



MSPO ASSESSMENT REPORT

ON

MS 2530-2-2: 2022; Malaysian Sustainable Palm Oil
(MSPO)

FOR

| | | | |
|--------------------------|---|----------|--|
| NAME OF CERTIFIED ENTITY | FELDA Gugusan Kulai | | |
| MAIN ADDRESS | Tingkat 36, Menara FELDA, Platinum Park No.11, Persiaran KLCC. 50088, Kuala Lumpur Malaysia | | |
| SITE ADDRESS (IF ANY) | FELDA Taib Andak FELDA Ulu Tebrau FELDA Sg Tiram FELDA Bukit Batu | | |
| REPORT NO. | MR3/MSPO/25/MAV/114 | | |
| DATE OF VISITATION | 20/1/2025 TO 24/1/2025 | | |
| MSPO CERTIFICATE NO. | To be issued after completed 2nd stage audit | VALIDITY | |
| TYPE OF CERTIFICATION | GROUPING | | |
| TYPE OF AUDIT | ON-SITE VERIFICATION (FIELD VISIT & DOCUMENT REVIEW) | | |
| AUDIT STAGE | MAIN ASSESSMENT VISIT (MAV) | | |

[Disclaimer: This audit report reflects the compliance of the organization against the audit standard(s) to best accurateness. As the audit was carried out by sampling method, certain areas or processes may not be verified on its compliances. MR3 has taken every effort possible to ensure the accuracy of the audit and reporting. MR3 will not be held responsible should the audited organization failed

to provide accurate information. MR3 has full ownership and the right of maintenance of this report and shall take action to deal with incorrect references to certification status or misleading use of certification documents, marks, or audit reports.]



This assessment report has been meticulously prepared to provide a comprehensive analysis of the MSPO Main Assessment Visit (MAV). The objective of this report is to evaluate the current status, identify strengths and areas for improvement, and recommend actionable strategies to enhance overall performance and compliance with relevant standards.

Throughout the assessment process, we have employed a systematic approach, incorporating both qualitative and quantitative methods to ensure a thorough and accurate evaluation. Our team of experienced professionals has collaborated closely with stakeholders, conducted extensive fieldwork, and reviewed pertinent documentation to compile this report.

We extend our gratitude to all those who contributed to this assessment, including the management team, staff, and external partners, whose cooperation and valuable insights were instrumental in completing this report. We believe that the findings and recommendations presented herein will serve as a valuable resource for informed decision-making and strategic planning.

We trust that this report will facilitate continuous improvement and support the organization's commitment to excellence. Should you have any questions or require further clarification on any aspect of this report, please do not hesitate to contact us at superadmin@mr3cert.com.

Working TOGETHER, for a sustainable future.

| Prepared By | | Client's Representative Acknowledgement | |
|-------------|---|---|---|
| Signature |  | Signature & Company Stamp |  |
| Name | Mohammad Hafizuddin Bin Rossley (HF) | Name | MOHD EZKHAN BIN ABD RAHMAN |
| Designation | Lead Auditor | Designation | MANAGER TAIB ANDAK |
| Date | 3/2/2025 | Date | 25/2/2025 |
| Email | hafiz@mr3cert.com | Email | taibandak.f@felda.net.my |

Note for client: Please fill in the "Client's Representative Acknowledgement" section once you have satisfied with the report and as indication of acceptance. A copy of this page to be reverted to MR3 Certification International for recording purpose.

| For Office Purpose: | | |
|----------------------------|-----------|---|
| Description | Date | Remarks |
| Client Review & Acceptance | 25/2/2025 | Review by the group manager and revert the review report through email. |
| Peer Reviewer | 6/3/2025 | Review by Mr Syahrizan |
| Certification Decision | 11/3/2025 | Review by Director |

| | | |
|--------------------------------------|-----------|-------------------------|
| MSPO Certificate Approval / Issuance | 11/3/2025 | Approve by the Director |
|--------------------------------------|-----------|-------------------------|

ABBREVIATION

| | |
|----------------|---|
| CAP | Corrective Action Plan |
| CB | Certification Body |
| CHRA | Chemical Health Risk Assessment |
| CPO | Crude Palm Oil |
| FFB | Fresh Fruit Bunch |
| FY | Financial Year |
| GAP | Good Agricultural Practices |
| IA | Internal Audit |
| ISCC | International Standard for Carbon Certification |
| LA | Lead Auditor |
| MPOB | Malaysian Palm Oil Board |
| MPOCC | Malaysian Palm Oil Certification Council |
| MRM | Management Review Meeting |
| MSPO | Malaysian Sustainable Palm Oil |
| NA | Not Applicable/ Non-Applicable |
| NC | Non-Conformance/ non-conformity |
| OBS | Observation |
| OFI | OFI |
| P&C | Principle & Criteria |
| PK | Palm Kernel |
| POM | Palm Oil Mill |
| PPE | Personal Protective Equipment |
| RTE | Rare, Threatened & Endangered |
| SCCS | Supply Chain Certification Standard |
| SEIA | Social & Environment Impact Assessment |
| SOP | Standard Operating Procedure |
| TM | Team Member |

EXECUTIVE SUMMARY

The Malaysian Sustainable Palm Oil (MSPO) certification scheme represents a national commitment to the sustainable production of palm oil. This certification is designed to ensure that all aspects of palm oil production, from plantation management to processing, adhere to strict sustainability standards. Maintaining this standard is crucial for promoting environmental stewardship, social responsibility, and economic viability within the palm oil industry. The MSPO standard is essential for several reasons, including environmental protection by ensuring sustainable land use and reducing environmental impact, upholding the rights and welfare of workers and local communities through social responsibility, meeting the growing global demand for sustainably produced palm oil to secure market access, and enhancing the credibility and reputation of the Malaysian palm oil industry. It aims to promote sustainability across the palm oil supply chain. These elements include management commitment and responsibility, transparency, compliance with legal requirements, social responsibility, health, safety and employment conditions, environment, natural resources, biodiversity and ecosystem services, best practices, and the development of new plantings.

MR3 Certification International Sdn. Bhd. (MR3) is a privately-owned company based in Malaysia, incorporated in 2019 with registration number 1314255-P. Our head office is located at Level 6 & 7, The Tribeca, No. 215 Jalan Imbi, 55100 Kuala Lumpur, Malaysia. MR3 specializes in certification audits across various management systems, focusing particularly on Sustainability, Quality, Safety, and Environment. Our team boasts over 15 to 30 years of experience in diverse industries and certification processes. We bring a unique blend of expertise from various sectors, providing detailed insights during the audit process whilst empowered to exercise our judgment and make decisions to ensure that our services are both effective and engaging. This right mix of knowledge and experience allows us to deliver high-quality service to our clients at every level. With our global presence, extensive experience, and customer-centric approach, we confidently offer specialized services that cater to the needs of organizations across different industrial sectors. Our hands-on experience and delivery style ensure accurate and prompt service, establishing a solid foundation for the services we provide. Being a Certification Body, we play a pivotal role in the MSPO certification process with responsibility to conduct rigorous audit and upholding the integrity of the MSPO scheme through unbiased and transparent evaluation processes.

Achieving MSPO certification offers numerous benefits to palm oil producers. These benefits include enhanced market access by opening doors to international markets that demand sustainably produced palm oil, improved operational efficiency through the adoption of best practices that improve productivity and reduce costs, demonstrating a commitment to sustainable development and corporate social responsibility by having a positive social and environmental impact, building trust and confidence among consumers, investors, and other stakeholders through stakeholder confidence, and ensuring adherence to national and international regulations and standards by maintaining regulatory compliance.

In conclusion, the MSPO certification is not merely a standard but a strategic initiative that underscores the industry's commitment to sustainability. By maintaining rigorous compliance with the MSPO standards, the

palm oil industry in Malaysia can continue to grow responsibly, benefiting the environment, society, and the economy.

DETAILS OF THE CERTIFIED ENTITY

| GENERAL INFORMATION | |
|------------------------------------|---|
| Audit objectives | <input checked="" type="checkbox"/> To determine the conformity of the client's management system, with audit criteria <input checked="" type="checkbox"/> To determine the ability of the management system to ensure the client meets applicable statutory, regulatory, and contractual requirements. <input checked="" type="checkbox"/> To determine of the effectiveness of the management system to ensure the client can reasonably expect to achieve its management plans. <input checked="" type="checkbox"/> To identify areas for potential improvement of the management system (if any) <input checked="" type="checkbox"/> To determine continuity of conformity of management system <input checked="" type="checkbox"/> To determine achievement and progress of client's management plans <input checked="" type="checkbox"/> To follow up on the previous audit's findings <input checked="" type="checkbox"/> To review use or logo / marks <input checked="" type="checkbox"/> To determine overall maintenance of client's management system conformity against audit criteria <input type="checkbox"/> Other, (please specify) |
| Fulfilment of the Audit objectives | <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO , Justification: |
| Applicable National Standards | MS ISO/IEC 17021-1:2015, ISO/IEC 17065, MSPO Certification Scheme documents, MS 2530-2-2:2022 Standard |
| Issue of certificate | <input checked="" type="checkbox"/> YES , Justification: This is a new issuance certificate during MAV <input type="checkbox"/> NO , Justification: |

| CERTIFICATION SCOPE | |
|------------------------------------|--|
| The applicable scope | The Production of Fresh Fruit Bunch from Organize Smallholders land of : 12,828.21 ha Certified Area 12,570.69 ha Planted Area |
| Exclusion | 4.1.2 - New Planting Justification: The company doesn't have any new planting activities |
| Changes from previous registration | No |
| Extension/ changes of scope date | NA |
| Use of MSPO Logo | The Certification Unit is not using MSPO certification marks for any type of on- and off-product communication. |

| CONTACT INFORMATION | |
|---------------------------|---|
| Management Representative | En Mohd Ezkhan Bin Abd Rahman |
| Position | FELDA Manager Taib Andak |
| Contact Number | +60 18-212 6036 |
| E-mail address | taibandak.f@felda.net.my , taibandak.ftp@felda.net.my , bukitbatu.f@felda.net.my , ulutebrau.f@felda.net.my , ulutebrau.ftp@felda.net.my , sungaitiram.f@felda.net.my , mzulhilmi.a@felda.net.my rahimie.h@felda.net.my fakhri.d@felda.net.my mfaiz.i@felda.net.my shahrul.mg@felda.net.my mfysal.am@felda.net.my layanglayang.ftp@felda.net.my |
| Office Number | |
| Alternative Contact | |
| Contact Number | |
| E-mail address | |

| ESTATE INFORMATION: | | | | | |
|------------------------------------|-----------------|---|-------------------------|----------------------|--------------------|
| NAME OF UNIT | MPOB LICENSE NO | LOCATION | GPS COORDINATES | CERTIFIED AREAS (HA) | PLANTED AREAS (HA) |
| FELDA Taib Andak | 500832102000 | Pejabat FELDA Taib Andak, 81000 Kulai, Johor | 1.739772, 103.639016 | 2,995.0476 | 2,833.2980 |
| FELDA Ulu Tebrau | 500835502000 | Pejabat FELDA Ulu Tebrau , 81800 Ulu Tiram, Johor | 1.636333, 103.750226 | 2664.4869 | 2510.01 |
| FELDA Sg Tiram | 501154202000 | Pejabat FELDA Sg Tiram , 81800 Ulu Tiram, Johor | 1.571231, 103.890246 | 173.489 | 158.713 |
| FELDA BUKIT BATU | 500870302000 | FELDA BUKIT BATU 81000 KULAI JOHOR | 1.706524, 103.431213 | 1591.65 | 1093.43 |
| Other Sustainability Certification | | NIL | | | |

Note:

- (i) Maps showing geographical location, with close-up of the certified estates are attached as in the 'Estate Location & Map' of this report.
- (ii) With reference to Circular MPOCC dated 2 April 2021

| AREA STATEMENT AND FFB FORECAST: | | | | | | | |
|----------------------------------|---------------------|-------------------|--------------------|-----------------|------------------|--------------------|---------------|
| NAME OF UNIT | CERTIFIED AREA (HA) | PLANTED AREA (HA) | FFB TON/ YEAR 2024 | YIELD TON/ YEAR | MATURE Area (Ha) | IMMATURE AREA (HA) | HCV AREA (HA) |
| FELDA Taib Andak | 2,995.0476 | 2,833.2980 | 48873.71 | 17.25 | 2833.2980 | | |
| FELDA Ulu Tebrau | 2664.4869 | 2510.01 | 22206.84 | 8.84731 | 1840.48 | 669.53 | |
| FELDA Sg Tiram | 173.489 | 158.713 | 2031.44 | 12.79 | 158.713 | | |
| FELDA Bukit Batu | 1591.65 | 1093.43 | 9955.28 | 9.10 | 1093.43 | | |
| TOTAL | 7424.6735 | 6495.451 | 63067.27 | 9.709 | 5925.921 | 669.53 | Nil |

| INFORMATION OF THE SMALLHOLDERS | | | | | | | | |
|---------------------------------|---|------------|---------------------------|-------------------------|----------------|--------------|----------|-------|
| NO. | NAME OF THE SMALLHOLDERS OF FRESH FRUIT BUNCH (FFB) | LOT NUMBER | TOTAL CERTIFIED AREA (HA) | TOTAL PLANTED AREA (HA) | GPS COORDINATE | SUB-DISTRICT | DISTRICT | STATE |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

Details were as per annex .

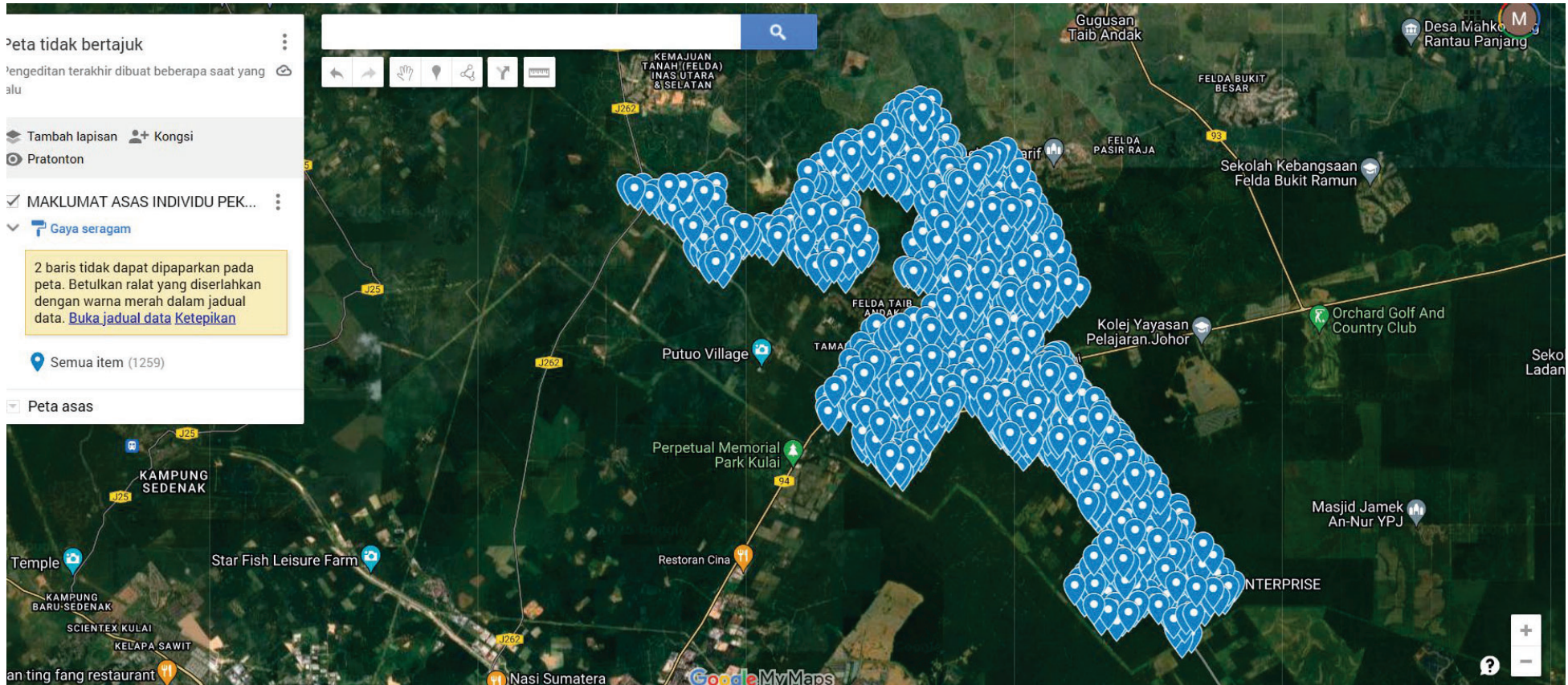
LOCATION & ENTITY MAP

FELDA Taib Andak
GPS Coordinate :- 1.739772, 103.639016

The screenshot displays the Microsoft Bing Maps interface. At the top, the search bar contains the coordinates 1.739772, 103.639016. The main map area shows a satellite view of the FELDA Taib Andak area, with a red pin marking the location. Labels on the map include '81000 Senai, Johore, Malaysia', 'Villa Ros', 'Nasi lemak Chicken Grill', 'FELDA TAIB ANDAK', 'QD Venture', and 'TAMAN ANJARIAH'. The sidebar on the left provides additional information:

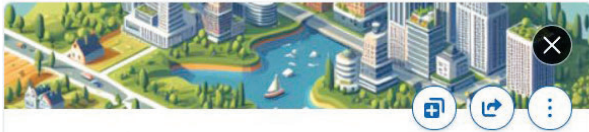
- 81000 Senai, Johore, Malaysia**
- Buttons for **Directions** and **Nearby**
- Save to calendar** option
- Nearby** section with categories: Parking, Restaurants, Petrol stations, Hotels, Coffee Shops, and Nearby Transit.
- Location details: Malaysia · Johore · Kulajaya · Senai
- Coordinates: 1.739772, 103.639015

The map interface also includes a search bar, navigation controls (Directions, Traffic, My Places, More), a user profile icon, and a feedback button. A scale bar at the bottom right indicates 1000 ft and 300 m.



FELDA Ulu Tebrau
GPS Coordinate : 1.636333, 103.750226

MR3 Certification International Sdn. Bhd. 201901004928 (1314255-P)
Level 6 & 7, The Tribeca, No. 215 Jalan Imbi,
55100 Kuala Lumpur, Malaysia.



D35 Jalan Mawar, 81400 Tebrau, Johore, Malaysia

Directions

Nearby

Save to calendar

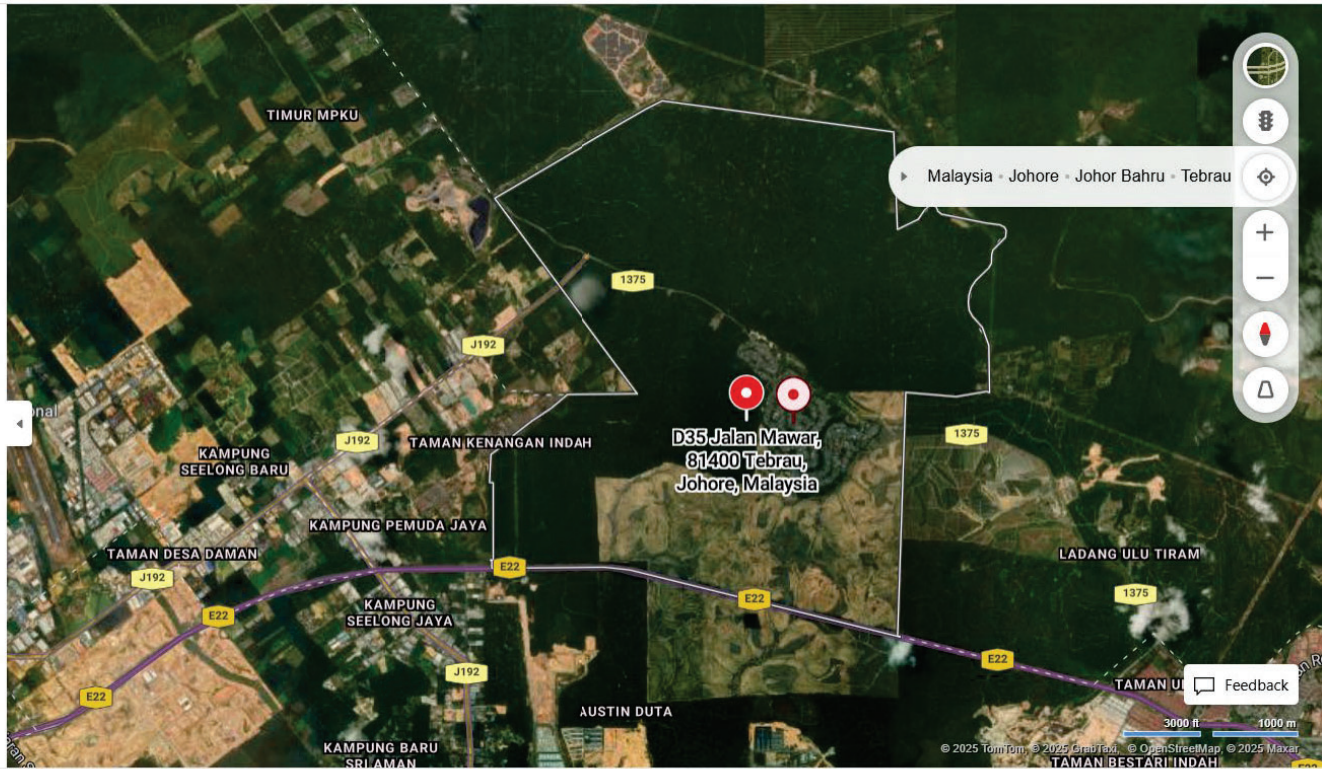
Nearby

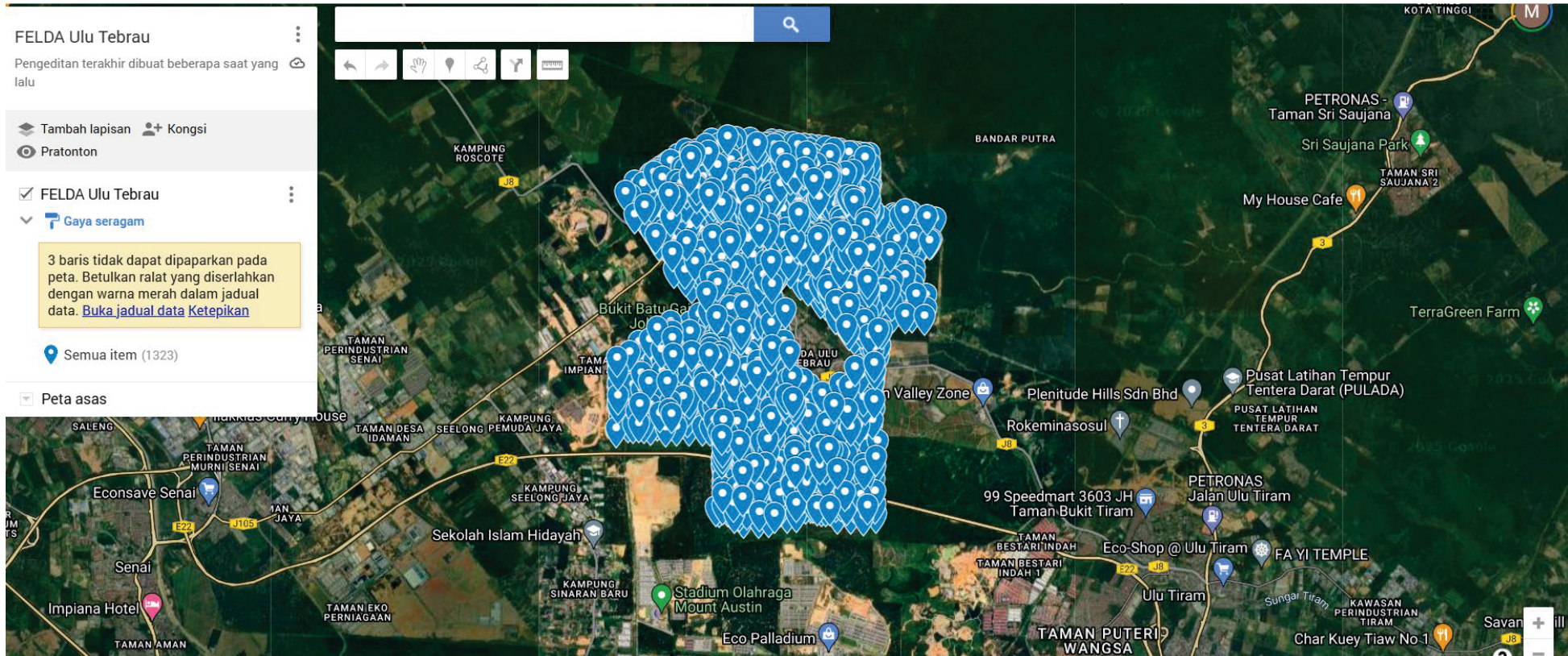
- Parking
- Hotels
- Restaurants
- Coffee Shops
- Petrol stations
- Nearby Transit

Search nearby

Malaysia · Johore · Johor Bahru · Tebrau

1.636333, 103.750229





FELDA Sg Tiram
GPS Coordinate : 1.571231, 103.890246

Microsoft Bing 2 1.571231, 103.890246

Directions Traffic My Places More

No. 6 Senai Desaru Expressway, 81800 Kampung Sungai Tiram, Johore, Malaysia

Directions Nearby

Save to calendar

Nearby

- Parking
- Hotels
- Restaurants
- Coffee Shops
- Petrol stations
- Nearby Transit

Search nearby

Malaysia · Johore · Johor Bahru · Kampung Sungai Tiram
1.571231, 103.890244

Senai Desaru Expressway

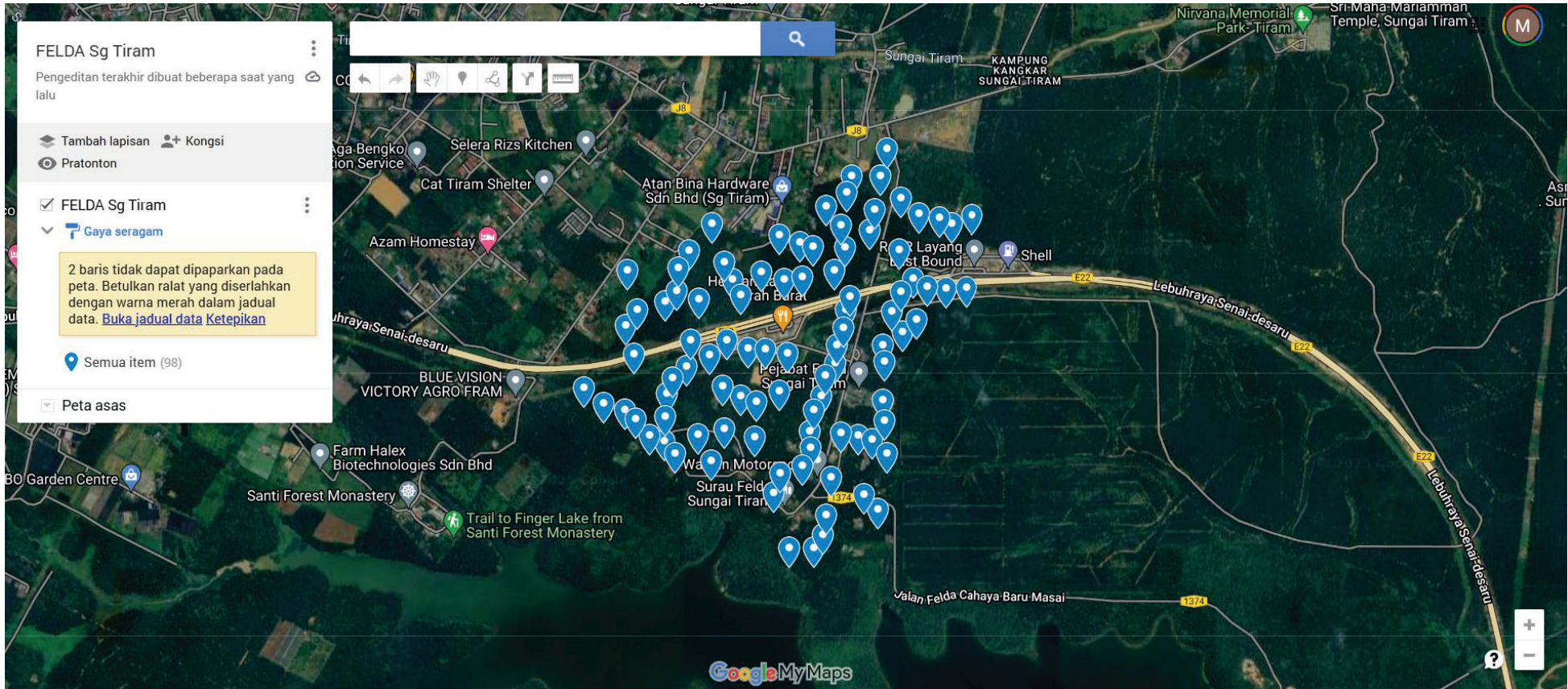
Rest Area Layang Westbound

No. 6 Senai Desaru Expressway, 81800 Kampung Sungai Tiram, Johore, Malaysia

Malaysia · Johore · Johor Bahru · Kampung Sungai Tiram

500 ft 100 m

© 2025 TomTom, © OpenStreetMap, © 2025 GrabTaxi, © 2025 Maxar



MR3 Certification International Sdn. Bhd. 201901004928 (1314255-P)
Level 6 & 7, The Tribeca, No. 215 Jalan Imbi,
55100 Kuala Lumpur, Malaysia.

FELDA Bukit Batu
GPS Coordinate : 1.706524, 103.431213

Microsoft Bing 1 1.706524, 103.431213

Directions Traffic My Places More

81000 Bukit Batu, Johore, Malaysia

Directions Nearby

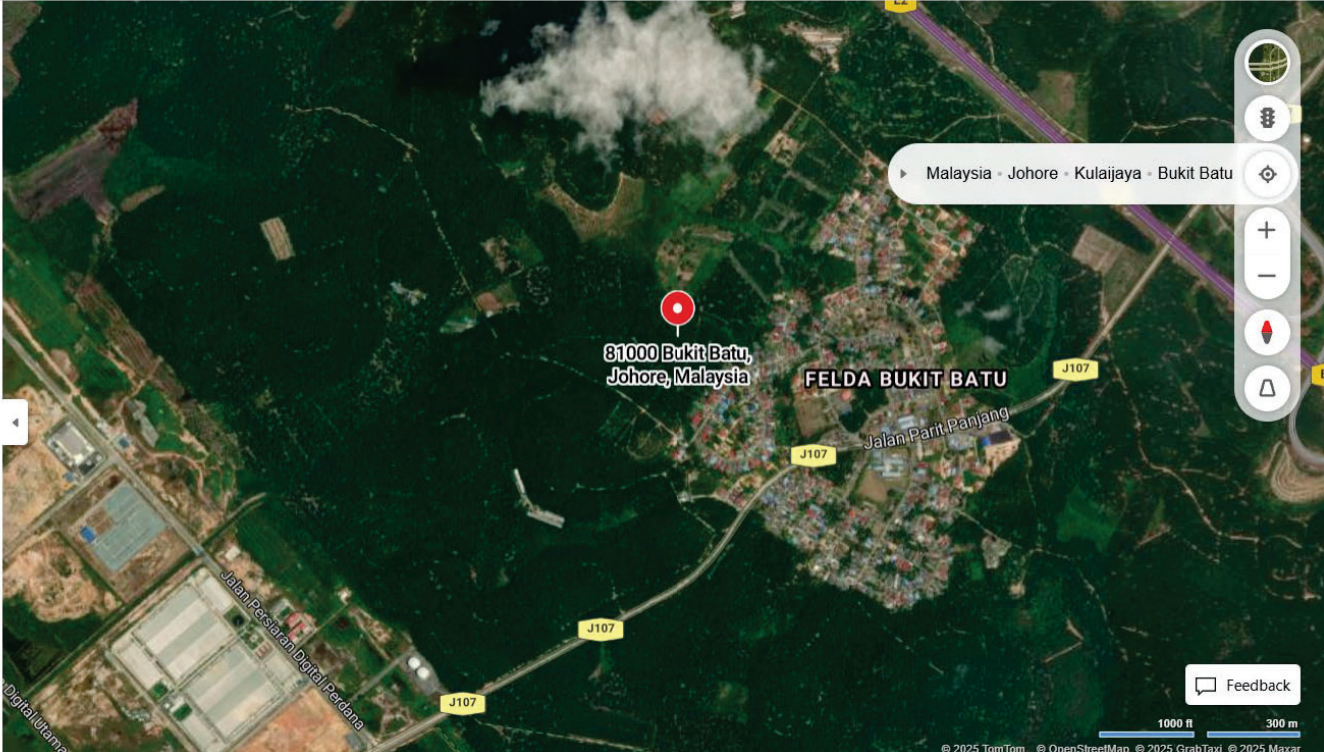
Save to calendar

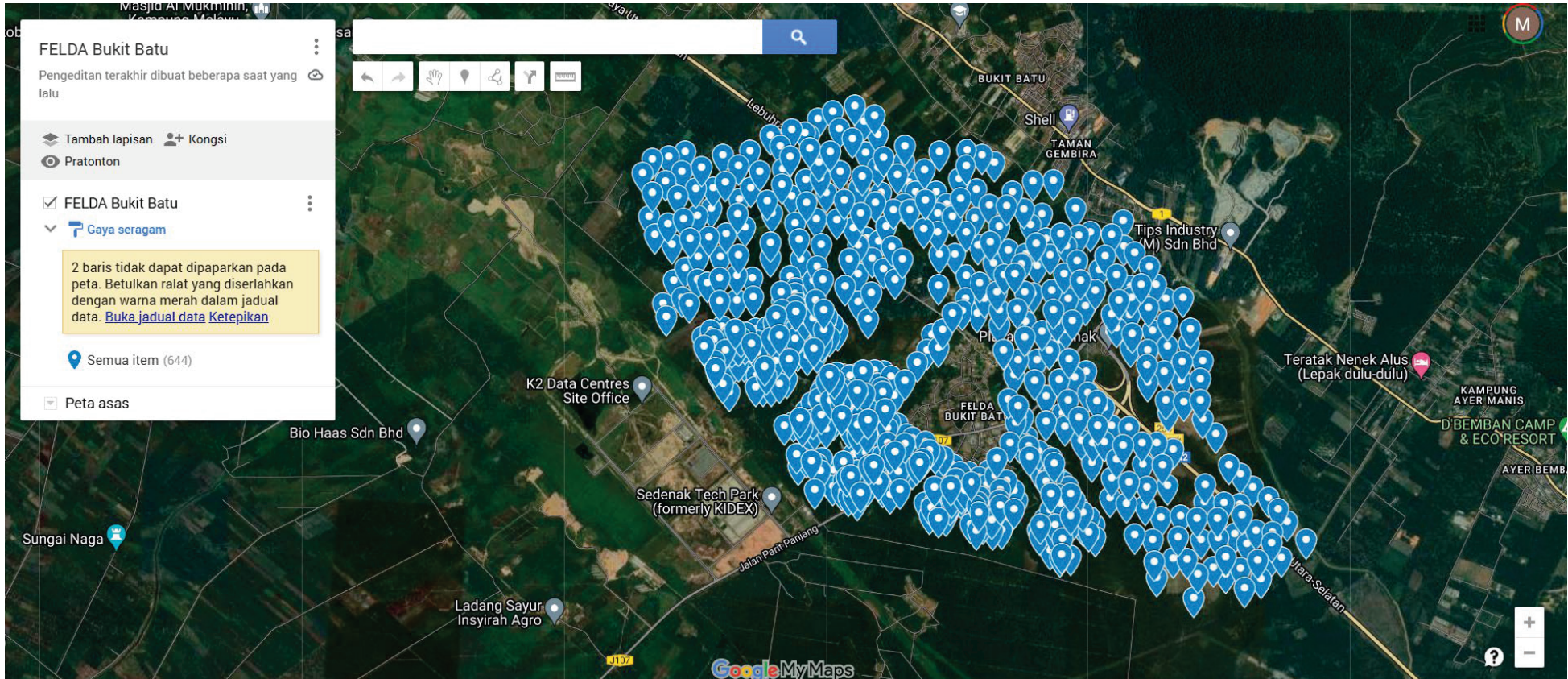
Nearby

- Parking
- Hotels
- Restaurants
- Coffee Shops
- Petrol stations
- Nearby Transit

Search nearby

Malaysia · Johore · Kulajaya · Bukit Batu
1.706524, 103.431213





MR3 Certification International Sdn. Bhd. 201901004928 (1314255-P)
Level 6 & 7, The Tribeca, No. 215 Jalan Imbi,
55100 Kuala Lumpur, Malaysia.

THE AUDIT PLAN



| AUDIT PLAN | |
|------------|---------------------------------|
| MR3-P05-F3 | Effective Date: 16/11/2023 v 02 |

| Date | Time | Assessor | Business Area/ Process | Indicator |
|---------------------------------------|------|----------|---|--|
| DAY 1 20/1/2025 (Monday) | 0900 | HF | <p>Introduction by the Lead Auditor on the follow's information:</p> <p>Opening meeting</p> <ol style="list-style-type: none"> Introduction of the participants; Lead Auditor, Team Member/s, Trainee Auditor (if any), Witness Auditor (if any) and Observer (if any) including an outline of their roles; Confirmation of the client's name, location address & scope of certification. 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. Confirmation of formal communication channels between the audit team and the client. Confirmation that the resources and facilities needed by the audit team are available. Confirmation of matters relating to confidentiality, assurance of impartiality, conflict of interest & confidentiality of client's information observed & dealing with authority requesting of client's information. Confirmation of relevant work safety, emergency and security procedures for the audit team. The method of reporting, including any grading of audit findings. Information about the conditions under which the audit may be premature terminated. Confirmation of the status of findings of the previous review or audit and Use of MSPO logo, if applicable; Methods and procedures to be used to conduct the audit based on sampling. Confirmation that, during the audit, the client will be kept informed of audit progress and any concerns; opportunity for the client to ask questions. 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; Methods and procedures to be used to conduct the audit based on sampling; Confirmation of the status of findings of the previous review or audit, if applicable; | On Site ISO/IEC 17021-1:2015 Conformity assessment — Requirements for bodies providing audit and certification of management systems |



| AUDIT PLAN | |
|------------|---------------------------------|
| MR3-P05-F3 | Effective Date: 16/11/2023 v 02 |

| Date | Time | Assessor | Business Area/ Process | Indicator |
|---------------------------------------|------|--|--|--|
| DAY 1 20/1/2025 (Monday) | 0900 | HF | Site visit including operation activity; Buffer zone, Boundary, Landfill area. Visit to facilities area including operation activity; Buffer zone, Boundary, Landfill. | FELDA Gugusan Tebrau 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9, 4.1.10 |
| | | AA | <p>Principle 4.1: Management commitment & responsibility</p> <p>Criterion 1 : MSPO Policy Criterion 2 : New Planting Criterion 3 : Existing site management Criterion 4 : Replanting Criterion 5 : Training and Competency Criterion 6 : Economic and Financial viability plan Criterion 7 : Commitment to contribute to local sustainable development Criterion 8 : Complaints and grievances handling Criterion 9 : Internal Audit Criterion 10 : Management Review</p> | |
| | HF | <p>Stakeholder Consultation</p> <p>To conduct process of engagement with the stakeholder to gauge the level of compliance against the requirements in the MSPO incl document review, interview, communication or consultation and a visit to the field or site (if required).</p> | 4.2.1, 4.2.1.1, 4.2.1.2, 4.2.1.3, 4.2.1.4 | |
| | | NS | <p>Principle 4.2: Transparency</p> <p>Criterion 1 : Communication and Consultation Criterion 2 : Traceability Criterion 3 : Transparent and fair price dealing Criterion 4 : Ethical conduct</p> | 4.2.1, 4.2.2, 4.2.3, 4.2.4 |
| | 1230 | ALL | LUNCH BREAK | |
| | 1400 | HF | <p>Principle 4.3: Compliance to Legal Requirements</p> <p>Criterion 1 : Regulatory requirements Criterion 2 : Right to use land Criterion 3 : Native customary rights</p> | 4.3.1, 4.3.2, 4.3.3 |
| | | AA/NS | Continue previous principle | |
| | 1700 | ALL | END OF DAY 1 ASSESSMENT | |

| | | | | |
|---------------------------------|------|-------|---|---|
| DAY 2 21/1/2025 (Tuesday) | 0900 | HF | Principle 4.4: Responsibility to Social, Health, Safety and Employment Conditions Criterion 1 : Social impact assessment (SIA) Criterion 2 : Employee's safety and health Criterion 3 : Employment conditions Criterion 4 : Living conditions | 4.4.1, 4.4.2, 4.4.3, 4.4.4 |
| | | AA/NS | Principle 4.5: Environment, Natural Resources, Biodiversity and Ecosystem Services Criterion 1 : Environmental management Criterion 2 : Efficiency of energy use and use of renewable energy Criterion 3 : Waste management and disposal Criterion 4 : GHG Emissions Criterion 5 : Water resources Criterion 6 : Environmental conservation and protection Criterion 7 : Zero burning practices | 4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.5.6, 4.5.7 |
| | | | LUNCH BREAK | |
| | 1630 | ALL | Meeting of assessors to discuss findings and report preparation Presentation of assessment findings and Closing Meeting | |
| | 1700 | ALL | END OF DAY 2 ASSESSMENT | |

| | | | | | |
|-----------------------------------|------|-------|--|-----------------------------------|--|
| DAY 3 22/1/2025 (Wednesday) | 0900 | HF | Site visit including operation activity; Buffer zone, Boundary, Landfill area. Visit to facilities area including operation activity; Buffer zone, Boundary, Landfill. | FELDA Gugusan Taib Andak | 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9, 4.1.10 |
| | | AA | Principle 4.1: Management commitment & responsibility Criterion 1 : MSPO Policy Criterion 2 : New Planting Criterion 3 : Existing site management Criterion 4 : Replanting Criterion 5 : Training and Competency Criterion 6 : Economic and Financial viability plan Criterion 7 : Commitment to contribute to local sustainable development Criterion 8 : Complaints and grievances handling Criterion 9 : Internal Audit Criterion 10 : Management Review | | |
| | | HF | Stakeholder Consultation To conduct process of engagement with the stakeholder to gauge the level of compliance against the requirements in the MSPO incl document review, interview, communication or consultation and a visit to the field or site (if required). | | 4.2.1, 4.2.1.1, 4.2.1.2, 4.2.1.3, 4.2.1.4 |
| | | NS | Principle 4.2: Transparency Criterion 1 : Communication and Consultation Criterion 2 : Traceability Criterion 3 : Transparent and fair price dealing Criterion 4 : Ethical conduct | | 4.2.1, 4.2.2, 4.2.3, 4.2.4 |
| | 1230 | ALL | LUNCH BREAK | | |
| | 1400 | NS/AA | Principle 4.3: Compliance to Legal Requirements Criterion 1 : Regulatory requirements Criterion 2 : Right to use land Criterion 3 : Native customary rights | | 4.3.1, 4.3.2, 4.3.3 |
| | 1700 | ALL | END OF DAY 3 ASSESSMENT | | |

| | | | | |
|----------------------------------|------|-------|---|---|
| DAY 4 23/1/2025 (Thursday) | 0900 | HF | Principle 4.4: Responsibility to Social, Health, Safety and Employment Conditions Criterion 1 : Social impact assessment (SIA) Criterion 2 : Employee's safety and health Criterion 3 : Employment conditions Criterion 4 : Living conditions | 4.4.1, 4.4.2, 4.4.3, 4.4.4 |
| | | NS/AA | Principle 4.5: Environment, Natural Resources, Biodiversity and Ecosystem Services Criterion 1 : Environmental management Criterion 2 : Efficiency of energy use and use of renewable energy Criterion 3 : Waste management and disposal Criterion 4 : GHG Emissions Criterion 5 : Water resources Criterion 6 : Environmental conservation and protection Criterion 7 : Zero burning practices | 4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.5.6, 4.5.7 |
| | 1230 | ALL | LUNCH BREAK | |
| | 1630 | ALL | Meeting of assessors to discuss findings and report preparation Presentation of assessment findings and Closing Meeting | |
| | 1700 | ALL | END OF DAY 4 ASSESSMENT | |

| | | | | | |
|---------------------------------|------|-----|--|--------------------------------|--|
| DAY 5 24/11/2025 (Friday) | 0900 | HF | Site visit including operation activity; Buffer zone, Boundary, Landfill area. Visit to facilities area including operation activity; Buffer zone, Boundary, Landfill. | FELDA Gugusan Bukit Batu | 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9, 4.1.10 |
| | | AA | Principle 4.1: Management commitment & responsibility Criterion 1 : MSPO Policy Criterion 2 : New Planting Criterion 3 : Existing site management Criterion 4 : Replanting Criterion 5 : Training and Competency Criterion 6 : Economic and Financial viability plan Criterion 7 : Commitment to contribute to local sustainable development Criterion 8 : Complaints and grievances handling Criterion 9 : Internal Audit Criterion 10 : Management Review | | |
| | | HF | Stakeholder Consultation To conduct process of engagement with the stakeholder to gauge the level of compliance against the requirements in the MSPO incl document review, interview, communication or consultation and a visit to the field or site (if required). | | 4.2.1, 4.2.1.1, 4.2.1.2, 4.2.1.3, 4.2.1.4 |
| | | NS | Principle 4.2: Transparency Criterion 1 : Communication and Consultation Criterion 2 : Traceability Criterion 3 : Transparent and fair price dealing Criterion 4 : Ethical conduct | | 4.2.1, 4.2.2, 4.2.3, 4.2.4 |
| | 1230 | ALL | LUNCH BREAK | | |
| | 1500 | HF | Principle 4.3: Compliance to Legal Requirements Criterion 1 : Regulatory requirements Criterion 2 : Right to use land Criterion 3 : Native customary rights | | 4.3.1, 4.3.2, 4.3.3 |

| | | | | | |
|--|------|-----|---|--|---|
| | | NS | Principle 4.4: Responsibility to Social, Health, Safety and Employment Conditions Criterion 1 : Social impact assessment (SIA) Criterion 2 : Employee's safety and health Criterion 3 : Employment conditions Criterion 4 : Living conditions | | 4.4.1, 4.4.2, 4.4.3, 4.4.4 |
| | | AA | Principle 4.5: Environment, Natural Resources, Biodiversity and Ecosystem Services Criterion 1 : Environmental management Criterion 2 : Efficiency of energy use and use of renewable energy Criterion 3 : Waste management and disposal Criterion 4 : GHG Emissions Criterion 5 : Water resources Criterion 6 : Environmental conservation and protection Criterion 7 : Zero burning practices | | 4.5.1, 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.5.6, 4.5.7 |
| | 1630 | ALL | Meeting of assessors to discuss findings and report preparation Presentation of assessment findings and Closing Meeting | | |
| | 1700 | ALL | END OF DAY 5 ASSESSMENT | | |

THE AUDIT PROCESS

The MSPO audit process is comprehensive and involves several key steps. These include pre-audit preparation, reviewing documentation and planning the audit scope, conducting on-site assessments to verify compliance with MSPO principles and criteria, engaging with stakeholders to gather additional insights and feedback, compiling findings into a detailed report that highlights areas of compliance and opportunities for improvement, and conducting follow-up assessments to ensure corrective actions have been implemented.

With reference to MSPO Certification Scheme Document dated 05 January 2023, Section 3.3 **REQUIREMENTS FOR LEAD AUDITOR, AUDITOR AND TECHNICAL EXPERTS**. This assessment has been conducted by the following approved assessor(s) which hold sufficient qualifications and experiences to conduct MSPO Assessment. MR3 Certification International Sdn Bhd holds copies of educational qualifications, certificates and audit logs for each of the audit team members.

Summary of the Assessor's credentials are as follows:

| Criteria | Requirement | Lead Auditor | Team Member |
|-----------|---|---|--|
| | | Mohammad Hafizuddin Bin Rossley (HF) | Aliff Abu Hurairah (AA) Nabila Seth Niven (NS) |
| Education | <p>Lead: Post-secondary education, college or university diploma OR degree in one of the following: Agriculture; Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences); Engineering, Process Technology; Energy Management, Quality Management; Social Sciences and/or Anthropology; Business Management; or other relevant fields.</p> <p>Auditor: Post-secondary education, college or university diploma OR degree in one of the following: Agriculture; Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences.); Engineering, Process Technology; Energy Management, Quality Management; Social Sciences and/or Anthropology; Business Management; or other relevant fields.</p> | Graduated in Diploma of Agriculture from UPM. | <p>Pn Nabila - Graduated in Degree Business Administration in UITM.</p> <p>Aliff Abu Hurairah Abas holds a Master of Science (Hons) Plantation Industry Management from Mara University of Technology (UiTM) Shah Alam</p> |

| | | | |
|------------------------|---|--|--|
| <p>Work Experience</p> | <p>Lead:</p> <p>Post-Secondary education: At least seven (7) years of work experience in the oil palm sector OR ten (10) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR five (5) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> <p>Tertiary education: At least five (5) years of work experience in the oil palm sector OR seven (7) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR five (5) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> <p>Auditor:</p> <p>Post-Secondary education: At least five (5) years of work experience in the oil palm sector OR seven (7) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR five (5) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> <p>Tertiary education: At least three (3) years of work experience in the oil palm sector OR five (5) years in other relevant field (e.g. social, environment, occupational health and safety, and quality) OR three (3) years auditing experience in relevant accredited management systems (e.g. social, environment, occupational health and safety, and quality)</p> | <p>Having experience in plantation for 7 years since year 2010 until 2017 . Then since 2017 until present working with certification body as an auditor and certification Manager.</p> | <p>She having more than 10 years experience in auditing in various scheme as since her first day working in certification body. Currently working as General Manager.</p> <p>He has more than 7 over years of experience in oil palm industry in which, previously working with MPOB as Research Officer and UiTM Jengka, Pahang as a lecturer under Faculty of Plantation and Industry Management.</p> <p>Currently a freelance MSPO Lead Auditor/Auditor and a consultant.</p> |
| <p>Training</p> | <p>Lead:</p> <ul style="list-style-type: none"> • Successfully completed the scheme owner endorsed lead auditor training (5 days) and; <i>(NOTE: The above training certificate is valid for 5 years. Re-attend the lead auditor training is required before the expiry or whenever there are changes in the MSPO Standard)</i> • Undergone 40 hours of lead auditor course in Quality Management Systems (QMS) | <p>Completed lead auditor course for :</p> <ol style="list-style-type: none"> MSPO Lead auditor course MS 2530:2022 Version ISO 9001 Lead Auditor course exemplar Global | <p>Training</p> <p>All the team auditor has completed below training.</p> <ol style="list-style-type: none"> MSPO Lead auditor course 2530 :2013 and 2022 version Completed IMS lead auditor course |

| | | | |
|---------------------|--|--|---|
| | <p>AND one of the following: Environmental Management Systems (EMS); Occupational, Health and Safety Management Systems (OH&SMS); OR Lead Auditor for Integrated Management System (IMS).</p> <p>Auditor:</p> <ul style="list-style-type: none"> • Successfully completed the scheme owner endorsed lead auditor training (5 days) and; <i>(NOTE: The above training certificate is valid for 5 years. Re-attend the lead auditor training is required before the expiry or whenever there are changes in the MSPO Standard)</i> • Undergone 40 hours of auditor course in Quality Management Systems (QMS) AND one of the following: Environmental Management Systems (EMS); Occupational, Health and Safety Management Systems (OH&SMS); OR Lead Auditor for Integrated Management System (IMS). | <p>iii. IMS Lead auditor course exemplar global</p> <p>iv. SA 8000 Basis course</p> | <p>3. Completed SA8000 Basic Course.</p> |
| Auditing Experience | <p>Lead:</p> <ul style="list-style-type: none"> • Conducted at least three (3) MSPO or equivalent sustainability certification audits OR a minimum of fifteen (15) man-days, whichever with more man-days, as lead auditor-in-training under the direction and guidance of a qualified lead auditor for MSPO. • Maintenance - Conducted a minimum of four (4) different on-site MSPO Certification audits annually as lead auditor. <p>Auditor:</p> <ul style="list-style-type: none"> • Qualification - Conducted a minimum of four (4) on-site audits for a total of at least 20 man-days of audit experience as an auditor-in-training under the direction and guidance of a qualified lead auditor for MSPO. • Maintenance - Conducted a minimum of four (4) on-site MSPO Certification audits annually. | <p>Conducting more than 100 mandays for MS 2530:2013 for part 2, Part 3 and Part 4. For MS 2530:2022 part 2 - 2 mandyas, Part 3 - 20 mandays, Part 4 - 2mandays.</p> | <p>Conducted more than 100 mandays of MSPO audit under the capacity of Lead Auditor and Auditor with several Certification Bodies in Malaysia covering standard part 2, Part 3, Part 4 and MSPO SCCS.</p> |
| General | <p>A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or any other local language</p> | <p>A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or</p> | <p>A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or</p> |

| | | | |
|--|--|-----------------------------|-----------------------------|
| | | any other local language | any other local language |
|--|--|-----------------------------|-----------------------------|

OPENING MEETING & CLOSING MEETING CRITERIA

| |
|---|
| <p>Opening Meeting</p> <ul style="list-style-type: none"> a) introduction of the participants, including an outline of their roles; b) confirmation of the scope of certification; c) 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; d) confirmation of formal communication channels between the audit team and the client; e) confirmation that the resources and facilities needed by the audit team are available; f) confirmation of matters relating to confidentiality; g) confirmation of relevant work safety, emergency and security procedures for the audit team; h) confirmation of the availability, roles and identities of any guides and observers; i) the method of reporting, including any grading of audit findings; j) information about the conditions under which the audit may be premature terminated; k) 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; l) confirmation of the status of findings of the previous review or audit, if applicable; m) methods and procedures to be used to conduct the audit based on sampling; n) confirmation of the language to be used during the audit; o) confirmation that, during the audit, the client will be kept informed of audit progress and any concerns; opportunity for the client to ask questions. |
| <p>Closing Meeting</p> <ul style="list-style-type: none"> a) informing the client that the audit evidence collected was based on a sample of the information; thereby introducing an element of uncertainty b) the method and timeframe of reporting, including any grading of audit findings; c) the certification body's process for handling nonconformities including any consequences relating to the status of the client's certification; d) the timeframe for the client to present a plan for correction and corrective action for any nonconformities identified during the audit; e) the certification body's post audit activities; f) information about the complaint handling and appeal processes. g) any diverging opinion that are not resolved. h) opportunity for the client to ask questions. |

THE AUDIT PROGRAMME MATRIX

(legend “☑” plan to cover/ covered, “☐” for not applicable)

| Applicable principle/ Tentative Planned Year | 1/2025 | 1/2026 | 1/2027 | 1/2028 | 1/2029 |
|--|--------|--------|--------|--------|--------|
| Internal Audits | ☑ | ☑ | ☑ | ☑ | ☑ |
| Stakeholder consultation / survey | ☑ | ☑ | ☑ | ☑ | ☑ |
| Use of MSPO logo | ☑ | ☑ | ☑ | ☑ | ☑ |
| Follow-up from previous audit finding | ☑ | ☑ | ☑ | ☑ | ☑ |
| Man-day Allocation | | | | | |
| Public Notification | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.1 Management Commitment & Responsibility | | | | | |
| 4.1.1 MSPO Policy | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.1.2 New Planting | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.1.3 Existing site management | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.1.4 Replanting | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.1.5 Training and Competency | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.1.6 Economic and Financial Viability Plan | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.1.7 Commitment to contribute to local sustainable development | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.1.8 Complaints and grievances handling | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.1.9 Internal audit | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.1.10 Management Review | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.2 Transparency | | | | | |
| 4.2.1 Communication and Consultation | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.2.2 Traceability | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.2.3 Transparent and fair price dealing | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.2.4 Ethical conduct | | | | | |
| 4.3 Compliance to legal requirements | | | | | |
| 4.3.1 Regulatory requirements | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.3.2 Rights to use land | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.3.3 Native customary rights | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.4 Responsibility to social, health, safety and employment conditions | | | | | |
| 4.4.1 Social Impact Assessment (SIA) | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.4.2 Safety and Health | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.4.3 Employment conditions | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.4.4 Living conditions | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.5 Environment, natural resources, biodiversity and ecosystem services | | | | | |
| 4.5.1 Environmental management | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.5.2 Efficiency of energy use and use of renewable energy | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.5.3 Waste management and disposal | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.5.4 GHG emissions | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.5.5 Water resources | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.5.6 Environmental conservation and protection | ☑ | ☑ | ☑ | ☑ | ☑ |
| 4.5.7 Zero burning practices | ☑ | ☑ | ☑ | ☑ | ☑ |

| SAMPLING METHODOLOGY (GROUPING ONLY) | |
|---|--|
| <i>* Applicable during Stage 2</i> | |
| Sampling of the operating units to be audited has been conducted in accordance with the Risk Management (MSPORMP) documents as below: | |
| $S = r \sqrt{n}$ Risk Level: Low $S = 1.5 (\sqrt{4}) = 3$ | |
| The selected operating units to be audited in Year 2025: | |
| 2 samples estate : | |
| 1. FELDA Taib Andak 2. FELDA Ulu Tebrau 3. FELDA Bukit Batu | |

Note: Surveillance Audit shall be conducted within 12 months after the certification date but not less than 9 months. Recertification shall be carried out minimum 2 months prior to the expiry of the certificate.

| CONCLUSION OF 5 YEARS REVIEW | | |
|-------------------------------------|---|--|
| 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 |
| 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 |

| CHANGES OF THE 5 YEARS AUDIT PROGRAMME | |
|---|-----------------------------|
| <input type="checkbox"/> | YES , Justification: |
| <input type="checkbox"/> | NO , Justification: |

PREVIOUS AUDIT FINDING

The results of the last audit system have been reviewed, to ensure appropriate correction and corrective action has been implemented to address any non-conformity identified. The detail of verification is included below and concluded that:

| | |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | Not applicable as this is an initial assessment |
| <input type="checkbox"/> | No non-conformity / area of concern raised during last audit. |
| <input type="checkbox"/> | All non-conformity / area of concern identified during last previous audit have been corrected and the corrective action effective and acceptable. |
| <input type="checkbox"/> | One or more non-conformity / area of concern identified during last previous audit not effectively addressed and the specific non-conformity re-issued in the 'Current Audit Result & Non-Conformity Information' section of this report. |

| Verification of Previous Audit Result & Non-Conformity Information | | | |
|---|-------------------------|-------------------------|-----|
| <input checked="" type="checkbox"/> Not applicable as this is an initial assessment | | | |
| Stage of Previous Audit | Choose an item. | | |
| Date of Audit | to | | |
| No of Findings | Major Non-Conformance/s | Minor Non-Conformance/s | OFI |
| Status/ Remark | | | |

CURRENT AUDIT FINDING

Based on the objective evidence reviewed, observed, and discovered during this assessment, the assessors concluded that COMPANY Complies with the MS 2530-2-2: 2022; Malaysian Sustainable Palm Oil (MSPO) standard and requirements. The following findings were identified:

| CATEGORY | Number of Finding (s) | | | | | Total |
|-----------------------------------|--|-----|-----|-----|-----|-------|
| | P1 | P2 | P3 | P4 | P5 | |
| Major Nonconformity (Major NC) | Nil | Nil | Nil | Nil | Nil | Nil |
| Minor Nonconformity (Minor NC) | 3 | Nil | 1 | 1 | 2 | 7 |
| Opportunity for Improvement (OFI) | 3 | 1 | 2 | 1 | 4 | 11 |
| Total Findings | Major NC - Nil Minor NC - 7 OFI - 11 | | | | | 18 |

| SUMMARY OF THE FINDING/S: | |
|---------------------------|---|
| PRINCIPLE 1 | <p>Verified the requirement in principle 1 were complied however certain issues were not fully comply as per below :</p> <ol style="list-style-type: none"> 1. OFI 4.1.1 All estates The policy were signed by the previous chairman and observe the principle stated in the MSPO policy still using old principle of the standard requirement. 2. OFI 4.1.3.4 FELDA Taib Andak , Ulu Tebrau Observe during sight visit found that certain block are having marking of block at the palm tree however some block there no signage of visual identification for the reference systems. Management need to establish standardize of block identification of reference system as to comply with the requirement 4.1.3.4. 3. OFI 4.1.4.2 All estates |

| | |
|-------------|---|
| | <p>The review on the SIA , EIA and HCV is still in progress as currently the sustainability team from HQ are planning to conduct the SIA assessment. EIA is not applicable as the replanting being programme are less than 500 ha while for HCV still awaiting guideline from the scheme owner.</p> <p>4. Minor NC 4.1.5.2 Taib Andak / Bukit Batu Verified training evaluation of effectiveness for the training that had been conducted were not being carried out by the management . Refer to the Prosedur Kemampuan , Kesedaran dan Latihan dated 16/7/2018 under section 6.6 had stated the evaluation for the effectiveness training need to be done by using form “Borang Penilaian Kursus” . Due to that minor NC were raised.</p> <p>5. Minor NC 4.1.9.1 Verified the checklist of internal audit were using old version of standard requirement which is not cover new element in the new standard requirement under MSPO 2530 :2022 version Part 2-2. Due to that minor NC were raised.</p> <p>6. Minor NC - 4.1.10.1 Verified the minutes of the management review meeting agenda does not follow the agenda as per requirement 4.1.10.1. Due to that minor NC were raised.</p> |
| PRINCIPLE 2 | <p>Verified the requirement in principle 2 were complied however certain issues were not fully comply as per below :</p> <p>1. OFI 4.2.2.1 All Estate Management to provide sample delivery note which contains information of MSPO Certificate Number and MSPO Certificate Validity.</p> |
| PRINCIPLE 3 | <p>Verified the requirement in principle 3 were complied however certain issues were not fully comply as per below :</p> <p>1. OFI 4.3.1.1 All Estate Management to update Legal Registry according to the latest regulatory, such as i) Occupational Safety and Health (Amendment) Act 2022 (“ the Amendment Act”) dated 1 June 2024. 2. Personal Data Protection (Amendment) Act 2024 (the “Amendment Act”) dated 17th October 2024. 3. Employment (Amendment) Act 2022 dated 1st of January 2023</p> <p>2. OFI: 4.3.1.2 i. FELDA Bukit Batu Estate has identified and assessed the exposure of noise to the workers as referred to the Noise Risk Identification Checklist dated 7/1/2025. Safe working environment and well-being of workers safety can be improved if management can conduct Noise Risk Assessment in the workplace.</p> <p>ii. FELDA Taib Andak & FELDA Ulu Tebrau Both estates has generated schedule waste, which are empty pesticide container and empty fertilizer beg. The manual inventory is recorded and monitored by management. The disposal of SW generated can be further improved if management can notify to DOE via E-SWIS platform.</p> <p>3. NC Minor: 4.3.1.2 i. FELDA Taib Andak & FELDA Ulu Tebrau Referring to the Noise Risk Assessment (NRA) report of both estates under FELDA Gugusan Kulai assessed in 2024, it was recommended that the workers who are exposed to the excessive noise to undergone audiometric test. However, the said test was not carried out by the organization as required under Regulation 9 (1), OSH (Noise Exposure) Regulation 2019.</p> |

| | |
|-------------|---|
| | <p>ii. FELDA Taib Andak Referring to the SOCSO 8A form of employee id: TB02023002, it was found that the monthly contribution was not made by employer since February 2024 as required under Peraturan-Peraturan (AM) Keselamatan Sosial Pekerja 1971.</p> <p>iii. FELDA Bukit Batu Referring to the CHRA report, ref no: HQ/04/ASS/00/193-2019/010 dated 27/3/2019, it was stated that the medical surveillance to be conducted annually for workers who are exposed to pesticide. However, there is no evidence to show that the medical surveillance is conducted for year 2024 as required under Regulation 27 (3) USECHH Regulation 2000.</p> <p>iv. FELDA Bukit Batu Observed during site visit to chemical store, it was observed that safety data sheet (SDS) for chemical kept were displayed accordingly. However, the following SDS are found to be outdated as the reviewed dates are more than 5 years which against the Regulation 13 (4) (b), CLASS Regulation 2003.</p> <p>1. Blocus Beta: 1/1/2017 2. BM Glyphosate: 5/12/2019</p> |
| PRINCIPLE 4 | <p>Verified the requirement in principle 4 were complied however certain issues were not fully comply as per below :</p> <p>1. OFI: 4.4.1.1 All estates The organization has conducted and documented the Social Impact Assessment (SIA) for all estates under FELDA Gugusan Kulai. The content of the report can be further enhanced if management can include the assessment on government bodies and community alongside FFB transportation routes. Engaging these agencies will facilitate a better understanding of their needs and expectations, which can be integrated into the SIA management plan to enhance its effectiveness and compliance with regulatory requirements.</p> <p>2. NC Minor: 4.4.3.5 FELDA Bukit Batu Based on the payslip of contractor's (Sin Yap Excavating & Building Works) worker, ID no: C958XXXX for the month of September & October 2024, seen the information displayed such as rate per piece, productivity and no of working days. However, there is no evidence to show that the contractor has contribute SOCSO for its worker.</p> |
| PRINCIPLE 5 | <p>Verified the requirement in principle 5 were complied however certain issues were not fully comply as per below :</p> <p>1. OFI: 4.5.1.3 All estates FELDA Gugusan Kulai has established Environmental Management Plan for year 2025. The content of said plan is sighted to cover empty pesticide container and spraying activity. The implementation of environmental conservation can be further improved if management can include the mitigation on storage of fertilizer, empty fertilizer beg and manuring activity.</p> <p>2. OFI : 4.5.4.1 The management had done monitoring greenhouse gas (GHG) emissions however the monitoring data need to be updated to the GHG calculator established by the scheme owner once the calculator had been finalize by the scheme owner.</p> <p>3. OFI: 4.5.5.1d FELDA Ulu Tebrau and FELDA Taib Andak Observed during site visit to both estates, it was found that there is a stream traversed through the estates. The protection of riparian buffer zones can be further improved if management can consider restore the riparian areas to prevent potential erosion in the buffer zones.</p> |

| | |
|--|---|
| | <p>4. OFI: 4.5.6.1 The HCV assessment is yet being conducted as the management still awaiting guideline form the scheme owner.</p> <p>5. NC minor: 4.5.1.2 FELDA Bukit Batu The estate management has established and reviewed the Environmental Aspect Impact Assessment (EAIA). However, the assessment was found to be inadequate as the management on fertilizer beg kept which relates to land pollution is not assessed by the management. As observed during site visit to the fertilizer store, it was sighted that there is a CIRP beg is damaged and spilled onto the land and not properly managed.</p> <p>6. NC minor: 4.5.5.1b There was a stream traversed through the FELDA Ulu Tebrau and FELDA Taib Andak. Water sampling analysis was last conducted by FGV Agri Services on July 2023 where it was categorized into Class II. However, the water sampling analysis was not conducted for year 2024 as stated under management’s water management plan.</p> |
|--|---|

NOTE:

By the virtue of random sampling approach, there may exist chances of non-conformities not being identified during the assessment. Such occurrence shall therefore not be related with the assessor’s competency and integrity in any way.

AUDIT CONCLUSION & RECOMMENDATION

The audit team conducted a process-based audit, focusing on significant aspects and risk objectives required by the standard(s). The audit methodology employed the 3P approach: People, Paper, and Practice. The audit team concludes and expresses:

- CONGRATULATIONS; the management system is in full compliance.
- CONGRATULATIONS; however, some processes need to address non-compliance(s).
- SORRY; the organization has not established and maintained its management system

in line with the requirements of the standard and has

- demonstrated
- not demonstrated

the ability of the system to systematically achieve agreed requirements within the scope of the organization.

Based on the records, there are 9 unresolved issues. Therefore, the audit team recommends that, based on the results of this audit and the system's demonstrated state of development and maturity, the management system certification be:

- Granted (initial certification or recertification)
- Granted upon the acceptance of the non-compliance(s)
- Continued (surveillance)
- Continued (surveillance) upon the acceptance of the non-compliance(s)
- Withheld
- Suspended until satisfactory corrective action(s) is completed
- Other (please specify)

Please note that this conclusion and recommendation are based on audit sampling within the organization's management system and therefore do not guarantee 100% conformity with all requirements.

STAKEHOLDER CONSULTATION

| Stakeholder Details | The Input/ Comments | The Output/ Response |
|---|--|--|
| Neighbour Estate representative - - Johor Land Group Developer Neighbour with FELDA Bukit Batu | The stakeholder inform the auditor that there is no issues with the FELDA management so far as the estates operation does not reflect or give negative impact to their area . The stakeholder also aware on MSPO requirement as their estate also having the MSPO certification. | Management will ensure to maintain good rapport with the surrounding neighbourhood. The management will ensure the crop send to the buyer in a good quality. To maintain good current good practice with the supplier , contractor and also with the employee. |
| Representative of settler | No issues on the estate crop quality. He mention the MSPO awareness and procedure complaint had been brief to them from the management. The settler stated awarens on MSPO had been deliver by management in yearly programme. | |
| FELDA Cooperation | As of conducting business with the company no issues on the payment as the management always made payment in timely manner. He also stated that the | |

| | | |
|-----------------------|---|--|
| | management are easy to discuss if there problem matters. | |
| Foreign Workers | The foreign workers being interview had mention that they have been train on the jobs scope with proper training . Every policy of the company had brief to them during awareness training on the company policy. As of todate no issues with the management and the worker are really satisfied with the salary and working environment. | |
| Local employee | The local stated that their employment had employment contract and copy of the contract agreement were made available to him. No issues with the salary and working environment. | |
| KKM Officer | The officer are informed that the FELDA Comunittee always give best cooperation during KKM Programme. No issue with the estate management. | |
| Contractor | The contractor stated that no issue with estate management in term of payment and work order. Payment had been made in timely manner. He also mention that MSPO requirement had been brief to them and they also noted that MSPO audit require contractors for the compliance . No hesitation from the contractor to give cooperation if the auditor require documentation for the audit purpose. | |
| Audit Team Conclusion | The audit conclude that the management were able to maintain good relationship with their stakeholders by giving best cooperation and maintain good practice as to ensure no issues or complaint with their stakeholder and if there is issues they always discuss and resolve the matter in proper manner which is that being mention by the interviewed stakeholders. | |

NOTE:

With reference to MSPO Certification Scheme Document dated 05 January 2023 **4.8 STAKEHOLDER CONSULTATION**. Whenever deemed applicable, stakeholder consultation/ interview may be held in order to obtain the internal and external stakeholders' inputs on the Company's compliance towards the MSPO standards and stakeholders' views on areas where the Company could improve. Such consultation will be conducted professionally and in absolute isolation from the Company officials. All comments made by the stakeholders will be recorded and presented in this assessment report.