

GLOBAL GATEWAY CERTIFICATIONS

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)


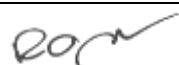
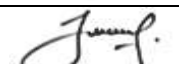
CERTIFICATION AUDIT REPORT


Part 3: General Principles for Oil Palm Plantations and Organized Smallholders

Glenealy Plantations Sdn Bhd
Sabah Region Complex [Estates]

-Group Certification-

ANNUAL SURVEILLANCE AUDIT 2
15th February 2021 – 16th February 2021

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	23/02/2021	Issued as Draft Report	Mohamad Razin bin Bakal	Lead Auditor	
B	29/02/2021	Issued as Final Report	Mohamad Razin bin Bakal	Lead Auditor	
B	08/03/2021	Final Report Approved	Muhd Jamalul Arif bin Hamid	Certifier	

Acknowledgment by Glenealy Plantations Sdn Bhd - Estates					
Rev	Date	Description	Management Representative	Role	Signature
B	08/03/2021	Acceptance of the contents	Mr. Jose Mangaliag Jr @ Mohd Faizal	Acting Senior Manager (Plantation)	

Declaration

The auditor(s) has (had) no personal, business or other ties to the client and the assessment is carried out objectively and independently.

WITH INTEGRITY WE SERVE



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Note: Section II of this report contain confidential information and been protected from public disclosure.

SECTION I: PUBLIC SUMMARY REPORT**1.1 Certification Scope**

Global Gateway Certifications Sdn. Bhd. (GGC) has conducted the Certification Assessment of Glenealy Plantations Sdn Bhd, Sabah Region Complex [POM & Estates]. During this Annual Surveillance Audit 2, the audit team were briefed by sustainability member, of the supply base disposition. The Fresh Fruit Bunches (FFB) are sent to Timora POM (Palm Oil Mill) for further processing.

This assessment was conducted remotely using Google Meet Application on 15th February 2021 – 16th February 2021 to assess the compliance of the certification unit against the "MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholder". The scope of certification is "Management of Sustainable Oil Palm Plantations from Cultivation, Planting and Production of Fresh Fruit Bunches".

1.2 Company details and Contact information

Company Name	Glenealy Plantations Sdn Bhd
Business Address	C-3A-1, Plaza Arkadia, No. 3, Jalan Inti Sari Perdana, Desa Park City, 52200 Kuala Lumpur, Malaysia.
Contact Person	Mr. Jose Mangaliag Jr @ Mohd Faizal,
Office Telephone	+6014-357 7011 / +6011-7076 8197 (Regional Office)
E-Mail	msposamling.sabahregion@gmail.com

1.3 Certification Unit**Name of the Certification Unit**

No	Name of the Certification Unit	Site Address	GPS Reference of the site office	
			Longitude	Latitude
1.	Timora Estate	Timor Enterprises Sdn Bhd, Timora Estate, Locked Bag No. 17, 91109 Lahad Datu, Sabah.	E 118.3199320	N 5.3044020
2.	Pertasa Estate	Timor Enterprises Sdn Bhd, Pertasa Estate, Locked Bag No.22, 91109 Lahad Datu, Sabah.	E 118.3170206	N 5.2818139
3.	Amalania Koko Berhad Estate	Amalania Koko Berhad, P.O Box 61020, 91119 Lahad Datu, Sabah.	E 118.398262	N 5.348376



MPOB License Information

No	Name of The Site	Licence Number	Expiry Date	Scope Activity
1.	Timora Estate	502693102000	31.05.2021	"Menjual dan Mengalih FFB"
	Titleland Development	595625002000	29.02.2021	"Menjual dan Mengalih FFB"
2.	Pertasa Estate	596432002000	31.05.2021	"Menjual dan Mengalih FFB"
	Shariko Estate	596432002000	31.03.2021	"Menjual dan Mengalih FFB"
3.	Amalania Koko Berhad Estate	501867902000	31.12.2021	"Menjual dan Mengalih FFB"

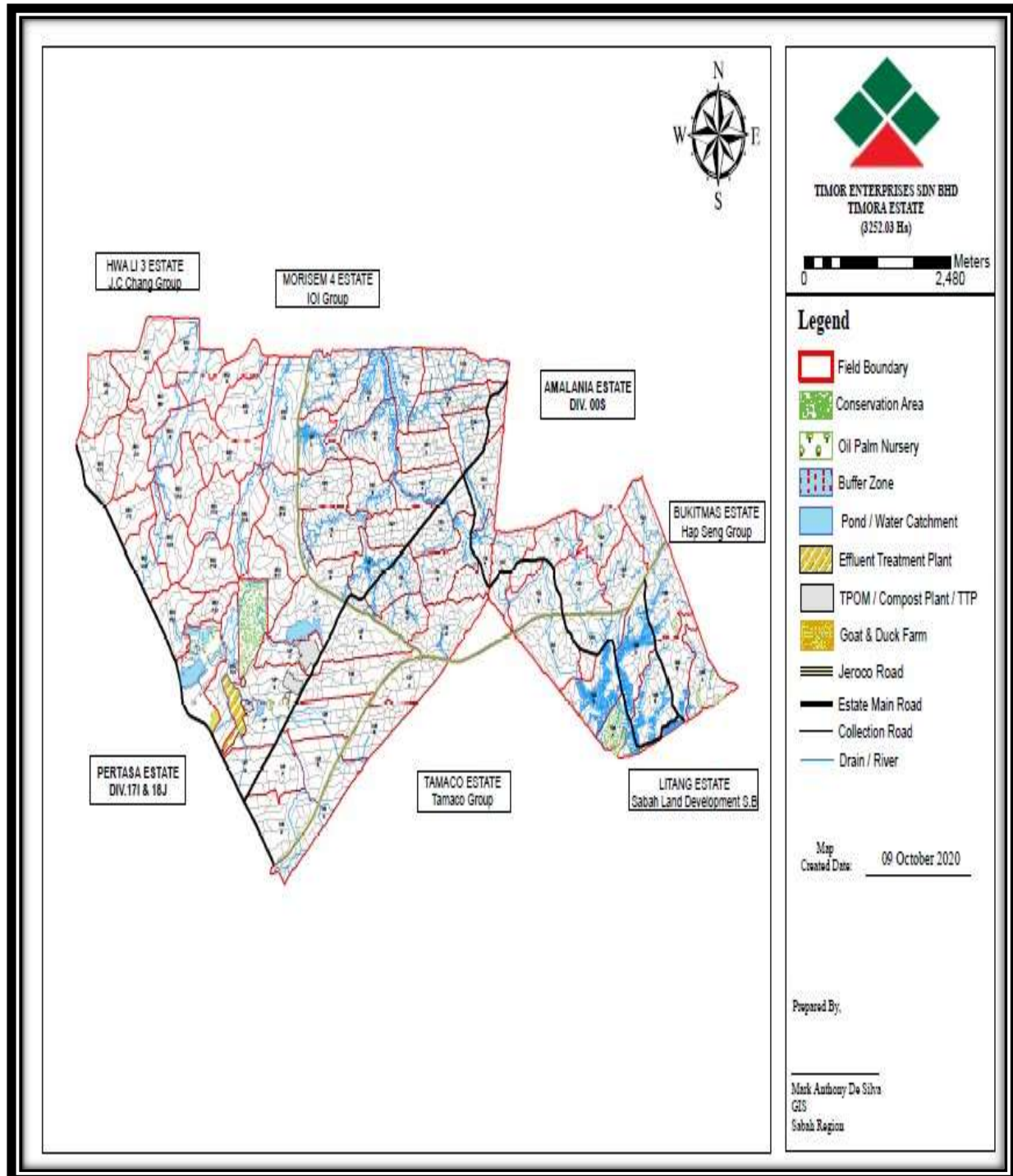
Others Sustainability Certification

No	Name of The Site	Others Sustainability Certifications
1.	Timora Estate	N/A
2.	Pertasa Estate	N/A
3.	Amalania Koko Berhad Estate	N/A

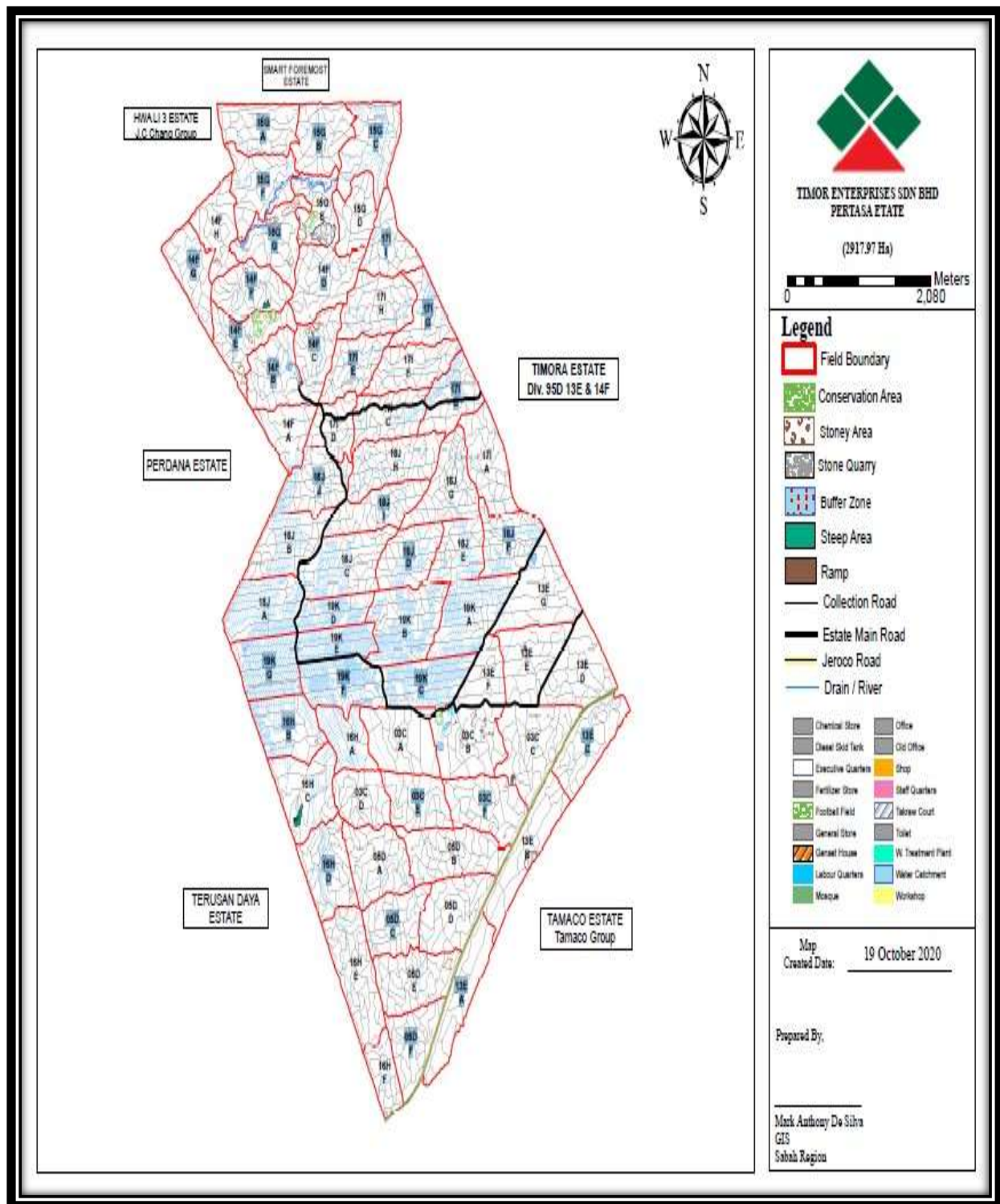
1.4 Map Showing Geographical Location

Sabah Region Complex [Estates]

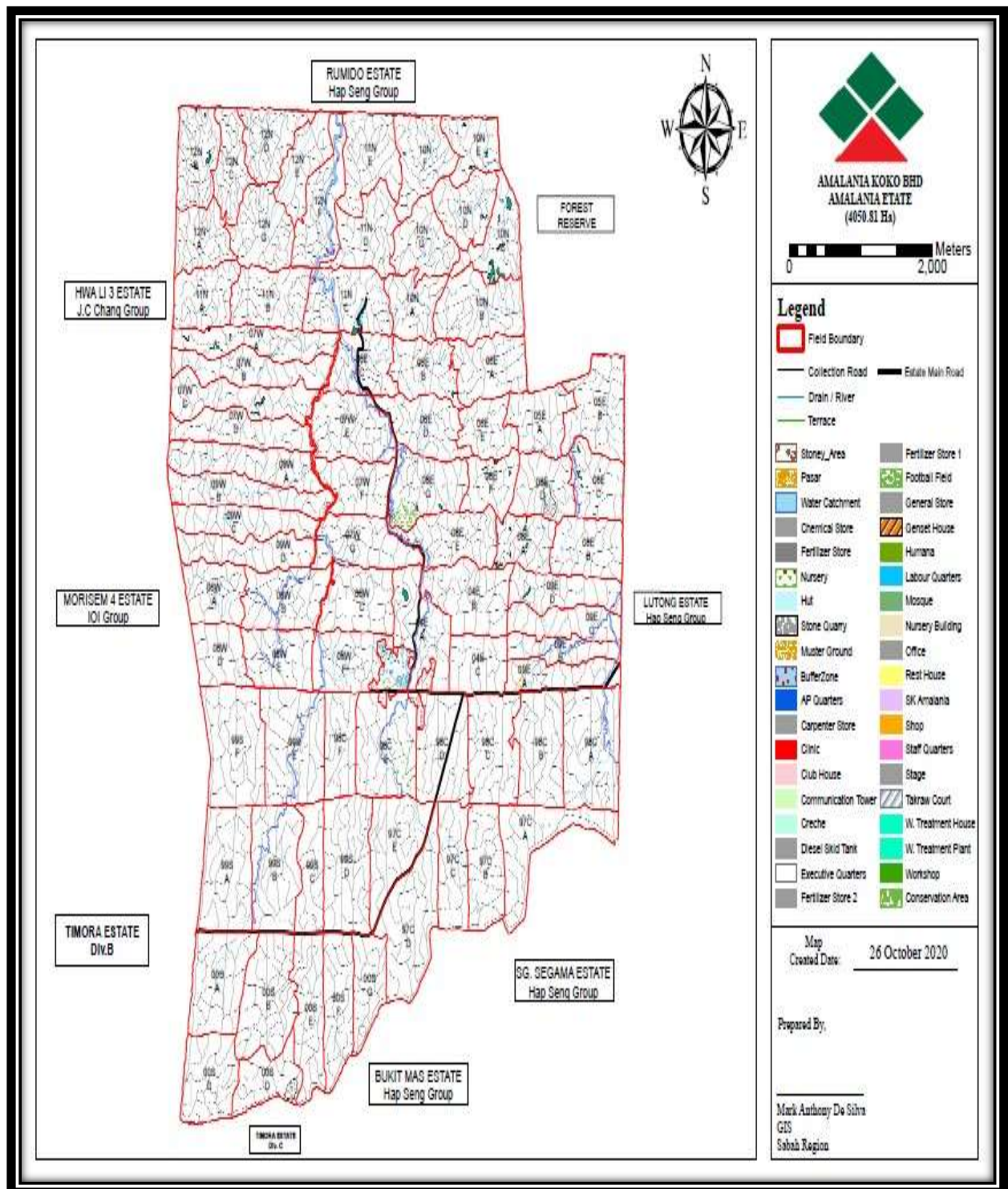
a) Timora Estate



b) Pertasa Estate



c) Amalania Koko Berhad Estate



1.5 Production Area, Actual and Projected FFB Production (MT)

Name of the Certification Unit	Area Summary (HA)		
	Certified Area (per Land Title)	Planted	Mature
Timora Estate	3,211.00	3,097.00	2,167.00
Pertasa Estate	2,913.30	2,854.00	1,744.00
Amalania Koko Berhad Estate	4,036.00	3,947.00	3,947.00
Total	10,160.30	9,898.00	7,858.00

Name Of The Supply Base	Area Summary (HA)		
	Conservation Area	HCV	Others
Timora Estate	6.96	-	107.04
Pertasa Estate	2.83	-	56.17
Amalania Koko Berhad Estate	-	3.00	86.00
Total	9.79	3.00	249.21

Name of the Certification Unit	FFB Summary (MT)		
	Projected from last audit	Actual Production for 12 Months [Feb 2020 – Jan 2021]	Projected Production for next 12 Months [Feb 2021 – Jan 2022]
Timora Estate	31,584.66	32,582.46	35,638.00
Pertasa Estate	33,387.12	33,811.86	34,304.00
Amalania Koko Berhad Estate	94,965.55	91,501.34	93,794.00
Total	159,937.33	157,895.66	163,736.00

1.6 Certificate Details**Certification body**

Global Gateway Certifications Sdn. Bhd.,
No. 10 Jalan Rasmi 7, Taman Rasmi Jaya,
68000 Ampang,
Selangor Darul Ehsan, Malaysia.
Tel.: +603 4256 2689; Fax: +603 4256 2687
Website: www.ggc.my

Assessment standard

(MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders

Certificate number

GGC-GPSB002-MSPO-01-2019

Initial certificate issued date

31st January 2019

Certificate expiry date	30 th January 2024
Stage 1 assessment date	04 th September 2018 – 05 th September 2018
Stage 2 / Main Assessment	13 th November 2018 – 15 th November 2018
Annual Surveillance 1 [ASA 1]	25 th November 2019– 27 th November 2019
Annual Surveillance 2 [ASA 2]	15 th February 2021 – 16 th February 2021
Annual Surveillance 3 [ASA 3]	November 2021
Annual Surveillance 4 [ASA 4]	November 2022

1.7 Qualification of the Lead Assessor and Assessment Team

Lead Auditor

Name: Mohamad Razin bin Bakal

Graduate in Degree of Accountancy with University Putra Malaysia. Having 18 years of working experience in various field in Malaysia, Africa and Indonesia. Have enough knowledge and experiences in oil palm estate operation inclusive of estate administrative, budget preparation, jungle clearing, new planting, nursery establishment and management, harvesting, field upkeep and maintenance, safety and health, vehicle running and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM).

Involved in MSPO auditing since 2018. Qualified as Lead Auditor/Auditor for MSPO 2530:2013 (PnC & SCCS), RSPO (PnC & SCCS) ISO 14001:2015 and ISO 9001:2015. Participated and undergo training conducted by SIRIM Berhad & David Ogg. Member of GGC MSPO audit team.

During this assessment, he assessed on the aspect of Management Commitment and Responsibility, Workers Welfare, Best Practices and etc. He is able to speak and understand Bahasa Malaysia and English.

Auditor

Name: **Md. Jefri bin Shara'ai**

Bachelor Degree in Chemical Engineering and Master Degree (Science) in Quality & Productivity. Work experience since year 1992, in various industries and discipline that include manufacturing, engineering services, quality management, environmental management, research and development.

Audit experience in Quality Management System (ISO9001), Environmental Management System (ISO14001) and Safety & Health (OHSAS 18001) since year 2008. Qualified auditor in sustainability certification programs such as Roundtable Sustainable Palm Oil, Principles & Criteria (RSPO P&C), Roundtable Sustainable Palm Oil, Supply Chain (RSPO SCC), Malaysian Sustainable Palm Oil (MSPO) and Malaysian Sustainable Palm Oil, Supply Chain (MSPO SCCS). Member of GGC MSPO audit team.

During this assessment, he assessed on the aspect of compliance to Compliance to Legal Requirements, Environment, Natural Resources, Biodiversity and Ecosystem Services. Able to speak and understand Bahasa Malaysia and English.

Auditor

Name: **Baskaran A/L Sankaran**

Master of Occupational Safety & Health Risk Management from Open University Malaysia, Diploma in Mechanical Engineering and Management Programme. More than 20 years of working experience in various industries. Involved in RSPO and MSPO assessment since 2014. Involved in audits conducted in for many different companies in Malaysia and Indonesia. Completed ISO 9001:2008 and ISO 14001:2004 lead auditor course in 2006 & 2010. Also completed RSPO Lead Auditor training in December 2014. Qualified as Lead Auditor/Auditor in several certification programme such as RSPO, MSPO, ISO and etc. Member of GGC RSPO audit team. Able to speak and understand Bahasa Malaysia and English.

During this assessment, he assessed on the aspect of Transparency and Responsibility, Social Responsibility, Health, Safety and Employment Condition. Able to speak and understand Bahasa Malaysia and English.

1.8 Audit Methodology

The audit was conducted based on sampling following the method as specified in the MSPO requirements (MSPO-Questionnaire Self-Assessment – RA). The sampling was calculated and determined prior to the audit assessment. In the case of this certification unit, sampling calculation was applied. Therefore, total numbers of supply based assessed in the audit are 2 estates out of 3 estates.

The assessment activities include of documents review and interview the workers. The documents that had been reviewed among others were company policy, internal procedures, management system procedures, waste management procedures, legal documents etc. Significant issues that would impact to the environmental and social were also been verified.

The methodology for collection of objective evidence was established during observation of tasks and processes, interviews of internal stakeholders, interview of officers, review of documents and data. Checklists and questionnaires were used to guide the collection of information and the comments made by external stakeholders were also been taken into consideration in this assessment.

Appendix A (Audit Plan) details the actual assessment plan. Internal stakeholders were consulted randomly during the assessment to obtain feedback on the management compliance and performance (Appendix C) of MSPO.

Glenealy Plantations Sdn Bhd has been granted a permission for 1-month extension from MPOCC. The actual period ended on 30th January 2021. Refer to Version 2 Updated Circular (27th October 2020) Guidance on Remote Audits due to Covid-19 Pandemic Restrictions, the audit was conducted remotely by using Google Meet Application after risk assessment done by GGC.

As per audit date, the Malaysian Government did announce that the Movement Control Order (MCO) ended 04th February 2021 has been extended for a period of 05th February 2021 until 18th February 2021 except for Sarawak.

With reference to the 1st Federal Government Gazette (9th June 2020), Prevention and Control of Infectious Diseases (Measures Within Infected Local Areas) (No. 7) Regulations 2020, Certification for Agri Commodities was not included in prohibited activities.

Majlis Keselamatan Negara (MKN) had issued a 1st Standard Operating Procedure for "Persijilan bagi Agrokomoditi" dated 12th June 2020 which need to be complied during the audit process by both parties, the Certification Body and clients.

1.9 Audit Plan Information

Audit Date	15 th February 2021 – 16 th February 2021
Name of site(s) visited	<ul style="list-style-type: none"> • Pertasa Estate • Amalania Koko Berhad Estate
Total number of man-days spent	6 man-days

1.10 Audit Result Summary Findings

Category	Numbers	Status (Closed/Open/Not Applicable/No Action Requires)
Major Nonconformities	0	No action requires
Minor Nonconformities	0	No action requires
Area of Concern	1	No action requires
Noteworthy /Positive Comments	3	No action requires

1.11 Stakeholder Consultation

As per ACB-Malaysian Sustainable Palm Oil (MSPO); ACB-OPMC4; Issue 1, 01st August 2017; Stakeholder Consultation Requirements for Certification Bodies Operating Oil Palm Management Certification, the stakeholder consultation shall be carried out in stage 2 and recertification audit cycle of the management unit. During this Annual Surveillance 2 audit, the audit team has conducted internal stakeholder consultations as to understand the practices in relation to environmental, social performance and their performance with respect to the MSPO requirements.

The meeting was conducted without the present of estates management. During the meeting, auditor explained the purpose of the audit followed by an evaluation of the relationship between the stakeholders before discussions continued. The auditor recorded comments made by stakeholders and verified with the estates management before incorporating into the assessment findings. There was no complaint or feedback received during the audit when interviewing with the internal stakeholders. There were also positive statements made by the participants on the effect of MSPO implementation to the society.

No	Stakeholders Name	Subject raised / Identified Risk	Company response and proposed action to be taken. [What we did]	Assessment team findings [Outcome]
1.	Stakeholders A (Sprayers Gang)	<ul style="list-style-type: none"> • They have good understanding about MSPO. • They have good understanding about complaint and grievance mechanism. • PPE given by company – free. • They were treated equally with no discrimination based on gender. • They claimed that the management provides good living quarters with proper domestic waste collection and promptly attend to quarters repairs. • They confirmed wages are being paid more than the Minimum Wage Order 2020 of RM1,100.00 per month and understand all the deductions being made. 	No action requires	Positive findings
2.	Stakeholders B (Harvesting Gang)	<ul style="list-style-type: none"> • Good understanding about MSPO. • They are very happy with the management and hopes to extend their contract. • They have good understanding about 	No action requires	Positive findings



		complaint and grievance mechanism. <ul style="list-style-type: none"> • PPE given by company – free. • They claimed that the management provides good living quarters with proper domestic waste collection and promptly attend to quarters repairs. • They confirmed wages are being paid more than the Minimum Wage Order 2020 of RM1,100.00 per month and no issue on wages received as well as the deductions made. 		
3.	Stakeholders C (Estate - Gender Committee Representatives)	<ul style="list-style-type: none"> • There was no discrimination, sexual harassment or violence case reported thus far. • The Management is quite supportive on the Committee activities. 	No action requires	Positive findings

1.12 Recommendation

The company has established sustainability policy, objectives and procedures that define an effective system for the administration and control of sustainability management system throughout all operation activities of Glenealy Plantations Sdn Bhd (Sabah Region Complex). The Acting Senior Estate Manager/Estate Manager is in charge and ensures that the facility and his subordinates comply with the requirements and procedures stated in this manual.

The management is committed to complying with the MSPO system by giving awareness training to all personnel involved in this standard to make them understand the procedures and implementation of the standard. The employees are aware of the requirements of MSPO. There was no complaint or feedback received during this Annual Surveillance Audit (ASA 2).

This report will be internally reviewed for certification decision by GGC and external peer review by independent reviewers (Qualified by MPOCC) not required. During this audit assessment [based on MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO)] Part 3: General Principles for Oil Palm Plantations and Organized Smallholders), 0 NCR major, 0 NCR minor and 1 Area of concern have been raised to the facilities that being audited.

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted was no major non-conformity findings. Therefore, the Lead Auditor recommends to continuing a certificate of compliance "MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders to Glenealy Plantations Sdn Bhd (Sabah Region Complex).

1.13 Date of Next Surveillance Audit

The Annual Surveillance Audit 3 (ASA 3) visit will be scheduled before 9 -12 months from the date of Annual Surveillance Audit 2 (ASA 2)

1.14 Confidentiality

GGC auditors will not discuss or reveal any of the confidential information seen during the audit to any third party. Any public summary of the main assessment will be approved by the client prior to publication.

1.15 Abbreviations Used

BOD	Biological Oxygen Demand
CHRA	Chemical Health & Risk Assessment
CIP	Continuous Improvement Plan
COD	Chemical Oxygen Demand
CoP	Code of Practise
CSPO	Certified Sustainable Palm Oil
CPO	Crude Palm Oil
CSPK	Certified Sustainable Palm Kernel
DOE	Department of Environmental
DOSH	Department of Occupational Safety and Health Malaysia
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
FFB	Fresh Fruit Bunch
GAP	Good Agriculture Practise
GHG	Greenhouse Gas
GGC	Global Gateway Certifications Sdn Bhd
GPSB	Glenealy Plantations Sdn Bhd
HIRARC	Hazard Identification, Risk Assessment and Risk Control
ISCC	International Sustainability & Carbon Certification
IPM	Integrated Pest Management
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysian Palm Oil Certification Council
MSPO	Malaysian Sustainable Palm Oil
NCR	Non-Conformance Report
NGO	Non-Government Organization
OHS	Occupational Health & Safety
OHSAS	Occupational Health and Safety Assessment Series
PK	Palm Kernel
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
SEIA	Social Environmental Impact Assessment
SOP	Standard Operating Procedure
SPO	Sludge Palm Oil

SECTION II: ASSESSMENT FINDINGS BY PRINCIPLES AND CRITERIA

2.1 Principle 1: Management commitment and responsibility

Criterion 1 Malaysian Sustainable Palm Oil (MSPO) Policy

Indicator 1 A policy for the implementation of MSPO shall be established.

Summary The MSPO Policy has been established and signed by Mr. Chia Kee Loong, Chief Executive Officer dated April 2018.

The policy clearly states Glenealy Plantations Sdn Bhd groups commitment to sustainable development and continuous improvement on plantation and milling operations through MSPO standards implementation and principles as follows:

1. Management commitment and Responsibility
2. Transparency
3. Compliance to Legal Requirements
4. Social Responsibility, Health, Safety and Employment conditions
5. Environment, Natural Resources, Biodiversity and Ecosystem Services
6. Best Practice

As per audit and interviews with estate workers and staff, all of them are aware and answered to auditors very well about the MSPO Policy. Also, verification the implementation on site which respective estates have displayed the policy on the notice board and in front of the estate office.

Series of External & Internal stakeholders meeting was conducted by the estate management to communicate the Sustainability and Company Policies as follows;

1) Pertasa Estate:

Sighted the Internal Stakeholder Meeting conducted on 10th March 2020 at Muster Ground which was attended by all estate workers and staff. The session was conducted by Estate Assistant Manager. Minute meeting and attendance record are well maintained and compile in the meeting file for reference

Sighted the External Stakeholder Meeting conducted via online platform (email) to obtain the relevant feedback information about the company policies and procedures. Invitation letter was sent the respective stakeholder on 20th October 2020. All the respondent received from the questionnaire are well maintained and compile in the meeting file for reference.

2) Amalania Koko Berhad Estate:

Sighted the Internal Stakeholder Meeting conducted on 16th March 2020 at Muster Ground which was attended by all estate workers and staff. The session was conducted by Estate Assistant Manager. Minute meeting and attendance record are well maintained and compile in the meeting file for reference

Sighted the External Stakeholder Meeting conducted via online platform (email) to obtain the relevant feedback information about the company policies and procedures. Invitation letter was sent the respective stakeholder on 20th October 2020. All the respondent received from the questionnaire are well maintained and compile in the meeting file for reference.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 The policy shall also emphasize commitment to continual improvement.

Summary The policy clearly emphasizes its commitment to continuous continual improvement in para 1 of the policy which reads as follows:

As a responsible and sustainable palm oil producer, our group is committed to sustainable development and continuous improvement on plantation and milling operations through MSPO standards implementation and principles.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 2 Internal audit

Indicator 1 Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.

Summary Glenealy Plantations Sdn. Bhd. has established Internal Audit Procedure Doc No: MSPO-01, Rev 1 dated 1st August 2019 prepared by Mr. Chieng Kai Sooon, SHA Manager and approved by Mr. Muhammad Yaw Abdullah, Sr. Plantation Manager.

The Internal Audit procedure has outlined the followings steps:

1. Preparation of Audit Plan
2. Submission of Audit Plan
3. Conduct Audit
4. Audit Wrap up
4. Follow-up Audit
5. Audit Report input to Management Review

Based on the annual Internal Audit Plan, the Sustainability Department has planned to conduct the internal audit in September 2020.

Estate	Date	Audited by	Results
Pertasa Estate	10 th September 2020	LA - Ms. Nahewing Lanus Auditor - Ms. G Sophea Sulaiman, Ms. Irmah Abdul Rahman	5 Major NC, 2 Minor NC and 0 AOC
Amalania Koko Berhad Estate	9 th September 2020	LA - Mr. Kavee Raaz Reddy Auditor - Mrs. Nur Erra Jharen, Ms. G Sophea	4 Major NC, 4 Minor NC and 0 AOC

		Sulaiman, Ms. Nurul Aiysah Sarah	
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All non-conformities are closed within the stipulated period (90 days for Major and 12 months for Minor) and seen the Internal Audit Non-Conformity Forms signed by Estate Manager.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.

Summary Glenealy Plantations Sdn. Bhd. has established Internal Audit Procedure Doc No: MSPO-01, Rev 1 dated 1st August 2019 prepared by Mr. Chieng Kai Sooon, SHO Manager and approved by Mr Muhammad Yaw Abdullah, Sr. Plantation Manager.

The Internal Audit Report has documented the SOP, Findings, Root Cause (s) & Corrective Action (s) (Manager's reply).

Sighted the action taken by the company for all the non-conformities raised by the Internal Audit team and subsequently all non-conformities have been closed accordingly.

Pertasa Estate:

The latest internal audit was conducted on 10th September 2020 by Ms. Nahewing Lanus (Lead Auditor), Ms. G Sophea Sulaiman (Auditor), Ms. Irmah Abdul Rahman (Auditor). Summary of findings as follows;

Type of non - conformity	Findings
Major	1 - 4.1.2.2 – Audit not available 2 - 4.3.1.1 – No certificate of fitness for air compressor sighted 3 - 4.5.1.3 – No environmental action plan for EIA 4 - 4.5.2.2 – No estimation for non-renewable energy for PTS contractor 5 – 4.6.4.1 – No MSPO awareness briefing made for contractor
Minor	1 – 4.4.1.1 – No action plan sighted for 2019 SIA 2 – 4.4.4.2 – No training conducted for emergency, earthquake & flood

Amalania Koko Berhad Estate:

Sighted the action taken by the company for all the non-conformities raised by the Internal Audit team and subsequently all non-conformities have been closed accordingly.

The latest internal audit was conducted on 9th September 2020 by Mr. Kavee Raaz Reddy (Lead Auditor), Mrs. Nur Erra Jharen (Auditor), Ms. G Sophea Sulaiman (Auditor), Ms. Nurul Aiysah Sarah (Auditor). Summary of findings as follows;

Type of non - conformity	Findings
Major	1 - 4.4.4.2 (b) – No HIRARC review was conducted when accident occurred. 2 - 4.4.4.2 (g) – Meeting agenda was not matched with the produced minutes of meeting 3 - 4.4.4.2 (j) – No action taken / recommendation was sighted in the Record Accident Form 4 - 4.6.4.4 – Evidence of checking and signing the assessment done by contractor was not sighted.
Minor	1 – 4.1.4.1 – Documented action plan and the evidence of completion for Continuous Improvement plan was not properly documented and describe 2 – 4.4.4.2 (d) – Eye wash and shower equipment is not listed in the Emergency Equipment Inspection Checklist 3 – 4.5.1.5 – No waste recycling program / awareness / training was conducted since 2019 4 – 4.5.3.3 – Inadequate list of "Person Restricted to Handle Chemical" in the Safe Working Procedure for Chemical Handling
AOC	1 – 4.4.1.1 – Mitigation measure not stated in the SIA report under the Matrix Risk Assessment. 2 – 4.4.4.2 – Documentation HIRARC to be revise and approved by the latest top management (ASM)

All non-conformities in both Estate were closed within the stipulated period (90 days for Major and 12 months for Minor) and seen the Internal Audit Non-Conformity Forms signed by Estate Manager.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 Report shall be made available to the management for their review.

Summary The management review had included internal and external sustainable palm oil audit results review. As evidence, all findings from internal audit were responded by both estates' management within the agreed timeframe

Sighted management review meeting as per below: -

Estate	Date	Prepared by	Approved by
Pertasa Estate	5 th November 2020	Ms. Francisca Abin (MSPO Clerk)	Mr. Francis Singkan (Estate Manager)
Amalania Koko Berhad Estate	20 th October 2020	Ms. Mahilah Damsik (Office Clerk)	Mr. Mohd Asis bin Salem (Estate Manager)

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 3	Management review
Indicator 1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.

Summary The company has established Management Review Procedure Ref No MSPO-02 dated 1st April 2018 prepared by Ms. G. Sophea Sulaiman and approved by Mr. Mohd Hafiz Abdul, Estate Manger.

As evidence:

1) Pertasa Estate:

The management review meeting was conducted on 5th November 2020, which was conducted at the Estate Meeting room. The minute meeting was prepared by Ms. Francisca Abin (MSPO Clerk) and verified by Mr. Francis Singkan (Estate Manager) dated 5th November 2020.

2) Amalania Koko Berhad Estate:

The management review meeting was conducted on 20th October 2020, which was conducted at the Conference room. The minute meeting was prepared by Ms. Mahilah Damsik (Office Clerk) and verified by Mr. Mohd Asis bin Salem (Estate Manager) dated 21st October 2020.

The decision on management action is listed in the Management Review Meeting minutes. Management action has been documented and the time frame is updated with stating the status of the process.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 4	Continual improvement
Indicator 1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.

Summary Sighted a continual improvement plan for both estates for year 2020/2021.

As evidence:

1) Pertasa Estate:

Pertasa Estate has established a continuous improvement for the year 2020 / 2021 prepared Ms. Francisca Abin (MSPO Clerk) and verified by Mr. Francis Singkan (Estate Manager) dated 30th December 2020.

Continues Improvement Plan	Description
MSPO Awareness	1. Briefing on MSPO System 2. What MSPO covered

	3. Important of MSPO 4. MSPO needs
RTE & HBV Monitoring	Monitoring any traces that can be found within the estate
Boundary stone monitoring	To monitor establishment boundary stone and ensure the good condition
Oil sump for engine room	To construct oil sump outside the engine room to contained any oil leakage from diesel drum
Landfill signage	To order new proper signage for landfill area

2) Amalanía Koko Berhad Estate:

Amalanía Koko Berhad Estate has established a continuous improvement for the year 2020 / 2021 prepared by Ms. Mahilah Damsik (Office Clerk) and verified by Mr. Mohd Asis bin Salem (Estate Manager) dated 30th December 2020.

Continues Improvement Plan	Description
MSPO Awareness	1. Briefing on MSPO System 2. What MSPO covered 3. Important of MSPO 4. MSPO needs
SEMUT Demonstration & Training	To introduce new technology system in market that are feasible for plantation operation / activities
Constructing place to collect and store used tyres prior to disposal	To build collection Centre for used tyres in workshop area
New premix area (North Division)	To construct new cemented premix area for chemical mixing in North Division
PPE provision for workers	To provide PPE to workers as needed by each job task
Recycle bin	To construct of recyclable waste center for recyclable waste disposal
Empty pesticide container	To collect all of the empty pesticide container from workers linesite and and brief regarding the environmental management awareness (waste management)
Clinical waste store	To construct of clinical waste store at clinic for clinical waste disposal
New collection center for SW	To built collection center for workers in line site area (2 center)

(lubricant oil, hydraulic, etc.) for workers line site	
New make door separate for SW store for SW (lubricant oil, hydraulic, etc)	To construct a new door for SW Store
Too many stray dogs	To catch / remove all the stray dogs which make noise pollution, garbage, traffic, accident, safety of dependant
Damaged drained system	To repair the blockage / broken drainage system

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology, where applicable, that are available and feasible for adoption

Summary There is no new application of new technology implemented during the certification period. The current practices continued and guide by Standard Operation Procedure (SOP).

However, both estates management will implement and monitor any new technologies being implemented and training of other personnel.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.

Summary No new technology being in place thus far. Currently the estate was carried out the training based on the estate current practices.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

2.2 Principle 2: Transparency

Criterion 1	Transparency of information and documents relevant to MSPO requirements
Indicator 1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.

Summary The company has established procedure SOP N0. MSPO-03 titled Stakeholder Communication & Consultation for the purpose of stakeholder communication. The SOP last updated on 01/08/2019 has outlined process for stakeholder communication.

1) Pertasa Estate

For year 2020, as of this audit period there is no request for information received by the estate. Only complaints on facility breakdown are registered as sighted form titled "Complaints/Grievances/Request Form". Complaints received from stakeholder are addressed within period specified in SOP No. MSPO-11 titled "Complaints, grievances Request Procedure" dated 01/08/2018 (Refer to indicator 4.4.2.1)

The estate also communicates information related to its external stakeholders are takes place through annual stakeholder meeting. Sighted last external stakeholder meeting invitation sent to 20/10/2020 signed Senior Plantation Manager Mr. Jose Mangaliag Jr @ Mohd Faizal. Due to Covid-19 pandemic and MCO, the management conducted the session on 'on-line'.

The company also has used separate form titled "Stakeholder Meeting" identifying five questionnaires for its external stakeholders. SIA for external stakeholders was conducted on 24/10/2019. There are 12 external stakeholder participated in SIA. There is no issue raised by the estate's external stakeholders as sighted from the titled "Stakeholder Meeting" form completed by them.

2) Amalania Koko Berhad Estate

For year 2020, as of this audit period there is no request for information received by the estate. Only complaints on facility breakdown are registered as sighted form titled "Complaints/Grievances/Request Form". Complaints received from stakeholder are addressed within period specified in SOP No. MSPO-11 titled "Complaints, grievances Request Procedure" dated 01/08/2018 (Refer to indicator 4.4.2.1)

The estate also communicates information related to its external stakeholders are takes place through annual stakeholder meeting. Sighted last external stakeholder meeting invitation sent to 20/10/2020 signed Senior Plantation Manager Mr. Jose Mangaliag Jr @ Mohd Faizal. Due to Covid-19 pandemic and MCO, the management conducted the session on 'on-line'. External stakeholder meeting is organized together with mill and other estates under Glenealy Plantations Sdn. Bhd Timora Complex.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

Summary List of documents that are publicly available and those confidential are identified in SOP N0. MSPO-13 titled 'Commitment To Transparency' under appendix 1 as "Confidential information" and "Non-confidential information". There are 68 documents been identified in non-confidential documents which can be made publicly available and 6 documents are classified as confidential in both Estates. Information. Publicly available information can be assessed from the management by filling up "Complaints/Grievances/Request Form" which is also attached to the SOP.

Based on the interview with respective estate manager, confidential information will not be provided to the public unless agreed upon by the top management.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 2 Transparent method of communication and consultation

Indicator 1 Procedures shall be established for consultation and communication with the relevant stakeholders.

Summary The company has established procedure titled "SOP N0. MSPO-03 titled Stakeholder Communication & Consultation" outlining process of stakeholder communication. The procedure also has identified stakeholder list, stakeholder concerns and resolution matrix, grievances form and request for information form as part of the communication mechanism.

Both estates conduct external stakeholder meeting on annual basis to communicate information that relevant to them. Last external stakeholder meeting was held on 20/10/2020. Due to Covid-19 pandemic and MCO, the management conducted the session on 'on-line'.

Interviews held with Staff / Workers during audit assessment indicates that the estate management has been transparent with the Staff / Workers in terms of communicating information that relevant to them.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.

Summary Person in charge for consultation and communication is available. Sighted the appointment letter:

- 1) Pertasa Estate :
Mr. Amran Dali, appointed on 5th September 2020.
- 2) Amalania Koko Berhad Estate :
Mr. Mohd Asis Bin Salem, appointed on 12th November 2020

The person in charge is also responsible for all records of traceability. There are trained by Sustainability Department to maintain all the requirements.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.

Summary Both estates the stakeholder list is evident as documented in SOP N0. MSPO-03 titled Stakeholder Communication & Consultation. The list includes:

- Government
- Statutory Bodies
- NGO's
- Suppliers & Contractors
- Surrounding Stakeholders
- Estate workers & staffs

The requests made will be processed / approved by Estate Senior Manager / Manager or Assistant Manager. Sighted the above request and others as stated in the log book effectively responded by estate management.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 3 Traceability

Indicator 1 The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).

Summary The company has established procedure for traceability titled "SOP No. MSPO-04 FFB Traceability Procedure" dated 2nd April 2018. The procedure has identified process for traceability from the phase of oil palm planting until delivered to palm oil mill. The company retains records of weighbridge ticket, dispatch ticket and dispatch note. Sighted following records.

Pertasa Estate

- i. Mill Weighbridge ticket
 - Mill Name : Timora Palm Oil Mill
 - WB Ticket No : 201349
 - Date : 13/12/2020
 - Supplier : Pertasa Estate
 - Gross Wt, : 19,280 Kg
 - Net Wt. : 10,680 Kg
- ii. Estate's FFB Despatch Chit
 - Estate Name : Pertasa Estate
 - FFB Despatch Chit No. : 123400
 - Date : 19/12/2020
 - Despatch To : Timora Palm Oil Mill



- Field No. : 05D
- Vehicle No. : WL381L
- Driver's Name : Rajamudin

iii. Estate's Bunch Chit

- Estate Name : Pertasa Estate
- Bunch Chit No. : 191874
- Date : 13/01/2020
- Div : O80
- Block No. : 1/16
- Harvester No. : 23
- Total bunches : 24
- Ripe bunches : 24

Amalania Koko Berhad Estate

i. Mill Weighbridge ticket

- Mill Name : Timora Palm Oil Mill
- WB Ticket No : 26935
- Date : 05/12/2020
- Supplier : Amalania Koko Berhad Estate
- Gross Wt, : 23,370 Kg
- Net Wt. : 12,090 Kg

ii. Estate's FFB Despatch Chit

- Estate Name : Amalania Koko Berhad Estate
- FFB Despatch Chit No. : 166716
- Date : 05/12/2020
- Despatch To : Timora Palm Oil Mill
- Field No. : 07G
- Vehicle No. : SD 8697 D
- Driver's Name : Suprdi

iii. Estate's Bunch Chit

- Estate Name : Amalania Koko Berhad Estate
- Bunch Chit No. : 566471
- Date : 05/12/2020
- Div : W
- Block No. : 07G
- Harvester No. : 23
- Total bunches : 20
- Ripe bunches : 18
- Over ripe : 1
- Rotten : 1

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 The management shall conduct regular inspections on compliance with the established traceability system.

Summary Inspection on compliance with the established traceability system is done once a year using "Traceability Inspection Form". As evidence:

- 1) Pertasa Estate
Sighted latest traceability Inspection record which was done on 12/03/2020 by Mildeh M and approved by Saiful A.W. at field no.03D.
- 2) Amalania Koko Berhad Estate
Sighted latest traceability Inspection record which was done on 27/10/2020 by Abd Sidih Yupon and approved by Mohd Asis Salem.

The result shows compliance with company's traceability system.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 The management should identify and assign suitable employees to implement and maintain the traceability system.

Summary Person in charge for all records of traceability is available. Sighted the appointment letter :

- 1) Pertasa Estate :
Mr. Rizer Stephen Jerrsin, appointed on 22nd October 2020
- 2) Amalania Koko Estate :
Mr. Mr Saiful Azreen Winnie, appointed on 11th August 2020

There are trained by Sustainability Department to maintain all the requirements.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 Records of sales, delivery or transportation of FFB shall be maintained.

Summary The FFB weighbridge ticket / despatch note is produced for all transaction to Timora Palm Oil Mill. The set of document consists of the following information;

Pertasa Estate

i. Mill Weighbridge ticket

- Mill Name : Timora Palm Oil Mill
- WB Ticket No : 201349
- Date : 13/12/2020
- Supplier : Pertasa Estate
- Cross Wt, : 19,280 Kg
- Net Wt. : 10,680 Kg

ii. Estate's FFB Despatch Chit

- Estate Name : Pertasa Estate
- FFB Despatch Chit No. : 123400
- Date : 19/12/2020
- Despatch To : Timora Palm Oil Mill

- Field No. : 05D
- Vehicle No. : WL381L
- Driver's Name : Rajamudin

iii. Estate's Bunch Chit

- Estate Name : Pertasa Estate
- Bunch Chit No. : 191874
- Date : 13/01/2020
- Div : O80
- Block No. : 1/16
- Harvester No. : 23
- Total bunches : 24
- Ripe bunches : 24

Amalania Koko Berhad Estate

i. Mill Weighbridge ticket

- Mill Name : Timora Palm Oil Mill
- WB Ticket No : 26935
- Date : 05/12/2020
- Supplier : Amalania Koko Berhad_Estate
- Cross Wt, : 23,370 Kg
- Net Wt. : 12,090 Kg

ii. Estate's FFB Despatch Chit

- Estate Name : Amalania Koko Berhad_Estate
- FFB Despatch Chit No. : 166716
- Date : 05/12/2020
- Despatch To : Timora Palm Oil Mill
- Field No. : 07G
- Vehicle No. : SD 8697 D
- Driver's Name : Suprdi

iii. Estate's Bunch Chit

- Estate Name : Amalania Koko Berhad Estate
- Bunch Chit No. : 566471
- Date : 05/12/2020
- Div : W
- Block No. : 07G
- Harvester No. : 23
- Total bunches : 20
- Ripe bunches : 18
- Over ripe : 1
- Rotten : 1

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

2.3 Principle 3: Compliance to legal requirements

Criterion 1 Regulatory requirements

Indicator 1 All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.

Summary The company has established and updated list of applicable laws and regulations that are applicable for the respective estate as per SOP

Pertasa Estate

The estate has established list of applicable laws and regulations to compliance with the legal requirements. The lists were listed in the document "List of Legal Register", ref. TESB/LRR/List-Law, dated 01/11/2019 prepared by Ms. G.Sopheha Sulaiman, Sustainability Coordinator - Legal Register/ Regulations Department, reviewed by Mr. Shobian Fadzal Perdes (Plantation Manager) and approved by Mr. Muhammd Yaw Abdullah (Sr.Plantation Manager).

Seen the list of records, such as:

- MPOB Licence –502693102000 Expires on 31st May 2021. "Menjual dan mengalih FFB – 6,110 Ha (Combine with Timora Estate).
- Trading License – Timora Estate [No License; LD/2019/758] expires on 31st December 2020. The license was renew on 8/1/2021 and only be able to be collected after MCO.
- Trading License – Titleland Dev [No License; KBTG/2021/177] expires on 2 Jan 2021.
- Permit Barang Kawalan Berjadual [No Siri: S002708], Diesel Industri expires on 1st September 2021 – BL22020040282 [Kuantiti simpanan: 20,000 Liter].
- Permit Potongan Daripada Gaji Pekerja, Seksyen 113(4), Ordinan Buruh (Sabah Bab 67). Expires on 16th May 2021. [Ref: 600-1/2/13/17(11/KBN/2019-0162)].
- The estate also included Covid related Act, Ref.Doc: LRR/PCID-Act, "Preventive and Control of Infectious Disease Act 1988", on 18/01/2021.

Amalania Koko Berhad Estate

The estate has established list of applicable laws and regulations to compliance with the legal requirements. The lists were listed in the document "List of Legal Register", ref. TESB/LRR/List-Law, dated 01/11/2019 and reviewed by Mr. Mohd Asis Salem (Plantation Manager) and approved by Mr. Muhammad Yaw Abdullah (Sr. Plantation Manager).

Sighted among others licenses as below;

- MPOB Licence – Amalania Koko Berhad 501867902000 expires on 31st December 2021 [3,960 Ha]. – "Menjual dan mengalih FFB#".
- Permit Barang Kawalan Berjadual [No Siri: S002725], Diesel Industri, expires on 9th December 2021 – BL220200041908 [Kuantiti simpanan: 36,000 Liter].
- Permit Barang Kawalan Berjadual [No Siri: S002936], Diesel Industri expires on 9th December 2021 – BL22020005589 [Kuantiti simpanan: 17,000 Liter].

- Perusahaan Minyak Kelapa Sawit – [License No.: 50186790200] expiry date 31st December 2021, issued by PORLA.
- Permit Perdagangan – Minyak/Petrol/Diesel [License No: KPDNHEP.LDT.600-4/4(01/1999)P, expiry dated on 9th December 2021.
- Lesen untuk Menggaji Pekerja Bukan Pemastautin, Jabatan Tenaga Kerja Sabah, No. JTK.H.KBN.600-4/1/1/01261/0706, expiry 3/10/2021.
- Permit Potongan Daripada Gaji Pekerja – [License No: 600-1/2/9/14(11/LDT/2019-0126) valid from 14th March 2019 to 13th March 2021 – by Jabatan Tenaga Kerja Sabah Kinabatangan.
- The estate also included Covid related Act, Ref.Doc: LRR/PCID-Act, "Preventive and Control of Infectious Disease Act 1988", on 18/01/2021

In Compliance ☒ **Yes** ☐ **No** ☐ Not Applicable

Indicator 2 The management shall list all laws applicable to their operations in a legal requirement register.

Summary Both estates have the legal list fully covered on the requirements that related to MSPO compliance. These documents include information on laws, enforcement bodies, main requirement, environmental aspect, standard, fine, person in charge, and compliance status. List of legal registers was made available and last updated on 1st November 2019 [Ref: TESB/LRR/List-Law, Rev 1].

Monitoring of expiry of permits and licenses are done on periodically basis using legal compliance checklist.

Seen list of laws among others as below;

No.	Laws and Regulations
1.	Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 1987
2.	Sabah Water Resources Enactment 1988
3.	Environmental Quality Act 1974
4.	Malaysian Palm Oil Board 1998
5.	Occupational Safety and Health Act 1994
6.	Factories and Machineries Act
7.	Police Act 1967
8.	Common Gaming Houses Act 1953
9.	Betting Act 1953
10.	Arms Act 1960
11.	Electricity Supply Act 1990
12.	Uniform Building By Law 1986
13.	Fire Services Act 1984
14.	Malaysian Laws on Poisons & Sale of Drugs
15.	Food Act 1983
16.	Petroleum (Safety Measures) Act 1984
17.	Pesticide Act 1974 (Act 149)

18.	Care Centres Act 1993 (Act 506)
19.	Minimum Wages Order 2020
20.	Labour Ordinance (Sabah Cap. 67)
21.	Workers's Minimum Standard Housing & Amenities Act 1990
22.	Workmen's Compensation Act 1952
23.	Employees Provident Fund Act 2016
24.	Companies Act 2017 (Act 777)
25.	Companies Act 1950 (Act 136)
26.	Human Rights Commission of Malaysia Act 1999
29.	Children & Young Persons (Employment Act)
30.	Industrial Relation Act 1967
32.	Employees Social Security Act 1969
33.	Minimum Retirement Age Act 2012 (Act 753)
34.	Immigration Act
35.	Anti-Corruption Act 1997
36.	Penal Code (Act 574)
37.	Weights & Measures Act 1972 (Act 71)
38.	Local Government Act 1976
39.	Sabah Land Ordinance 1930

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.

Summary List of legal correspondences permit will be updated by all Person Incharge in both estates.

1) Pertasa Estate

As per interview with Cik G.Sopheha Sulaiman update and checking for amendment will be done on quarterly basis as per Schedule for Tracking Changes or New Amendments in Law. The register shall then be approved by Mr. Amran Dali, Sr. Asst. Manager.

List of legal register was made available [Ref no: TESB/LRR/List-Law; Rev. 0 dated 1st November 2019. Estate management maintains checklists of licenses, permits, certificates dated 1st November 2019.

2) Amalania Koko Berhad Estate

The sustainability team and/or the estate assistant manager to carry out periodic review and evaluation on applicable laws and regulations.

Seen Schedule for Tracking Changes or New Amendments in Law, been monitored on monthly basis. Last updated was on month of 18th December 2020, checked by Mrs Herwati Binti Mohd Tang and approved by Mr. Mohd Asis Bin Salem (Plantation Manager).

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.

Summary Sighted Letter of Appointment for:

- a) Pertasa Estate:
Mr. Amran bin Dali (Estate Senior Assistant Manager) on 4th January 2020 and approved by Mr. Francis Singkan, Plantation Manager and Acting Senior Manager, Mr. Jose Mangaliag Jr @ Mohd Faizal, responsible for the MSPO Principles' Legal Register/ Regulations.
- b) Amalania Koko Berhad Estate:
Mr. Mrs Herwati Binti Mohd Tang asir (Estate Assistant Manager) on 2nd January 2020 and approved by Acting Senior Manager, Mr. Jose Mangaliag Jr @ Mohd Faizal, responsible for the MSPO Principles' Legal Register/ Regulations.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 2 Land use rights

Indicator 1 The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.

Summary Both estates have demonstrated legal ownership of their land by having legal land titles to the land. The land titles are kept in the estate office and were sighted during the audit. Evidence of annual payment of land tax to the state government is available in the form of receipts.

Pertasa Estate

Estate land titles are available and maintained.

No: CL095311863. The copy of land titles is kept in the estate office and were sighted during the audit – Pertasa Plantations Sdn Bhd. – 4857 Ha. [Cultivation of an agricultural crop of economic value].

Sighted hectareage statement as at 31st December 2020:

- o Total mature = 2,090.00 Ha
- o Total immature area = 764.00 Ha,
- o Total planted area = 2,854.00Ha
- o Total unplanted area = 59.30Ha
- o Total grant area = 2,913.00 Ha

Amalania Koko Berhad Estate

The copy of land titles, title no. Provisional Lease 096290176, total area of 9974 acre (4036 Ha) is kept in the estate office and seen during the audit.

Sighted hectareage statement as at 31st December 2020:

- o Total mature area = 3,947.00 Ha,
- o Total unplanted area = 89.00 Ha
- o Total area = 4,036.00 Ha

As per Hectarage statement divided as per below:

Mature: 3,947.00 ha

Immature: 0

Building, site and roads: 38.00 ha

Unplanted reserve (river, buffer, swamps, etc): 27.00 Ha

Own quarry; 17.00Ha

Nursery: 6.00Ha

Other (specify) – Pasar Tamu – 1.00 Ha

Total: 4,036.00 Ha.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.

Summary Both estates have demonstrated legal ownership of their land by having legal land titles to the land. The copy of land titles are kept in the estate office and were sighted during the audit, while the original copies were kept at the Head Quarters. Evidence of annual payment of land cess and quit rent the state government is available in the form of receipts.

Pertasa Estate

Sighted 3 land title, land title no. CL095311863, CL095317230, CL095318095 [total of 15,098] and the land purpose are for "cultivation of cocoa and other crops of economic value".

Sighted, quit rent cheque amounting RM90,5888 with RHB Cheque No. 982903,000164,000183. The payment was pending due to Covid 19 pandemic.

Amalania Koko Berhad Estate

Sighted land title No. PL 096290176, land title. [9,974 acres]. The copy of land titles is kept in the estate office and were sighted during the audit. The land purpose of the "cultivation of cocoa and other crops of economic value".

Sighted, quit rent cheque amounting RM77,797 dated 26/01/21. The payment was pending due to Covid 19 pandemic.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.

Summary Boundary marker map is made available and photographs of recent boundary markers is documented.

Pertasa Estate

The estate has boundary map titled "Pertasa Estate - Boundary Stone Location". Seen two (10) boundary markers.

Ref Point #	Stone No.	Date taken
11	834/701	13 th April 2019
12.	964/256	13 th April 2019
13.	964/228	13 th April 2019
14.	864/248	13 ^h April 2019
15.	865/928	13 th April 2019
16.	869/393	17 th April 2019
17.	864/190	17 th April 2019
18.	890/572	17 th April 2019

Amalania Koko Berhad Estate

The estate has boundary map titled "Amalania Koko Berhad Estate - Boundary Stone Location". G.I.S Department last updated on 24th April 2019. Seen record of 12 boundary markers.

Ref Point #	Stone No.	Date taken
1.	796/148	22 nd April 2019
2.	796/190	22 nd April 2019
3.	796/129	22 nd April 2019
4.	437/265	22 nd April 2019
5.	796/158	22 nd April 2019
6.	437/231	22 nd April 2019
7.	437/290	23 rd April 2019
8.	796/734	23 rd April 2019
9.	437/235	23 rd April 2019
10.	437/635	23 rd April 2019
11.	796/167	23 rd April 2019
12.	796/197	23 rd April 2019

All the number of legal boundary markers are visible and maintained by both Estate management with the gps coordinate. During interview with person in charge, legal boundary markers demarcated within the estate boundary, prepared by Mr. Mark Anthony De Silva, G.I.S Department.

In Compliance ☒ **Yes** ☐ **No** ☐ Not Applicable

Indicator 4 Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC).

Summary No disputes have been recorded in estate area. There is no evidence of conflict present in this estate. There is no violence in instigated violence in maintaining peace because company has a clear procedure for land conflict It is wholly owned by Pertasa and Amalania Koko Berhad Estate.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 3 Customary land rights

Indicator 1 Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.

Summary There is no customary land in or surrounding all the estates. There are also no land disputes or claims involving these estates. The Glenealy Plantations Sdn. Bhd has proper legal land tile for the land ownership.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 Maps of an appropriate scale showing extent of recognized customary rights shall be made available.

Summary Sighted the maps for estate area. The maps were recorded and documented under land use rights

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.

Summary There is no customary land in or surrounding all the estates. There are also no land disputes or claims involving these estates. The Glenealy Plantations Sdn. Bhd has proper legal land tile for the land ownership.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

2.4 Principle 4: Social responsibility, health, safety and employment condition

Criterion 1 Social impact assessment (SIA)

Indicator 1 Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.

Summary

A Social Impact Assessment (SIA) and records of meetings maintained by both estates. All data has been gathered with the participation of external and internal stakeholders.

For the assessment, the management has used SIA questionnaire forms to obtain feedback from its stakeholders on factors such as sustainability policy awareness, road maintenance, lifestyle, welfare management, complaint and grievance procedure, job opportunities, health and safety, etc. The SIA was carried out with involvement from executives, staff and estate workers.

The SIA which include following processes.

1. Identify social factors / criteria
2. SIA consultation
3. RISK assessment
4. Result
5. Establishing mitigation measures
6. Implementation and monitoring of the SIA mitigation plan
7. SIA continuous improvement
8. Periodical review if SIA plan implementation

The SIA report has identified positive or negative impacts from plantation operation to local communities such as access and use rights, economic livelihood, etc for both Pertasa Estate and Amalania Koko Berhad Estate as evidence below:

a) Pertasa Estate:

The assessment was conducted in Sept 2019. Based on the above SIA Report, the estate has 136 male and 60 female employees with breakdown details by ethnicity and religion. For the assessment, the management has used SIA questionnaire forms to obtain feedback from its stakeholders on factors such as sustainability policy awareness, road maintenance, lifestyle, welfare management, complaint and grievance procedure, job opportunities, health and safety, etc.

Assessment inputs from the SIA questionnaire forms completed by internal stakeholders and risk assessed by the estate management based on 'Social Risk Rating for Mitigation Measure' identified in the SIA report. The results of the risk assessment have been computed into "Matrix Risk Assessment" table with columns for each of the social impacts, corresponding social impact analysis /risk rating, significant of the impact and mitigation measures. The report shows all the risks identified are low significant, thus no immediate action required. Company's SIA procedure only requires to start mitigation measures if moderate or high risk is been identified.

The company also has used separate form titled "Stakeholder Meeting" identifying five questionnaires for its external stakeholders. SIA for external stakeholders was conducted on 24/10/2019. There is no issue raised by the estate's external stakeholders as sighted from the titled "Stakeholder Meeting" form completed by them.

b) Amalania Koko Berhad Estate :

The assessment was conducted in Sept 2019. Based on the above SIA Report, the estate has 168 male and 69 female employees with breakdown details by ethnicity and religion. For the assessment, the management has used SIA questionnaire forms to obtain feedback from its stakeholders on factors such as sustainability policy awareness, road maintenance, lifestyle, welfare management, complaint and grievance procedure, job opportunities, health and safety, etc.

Assessment inputs from the SIA questionnaire forms completed by internal stakeholders and risk assessed by the estate management based on 'Social Risk Rating for Mitigation Measure' identified in the SIA report. The results of the risk assessment been has been computed into "Matrix Risk Assessment" table with columns for each of the social impacts, corresponding social impact analysis /risk rating, significant of the impact and mitigation measures. The report shows all the risks identified are low significant, thus no immediate action required. Company's SIA procedure only requires to start mitigation measures if moderate or high risk is been identified.

The company also has used separate form titled "Stakeholder Meeting" identifying five questionnaires for its external stakeholders. SIA for external stakeholders was conducted on 24/10/2019. There are 12 external stakeholder participated in SIA. There is no issue raised by the estate's external stakeholders as sighted from the titled "Stakeholder Meeting" form competed by them.

Even though SIA results show low impact to external stakeholders, the estate has identified enhancement measures to continue with existing good practices.

In Compliance ☒ **Yes** ☐ **No** ☐ Not Applicable

Criterion 2 Complaints and grievances	
Indicator 1	A system for dealing with complaints and grievances shall be established and documented.

Summary Complaints and grievances are addressed as per SOP No. MSPO-11 titled "Complaints, grievances Request Procedure" dated 01/08/2018. The SOP has outlined process flow chart with time line to handle and manage complaints and grievances and also has attached with "Complaints/Grievances/Request Form" to record the details. Complaints to be resolved between 2 to 3 weeks.

Pertasa Estate

There are 11 complaints recoded in the "Complaints/Grievances/ Request Log Book" since Jan - Dec 2020. Sighted some of the complaints recorded in "Complaints/Grievances/Request Form" as follow:

1. Complaint made by : Mr. Zulhajjdnan Asrul Rijal (Div.13- General worker)
 - Complaint Details : Broken toilet door

- Date of complaint : 08/03/2020
 - Management response: To repair the broken toilet door
 - Action completed on 11/03/2020
2. Complaint made by : Ms. Norbaiyah Laremi (Office Store Clerk)
- Complaint Details : Fused lamp
 - Date of complaint : 09/03/2020
 - Management response: To replace new lamp
 - Action completed on 09/03/2020

Amalania Koko Berhad Estate

There are 2 complaints and 3 requests recoded in the "Complaints/Grievances/ Request Log Book" from Jan - Dec 2020. Sighted two of the complaints recorded in "Complaints/Grievances/Request Form" as follow:

1. Complaint made by : Ms. Asrina
- Complaint Details : Prices of goods sold in the estate shop is very high
 - Date of complaint : 01/11/2020
 - Management response: Management met the shop owner and reduced price
 - Action completed on 11/11/2020
2. Complaint made by : Ms. Oliva Adanza
- Complaint Details : Leaking old water tank
 - Date of complaint : 28/01/2020
 - Management response: To replace with new water tank
 - Action completed on 28/01/2020

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.

Summary SOP No. MSPO-11 "Complaints, grievances Request Procedure" dated 01/08/2018 has outlined process flow chart with below time line to handle and manage complaints and grievances. Complaints or grievances to be resolved between 2 to 3 weeks Most of the records of complaints sighted are been addressed within 3 weeks period in both Estates

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.

Summary The complaint form titled "Complaints/Grievances/ Request Form" is available under SOP No. MSPO-11 "Complaints, grievances Request Procedure" dated 01/08/2018.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.

Summary

Pertasa Estate

Estate workers are briefed on the complaint mechanism on 07/09/2020 by Estate Assistant Mr. Rizer Stephen Jerrsin which was attended 14 estate workers as per the training and attendance record. External stakeholders are briefed during external stakeholder annual meeting

Amalania Koko Berhad Estate

Estate workers are briefed on the complaint mechanism on 22/09/2020 by Estate Assistant Mr. Denny Lepos during morning muster with assistant from estate manager and estate assistants which was attended 217 estate workers as per the training and attendance record. External stakeholders are briefed during external stakeholder annual meeting

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 5 Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.

Summary

The estate retains complaint records of that it has received since implementation of the MSPO in year 2019.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 3 Commitment to contribute to local sustainable development

Indicator 1 Growers should contribute to local development in consultation with the local communities.

Summary

Both estate contributes for local development under the group (Timor Enterprise Sdn Bhd) as sighted from record of contribution:

- Donation of PPE including surgical mask, body scan thermometer, sanitizer and protective body suit worth of RM 179,950.00 to Tawau General Hospital in April 2020 for Covid19 fight
- Donation of 20,000 pcs of surgical mask and 1,225 pcs of protective body suit worth of RM 94,150.00 to Lahad Datu General Hospital in Sept 2020 for Covid19 fight
- Donation of RM 5,000.00 to District Disaster fund in Oct 2020

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 4 Employees safety and health

Indicator 1 An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.

Summary

Glenealy Plantations Sdn. Bhd has established health and safety policy titled "Occupational Health and Safety Policy" signed by CEO of Glenealy Plantations Sdn. Bhd, Mr. Chia Kee Long on April 2018.

The OSH Policy is in Bahasa Malaysia and English that can be easily understood by all levels of its employees.

This policy is displayed in all the offices and on notice boards. This policy being adhered to with regards to the implementation of (OSH) requirements within the company.

Company's health & safety plans include OSH Policy, HIRARC, OSHE Training programme, PPE, ERP, SDS, CHRA, annual medical surveillance, first aid kit, workplace inspection, quarterly OSH meeting, OSH safe working SOP for handling chemicals, etc.

Series of External & Internal stakeholders meeting was conducted by the estate management to communicate the Sustainability and Company Policies as follows;

1) Pertasa Estate:

Sighted the Internal Stakeholder Meeting conducted on 10th March 2020 at Muster Ground which was attended by all estate workers and staff. The session was conducted by Estate Assistant Manager. Minute meeting and attendance record are well maintained and compile in the meeting file for reference

Sighted the External Stakeholder Meeting conducted via online platform (email) to obtain the relevant feedback information about the company policies and procedures. Invitation letter was sent the respective stakeholder on 20th October 2020. All the respondent received from the questionnaire are well maintained and compile in the meeting file for reference.

2) Amalania Koko Berhad Estate:

Sighted the Internal Stakeholder Meeting conducted on 16th March 2020 at Muster Ground which was attended by all estate workers and staff. The session was conducted by Estate Assistant Manager. Minute meeting and attendance record are well maintained and compile in the meeting file for reference

Sighted the External Stakeholder Meeting conducted via online platform (email) to obtain the relevant feedback information about the company policies and procedures. Invitation letter was sent the respective stakeholder on 20th October 2020. All the respondent received from the questionnaire are well maintained and compile in the meeting file for reference.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 The occupational safety and health plan shall cover the following:

- a) A safety and health policy, which is communicated and implemented.
- b) The risks of all operations shall be assessed and documented.
- c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:
 - i) all employees involved shall be adequately trained on safe working practices; and
 - ii) all precautions attached to products shall be properly observed and applied.
- d) The management shall provide the appropriate personal protective equipment (PPE) at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).
- e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.
- f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.
- g) The management shall conduct regular two-way communication with their employees where issues 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.
- h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.
- i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.
- j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.

Summary

Glenealy Plantations Sdn. Bhd has established health and safety policy titled "Occupational Health and Safety Policy" signed by CEO of Glenealy Plantations Mr. Chia Kee Loong in April 2018.

Local OSH Policy both languages (English and Bahasa Malaysia) has been prepared and signed by CEO of Glenealy Plantations Mr. Chia Kee Loong in April 2018.

The OSH Policy is in Bahasa Malaysia and English that can be easily understood by all levels of its employees. This policy is displayed in all the offices and on notice boards. This policy being adhered to with regards to the implementation of (OSH) requirements within the company.

Adequate HIRARC being assessed and documented for both estates. Risk assessment was conducted through HIRARC based on the severity and the likelihood. The estate has conducted HIRARC to assess risk of its operation and to establish mitigation measures to reduce health and safety risks. Both estates have conducted HIRARC for 27 activities is for estates it's in Sabah region.

HIRARC is consist of hazard identification (type of work activity, hazard & effect), Risk analysis (Existing risk control, likelihood, severity & risk) & Risk Control (Recommended control measures & Person In Charge appointed are Staff or Executive).

The HIRARC registrar has identified OHS risk arise from its activities, analyzed risk level based on existing control measures and has recommended additional risk control to minimize its negative impacts to workers. HIRARC sighted for the work activities as sample herein:

1. Harvesting
2. Chemical spraying
3. Water treatment plant
4. Repairing of road
5. Workshop
6. Nursery
7. Applying of fertilizer
8. Chemical issuance
9. Chemical premix
10. Driving tractor

The Glenealy Plantations Sdn. Bhd has established "MSPO & OSHE Annual Training Calendar: January 2020 - December 2020" identifying OSH Training programmes for key estate activities such as harvesting, spraying, manuring, chemical handling (pre-mix), triple rinsing, water treatment plant, genset operation, workshop, etc. The training programme includes SOP, PPE, SDS.

Pertasa Estate

Sighted some of the training records of OSH training conducted include:

- Training for Manures conducted by Mr. Rowen Parinas on 10/08/2020 attended by 3 manures; conducted by Mr. Idris Bin Daeng Mangati on 21/02/2020 attended by 2 manures;
- Training for Harvestors conducted by Mr. Faizal Bin Bakrie & Mr Idris Bin Daeng Mangati on 18/11/2020 attended by 10 Harvestors; conducted by Mr Idris Bin Daeng Mangati on 28/01/2020 attended by 10 manures.
- Training for Workshop workers on handling of oxygen and acetylen gas conducted by Mr Syahar Andu on 12/11/2020 attended by 1 workshop worker; conducted by Mr Arafat Bin Amir on 16/06/2020 attended by 2 workshop workers.

Amalania Koko Berhad Estate

- Training for chemical sprayers "Latihan pengendalian bahan kimia dan pengurusan bekas kimia kosng" conducted by Mr. Isaac Malik on 23/09/2020 attended by 12 sprayers.
- Training for safe working practices for Genset Operators conducted by Supervisor Mr Isaak Malik i on 28/10/2020 attended by 2 workers.
- Training for manuring workers conducted by estate supervisors Mr. Sainuddin, Mr. Issac Malik, Mr. Mohd Hafizi, Mr Mohd Fitriyanshah and Mr. Mohd Jiter Jalius on 28/01/2020 attended by 33 workers.

Both estates has provided appropriate PPE for all workers in their operations. PPE Issuance and replacement record sighted for:-

- Staff/AP
- Harvesters
- Field Workers
- General Workers

The Chemical handling procedure is described in SOP No. No. TESB/OSH/SWP-33, Rev. 1 updated on 01/09/2019 for both Estate. Total of 37 estate activities including all stores, chemical pre-mix, handling of empty chemical containers, workshop, air compressor, diesel tank, genset, WTP, harvesting, manuring, grass cutting, schedule waste store, etc.

For Pertasa Estate. The estate assistant manager Mr. Idris Bin Daeng Mangati is appointed as person in-charge for the estate safety as sighted from letter of appointment dated 05/09/2020 issued by Estate Manager Mr. Francis Singkan.

For Amalanía Koko Berhad Estate. The estate assistant manager Mr. Mulis Bin Adi is appointed as person in-charge for the estate safety as sighted from letter of appointment dated 11/08/2020 issued by Estate Manager Mr. Mohd Asis Bin Salem.

For Pertasa Estate. The estate has established OSH committee consist of representatives from both management and workers and headed by estate manager Mr. Francis Singkan. Safety committee meetings are held quarterly basis to discuss on estate OSH related matters. Sighted OSH committee meeting minutes for meeting held on 23/10/2020 which was chaired by the estate assistant manager Mr. Idris Bin Daeng Mangati and attended by 16 OSH committee members.

For Amalanía Koko Berhad_Estate. The estate has established OSH committee consist of representatives from both management and workers and headed by estate manager Mr. Mohd Asis Bin Salem. Safety committee meetings are held quarterly basis to discuss on estate OSH related matters. Sighted OSH committee meeting minutes for meeting held on 04/11/2020 which was chaired by the estate manager Mr. Mohd Asis Bin Salem and attended by 16 OSH committee members.

Emergency respond plan (ERP) for the estate has been elaborated in SOP Reference .No. GPSBH/OSH/ERP Rev.1 dated 06/12/2019 titled "Plan Tindakan Kecemasan" prepared by MSPO Officer Ms. G Sophea Bt Sulaiman. The estate also has conducted fire drill as per planned in their Training program

Pertasa Estate has conducted first aid training for its key staffs on 26/08/2020. Sighted record of First Aid training conducted for the estate MA Ms. Hasra Asis was attended by 8 estate senior staffs including estate manager. There are 24 First Aid Kits placed at strategic location within the estate for any emergency use. Monthly inspection is carried out using "First Aid Kit Monthly Inspection Record" form to monitor its contents as sighted from record of inspection done by Ms. G Sophea Sulaiman on 31/02/2020.

Amalanía Koko Berhad_Estate has 4 First Aiders namely Ms. Mahilah (Clerk), Mr. Mohd Jiter Jailus (Field conductor), Ms. Nur Halida (Store keeper) and Mr. Ramli (Chargeman).

First Aid Kits are placed at strategic location within the estate for any emergency use. Monthly inspection is carried out using "First Aid Kit Monthly Inspection Record" form to monitor the its contents as sighted from record of inspection done by Ms. Raisah on 21/10/2020.

CHRA for the Pertasa Estate operation was conducted on 29/09/2017 by a licensed assessor Mr. Anthony Astral Chan (DOSH Reg. JKKP HIE 127/171-2(364) / JKKP HQ/15/ASS/00/364). Sighted letter from the Assessor dated 07/03/2018 certifying CHRA been conducted for Partasa Estate and results been explained to the top management and Safety & Health Committee. The CHRA was conducted on operations that involves chemicals such as workshop, chemical spraying, manuring and water treatment plant.

CHRA for the Amalanía Koko Berhad Estate operation was conducted on 30/09/2017 by a licensed assessor Mr. Anthony Astral Chan (DOSH Reg. JKKP HIE 127/171-2(364) / JKKP HQ/15/ASS/00/364). Sighted letter from the Assessor dated 07/03/2018 certifying CHRA been conducted for Amalanía Koko Berhad Estate and results been explained to the top management and Safety & Health Committee. The CHRA was conducted on operations that involves chemicals such as workshop, chemical spraying, manuring and water treatment plant.

Last medical surveillance was conducted on 03/05/2019 for Pertasa Estate and 12/05/2019 for Amalanía Koko Berhad Estate. This year medical surveillance has been delayed due to Covid-19 pandemic and restriction imposed by government under MCO, the estate has planned to conduct annual medical surveillance on 24/02/2021 as sighted from memo issued by OSH registered Dr. Sim Yong Sing (JKKP no. HQ/11/DOC/00/223) from Chong Clinic dated 27/01/2021.

For Pertasa Estate. The estate monitors and retains accident & incident records. Sighted submission of JKKP 6 form for 3 road accidents involving estate workers on 14/10/2020, 24/08/2020 and 14/08/2020 to DOSH through 'myjkkp@mohr.gov.my' and acknowledgment by DOSH. Also sighted submission of JKKP 8 form on 02/01/2021 to DOSH through 'Dosh website' and acknowledgment of receive by DOSH on the same day.

For Amalanía Koko Berhad Estate. The estate monitors and retains accident & incident records. Sighted submission of JKKP 6 form for 1 estate workers who cuts his hand during grass cutting on 8/10/2020 to DOSH through 'myjkkp@mohr.gov.my' and acknowledgment by DOSH. Also sighted submission of JKKP 8 form on 04/01/2021 to DOSH through 'Dosh website' and acknowledgment of receive by DOSH on the same day.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 5 Employment conditions

Indicator 1 The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.

Summary The Glenealy Plantations Sdn. Bhd. has established policy on good social practices regarding human rights titled "Polisi Social & Hak Asasi Manusia" dated April 2018 signed by company's CEO Mr. Chia Kee Loong. The policy been communicated to workers through during morning muster briefing and also through display of safety policy in notice boards that located at various.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.

Summary Prohibition of discriminatory practices is stated in company policy titled "Polisi Social & Hak Asasi Manusia" dated April 2018 signed by company's CEO Mr. Chia Kee Loong." The policy been communicated to workers through during morning muster briefing and also through display of safety policy in notice boards that located at various.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.

Summary Estate workers' salaries are paid as per minimum wage Order 2020. The management pays their estate workers minimum wages of RM 1,100.00 per month. Sighted salary slip of estate workers for the month of December 2020 including following employees.

Pertasa Estate

- I. Mr. S (Mandore)
Basic Salary : RM 43.50 / day
Gross Salary : RM 2,061.85
Net salary : RM 2,060.85
- II. Mr. S H (Harvester)
Basic Salary : RM 42.31 / day
Gross Salary : RM 3,021.70
Net salary : RM 3,020.870

Sighted employment contact document titled "TKI Kontrak Penggajian" for the above workers Mr. S and Mr. S H. The contract has specified terms and condition of employment which sighed by both management and worker. For local contractors are provided with "Kontrak Perkhidmatan".

Amalania Koko Berhad Estate

- I. Mr. A (Harvester)
Basic Salary : RM 42.31 / day
Gross Salary : RM 2,832.15

Net salary : RM 2,831.15

Sighted employment contact document titled "TKI Kontrak Penggajian" for the above worker Mr. A. The contract has specified terms and condition of employment which signed by both management and worker. For local contractors are provided with "Kontrak Perkhidmatan".

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 4 Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.

Summary There is no contract worker engaged by the estate for its operation. All estate workers are directly employed under the company.

However, for contract workers hired by non-plantation related contractors (who provide other services), the estate management monitors salary paid to contractor's workers are meeting minimum wage requirement.

Pertasa Estate

Sighted monthly salary payment voucher signed by contract worker of "JJ Engineering Works" for the month of Sept 2020.

- Name of worker : BSF (paid RM 1,560.00)
- Name of worker : EW (paid RM 1,560.00)

Amalania Koko Berhad Estate

Sighted monthly salary payment voucher signed by contract worker of "JJ Engineering Works" for the month of Sept 2020.

- Name of worker : BSF (paid RM 1,560.00)
- Name of worker : EW (paid RM 1,560.00)

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 5 The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.

Summary Both Estate Management has established "List of internal stakeholders" contains detailed information of estate employees including full names, gender, date of birth, date of entry, a job description, wage and the period of employment.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 6 All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.

Summary All estate employees are accorded with documented contract signed by both parties. For foreign worker sighted employment contract document titled "TKI Kontrak Penggajian". Sighted employment contract for Indonesian workers Mr. S and Mr. S H under Pertasa Estate and Mr. A under Amalania Koko Berhad Estate. The contract has specified terms and condition of employment which signed by both management and worker. For local workers are provided with "Kontrak Perkhidmatan" which has stated terms and condition of employment and signed by both parties.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 7 The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.

Summary Workers attendances are recorded using "Pinfosys" a google based system where information of attendance and time are recorded accurately.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 8 The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.

Summary Working hours set by the management for estate workers are in compliance with legal requirements. Estate workers working hours: 6.00 am until 2.00pm with 30minutes break from 10.00am to 10.30am.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 9 Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.

Summary Workers are provided with documented salary slip detailing working days, overtime, deduction etc. Refer to 4.4.5.3 for details.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 10 Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.

Summary Glenealy Plantations Sdn Bhd provides other forms of social benefits such as all workers have been provided with medical and accident insurance. With regards to local workers, staffs and executives, all of them are covered under EPF & SOCSO as required by the Malaysian Laws and Regulations. All workers are provided with housing facilities at workers linesite. Below are the forms of others benefits provided:

- Food subsidy during festive season
- Medical benefits /Hospitalization (insurance)

- Incentive for achieving target
- School allowance - RM60/month for schooling children 7 years above
- Providing school bus for all schooling children.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 11 In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.

Summary The Glenealy Plantations Sdn. Bhd provides workers quarters for estate workers. Worker with family is given one whole house while 2 bachelors share one house. Each house has two bed rooms, a living room, kitchen, and toilet and bathing facility. Housing inspection is done once a month by the estate management.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 12 The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.

Summary Glenealy Plantations Sdn. Bhd commitment to prevent sexual harassment stated in document titled "Polisi Gangguan Seksual" signed by company's CEO, Mr. Chia Kee Loong in April 2018.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 13 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.

Summary There is no Trade Union within the company. According to the estate manager, there is no restriction from the management for its employees to form or join trade union.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 14 Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.

Summary There is no of young person or children employed within the estate as sighted workers list which contains date of birth and date of employment. The company's policy titled "Polisi Social & Hak Asasi Manusia" signed by company's CEO, Mr. Chia Kee Loong in April 2018 has stated "not to employ below 18 years".

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 6 Training and competency

Indicator 1 All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.

Summary Training needs of individual estate employees are assessed by the management at end of the year and establish training programme for the year. Sighted estate training programme titled "MSPO & OSHE Annual Training Calendar January 2020 – December 2020" identifying Training programmes for key estate activities such as harvesting, spraying, manuring, chemical handling (pre-mix), triple rinsing, water treatment plant, genset operation, workshop, etc. The training programme includes SOP, PPE, SDS. Sighted some of the training records of OSH training conducted include:

Pertasa Estate

- Training for Manures conducted by Mr. Rowen Parinas on 10/08/2020 attended by 3 manures; conducted by Mr. Idris Bin Daeng Mangati on 21/02/2020 attended by 2 manures;
- Training for Harvestors conducted by Mr. Faizal Bin Bakrie & Mr. Idris Bin Daeng Mangati on 18/11/2020 attended by 10 Harvestors; conducted by Mr. Idris Bin Daeng Mangati on 28/01/2020 attended by 10 manures.
- Training for Workshop workers on handling of oxygen and acetylen gas conducted by Mr. Syahar Andu on 12/11/2020 attended by 1 workshop worker; conducted by Mr. Arafat Bin Amir on 16/06/2020 attended by 2 workshop workers.

Amalania Koko Berhad Estate

- Training for chemical sprayers "Latihan pengendalian bahan kimia dan pengurusan bekas kimia kosng" conducted by Mr. Isaac Malik on 23/09/2020 attended by 12 sprayers.
- Training for safe working practices for Genset Operators conducted by Supervisor Mr. Isaak Malik i on 28/10/2020 attended by 2 workers.
- Training for manuring workers conducted by estate supervisors Mr .Sainuddin, Mr. Issac Malik, Mr. Mohd Hafizi, Mr. Mohd Fitriyanshah and Mr. Mohd Jiter Jalius on 28/01/2020 attended by 33 workers.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.

Summary Training needs of individual estate employees are assessed by the management at end of the year and establish training programme for the year. (Refer to clause 4.4.6.1)

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.

Summary The estate has established annual training plan as per of continuous training programme.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

2.5 Principle 5: Environment, natural resources, biodiversity, and ecosystem services

Criterion 1 Environmental management plan

Indicator 1 An environmental policy and management plan which shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.

Summary Estate has established the Environmental Policy; Date on April 2018. Approved by Mr. Chia Kee Loong (Chief of Executive Officer).

- Comply with all legislative requirements
- Comply with regulations concerning domestic waste, schedule waste and clean air emission
- Conserve and protect natural resources or waterways.
- Enhancing well- balanced biodiversity of wildlife and natural habitat protection
- Ensure well -balanced biodiversity of wildlife and natural habitat protection.
- Ensure there is no open burning activity in our premises
- Develop individual responsibilities to ensure the environment quality is protected.
- Promote continuous monitoring and improvement on environmental aspects and standards

Sighted the policy and the management plan have been communicated;

- For Pertasa Estate : on 10/03/2020 by Mr. Francis Singkan, Plantation Manager, Attended by 80 (Mill Workers) & 20 (Management workers) participants.
- For Amalania Koko Berhad_Estate : on 17/07/2020 during Environment meeting by Sr. Assistant, Mr. Mulis Bin Adi and Mr. Denny Lepos respectively. Attended by 15 staff. Also, prior to that, on 16/03/2020 during muster, attended by more than 100 workers.

- Interview with 2 staff and 3 workers, of Amalanía Koko Berhad_Estate shown that they understand estate environmental policy.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 The environmental management plan shall cover the following:

- An environmental policy and objectives;
- The aspects and impacts analysis of all operations.

Summary Sighted the environmental management plan (EMP) for Pertasa Estate which was included in the Environmental Impact Assessment Action Plan for year 2019 to 2020 prepared by M. Francisca Abin and approved by Mr. Francis Singkan, Plantation Manager dated 16/12/2020.

Sighted the environmental management plan (EMP) for Amalanía Koko Berhad Estate which was included in the Environmental Impact Assessment Action Plan for year 2019 to 2020 prepared by Pn. Mahilah Damsik and approved by Mr. Mohd Asis Bin Salem, Plantation Manager dated 30/10/2020

The estate ensures all operations are in accordance to the legal and legislation such as requirements of Malaysia covering state and national level as per Environmental Quality Act 1974 (ACT 127).

EIA for the activities sighted as below: -

Environmental Aspect	Environmental Impact
	Effect of the Impacts
Site clearing, construction of roads and establishment of base camp.	Deterioration of air and soil quality.
	Noise impact to local village, resident and local wildlife
	Road disruption due to vehicles movement to mobilize equipment.
	Loss of habitat, flora, fauna and historical interest.
Use of petrochemical (petrol, diesel etc) for transportation activities	Pollution of soil and water course.
Human sewage waste generated from workers base camp.	Pollution of soil and water course
Human sewage waste generated from workers line site and office site.	Pollution of soil and water course.
Domestic waste from workers line site and office site.	Pollution of soil and water course.
Disposal of scrap irons	Pollution of soil.
Oil leakage from tractors / lorries	Pollution of soil and water course.
Disposal of non-biodegradable wastes	Land contamination

Disposal of clinical waste	Land pollution
Schedule waste generation and spillage	Land and water pollution
Disposal of polybags and fertilizer bags	Land pollution
Emission of greenhouse gaseous from nitrogen fertilizer usage	Air pollution – global warming
Chemical residues washed into water source	Land and water pollution
Smoke emission of heavy vehicle such as tractors, backhoe.	Air pollution
Transportation of FFB to Mill.	Air pollution, noise pollution and GHG (Green House Gas)
Generation of empty chemical containers	Land pollution
Engineering works done at workshops	Air and land pollution
Use of cow or buffalo in plantation activities	Air, land and water pollution

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.

Summary Both Estates have established An environmental improvement plan to mitigate the negative impacts sighted. Sighted document Ref.No: MSPO-06. Verified An environmental improvement plan to mitigate the negative impacts as stated in the same document above, namely Environmental Impact Assessment Action Plan for year 2019 to 2020.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 A programme to promote the positive impacts should be included in the continual improvement plan.

Summary Program to promote the positive impacts included in the Environment Management & Improvement Plan 2019-2020 in both Estates

The audit team observed that the positive impact has been included into the continual improvement plan. The continuous improvement plan (CIP) consists of:

- Chemical usage reduction
- Reduction in GHG emission
- Optimization in yield of FFB

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 5 An awareness and training programme shall be established and implemented to ensure that all employees understand the policy, objectives and management plans and are working towards achieving the objectives.

Summary Sighted training program for year 2020 that included with environment training as below: -

1) Pertasa Estate.

Training Program on the environmental management are available as referred to "MSPO BRIEFING AWARENESS (training)" on 10 March 2020 and 7 September 2020.

Sighted training attendance of workers & Management participants on 10 March 2020.

Sighted the policy and the management plan have been communicated on 10/03/2020 by Mr. Francis Singkan, Plantation Manager, for Pertasa Estate.

2) Amalanía Koko Berhad Estate.

Training Program on the environmental management are available as referred to "MSPO BRIEFING AWARENESS (training)" on 16 March 2020 and 22 Sep 2020.

Points discussed in the meeting are: -

- Schedule waste
- High biodiversity management
- Domestic waste
- Buffer zone/riparian
- Open burning
- Spillage control
- Empty pesticide container
- Slope and buffer zone

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 6 Management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.

Summary Sighted Environmental Meeting Minutes 2020 held on 30th April 2020 (Pertasa Estate) and 17th July 2020 (Amalanía Koko Berhad Estate). The meeting was conducted at the respective estate and attended by the all-committee members.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 2 Efficiency of energy use and use of renewable energy

Indicator 1 Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy

including fossil fuel, electricity and energy efficiency in the operations over the base period.

Summary

Pertasa Estate

Records on the consumption of non-renewable energy and the baseline values are available during audit. The baseline was calculated by averaging the first three years data. Sighted, energy use record for Jan to Dec 2020 recorded by Ms. Saada Binti Asim and Mr. Francis Singkan, Plantation Manager.

Amalania Koko Berhad Estate

Sighted Energy optimization plan-Doc No-TESB/EOP, prepared by Pn. Mahilah Damsik, checked and approved by Mr. Denny Lepos (Sr.Asst Manager) and Mr. Mohd Asis Salem (Plantation Manager), dated 30th November 2020.

Records on the consumption of non-renewable energy and the baseline values are available during audit. The baseline was calculated by averaging the first three years data. Sighted, energy use record for Jan to Dec 2020 recorded by Ms. Mahilah Damsik and approved by Mr. Mohd Asis Salem (Plantation Manager).

Energy Optimization Action Plan for both estates mainly for reduce of energy consumption and waste. Among others, the plan wase;

Energy Optimization Action Plan	Frequency
Replacing old/damage power lightning's with LED to consume less power	Daily
Reuse printed paper on both sides before discarding	Daily
Activate sleep feature on PC to reduce power usage when idle	Daily
Switch off any switch or electronic equipment when not in use	Daily
Only switch on lamp/ light when in use	Daily
Educate all employees on energy saving	Once a year
Proper and regular maintenance and calibration on electrical equipment.	As and when necessary
Switch off engine when staying idle for usage more than 30 minutes to reduce diesel	As and when necessary
Regular monitoring on energy usage and consumption	Monthly

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 Palm oil 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.

Summary

Both estates has established it Greenhouse Gas (GHG) calculation for the year 2020 calculated for January to December 2020 based on the following emissions parameter;

1. Electric
2. Diesel

Sighted record for "Diesel Usage for the 2020 from Jan 2020 to December 2020 for both Estate

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 The use of renewable energy should be applied where possible.

Summary Application of empty fruit bunch in both estates for improving soil condition.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 3 Waste management and disposal

Indicator 1 All waste products and sources of pollution shall be identified and documented.

Summary Glenealy Plantations Sdn. Bhd has established the Waste Management Procedure-ref. No: MSPO-05 with latest version dated 1st June 2019 signed by former Estate Manager, Mr. Muhammad Yaw Abdullah.

The MSPO Procedure describes the following implementation;

- 1) Waste management flow
- 2) Scheduled waste disposal flow
- 3) Domestic waste disposal flow

The estates have identified by category the list of wastes produce from the estate activities such as spent lubricant oil, spent oil filter, spent batteries, empty chemical containers, empty fertilizer bags, scrap iron, used tires, papers, glass, plastic, spraying pump, rags and etc which updated annually.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measures for:
a) Identifying and monitoring sources of waste and pollution.
b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.

Summary Both estates have identified and documented the types of wastes that generated from its operation in Environmental Management Plan. The plan has also identified source of pollution source, mitigation plan, data required, monitoring & action plan.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Wastes) Regulations, 2005.

Summary Glenealy Plantations Sdn. Bhd. has established Standard Operating Procedure for handling of used chemicals under Plantations Safety Procedures" PROSEDUR KERJA SELAMAT" dated 3rd September 2019 signed by former Senior Manager, Mr. Yaw Abdullah.

Sighted schedule waste inventory record and consignment note as evidence of disposal below;

Pertasa Estate,

Schedule Waste Type	Consignment Note Ref/Date	Quantity
SW410	B009585 (23/06/2020)	0.114 MT
SW109	B009587 (23/06/2020)	0.440 MT
SW305	B009588 (23/06/2020)	1.000 MT
SW409	B009584 (23/06/2020)	0.208 MT

The wastes were disposed by the license contractor Legenda Bumimas Sdn Bhd.

Amaliana Estate,

Schedule Waste Type	Consignment Note Ref/Date	Quantity
SW404*	2020012011L91CZ5 (20/01/2020)	0.008 MT
SW102	282007141S5FCA98 (14/07/2020)	0.123 MT
SW410	2020100216Q6VWYN (2/10/2020)	0.213 MT
SW305	2020100216LK8PAF (2/10/2020)	1.800 MT

- *Clinical waste disposed by Sedafiat Sdn Bhd.
- The wastes except clinical waste were disposed by the license contractor Legenda Bumimas Sdn Bhd

In Compliance ☒ **Yes** ☐ **No** ☐ Not Applicable

Indicator 4 Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.

Summary All pesticides containers are treated according to the Pesticide Board recommendation of the triple rinsing and puncture. As per the Plantations Safety Procedures" PROSEDUR KERJA SELAMAT"

In Compliance ☒ **Yes** ☐ **No** ☐ Not Applicable

Indicator 5 Domestic waste should be disposed as such to minimise the risk of contamination of the environment and watercourse.

Summary Both estates have established the Estates waste management plan, for Domestic wastes as follows;

- Wrap all of rubbish generated with a plastic bag before throwing into the rubbish bin provided by the company
- Assign workers (tractor drivers) to collect domestic rubbish and dispose to domestic waste landfill.
- Produce appropriate mapping for every landfill (at least 500 m from water sources and residential area.
- Record the opening date and closing date of every pit dug for domestic waste disposal and put the signage
- Ensure that no schedule wastes discarded together with domestic waste segregation

Domestic waste was disposed by land fill, located 1 km from line site, at Division 19k , Block 3 for Pertasa Estate.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 4 Reduction of pollution and emission including greenhouse gas

Indicator 1 An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.

Summary The assessment of polluting activities is identified and documented in the environmental impact assessment and management plan.

Data on the level of Greenhouse gases (GHG) emissions are monitored and compiled on yearly basis through the GHG calculation methodology accepted for RSPO GHG calculations and certifications which are analyzed.

As evidence, sighted the GHG Calculation for Glenealy Plantations Sdn. Bhd – Timora Complex for year 2020 using GHG Emissions Calculation Methods, RSPO PalmGHG Calculator, V.3.0.1.

Sighted GHG emission for:-

- Land conservation
- Crop Sequestration
- Co2 emission from fertilizer
- Total N2o emissions
- Fuel Consumption
- Peat Oxidisation
- Sequestration in Conservation Area
- N2o emissions from fertilizers
- N2o emissions from Peat

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 An action plan to reduce identified significant pollutants and emissions shall be established and implemented.

Summary Both estates have identified the action plan that includes the following;

Criteria	Impact	Action Plan
Site clearing, construction of roads.	Soil pollution from clearing activities	Conducts clearing as per SOP / Agricultural manual
	Noise impact to workers and residents	Conduct works during working hours only
Use of petrol/diesel	Pollute soil	Designate place to store use petrol/diesel
Sewage system	Soil & water pollution	Conduct proper sewage system
Domestic waste	Soil & water pollution	Designate domestic waste area
Scrap iron	Soil pollution	Designate a place to keep scrap iron
Non bio-degradable wastes	Soil pollution	Provide rubbish bin to linesite and conduct awareness training
Schedule waste generation and spillage	Land and water pollution	Designate place to collect SW prior to disposal
		Awareness briefing
		Regular disposal of SW
Greenhouse Gaseous	Air pollution - global warming	Fertilizer application to follow agronomist recommendation
Smoke emission	Air pollution	Ensure regular vehicle maintenance
Transportation of ffb to mill	Air, noise pollution and GHG	Regular maintenance
		Switch of engine if saying idle for mpre than 30 mins
Engineering work done at workshops	Air and land pollution	Ensure all scrap metals, welding sticks, grinding materials, used oil, rags, oil filter disposed accordingly and where applicate follows the legal requirement.

In Compliance ☒ **Yes**

☐ **No**

☐ **Not Applicable**

Criterion 5 Natural water resources

Indicator 1 The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water).
The water management plan may include:

- Assessment of water usage and sources.
- Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities.
- Ways to optimize water and nutrient usage and reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc).
- Protection of water courses and wetlands,
- Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.
- Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.

Summary Estate has established the Water Management Procedure -Ref. No MSPO -08. The procedure described the following water sources,

- River Water
- Underground Water
- Rain Water

Pertasa Estate

- Currently, estate consume treated water from water treatment plant where the source of water are from the water catchment area, identified SHE, PTS.
- The water catchment located at division 03D, block 2 and division A14, block 2
- Sighted water analysis tests by accredited laboratory, DYNAKEY Laboratories, certificate of analysis, lab ref no. W200123/04B, sampling date 2/12/2020 for water after treatment
- No river was flow crossing the estate.
- Sighted management plan to reduce water wastage by re-use of water, maintenance of equipment to reduce leakage, collection of rainwater implemented in daily frequency.
- Protection of water courses done by providing training for sprayers to minimize accidental overspray near buffer zones and within water courses.
- Natural vegetation in riparian areas not been removed
- Estate does not use bore well
- Estate does not construct any bunds, wear or dams.

Amalania Koko Berhad Estate

Currently, estate consume treated water from water treatment plant where the source of water are from the water catchment area, identified as water catchment area (07A West) and water catchment area (06A7 East).

The estate has conducted water analysis tests by accredited laboratory, DYNAKEY Laboratories, all result shown meeting the requirements, as sighted below;



Water Catchment 07A West,

- certificate of analysis, lab ref no. W200122/01A, sampling date 15/01/20 for water before treatment
- certificate of analysis, lab ref no. W200122/01B, sampling date 15/01/20 for water after treatment

Water Catchment 06A7 East,

- certificate of analysis, lab ref no. W200122/02A, sampling date 15/01/20 for water before treatment
- certificate of analysis, lab ref no. W200122/02B, sampling date 15/01/20 for water after treatment

The estate also has conducted river water test for Sg.Simpang Kiri as below;

- certificate of analysis, lab ref no. W200122/03A, sampling date 15/01/20 for inlet water
- certificate of analysis, lab ref no. W200122/03B, sampling date 15/01/20 for outlet water
- Sighted management plan to reduce water wastage by re-use of water, maintenance of equipment to reduce leakage, collection of rainwater implemented in daily frequency.
- Protection of water courses done by providing training for sprayers to minimize accidental overspray near buffer zones and within water courses.
- natural vegetation in riparian areas not been removed
- Estate does not use bore well
- Estate does not construct any bunds, wear or dams.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.

Summary No construction of bunds, weirs and dams across main rivers or waterways passing through both Estate

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).

Summary Pertasa Estate - Water harvesting practice is done from pond direct to water catchment and treated for domestic use. Sighted water treatment analysis for:

- Water catchment area at division 03D, block 2 and division A14, block 2

- Sighted water analysis tests by accredited laboratory, DYNAKEY Laboratories, certificate of analysis, lab ref no. W200123/04B, sampling date 2/12/2020 for water after treatment

Amalania Koko Berhad - Water harvesting practice is done from pond direct to water catchment and treated for domestic use. Sighted water treatment analysis for:

- Water catchment area (07A West)
- Water catchment area (06A7 East)
- Water catchment area Field 99E-South Division (Sg. Simpang Kiri)

Water analysis sample before and after treatment was made available, and the last date tested was on 15/01/2020

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 6	Status of rare, threatened, or endangered species and high biodiversity value area.
Indicator 1	<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>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>

Summary The estates have established the MSPO Procedure; Title: Rare, Threatened, Endangered & High Biodiversity Management; Doc No: MSPO-07; Date: 1st April 2018: Rev 0.

- 1) Pertasa Estate
Sighted Identification of High Biodiversity Value Habitat and Conservation Status done by in house assessment by Ms. G Sophea binti Sulaiman and Mr Mohd Hafiz bin Abdul on 30th November 2018.

The estate used survey methodology with list of pictures that involved various staffs, harvesters, foreman, sprayers, and general workers. A total of 32 people were involved in the interviewing session and a form was used to records interview results.

The result shown that in interview session only few vulnerable animals been seen during daytime but rarely occurred. Whilst in field assessment shown few wildlife animals that are least concern as stated in the IUCN Redlist.

- 2) Amalania Koko Berhad Estate

Sighted Identification of High Biodiversity Value Habitat and Conservation Status done by in house assessment by Ms. Mahilah Binti Damsik on 5th December 2018.

The estate used survey methodology with list of pictures that involved various staffs, harvesters, foreman, sprayers, and general workers. A total of 20 people were involved in the interviewing session and a form was used to records interview results.

The result shown that in interview session only few vulnerable animals been seen during daytime but rarely occurred. Whilst in field assessment shown few wildlife animals that are least concern as stated in the IUCN Redlist.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:

- a) Ensuring that any legal requirements relating to the protection of the species are met.
- b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.

Summary No RTE species were found in both estates. However, the estates have continued with monitoring as evidence in checksheet "Highbiodiversity Value Monitoring", to ensure;

- conservation status on legal protection, population status and habitat requirements of rare threaten, or endangered species
- mitigation for protection of rare, threatened, endangered species, or high biodiversity value and ecosystem
- Estate have implemented management plan to discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.
- Appropriate signages such illegal hunting, no fishing was installed in the estates.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 3 A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.

Summary There is no RTE species identified in all the sample estates.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 7 Zero Burning Practices	
Indicator 1	Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.
Summary	The management is committed on zero burning and this was stated in the estate policy, "Polisi Larangan Pembakaran Terbuka", signed by Mr. Chia Kee Loong, CEO on April 2018.
In Compliance	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
Indicator 2	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.
Summary	Estate practicing 100 % zero burning thus no burning process being practiced.
In Compliance	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
Indicator 3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.
Summary	Not applicable. Controlled burning has not been conducted.
In Compliance	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
Indicator 4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.
Summary	Not Applicable as the replanting programme is not due yet. However, the estate has established SOP for Oil Palm, dated Aug 2017 related to land clearing and new/re-planting.
In Compliance	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable

2.6 Principle 6: Best practices

Criterion 1 Site management	
Indicator 1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.

Summary Glenealy Plantations Sdn. Bhd. has developed Standard Operating Procedure for their best practices such as;

1. SOP Agriculture Manual, covered 10 section issue from February 2005 as follows

- Section 1: Nursery Practices
- Section 2: Land clearing, preparation and planting
- Section 3: Establishment and maintenance of legume covers
- Section 4: Planting density
- Section 5: Palm replacement during immature
- Section 6: Upkeep of immature areas
- Section 7: Upkeep of mature areas
- Section 8: Pest and diseases
- Section 9: Manuring
- Section 10: Harvesting

2. Safe working procedure, covered 37 type of works effective from 2019 as sample below;

- Stor Am
- Stor Racun
- Stor Baja
- Stor Minyak Pelincir
- Stor simpanan bekas racun
- Stor bahan buangan berjadual
- Kawasan membancuh racun
- Pengendalian bekas racun kosong
- Bengkel
- Air compressor
- Tangki bahan api (diesel)
- Penabur baja

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.

Summary Glenealy Plantations Sdn. Bhd. has SOP Oil Palm dated on August 2017. Sighted the SOP, Section 2: Land Clearing, Preparation and planting [Ref no: OPC-2, Issue date August 2017] Section v) on Soil Conservation urged that:

Sighted the SOP, Section 3: Establishment & Maintenance of Legume Cover Crop, Page 1 of 18, Ref No OPC-3, Issued Date August 2017, mentioned that,

- "No planting should be undertaken on slope exceeding 25 degree. No slopes between 5 – 10 degree conservation terraces of 2m width at 20m intervals should be constructed".
- "It is our policy to establish leguminous covers in all oil palm plantings and to maintain them free from noxious weeds for as long as it is economically to do".

Both estates are a generally flat area with undulating at a certain area. No steep is more than 25 degrees. This information has been confirmed by the respective Estate Assistant Manager.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 A visual identification or reference system shall be established for each field.

Summary Both Estate maps are made available showing the separation of the estate. The estate has a map showing the separation of block/field. Each field has the field marking (boundary marker). The estate has a visual reference system to identify each field or block. Each field is painted with a block number, year of planting, progeny & hectare only.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 2 Economic and financial viability plan

Indicator 1 A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.

Summary Both estates have an annual budget for the financial year 2020 and 2021 are made available. The business plan includes General charges, upkeep of buildings, cultivation of mature and immature oil palm, capital expenditure area statement, manpower, FFB budget, CAPEX, cost comparison, expenditure PM, expenditure GC, and vehicle expenditure.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.

Summary Both estates have established replanting program as follows;

Pertasa Estate:

Annual Replanting Programme for 25 years from 2009/2010 to 2033/2023 has been prepared by the Top Estate Management. Annual Replanting Programme made available as below:

Year	Age	Field No	Total Ha
2009 / 2010	-	-	-
2010 / 2011	-	-	-

2011 / 2012	-	-	-
2013 / 2014	22/20	92 A-D / 94 A-C	326
2014 / 2015	22	93 A-C	295
2015 / 2016	23	93 D-F	284
2016 / 2017	24	932 – 03U	260
2017 / 2018	25	93G – 93J	346
2018 / 2019	26	93K – 93O	450
2019 / 2020	27	93P – 93R	314
2020 / 2021	-	-	-
2021 / 2022	-	-	-
2022 / 2023	-	-	-
2023 / 2024	-	-	-
2024 / 2025	-	-	-
2025 / 2026	23	2003	288
2026 / 2027	-	-	-
2027 / 2028	22	2005	291
2028 / 2029	-	-	-
2029 / 2030	-	-	-
2030 / 2031	-	-	-
2031 / 2032	-	-	-
2032 / 2033	-	-	-
2033 / 2034	-	-	-

Amalania Koko Berhad Estate:

Annual Replanting Programme for 25 years from 2015/2016 to 2033/2023 has been prepared by the Top Estate Management. Annual Replanting Programme made available as below:

Year	Age	Field No	Total Ha
2015 / 2016	-	-	-
2016 / 2017	-	-	-
2017 / 2018	-	-	-
2018 / 2019	-	-	-
2019 / 2020	-	-	-
2020 / 2021	-	-	-
2021 / 2022	-	-	-
2022 / 2023	26	1997	286
2023 / 2024	26	1998	363
2024 / 2025	26	1999	402
2025 / 2026	26	2000	353
2026 / 2027	-	-	-
2027 / 2028	23	2024	141
2028 / 2029	-	-	-
2029 / 2030	24	2005	95
2030 / 2031	25	2006A	292
2031 / 2032	25	2006B	275
2032 / 2033	25	2007	349

2033 / 2034	25	2008	214
2034 / 2035	25	2009	346
2035 / 2036	25	2008	300
2036 / 2037	25	2008	243
2037 / 2038	25	2008	289
2038 / 2039	25	2008	
2039 / 2040	25	2008	

Long term annual replanting program developed by the both estate management, and as per an interview with Estate Manager.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 The business or management plan may contain:
a) Attention to quality of planting materials and FFB.
b) Crop projection: site yield potential, age profile, FFB yield trends.
c) Cost of production: cost per tonne of FFB.
d) Price forecast.
e) Financial indicators: cost benefit, discounted cash flow, return on investment.

Summary Both Estates have an annual budget for the financial year from 2020 till 2023. The budget includes the projected FFB production, general charges and upkeep & cultivation, collection.

The documented business plan was made available and closely monitored by the both Estate Manager.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.

Summary Sighted the implemented management plan and their achievements of goals and objectives which are regularly monitored. Each estate will submit their monthly report to the respective department, to explain/elaborate on the operation done for the pass month. The management side can monitor the progress work done based on the monthly report.

Sighted in the latest progress report for both estates. The report was prepared by the individual manager and submitted to the GM's and Head Quarters on 2nd week every month. The items reported in the monthly progress report as follows :

- Manager certification
- Harvesting rate report
- Area statement
- Crop statement
- FFB Chart
- OP Crop statement

- OP Yield & FFB Sale
- Yield Statistic & Red block
- Workers Outturn
- Labour Population Statement
- Estate Dispensary & Sanitation
- Visitors & Staff Movement
- Vehicle & Machinery
- CER
- Details of Expenditure (GC)
- Details of Expenditure (PM)
- Oil Palm Fertilizer Recommendation (Manuring return)
- Vehicle & Machinery Running Summary
- Picture Replanting
- Report Replanting
- Summary of CT<
- Buffalo & FFB Evacuation
- Ganoderma Report

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Criterion 3 Transparent and fair price dealing

Indicator 1 Pricing mechanisms for the products and other services shall be documented and effectively implemented.

Summary

The price mechanisms will be based on the followings :

1. Discretion decision from the estate's Top Management and the plantation GM
2. The agreed rate stipulated in the contract agreement which has been signed by both parties.

The work contract for transport and services are based on negotiation and acceptance and sign by both management and contractor consider as fair, legal and transparent. Payments are made in accordance to the term and conditions stated in the contract and on a monthly basis. The documentation such as Contract agreement, payment voucher, work order, etc which clearly stated the pricing was maintained and kept by the estate management for reference.

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

Indicator 2 All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.

Summary

Sighted record of contract agreement between contractors and Pertasa Estate and Amalanía Koko Berhad_Estate which is available during the Audit Assessment

All contracts are kept in the estate office and available during the Audit assessment. Sighted record of contract agreement between Pertasa Estate and contractors which is available as below:

Pertasa Estate :

Contractor : KWT Enterprise

Work Scope : Replanting work for area of 314 Ha

Contract Period : 1st June 2019 – 30th June 2020

Sighted payment made to the contractor, pay to KWT Enterprise for replanting works as follows;

Work for Month : June 2020

Invoice No : 001175 / 001177 / 001178 / 001179 / 001180 / 001181

Work Scope : Replanting work

Amount : RM 137,605.70

Payment to the contractor was made on 16th July 2020 amounted RM 137,605.70. Seen details on payment and the frequency of payment stated in the contract, as seen payment will be made within agreed payment term of 120 days upon submission of the monthly statement/invoice

Amalania Koko Berhad Estate :

Contractor : Superme Jaya Enterprise

Work Scope : Sanitation palm and Road repair works

Contract Period : 1st July 2020 – 30th September 2020

Sighted payment made to the contractor, pay Superme Jaya Enterprise for chipping and deboling palm works as follows;

Work for Month : July 2020

Invoice No : 202008 - 0001

Work Scope : chipping and deboling

Amount : RM 6,532.00

Payment to the contractor was made on 23rd September 2020 amounted RM 6,140.29. The amount paid different from the contract, due to the deduction of diesel charge from the estate management to the contractor.

Area of Concern (AOC)

Time frame for payment of service to the contractor is not specified in the contract agreement.

Based on the documentation review, the Auditor found the contract agreement between Amalania Koko Berhad_Estate with Superme Jaya Enterprise doesn't specify the payment time frame in the contract agreement. Details as follows;

No	Contractor Name	Contract Period	Contract Work	Payment time frame
1	Superme Jaya Enterprise	1st July 2020 – 30th September 2020	Sanitation Palm & General Works	Not specified

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 4 Contractor

Indicator 1 Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.

Summary

All the contractors are aware that the Estate will be certified under MSPO. Therefore, the contractor has been informed by estate management to follow the MSPO standard requirement.

Pertasa Estate Management has conducted MSPO Awareness to all contractors dated 10th September 2020 by Mr. Idris Daeng Mangati, seen meeting minutes, attendance record and photographs as evidence, prepared by Mrs. Francisca Abin and approved by Mr. Francis Singkan

Amalanía Koko Berhad_Estate Management has conducted MSPO Awareness to all contractors dated 21st October 2020 by Mr. Mohd Asis Salem / Mr. Denny Lepos, seen meeting minutes, attendance record and photographs as evidence, prepared by Mrs. Mahilah binti Damsik and approved by Mr. Mohd Asis bin Salem

Seen contract agreement between Pertasa Estate and KWT Enterprise for Replanting works. Under MSPO requirement as follows;

- 1.0 The contractor must understand the requirement of MSPO standard and should provide the required documentation and information where necessary to any visiting MSPO auditor.
- 2.0 The contractor must accept MSPO auditors to verify through physical inspection on any job contracted to ensure whether it is done as per agreed contract".

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 2 The management shall provide evidence of agreed contracts with the contractor.

Summary

All the contractors are aware that all estates under Glenealy Plantations Sdn. Bhd are certified under MSPO. Therefore, the contractor has been informed by estate management to follow the MSPO standard requirement.

Contract agreement of contractors are made available during the audit assessment



as below:

Estate : Pertasa Estate
Contractor Name : KWT Enterprise
Contract Scope : Replanting work
Contract Period : 1st June 2019 – 30th June 2020

Estate : Pertasa Estate
Contractor Name : JJ Engineering works
Contract Scope : Construction of Staff & Worker quarters
Contract Period : 1st August 2019 – 1st February 2020

Estate : Amalania Koko Berhad Estate
Contractor Name : Superme Jaya Enterprise
Contract Scope : Sanitation palm and Road repair works
Contract Period : 1st July 2020 – 30th September 2020

Estate : Amalania Koko Berhad Estate
Contractor Name : JJ Engineering works
Contract Scope : Construction of Staff & Worker quarters
Contract Period : 1st August 2019 – 1st February 2020

Sighted the contract agreement of all contractors who signed a Contract agreement and approved by the General Manager (Sabah & Oil Mills)

The documentation was maintained and kept by the estate management for reference.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 3 The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.

Summary The estate is audited by Global Gateway Certifications Sdn Bhd auditor dated 15th February 2021 – 16th February 2021 for Annual Surveillance Audit 2 (ASA2) by the qualified MSPO auditor. The Audit plan which has been received and accepted by the Estate Management.

In Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Indicator 4 The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.

Summary Upon receiving the invoice, the Field supervisor will physically check the work done at the site to verify on work performed to release payment to the contractor.

Both estates verified the work done by the contractors before all the payment paid to the contractors. The work completion was monitored by the person in charge (who) and finally verify by the Estate Manager. After the verification done, the contractor will proceed with the invoice for the work completion. The estate management to proceed

with the preparation of payment voucher than after to seek approval from Estate Manager, Senior Estate Manager, General Manager for payment. Approved payment from the region will be submitted to Finance Department at HQ level for approval. The payment will be transferred via online into the contractor account and they will get notified by the Estate Management Team

In Compliance ☒ **Yes** ☐ **No** ☐ **Not Applicable**

2.7 Principle 7: Development of new planting

Criterion 1 Oil palm shall not be planted on land with a high biodiversity value

Indicator 1 Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ **Yes** ☐ **No** ☒ **Not Applicable**

Indicator 2 No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ **Yes** ☐ **No** ☒ **Not Applicable**

Criterion 2 Peat land

Indicator 1 New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ **Yes** ☐ **No** ☒ **Not Applicable**

Criterion 3 Social and Environmental Impact Assessment (SEIA)

Indicator 1 A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ **Yes** ☐ **No** ☒ **Not Applicable**

Indicator 2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Indicator 3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Indicator 4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Criterion 4	Soil and topographic information
Indicator 1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Indicator 2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Criterion 5	Planting on steep terrain, marginal and fragile soils
Indicator 1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 2 Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 3 Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Criterion 6 Customary land

Indicator 1 No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 2 Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 3 Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 4 The owner of recognized customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 5 Identification and assessment of legal and recognised customary rights shall be documented.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 6 A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 7 The process and outcome of any compensation claims shall be documented and made publicly available.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

Indicator 8 Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for both estates.

In Compliance ☐ Yes ☐ No ☒ **Not Applicable**

2.8 Details of Audit Findings

Details Non-Conformity

- See Appendix B -

Details of Area of Concern

- See Appendix B -

Details of Noteworthy / Positive Findings

- 1) Top management continuously establishes directions for the middle and upper management to execute in ways to comply with the MSPO management system in future.
- 2) The estate management has demonstrated fully commitment during the entire audit process.
- 3) Documentations were well maintained and kept orderly.

Appendix A: Audit Plan

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
15 th February 2021	08:00 – 09:00	<ul style="list-style-type: none"> ➤ Centralize Opening Meeting: <ul style="list-style-type: none"> • Presentation by the manager/coordinator • Presentation by Lead Auditor. ➤ Confirmation of assessment scope and finalize Audit plan. 	MRB	JS BS
	09:00 – 13:00	Pertasa Estate: <ul style="list-style-type: none"> ➤ Document review and interviews as applicable to this audit <ul style="list-style-type: none"> • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. <p><i>[GGC recommends every 2 hours break session]</i></p>	MRB	JS BS
	13:00 – 14:00	<ul style="list-style-type: none"> ➤ Lunch/Rest 	MRB	JS BS
	14:00 – 16:00	<ul style="list-style-type: none"> ➤ Continue document audit: <ul style="list-style-type: none"> • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MRB	JS BS
	16:00 – 17:00	<ul style="list-style-type: none"> ➤ Verify any outstanding issues, auditor discussion and end of audit for day 1. 	MRB	JS BS

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
16 th February 2021	08:00 – 13:00	Amalania Estate: <ul style="list-style-type: none"> ➤ Document review and interviews as applicable to this audit <ul style="list-style-type: none"> • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MRB	JS BS



		<ul style="list-style-type: none"> <i>[GGC recommends every 2 hours break session)</i> 		
	13:00 – 14:00	➤ Lunch/Rest	MRB	JS BS
	14:00 – 16:00	➤ Continue document audit: <ul style="list-style-type: none"> Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MRB	JS BS
	16:30 – 17:00	➤ Verify any outstanding issues, auditor discussion and end of audit for day 2.	MRB	JS BS

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
17 th February 2021	09:00 – 13:00	Timora POM: <ul style="list-style-type: none"> ➤ Document review and interviews as applicable to this audit <ul style="list-style-type: none"> Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. <i>[GGC recommends every 2 hours break session)</i> 	MRB	JS BS
	13:00 – 14:00	➤ Lunch/Rest	MRB	JS BS
	14:00 – 16:00	➤ Continue document audit: <ul style="list-style-type: none"> Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MRB	JS BS
	15:30 – 16:00	➤ Verify any outstanding issues and auditor discussion.	MRB	JS BS
	16:00 – 17:00	➤ Centralize Closing Meeting: <ul style="list-style-type: none"> ➤ Chaired by the Lead Auditor • Presentation of findings by the audit team 	MRB	JS BS



		<ul style="list-style-type: none">• Questions & answers and Final summary by Lead Auditor <p>➤ End of assessment</p>		
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Appendix B: Non-Conformity details

Non-Conformities Identified During Annual Assessment Audit



Major Nonconformities:	Non-were raised during this audit.
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Minor Nonconformities:	Non-were raised during this audit.
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Area of Concern:	The following AOC's were raised for this audit.
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Company Name	Glenealy Plantations Sdn Bhd – Timora Complex			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance 2	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organised Smallholder			
Client Number	GGC-G1-MSPO-2018			
NC No. / Ref.	G1/MSPO/AOC 01	Date Detected	17 th February 2021	
Site(s) concern	Amalania Koko Berhad_Estate	Target Completion	-	
Normative Reference and Requirement	4.6.3.2 All contracts shall be fair, legal and transparent and agreed payments shall be made in a timely manner.			
NC Type	<input type="checkbox"/> Major <input type="checkbox"/> Minor <input checked="" type="checkbox"/> Area of Concern			
Description of Non-Conformity	Time frame for payment of service to the contractor is not specified in the contract agreement.			
NC Objective Evidence:				
Based on the documentation review, the Auditor found the contract agreement between Amalania Koko Berhad Estate with Superme Jaya Enterprise doesn't specify the payment time frame in the contract agreement. Details as follows;				
No	Contractor Name	Contract Period	Contract Work	Payment time frame
1	Superme Jaya Enterprise	1st July 2020 – 30th September 2020	Sanitation Palm & General Works	Not specified



Lead Auditor Signature: 	Client Signature:  24/12/2021
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Non-Conformities Identified During Previous Audit [ASA1]	
Major Nonconformities:	Three NC's were raised for this audit.
Minor Nonconformities:	Non-were raised during this audit.
Area of Concern:	Non-were raised during this audit.

Appendix C: List of Stakeholders Contacted

List of Stakeholders

Internal Stakeholders

- 1) Estates management team and staff
- 2) Gender Committee Representatives
- 3) Male and Female workers
- 4) Foreign Workers Representatives