



Certification International


Audit Summary Report

19th August
2019

Company name	Tinggi Maju Plantation Sdn Bhd
Company Registration Number	665656-P
Address	Batu 12, Ladang Budu, Jalan Lipis-Raub, 27300 Benta, Pahang, Malaysia
Report no	MR3/TMP/002/2019
Standard	MS2530:2013 Part 3 (MSPO)
Audit type	Main Assessment
Audit Scope	Cultivation of Oil Palm Fresh Fruit Bunch in Compliance to MSPO MS2530-3:2013
Number of Mill	-
Mill Capacity	-
Number of Estate	1
Certified Area (Ha)	1601
Telephone	09-3238208
E-mail	tinggimaju@gmail.com
Fax	09-3238805
Website	-

We are proud to be selected as your business partner and thankful for your cooperation and hospitality throughout the assessment. The purpose of this report is to contain all findings captured during the assessment including strengths, opportunities, and weaknesses of your organization to assist you in maintaining best practices and carrying out future improvements. For your acknowledgement, the assessment was done based on sampling method where your records, documentations and practices were subjected to. Therefore, certain areas or processes may not be verified on its compliance against the audit standard. However, we ensure that all necessary actions have been taken to provide assurance on the accuracy of report. This report was prepared in compliance to the ISO 17021:2011 requirements.

To ensure the next assessment will be carried out in compliance to the ISO 17021:2011, kindly immediately notify MR3 Certification International of any significant changes made relevant to your organization as it may impact the validity of your certification. Such circumstances include, changes relating to applicable legal, commercial, organizational status or ownership, organization and management (e.g. key managerial, decision making or technical staff), contact address and sites, scope of operations under the certified management system, and major changes to the management system and processes. Together we will ensure the smoothness of the upcoming assessment. Thank you for your endless support and we look forward to continuing our partnership for many years to come.

	Prepared By	Client's Acceptance
Sign		
Name	Afiq Othman	Company Stamp
Date	31/08/2019	
Email	afiq@mr3cert.com	

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	Cultivation of Oil Palm Fresh Fruit Bunch in Compliance to MSPO MS2530-3:2013
Requirement not being applicable	Principle 7 of MS2530-3:2013
Justification	The company does not have new planting in place
Other language than above	NA
Changes from Previous registration	No
Extension/changes of scope date	NA

Contact Details	
Management Representative	Mr. Teow Soi Eng
Alternate contacts	-
Management Representative contact no.	-
E-mail address	tinggimaju@gmail.com
Fax Number	09-3238805
Fixed Line Number	09-3238208
Number of Group Member	-

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 **0** unresolved issue(s).

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

- Granted/ Continued
- Granted upon acceptance of the necessary corrective action plan(s) and implementation
- Continued upon acceptance of the necessary corrective action plan(s) and implementation
- Withheld
- suspend until satisfactory corrective action(s) is completed
- Others (please specify)

Note :

For every Major Nonconformity raised: Relevant action plan must be submitted to the auditor and implementation must carried prior to certificate issuance.

For every Minor Nonconformity raised: Relevant action plan must be submitted to the auditor before certificate issuance and the implementation will be verified during the next assessment

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 the requirements of the audit standard	<input type="checkbox"/> Yes <input type="checkbox"/> No
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Section E Auditor and Auditees Information

MR3 Assessors	Attendance during opening and closing meeting	
Team Leader	Name	Designation
Afiq Othman (AO)	1. Teow Soi Eng	Estate Manager
Team member	2. Nur Atiqah Binti Mohamad Ghani	MSPO Coordinator
Shahrizal Mustapha (SM)	3. Mohd Sanusi Yusof	Assistant Manager
Trainee auditor	4. Shahrulnizam Manfit	Assistant Manager
Kamarulzaman Abu Bakar (KAB)	5. Chi Kar Kiong	Admin/ Account
Observer	6. Mohd Nazreen Bin Mohd Zaki	Cadet Assistant
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MR3 Assessors	Role	Qualification, Education, Working Experience.
Afiq Othman (AO)	Lead Auditor (Principle 3, 5 & 6)	<ul style="list-style-type: none"> - MSPO Certified Lead Auditor - BSc. (Hons) Marine Technology - A year experience working in Ministry of Natural Resources and Environment - 5 years experiences working for Sime Darby Plantation Berhad as Sustainability and Quality Management. - More than a year experience working in certification body
Shahrizal Mustapha (SM)	Audit Member (Principle 1, 2 & 4)	<ul style="list-style-type: none"> - MSPO Certified Auditor - Bachelor of Financial Engineering (Hons) from Multimedia University - QMS, ISMS and OHSMS Certified Lead Auditor - 7 years experience working for ExxonMobil Malaysia - 8 years experiences in consultation, training and

		assessment on ISO 9001, ISO 14001, OHSAS 18001, ISO 45001, ISO 27001, ISO 55001, ISO 37001, MSPO, MSPO-SCCS, FSSC, HACCP and Halal Certification.
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Section F Audit Process Matrix

Audit Matrix (legend “☑” plan to cover & covered, “☐” for not applicable)

Planned month & year	Aug 2019	Aug 2020	Aug 2021	Aug 2022	Aug 2023
Site(s) visited/to be visited	1. Budu Estate	1. Budu Estate	1. Budu Estate	1. Budu Estate	1. Budu Estate
Internal Audits	☑	☑	☑	☑	☑
Stakeholder consultation / survey	☑	☐	☐	☐	☐
Use of logo	☐	☐	☐	☐	☐
Follow-up from previous audit finding	☐	☑	☑	☑	☑
4.1 Management Commitment & Responsibility					
4.1.1 MSPO Policy	☑	☑	☑	☑	☑
4.1.2 Internal audit	☑	☑	☑	☑	☑
4.1.3 Management Review	☑	☑	☑	☑	☑
4.1.4 Continual Improvement	☑	☑	☑	☑	☑
4.2 Transparency					
4.2.1 Transparency of information and documents relevant to MSPO requirements	☑	☑	☑	☑	☑
4.2.2 Transparent method of communication and consultation	☑	☑	☑	☑	☑
4.2.3 Traceability	☑	☑	☑	☑	☑
4.3 Compliance to legal requirements					
4.3.1 Regulatory requirements	☑	☑	☑	☑	☑
4.3.2 Land use rights	☑	☑	☑	☑	☑
4.3.3 Customary land rights	☑	☑	☑	☑	☑
4.4 Social responsibility, health, safety and employment condition					
4.4.1 Social impact assessment (SIA)	☑	☑	☑	☑	☑
4.4.2 Complaints and grievances	☑	☑	☑	☑	☑
4.4.3 Commitment to contribute to local sustainable development	☑	☑	☑	☑	☑

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"/>
4.5 Environment, natural resources, biodiversity and ecosystem services					
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 including green house gas	<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	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.6 Status of RTE 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"/>
4.6 Best Practices					
4.6.1 Mill 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	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Assessment man days for the next assessment: 3_md. Recertification: 2024

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

Section G Audit Note

Summary of Area Audited

Auditor	Date	Time
1. Afiq Othman 2. Shahrizal Mustapha	19 th August 2019	0800 - 1700

Sampling Methodology

Sampling of the operating units to be audited has been conducted in accordance to the Risk Management (MPOB/MSPO/RMP/06) documents as below:

$$S = r\sqrt{n}$$

Risk Factor: Low (1.0)
 $S = 1.0 (\sqrt{1}) = 1$
 1.0 estates to be visited

Since this is individual certification. Sampling of operating unit is not applicable

Audit Plan

Date	Time	Assessor	Business area / process	Clause

19/08/20 19	0900	AO	Introduction by client Opening meeting at Budu Estate	
	1000	AO/SM	Management commitment & responsibility	4.1
			Transparency	4.2
			Compliance to legal requirement	4.3
			Social responsibility, health, safety & employment condition	4.4
	1230		BREAK	
	1330	AO/SM	Environment, natural resources, biodiversity and ecosystem services	4.5
			Best practices	4.6
			Development of New Planting (if any)	4.7
	1700	AO/HZ	Closing Meeting	

Site's Information

1. Group Background

Tinggi Maju Plantation Sdn Bhd (TMP) is a private limited company based in Pahang, Malaysia. TMP owns Budu Estate, a middle-sized estate located in Benta, Pahang. Budu Estate was first planted in 1986. The overall size of the concession area is 1601 ha, of which 1568 ha is planted with oil palm. A further 33 ha has been allocated to on-site infrastructure. Most of FFB produced is being supplied to Tan Siang Palm Oil Mill.

2. Site(s) Address List

Estate/ Mill	Location Address	Geo-Coordinate
Budu Estate	P.O Box 29, Tinggi Maju Plantation Sdn Bhd, Budu Estate, 27300 Benta, Pahang Darul Makmur, Malaysia	N 4.0467, E 101.9667

3. MPOB License(s)

Estate/ Mill License Number	Scope of Activity	Expiry Date
Budu Estate 504680002000)	Menjual dan mengalih FFB	31/03/2020

4. Description of Operating Unit(s)

Estate	FFB Production (MT) Period:	
	Actual last FY	Estimated new FY

Budu Estate	19,413.02	23,000.00
Total	19,413.02	23,000.00

5. Area Statement

Estate	Certified/ Titled Area (Ha)	Planted Area		Conservation Area (Ha)	HCV Area (Ha)	Others (Ha)
		Immature Area (Ha) <3 years	Mature Area (Ha) >3 years			
Budu Estate	1601.00	167.00	1401.00	0	0	33
Total	1601.00	167.00	1401.00	0	0	33

6. Current Certification

Current Certification (Please tick the certification you are currently certified)			
<input type="checkbox"/>	ISO 9001	<input type="checkbox"/>	HACCP
<input type="checkbox"/>	EMS 14001	<input type="checkbox"/>	RSPO
<input type="checkbox"/>	OHSAS 18001	<input type="checkbox"/>	ISCC
<input type="checkbox"/>	ISO 22001	<input type="checkbox"/>	GMP Plus
<input type="checkbox"/>	HALAL	<input type="checkbox"/>	KOSHER
<input type="checkbox"/>	Co-GAP	<input checked="" type="checkbox"/>	None / Others:

Stakeholder Consultation

Stakeholder Details	Stakeholder's Input/ Comment	Client's Feedback/ Response
Hamidun Bin Samad (Workers from Neighbouring Village – Kg Kemahang)	<ul style="list-style-type: none"> - He has been working for the estates for about 3 years. - Worked for 4 hours a day (8am – 12pm) - He is aware of MSPO but no official awareness that includes him. - Aware of the complaint form but has never made any complaints before. - No issue on payment of salary - Has been receiving the pay every 2 weeks with an understandable payslip - Training was given during the first month he joined the estate. - PPE given by the company (i.e. glove) - Copy of agreement was also given to him. 	<ul style="list-style-type: none"> - Noted by the management

	<ul style="list-style-type: none"> - No issues with the estate to-date. 	
Subramaniam A/L Manikam (Having a Rubber Estate and Durian Farm ~12 acres within Budu Estate area)	<ul style="list-style-type: none"> - He is aware of MSPO and was given awareness on the complaint and grievances system and forms. - He has issue regarding the stolen of his Durians by Budu Estate workers. - He is hoping a stern warning and frequent reminders are given to the workers. - Additionally, he also request for a waiver on the RM200 yearly toll charged by the estate. 	<ul style="list-style-type: none"> - Noted by the management - The Management has compensated Mr.Subramaniam in previous year's case with an agreed sum. - Management agreed to further warn the workers.
Jamaludin Bin Sudin (Neighbouring villager)	<ul style="list-style-type: none"> - He is aware of MSPO and was given awareness on the complaint and grievances system and forms. - He is using the road through the estate to bring out the yield from his rubber estate and banana farm with an agreeable charges. - No issues with the estate to-date. 	<ul style="list-style-type: none"> - Noted by the management.

Nonconformity & Observation

1. Nonconformity

During the assessment 6 nonconformities were identified.

NCR No.: TMP-2019-NCR-1	<input type="checkbox"/> Major	<input checked="" type="checkbox"/> Minor
Standard: MSPO MS 2530 – 3: 2013	Indicator: 4.1.2.2	Status & Due Date: Open (18 th August 2020)

Section 1 - Details of nonconformity

The following were the results of Internal Audit carried out on the 12th of April 2019:

Observations – 2
Non-Conformities (NCs) – 2

There are no evidences for determination of root causes and action plans based on the recent internal audit. According to BDE-PRO-P1C2/IA, responses need to be made within 15 days (for minor NCs) and 30 days (for major NCRs).

<p>Section 2 - Result of investigation and determination of root cause</p> <p>Root Cause:</p> <p>The Non-Conformances issued by the internal auditor had been closed by the auditee. However, it was not recorded into NCR Form hence no evidence of root cause determination and action plan.</p>		
<p>Section 3 - Correction (if applicable) and corrective action plan including completion date:</p> <p>Correction - The estate has recorded the NCR from Internal Audit into NCR form immediately after the stage 2 audit according to the procedure for record keeping.</p> <p>Corrective action - To conduct the internal audit training for relevant personnel before the next annual internal audit tentatively in April 2020 and monitoring through management review meeting after internal audit has been conducted.</p>		
<p>NCR No.: TMP-2019-NCR-2</p>	<p><input type="checkbox"/> Major</p>	<p><input checked="" type="checkbox"/> Minor</p>
<p>Standard: MSPO MS 2530 – 3: 2013</p>	<p>Indicator: 4.4.4.2 (d) & (e)</p>	<p>Status & Due Date: Open (18th August 2020)</p>
<p>Section 1 - Details of nonconformity</p> <ol style="list-style-type: none"> 1. During site visit to field 01A, observed ad harvester named Zuriate was not wearing goggles during work despite the requirement was mentioned in the established SOP Safe Operating Procedure for Harvesting stated that the harvester has to wear PPE such as Safety Helmet, Rubber Shoes, and Goggles. 2. CHRA has been completed on 12th October 2018 by Dr. Yasriza Bin Yahaya of Occumed Consultancy & Services Sdn. Bhd. <p>The following recommendations are yet to be implemented on site:</p> <p>Minimum N95 mask for pesticide applicator, nursery, manure, mechanic and water treatment operator.</p>		
<p>Section 2 - Result of investigation and determination of root cause</p> <p>Root Cause:</p> <ol style="list-style-type: none"> 1. Overlooked by management to issue the goggles to harvesting workers . 2. The estate had misinterpreted on the specification for N95 mask in CHRA. The management supplied N95 9100 and N95 3200 instead of N95 8200 as per recommendation in CHRA. 		

<p>Section 3 - Correction (if applicable) and corrective action plan including completion date:</p> <p>1. Appropriate goggles have been issued to harvesting workers on 27/8/19.</p> <p>2. N95 8200 masks have been purchased and issued to affected workers on 27/8/19 accordingly as recommended in CHRA.</p> <p>3. to give refresher training to existing workers by end of 2019 and induction training should new workers were hired. The management will ensure the workers are wearing adequate PPE before they start working.</p>		
<p>NCR No.: TMP-2019-NCR-3</p>	<p><input type="checkbox"/> Major</p>	<p><input checked="" type="checkbox"/> Minor</p>
<p>Standard: MSPO MS 2530 – 3: 2013</p>	<p>Indicator: 4.5.2.1</p>	<p>Status & Due Date: Open (18th August 2020)</p>
<p>Section 1 - Details of nonconformity</p> <p>It was found that electricity usage and diesel consumption were being recorded accordingly into “TNB Record Book” and “Budu Estate Store Record Fuel & Oil”. However, baseline value and trend were not observed as required by the indicator of this standard.</p>		
<p>Section 2 - Result of investigation and determination of root cause</p> <p>Root Cause:</p> <p>Lack of awareness by the estate management</p>		
<p>Section 3 - Correction (if applicable) and corrective action plan including completion date:</p> <p>1. TNB baseline value has been established together with graph plotting for trend monitoring as per requirement.</p> <p>2. Diesel baseline value has been established together with graph plotting for trend monitoring as per requirement.</p> <p>3. Conduct the refresher training for handling and record keeping for related renewable energy in plantation operation by end of 2019.</p>		
<p>NCR No.: TMP-2019-NCR-4</p>	<p><input type="checkbox"/> Major</p>	<p><input checked="" type="checkbox"/> Minor</p>
<p>Standard: MSPO MS 2530 – 3: 2013</p>	<p>Indicator: 4.5.2.2</p>	<p>Status & Due Date: Open (18th August 2020)</p>
<p>Section 1 - Details of nonconformity</p> <p>Estimation of direct usage for fossil fuel and electricity to determine energy efficiency of the operations was not developed. Current practice, the management only records the actual usage of electricity and diesel.</p>		

Section 2 - Result of investigation and determination of root cause		
Root Cause:		
Lack of awareness by the estate management		
Section 3 - Correction (if applicable) and corrective action plan including completion date:		
1. Established baseline values for both diesel and electricity consumption are being used as estimation for the following year.		
2. To conduct refresher training for handling and record keeping for related renewable energy in plantation operation by end of 2019.		
NCR No.: TMP-2019-NCR-5	<input type="checkbox"/> Major	<input checked="" type="checkbox"/> Minor
Standard: MSPO MS 2530 – 3: 2013	Indicator: 4.5.3.3	Status & Due Date: Open (18 th August 2020)
Section 1 - Details of nonconformity		
<p>Procedure of Handling of Used Chemical, PRO-P5C3/HUC has been established dated 1/1/19. The SOP was made available and found to be adequate to meet the requirement of SW Reg 2005.</p> <p>However, notification of 2nd Schedule of Scheduled Waste Regulation 2005 has yet to be done either through e-swis or manually despite having scheduled waste generated in the estate.</p> <p>During site visit to the Scheduled Waste Store, observed proper labelling in accordance to the regulation (3rd Schedule) was not in placed.</p> <p>Disposal last made on 3/8/19 for SW 305, 300 Liter, disposed through SL Recycling (M) Sdn Bhd this can be evident from the 6th Schedule record. However, clinical waste disposal record was not made available during the audit despite having a disposal done on 18/7/19</p>		
Section 2 - Result of investigation and determination of root cause		
Root Cause:		
<p>1. At the time of audit the management had not gotten advise from competent person on SW management and e-SWIS operation. Hence the notification was not made and SW labelling was not in accordance to right format due to no supervision.</p> <p>2. Current practice, Medical Assistant is overseeing clinical waste movement. All clinical waste is being collected by panel clinic. The clinic will then gather all clinical wastes from other waste generators until sufficient amount is achieved before it can be disposed through licensed contractor. During the audit, MA was not around to explain the whereabouts of the clinical waste disposal records and the other estate management representatives could not do it on behalf due to lack of information with regards to the waste. After consulting the MA, the wastes were actually had been collected by the panel clinic but had yet to be disposed through licensed contractor. Hence the disposal records was not made available during the audit.</p>		

Section 3 - Correction (if applicable) and corrective action plan including completion date:

1. Current progress the estate had registered to be account user for e-SWIS on 27/8/19 and now waiting for DOE approval. Notification of the existing SW will be done through e-SWIS as soon as DOE approval has been acquired. Should there is any new SW generated by the estate, the management will immediately notify through e-SWIS.
2. To re-label with the proper SW labeling according to the requirement in 3rd schedule. Person in charge will be briefed on the right way of SW labelling. This will be carried out by the end of 2019.
3. Medical assistant to create record of clinical waste movement for evidence and traceability of waste thus the estate management will be kept informed and updated.

NCR No.: TMP-2019-NCR-6	<input type="checkbox"/> Major	<input checked="" type="checkbox"/> Minor
Standard: MSPO MS 2530 – 3: 2013	Indicator: 4.5.3.4	Status & Due Date: Open (18 th August 2020)

Section 1 - Details of nonconformity

It was found that some empty pesticide containers were used for chemical mixing purpose and the excess containers were stored in designated store area. However, noted the stored excess containers were not rinsed and punctured accordingly.

Section 2 - Result of investigation and determination of root cause

Root Cause:

1. The estate has never conducted a proper and recorded triple rinsing training for chemical mixing personnel.
2. Workers that were new to chemical mixing operation were assigned before the audit.

Section 3 - Correction (if applicable) and corrective action plan including completion date:

1. The estate management has conducted the handling of triple rinsing training for existing workers and new workers regarding chemical mixing on 24/8/19.
2. The management is going to withdraw the excess pesticide containers from SW store to recycle waste store.

1. Observations

No	Observation Details
.	
1.	4.3.1.1 A new compressor has been purchased to replace the current licensed compressor which is recently malfunction. The process to obtain license for the new compressor need to be carried out before it can be operated safely.
2.	4.3.2.2 Found 5 lots of land within Budu Estates with titles recently converted to 'Tanaman Dusun'.

	Management of Budu Estate to establish an official plan for converting of Oil Palm estates to other farm fruits (e.g. Durian).
3.	<p>4.4.4.2.</p> <ol style="list-style-type: none"> 1. Most of the SDS for chemical used have been obtained and displayed but there are certain SDS that are still in progress from the supplier (i.e. Triester, T-Pol, Copper Oxide). 2. Chemical Mixing Area The recycle tank for mixing chemical can be place in the bund of mixing area. To avoid any overflow to the drain.
4.	<p>4.4.5.9</p> <p>Application of deduction for TNB charges (in payslip) to JTK on 14th June 2019 is noted. However, the proof of acceptance is to be obtained and filed as evidence.</p>
5.	<p>4.4.5.11</p> <p>During site visit to estate labour line (Division 2) noted an open burning trace on a ground next to house unit 27B resulted from barbeque activity. The management may want to provide designated barbeque area or remind workers not have to do it directly to the ground. Also noted no prohibition of open burning signage erected at the area.</p> <p>Fire extinguisher not available at the visited labour line (Division 2). The management may opt to provide adequate fire extinguisher at the labour line to enhance firefighting efficiency.</p>
6.	<p>4.5.1.2</p> <p>Environment Aspect Impact Assessment has been established for Nursery, Replanting, Maintenance and Harvesting. However, it was not done for Storage, Lineside, Workshop and Ramp. According to the management, the assessment is being carried out according. The completion will be verified in the next audit.</p>
7.	<p>4.5.1.6</p> <p>An environmental committee was newly established namely EPMC. However, meeting has yet to be conducted. The management is planning to conduct the meeting on 26/819. The implementation will be followed up in the next audit</p>
8.	<p>4.5.3.5</p> <p>The management may opt to establish barricade for landfill area and to indicate opening and closing date.</p> <p>Observed a few chemical containers accidentally disposed in landfill. The practice will be followed up again in the next audit.</p>
9.	4.5.5.1

	Water table for 2 bore wells in the estate have yet to be measured for water table. The management is planning to complete it by the end of 2019. The completion will be verified in the next audit.
10.	4.5.6.2 The management may consider to erect no hunting signage nearby Kemahang Forest Reserve (Tasik Burung Mandi) border.
11.	4.6.1.1 Chemical Mixing Measurement The measurement of chemical can be more efficient if mix with the 1000-liter tank to avoid any misconduct or error while mixing chemical. It's also can save company profit and more accurate work.

Section H Audit Findings

P1: Management Commitment & Responsibility

P1C1 Malaysian Sustainable Palm Oil (MSPO) Policy			
Indicator	Requirement	Compliance	Findings
I1	A policy for the implementation of MSPO shall be established.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	There is MSPO Policy establish estate management dated 1 January 2019 by Koh Nai Hock
I2	The policy shall also emphasize commitment to continual improvement.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Observed the sighted MSPO Policy emphasises on continual improvement

P1C2 Internal Audit			
Indicator	Requirement	Compliance	Findings
I1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Conducted on 12 April 2019 by Mr Abu Basir. The audit plan was issued to the estate a week prior to the proposed audit date.</p> <p>From the established Internal Audit SOP PRO-P1C2/IA specifically mentioned that internal audit shall be conducted at least annually.</p>
I2	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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> OFI	<p>The following were the results of Internal Audit carried out on the 12th of April 2019:</p> <p>Observations – 2 Non-Conformities (NCs) – 2</p> <p>NC 1: There are no evidences for determination of root causes and action plans based on the recent internal audit. According to BDE-PRO-P1C2/IA, responses need to be made within 15 days (for minor NCs) and 30 days (for major NCs).</p>
I3	Report shall be made available to the management for their review.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	There is documented audit report sign by estate manager on 12 April 2019 and presented in Management Review on 7th May 2019.

P1C3 Management Review			
Indicator	Requirement	Compliance	Findings
I1	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Management Review has been conducted on:</p> <p>7th May 2019 – to present the awareness on MSPO, results of Internal Audit and Action Plans to achieve the compliance.</p> <p>14th June 2019 – to present on the findings on MSPO Stage 1 Audit by MR3 Certification International and outstanding issues related to the compliances</p>

P1C4 Continual Improvement			
Indicator	Requirement	Compliance	Findings
I1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>The plan cover environment aspect, social and safety issue.</p> <p>Sighted Continual Improvement Plan Activities for Implementation Date from March 2018 to May 2019.</p>
I2	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>There is continual Improvement plan (System) been establish by estate management.</p> <p>Budu Estate has engaged Linc Pro Agro (Mr. Peter Christopher Lau) on May 2018 to assess the Foliar Sampling and get recommendation of improved practices for better yield.</p>
I3	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Training plan establish by estate management cover all activities and all level employee in the estate.</p> <p>OFI: Action Plans (including training, if necessary) based on the agronomist report to be included in the Continual Improvement Plan.</p>

P2: Transparency

P2C1		Transparency of information and documents relevant to MSPO requirements	
Indicator	Requirement	Compliance	Findings
I1	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>The standard operating procedure was established for the companies as per documented:</p> <p>BDE-PRO-P2C2/CC</p> <p>The time frame to provide feedback to the stakeholder is documented to be 2 weeks of the date receiving the queries.</p>
I2	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>BDE using the method to communicate with stakeholders via Email, Telephone, Fax, Whatsapp and Verbally and using signboard displayed at the main entrance.</p>

P2C2		Transparent method of communication and consultation	
Indicator	Requirement	Compliance	Findings
I1	Procedures shall be established for consultation and communication with the relevant stakeholders.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Refer to procedure BDE-PRO-P2C2/CC "Stakeholder Consultation And Communication Procedure"</p>
I2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Appointment letter for Mr. Sanusi b. Yusop dated 01 January 2019 as PIC for social and issue related to operating unit.</p>
I3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>List available for stakeholder 2019.</p> <p>OFI To include Badan Kawal Selia Air Pahang dan Jabatan Perhutanan Negeri Pahang as the water source is from ground water and the estate is neighbouring with a reserved forest.</p>

P2C3 Traceability			
Indicator	Requirement	Compliance	Findings
I1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Traceability procedure as BDE-PRO-P2C3/TP "Traceability procedure"
I2	The management shall conduct regular inspections on compliance with the established traceability system.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Sighted the following documents for FFB production dates 17th Aug 2019:</p> <p>Despatch Chit with Tractor, Driver, Loader, Mandor, Date, Time, Field, Bunches, Loose Fruits, Average Bunch Weight and Tonnes – issued by Mandor (Prasad).</p> <p>Despatch Ticket by Tinggi Maju Plantation (Budu Estate), issued by Weighbridge Clerk (Abi Ramie).</p> <p>Weighing Slip by Tian Siang Oil Mill (Pahang) Sdn Bhd (Serial # 00269097).</p> <p>Pn Sarah binti Alias, the appointed Traceability System Officer for Budu Estate shall inspect the traceability on daily basis and established FFB Despatch Log and FFB Record and Tractor Log in two separate books.</p>
I3	The management should identify and assign suitable employees to implement and maintain the traceability system.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	As per appointment letter, Pn. Sarah Bt Abas dated 1 January 2019.
I4	Records of sales, delivery or transportation of FFB shall be maintained.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Based on internal weighbridge ticket there is specific block no and division no.</p> <p>Records are maintained, filed and verified accordingly.</p>

P3: Compliance to legal requirements

P3C1 Regulatory requirements			
Indicator	Requirement	Compliance	Findings
I1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Sample MPOB license: No: 504680002000 Expired: 31 March 2020</p> <p>Permit Barang Kawalan Berjadual – Diesel – 13,000.00 liter No.Siri P: C 000026-RUB Sah sehingga: 7 Feb 2020</p> <p>OFI – Need to identify the requirement from Badan Kawal Selia Air Pahang in regards to the tube well water source.</p> <p>OBS A new compressor has been purchased to replace the current licensed compressor which is recently malfunction. The process to obtain license for the new compressor need to be carried out before it can be operated safely.</p>
I2	The management shall list all laws applicable to their operations in a legal requirements register.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>There is LORR as per procedure no BDE-LST-P3C1/LRR.</p> <p>Total 30 legal/act list by estate.</p>
I3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Legal Register has been updated 1st January 2019.</p> <p>New regulation on Noise Exposure in OSHA has been included in the legal file.</p>
I4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Appointed Mrs. Nur Atiqah Bt. Mohamad Ghani, dated 1 January 2019.

P3C2 Land used right			
Indicator	Requirement	Compliance	Findings
I1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>There is evident of land title 15 land title with total 1850 ha.</p> <p>Syarat-syarat nyata: Tiada Sekatan</p>
I2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>All land complete with land title and quit rent for all land title. Sample: No lot: 0001377 Area: 247.238 acre</p> <p>Sighted Lot 3096, 3097, 3101, 1209, 1218, 1233, 1234, 1058, 1377, 1269, 1100, 1346, 1059, 1438, 1272 with associated quit rent.</p> <p>OBS Found 5 lots of land within Budu Estates with titles recently converted to 'Tanaman Dusun'.</p> <p>Management of Budu Estate to establish an official plan for converting of Oil Palm estates to other farm fruits (e.g. Durian).</p>
I3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Boundary markers have been established in several areas around the estate boundary. Sampled from Field 01A neighbouring to Tasik Burung Mandi.</p>
I4	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).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Refer to procedure for "Identifying Legal and Customary Right and Identifying People Entitled To Compensation".</p> <p>Based on complaint records and stakeholder consultation, noted that no complaint pertaining to land issue was recorded as of the audit date.</p>

P3C3 Customary rights			
Indicator	Requirement	Compliance	Findings
I1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>No NCR land within the estate area.</p>
I2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>NA</p>
I3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>NA</p>

P4: Social responsibility, health, safety and employment condition

P4C1 Social impact assessment (SIA)			
Indicator	Requirement	Compliance	Findings
I1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	SIA was conducted by Wild Asia on November 2015. All potential negative and positive impacts were identified in the report sighted. Management plan was established, maintained and being monitored accordingly.

P4C2 Complaints and grievances			
Indicator	Requirement	Compliance	Findings
I1	A system for dealing with complaints and grievances shall be established and documented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Sighted procedure BDE-PRO-P4C2/CG.
I2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Maximum 15 days as per procedure BDE-PRO-P4C2/CG.
I3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Form was available in the procedure. The physical forms are available at the office and post guard.
I4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Brief to stakeholder during stakeholder meeting on 21st Feb 2019.
I5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	There is no complaints received at present.

P4C3 Commitment to contribute to local sustainable development			
Indicator	Requirement	Compliance	Findings
I1	Growers should contribute to local development in consultation with the local communities.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	CSR Records have been established with contribution starting 18th Feb 2018. The latest contribution in on 26th March for Rejimen Askar Melayu Diraja Kem Lipin for usage of area in their assessment/exam.

P4C4 Employees safety and health			
Indicator	Requirement	Compliance	Findings
I1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>OSH policy available.</p> <p>Safety Plan was available as per Procedure BDE-DOC-P4C4/HSP</p> <p>The establishment was communicated to workers through training which can be evident from attendance list dated 19/3/19. Stakeholder meeting minute was conducted on 21/2/19. Meeting minute was sighted</p>
I2	<p>The occupational safety and health plan shall cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Available and established.</p> <p>The establishment was communicated to workers through training which can be evident from attendance list dated 19/3/19. Stakeholder meeting minute was conducted on 21/2/19. Meeting minute was sighted</p>
	b) The risks of all operations shall be assessed and documented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>HIRARC for all activities established by estate management dated 25-02-2018 and 14 Ap 2016</p> <p>CHRA has been completed on 12th October 2018 by Dr Yasriza Bin Yahaya of OCCUMED CONSULTANCY & SERVICES SDN BHD</p>
	<p>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <p>i) all employees involved shall be adequately trained on safe working practices</p> <p>ii) all precautions attached to products shall be properly observed and applied</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>There is plan establish by estate management to cover all activities in the estate.</p> <p>Evident: Tractor Driving Training was conducted on 26 February 2018</p> <p>Chemical Handling Training dates 22nd February 2019.</p> <p>Safety awareness Training dated 22 February 2019.</p> <p>OBS Most of the SDS for chemical used have been obtained and displayed but there are certain SDS that are still in progress from the supplier (i.e. Triester, T-Pol, Copper Oxide).</p>
	d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>The record available, established and maintained. Sample workers, Diwash, Bijay Jimba.</p> <p>NC 2: During site visit to field 01A, observed ad harvester named Zuriate was not wearing goggles during work despite the requirement was mentioned in the established SOP Safe Operating Procedure for Harvesting stated that the harvester has to wear PPE such as Safety Helmet, Rubber Shoes, and Goggles.</p> <p>CHRA has been completed on 12th October 2018 by Dr. Yasriza Bin Yahaya of Occumed Consultancy & Services Sdn. Bhd.</p> <p>The following recommendations are yet to be implemented on site:</p> <p>Minimum N95 mask for pesticide applicator, nursery, manure, mechanic and water treatment operator.</p>
	e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Refer to SOP 7, "Chemical Handling Procedure"</p> <p>OBS Chemical Mixing Area The recycle tank for mixing chemical can be place in the bund of mixing area. To avoid any overflow to the drain.</p>

f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Appoint Mr. Ramli B. Mat (Hospital Assistant) as a Safety and Health Representative.</p> <p>OFI To establish a special appointment for Tuan Sanusi as the responsible person for workers' safety and health. Currently, it is not clear who is the responsible person in-charge of workers' safety and health as all appointment letter for Safety and Health committee are having similar role and responsibilities.</p>
g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meetings are kept and the concerns of the employees and any remedial actions taken are recorded.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>There is Safety Health Committee Meeting quarterly. Date: 29 March 2019 and 26th June 2019.</p>
h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Procedure was available during audit BDE-DOC-P4C4/HSP (dated 1st Jan 2019).</p>
i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Training was conducted on 23/11/2017 conducted by Estate HA.</p> <p>First Aid Kit total: 6 set</p> <p>First aid kit was made available at the visited harvesting activity on the audit date</p>
j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>There is record maintain by estate management.</p> <p>Last JKKP6 produced was on 9th March 2018. No incidents or accidents recorded since then.</p>

P4C5 Employment			
Indicator	Requirement	Compliance	Findings
I1	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Policy for social and human right was available.</p> <p>The establishment was communicated to workers through training which can be evident from attendance list dated 19/3/19. Stakeholder meeting minute was conducted on 21/2/19. Meeting minute was sighted</p>
I2	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>The commitments are stipulated in the policy and there is no complaint/grievance associated to discriminatory practices and unequal opportunity are recorded so far.</p>
I3	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Follow as per minimum wages. Sample: Naimuddin – Rm1215.00 Raman – Rm 1903.40</p>

I4	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Sighted Low Chun Yin (External Transport) records. Met the requirement and complete with copy of agreement and payslip (Voucher).
I5	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>There is list of all employee complete with full names, DOB etc prepared by estate management. Total employee: 36 local, 104 foreign =140 person</p> <p>Sighted agreement of worker (i.e. Zuriate (AT978684)) with the information of full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p>
I6	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	There is evident fair contract sign by employee and employer during audit. Copy of contract is shared with the worker. Verified with En. Hamidun Bin Samad.
I7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Based on muster chit for estate workers and log book for estate management.</p> <p>Verified for July 2019 payslip issued for Pradip Kumar Chaudhary – Passport 06351216.</p>
I8	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>As per appointment letter.</p> <p>Verified for July 2019 payslip issued for Pradip Kumar Chaudhary – Passport 06351216.</p>
I9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Payslip give to worker monthly basis, documented and maintain by estate management.</p> <p>Verified for July 2019 payslip issued for Pradip Kumar Chaudhary – Passport 06351216.</p> <p>Sighted payslip for Hamidon Bin Samad, local worker from neighboring village (Kg Kemahang).</p> <p>RM 31.00 per half day slashing and upkeep work (8am – 12pm).</p> <p>OFI – Application of deduction for TNB charges (in payslip) to JTK on 14th June 2019 is noted. However, the proof of acceptance is to be obtained and filed as evidence.</p>
I10	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Refer to appointment letter.</p> <p>Verified agreement with Zuriate (AT978684) – Benefits include water, housing amenities as per Employment Act 1955, free estate clinic and government hospital charges.</p>

I11	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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Accommodation provided by the BDE. Each unit equipped with 2 rooms, 1 toilet and 1 shower room. Rubbish collection facility was available. Grass cutting done twice a month and rubbish collection every Friday.</p> <p>OBS During site visit to estate labour line (Division 2) noted an open burning trace on a ground next to house unit 27B resulted from barbeque activity. The management may want to provide designated barbeque area or remind workers not have to do it directly to the ground. Also noted no prohibition of open burning signage erected at the area.</p> <p>Fire extinguisher not available at the visited labour line (Division 2). The management may opt to provide adequate fire extinguisher at the labour line to enhance firefighting efficiency.</p>
I12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Policy and guidelines (dated January 2019) have been established to prevent sexual harassment and violence.</p>
I13	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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> OFI	<p>There is a statement in the policy, workers free to join any trade union.</p> <p>There are no complaints/grievances associated to right of all employees to form or join trade union or facilitate collective bargaining are recorded so far.</p>
I14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.	<input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Youngest workers age 19 years old based on list of workers – Musnan (DOB 1st July 2000) - Indonesian</p>

P4C6 Training and competency			
Indicator	Requirement	Compliance	Findings
I1	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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Training programme was plan properly in the OSH training plan 2019.</p>
I2	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Format for competency was establish.</p> <p>Competency requirement are set based on roles and responsibilities of workers as per Training Plan 2019.</p>
I3	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>All training planned and conducted based on roles and responsibilities of the workers.</p>

P5: Environment, natural resources, biodiversity and ecosystem services

P5C1 Environmental management plan			
Indicator	Requirement	Compliance	Findings
I1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Policy was made available during the audit namely "Dasar Alam Sekita dan Biodiversiti" dated January 2019 signed by the Director, Mr. Koh Nai Hock. The establishment was communicated to workers through training which can be evident from attendance list dated 19/3/19. Stakeholder meeting minute was conducted on 21/2/19. Meeting minute was sighted Sighted Environmental Management Plan, DOC-P5C1/EMP "Environmental Management Plan" dated 1/1/19.
I2	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	Sighted Environmental Management Plan, DOC-P5C1/EMP "Environmental Management Plan" dated 1/1/19. The EMP meets the requirement of this indicator. a) Policy as mentioned above. b) Environment Aspect Impact Assessment has been established for Nursery, Replanting, Maintenance and Harvesting. OBS Environment Aspect Impact Assessment has been established for Nursery, Replanting, Maintenance and Harvesting. However, it was not done for Storage, Lineside, Workshop and Ramp. According to the management, the assessment is being carried out according. The completion will be verified in the next audit.
I3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The plan was incorporated together with the EAIA sighted earlier.
I4	A programme to promote the positive impacts should be included in the continual improvement plan.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	Continual Improvement Plan was sighted for 2019. Listed plans related to environmental as below : 1. To collect used water from chemical mixing activity for future mixing 2. To construct store bund to avoid direct spillage on the ground 3. To build spill kit nearby skid tank area. 4. To build barn owl nest as part of biological control
I5	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Training Need and Plan for Workers and Contractors sighted for 2019. Sampled Planned Trainings as below: 1. MSPO Awareness Training 2nd week Jan 2. Environment Awareness Training 2nd week Apr 3. ERP Training 2nd week Apr Sampled conducted training as below: 1. Spillage Training 4/4/19 2. MSPO Briefing 12/1/19 3. Environment Awareness Training 11/2/19 4. MSPO Awareness Training 20/2/19
I6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	OBS An environmental committee was newly established namely EPMC. However, meeting has yet to be conducted. The management is planning to conduct the meeting on 26/8/19. The implementation will be followed up in the next audit

P5C2 Efficiency of energy use and use of renewable energy			
Indicator	Requirement	Compliance	Findings
I1	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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> OFI	NC 3: It was found that electricity usage and diesel consumption were being recorded accordingly into "TNB Record Book" and "Budu Estate Store Record Fuel & Oil". However, baseline value and trend were not observed as required by the indicator of this standard.
I2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> OFI	NC 4: Estimation of direct usage for fossil fuel and electricity to determine energy efficiency of the operations was not developed. Current practice, the management only records the actual usage of electricity and diesel.
I3	The use of renewable energy should be applied where possible.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	No usage of renewable energy in the estate

P5C3 Waste management and disposal			
Indicator	Requirement	Compliance	Findings
I1	All waste products and sources of pollution shall be identified and documented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Identification was done and evident from Waste Management Action Plan. Identified waste such as SW, Scrap Irons, Old Tires, Domestic Waste and Recycle Waste. The identified sources such as Workshop, Store, Office, Clinic and Linesite
I2	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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	a) As sighted in 4.5.3.1. Waste handling for each identified waste was documented into the Waste Management Action Plan b) Frond stacking, used water recycle for chemical mixing, use of EFB for mulching
I3	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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> OFI	<p>NC 5: Procedure of Handling of Used Chemical, PRO-P5C3/HUC has been established dated 1/1/19. The SOP was made available and found to be adequate to meet the requirement of SW Reg 2005.</p> <p>However, notification of 2nd Schedule of Scheduled Waste Regulation 2005 has yet to be done either through e-swis or manually despite having scheduled waste generated in the estate.</p> <p>During site visit to the Scheduled Waste Store, observed proper labelling in accordance to the regulation (3rd Schedule) was not in placed.</p> <p>Disposal last made on 3/8/19 for SW 305, 300 Liter, disposed through SL Recycling (M) Sdn Bhd this can be evident from the 6th Schedule record. However, clinical waste disposal record was not made available during the audit despite having a disposal done on 18/7/19</p>
I4	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.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> OFI	<p>NC 6: It was found that some empty pesticide containers were used for chemical mixing purpose and the excess containers were stored in designated store area. However, noted the stored excess containers were not rinsed and punctured accordingly.</p>
I5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Landfill was available in a field planted with durian formerly known as Field 86A.</p> <p>OBS The management may opt to establish barricade for landfill area and to indicate opening and closing date.</p> <p>Observed a few chemical containers accidentally disposed in landfill. The practice will be followed up again in the next audit.</p>

P5C4 Reduction of pollution and emission			
Indicator	Requirement	Compliance	Findings
I1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Same as EAIA
I2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Same as EAIA. Pollution Prevention Plan was also established which include the operation of nursery and Labour Line

P5C5 Natural water resources			
Indicator	Requirement	Compliance	Findings
I1	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a) Assessment of water usage and sources of supply.</p> <p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</p> <p>c) Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>d) Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>Water Management Plan DOC-P5C5/WMP dated 1/1/19.</p> <p>a) Water sourced from 2 tube wells. However, the assessment of water usage was not conducted.</p> <p>b) Last water sampling done to monitor outgoing water were done for 4 points namely, Gate 97A, Kemahang Boundary, Benta Boundary and Outlet 01A. It was done in March 2019 by Mizulab Sdn Bhd.</p> <p>c) Used water from chemical mixing activity is being recycled for future chemical mixing activity. Rain water harvesting done infield. The collected rain water is being used for watering palm.</p> <p>d) Noted there was a river flowing next to the estate namely Sg Lipis. Buffer zone has been established with undisturbed vegetation. Visited buffer zone located at field 01C. Prohibition of chemical activities signage has been erected and noted no chemical trace in the area.</p> <p>e) Same as d)</p> <p>f) 2 bore wells in the estate. The water table has yet to be measured.</p> <p>OBS Water table for 2 bore wells in the estate have yet to be measured for water table. The management is planning to complete it by the end of 2019. The completion will be verified in the next audit.</p>
I2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	During site visit to the buffer zone area noted no such activities.
I3	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).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	as mentioned in 4.5.5.1 c)

P5C6 Status of rare, threatened, or endangered species and high biodiversity value area.			
Indicator	Requirement	Compliance	Findings
I1	<p>Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <p>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</p> <p>b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>HCV assessment had been done concurrently with SIA on 18/11/15.</p> <p>a) According to the assessment report done by WildAsia, noted that the estate is located close to the Taman Negara Pahang and adjacent to kemahang Forest Reserve. 16 animal species were identified in the estate with 2 EN, 2 VUL and 12 NT IUCN classification namely White Handed Gibbon (EN), Sunda Tapir (EN), Pig Tailed Macaque (VUL) and Great Slatty Woodpecker (VUL). Sg Lipis was also identified flows close to the estate which may be area of water provision and as natural flood prevention</p> <p>b) refer a)</p>
I2	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> OFI	<p>HCV Management Action Plan has been developed in 2016. Also sighted Biodiversity and Ecosystem Management Plan DOC-P5C6/BEP dated 1/1/19. The plan entails:</p> <p>a) Responsibilities to meet the legal requirements such as Protection of Wildlife Act 1972, Conservation Activities and Result Monitoring.</p> <p>b) No hunting signboard erected nearby entrance of the estate. Training was given to the workers as sighted in criteria 1 of this principle.</p> <p>OBS The management may consider to erect no hunting signage nearby Kemahang Forest Reserve (Tasik Burung Mandi) border.</p>
I3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Refer 4.5.6.2</p>
P5C7 Zero burning practices			
Indicator	Requirement	Compliance	Findings
I1	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>No evidence of open burning practice for waste disposal.</p>
I2	<p>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.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>NA</p>
I3	<p>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.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>NA</p>
I4	<p>Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>NA</p>

P6: Best Practices

P6C1 Site management			
Indicator	Requirement	Compliance	Findings
I1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>There is SOP for all activities related to estate operation was available as :</p> <ol style="list-style-type: none"> 1) Mixing of Pesticides 2) Spraying 3) Fertilizer Applications 4) Pest & Diseases 5) Harvesting and Frond Pruning <p>OBS Chemical Mixing Measurement The measurement of chemical can be more efficient if mix with the 1000-liter tank to avoid any misconduct or error while mixing chemical. It's also can save company profit and more accurate work.</p>
I2	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Sighted. During sites visit to block 01A, there is hilly area was planted. The SOP for hilly area also established as per documented in S.O.P page No 7/05/2 (B. Hilly areas paragraph 1 till 6).</p>
I3	A visual identification or reference system shall be established for each field.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Sighted. Field marking was established. Example during sites visit field 01A was marked at palm as per stated in map.</p>

P6C2 Economic and financial viability plan			
Indicator	Requirement	Compliance	Findings
I1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Tinggi Maju Plantation had established budget for year 2019 till 2021. Its forecast for 3 years. Budget including weeding, manuring, Labour, MSPO Expenditure, Safety, Environmental and etc. As per documented.</p>
I2	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Sighted. Plan for replanting had established for year from 2020 till 2042. Budget for replanting year 2020 had established in Maju Tinggi Plantation system as per documented in Profit & Loss balance sheet statement (Planting Development).</p>
I3	<p>The business or management plan may contain:</p> <ol style="list-style-type: none"> a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production : cost per tonne of FFB d) Price forecast e) Financial indicators : cost benefit, discounted cash flow, return on investment 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Maju Tinggi Plantation had established plan for continual improvement. Quality of FFB was free from rat attack, Ganoderma or Bagworm attack. Cost of production of FFB, Benefit, Cash flow and investment return was documented in MTP system.</p>
I4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	<p>Sighted. Mr. Teow Soi Eng was the person in charge to monitor of company improvement. Meeting conducted and minute meeting recorded. Latest meeting had mention about MSPO and Schedule Waste for Chemical and Clinic. As per documented in Management Review BDE-PRO-P1C3/MR (Dated 14/06/2019).</p>

P6C3		Transparent and fair price dealing	
Indicator	Requirement	Compliance	Findings
I1	Pricing mechanisms for the products and other services shall be documented and effectively implemented.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Sighted. Maju Tinggi Plantation had signed contract with three's contractor for crop evacuation: -M/S MIN ONN LORRY TRANSPORT SDN BHD. (57275-V) -M/S TKW USAHA MAJU TRADING (CT0049678-T) -MR.LAW CHUN YIN had signed agreement with Maju Tinggi Plantation for 8 months' contract dated (1st Apr 2019 to 31st Dec 2019) for FFB evacuation. All price for products and others services included in the contract with contractor
I2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	All the contractors had signed agreement with MTP for term of payment to be paid within 30 days. Example: Min Onn Lorry Transport : Invoice No : 1850 dated 20 Jun 2019.

P6C4		Contractor	
Indicator	Requirement	Compliance	Findings
I1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Sighted. All the agreement with contractors are mentioned about MSPO that contractor must agree to Allow and follow MSPO requirement.
I2	The management shall provide evidence of agreed contracts with the contractor.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	There is only three external transport contract with estate. All the contractor agreement was documented and signed.
I3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	Sighted. In the agreement of contract between MTP and three transport contractor stated in clause MSPO REQUIREMENT: Indicator 1. The contractor must agree to allow MSPO auditor(s) from the estate or independent third parties/MSPO external auditor(s) engaged by the Estate to provide relevant access duly accredited CBS/Certify Bodies to their respective operation, system and all/any others information when this is announcing in advance.
I4	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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The person in charge for contract transport is Mr. Prasad (Mandor Harvesting). All the record of block harvesting, bunches and estimated weight was recorded in despatch chit. MTP will issue weighing bridge ticket to mill. Example: 19/08/2019 Lorry No T 22 Nett Weight 5440kg. Bunches 325, Loose fruit 130kg.

P7: Development of new plantings

P7C1 High biodiversity value			
Indicator	Requirement	Compliance	Findings
I1	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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	The whole principle 7 is not applicable as the estate is not having new planting activity.
I2	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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
P7C2 Peatland			
Indicator	Requirement	Compliance	Findings
I1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
P7C3 Social and Environmental Impact Assessment (SEIA)			
Indicator	Requirement	Compliance	Findings
I1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I2	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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I4	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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA

P7C4 Soil and topographic information

Indicator	Requirement	Compliance	Findings
I1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA

P7C5 Planting on steep terrain, marginal and fragile soils

Indicator	Requirement	Compliance	Findings
I1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I2	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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA

P7C6 Customary land			
Indicator	Requirement	Compliance	Findings
I1	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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I3	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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I4	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.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I5	Identification and assessment of legal and recognised customary rights shall be documented.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I7	The process and outcome of any compensation claims shall be documented and made publicly available.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA
I8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> OFI	NA

Section I Appendix

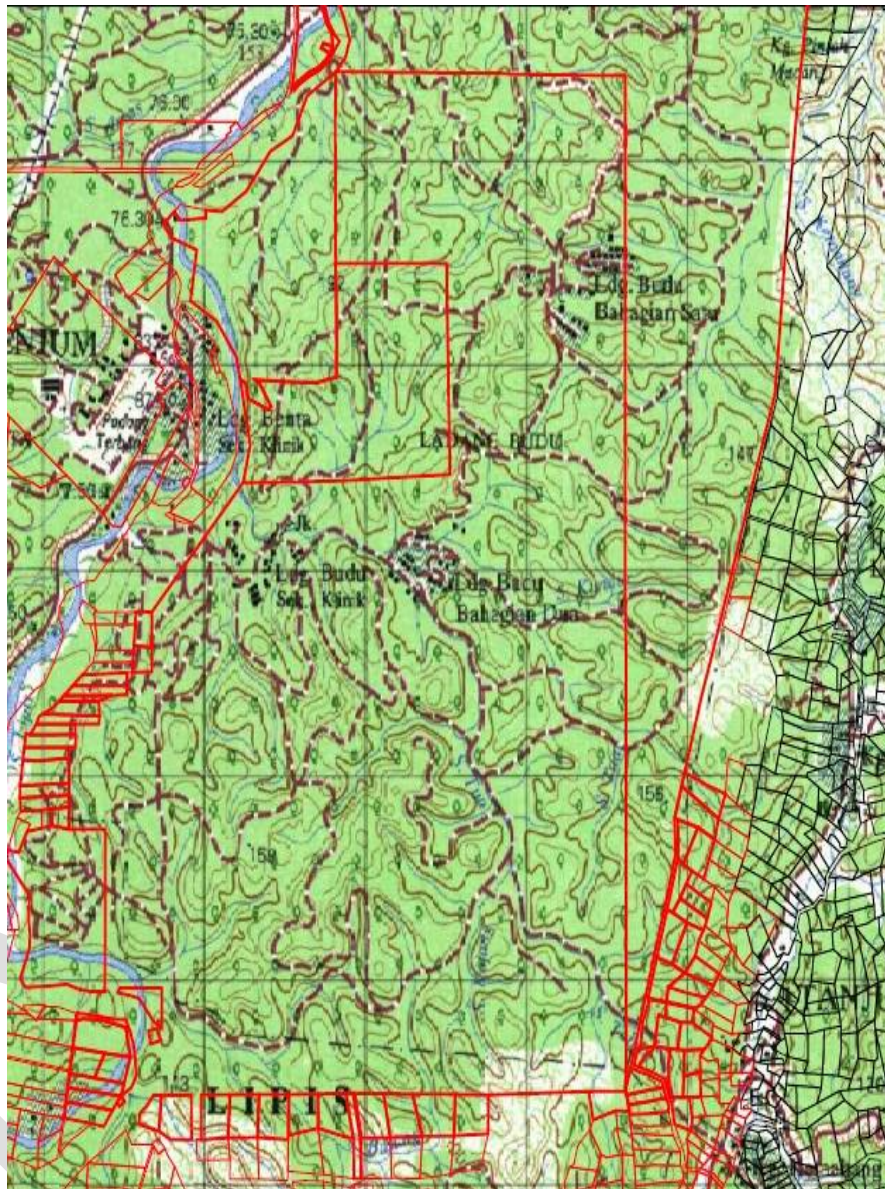


Figure 1: Budu Estate Layout