Ladang Ulu Tinggi, Ladang Sg. Tenggi - To relocate the triple rinse empty container to shaded area.

#### 4.5.3.5

Ladang Sg. Tenggi - To close the landfill before its full so that the waste was covered entirely.

#### 4.5.6.1 b)

Ladang Sungai Panjang, Ladang Jelutong Jati, Ladang Badak - Base on HCV assessment that have been done by management shown input of species which are classified is still in progress for the conservation status.

#### 4.6.1.1

Ladang Jelutong Jati - Sighted the harvesting interval stated inside ARM is below 12 days for palm age more than 6 years however the harvesting interval currently more than 12 days due to the labour shortage.

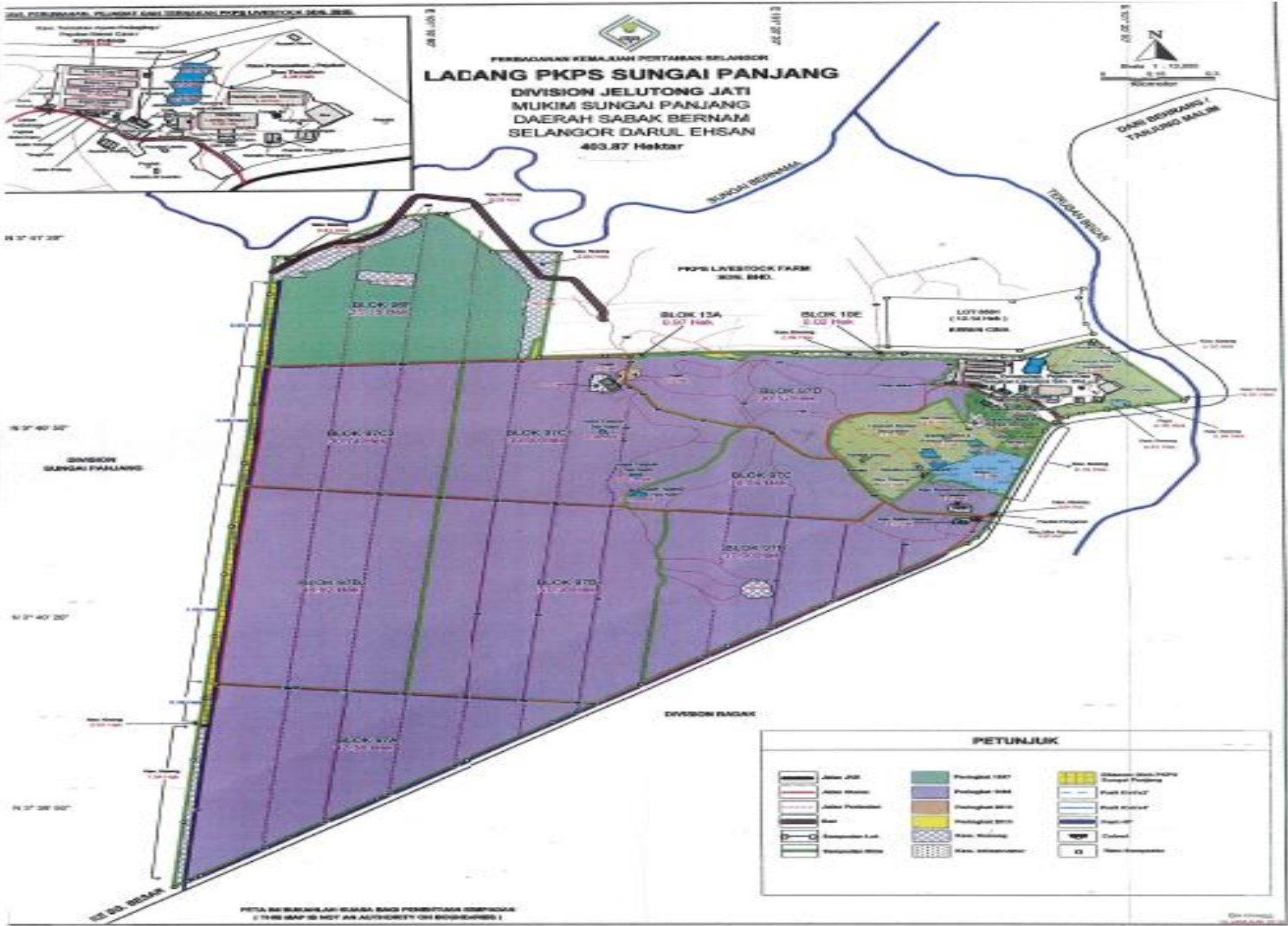
#### 4.6.1.3

Ladang Sg, Tenggi - To ensure the on site visual identification for blocking system are available for each field.

During the assessment\_07\_nonconformities were identified.

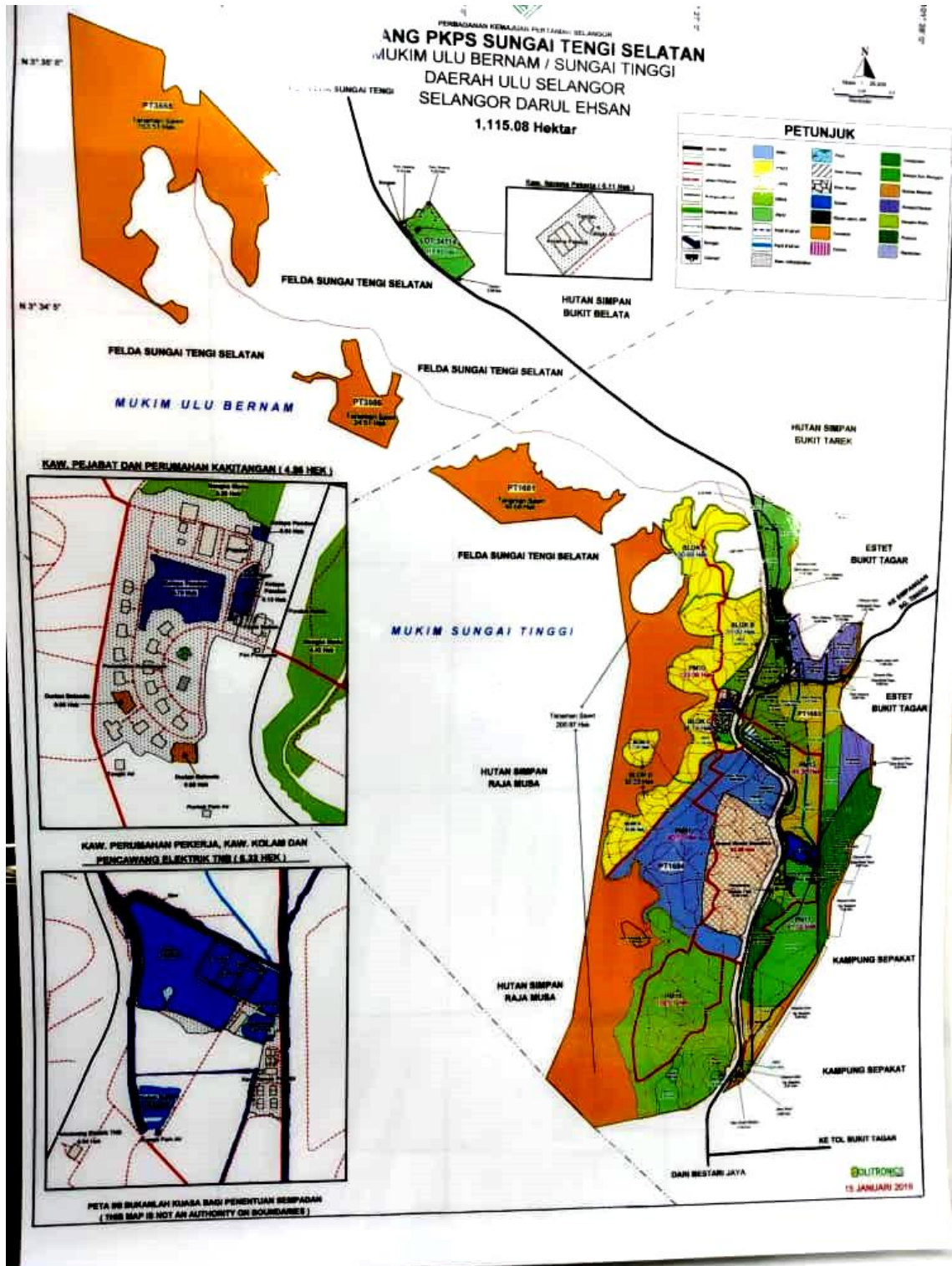


# Ladang PKPS Jelutong Jati





# Ladang PKPS Sungai Tinggi



## Ladang PKPS Ulu Tinggi

