

# GLOBAL GATEWAY CERTIFICATIONS

## MALAYSIAN SUSTAINABLE PALM OIL (MSPO)



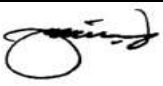
### CERTIFICATION AUDIT REPORT


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

Hupdat Plantation Sdn. Bhd. & Hup Tien Plantations Sdn. Bhd.

-Group Certification-

**ANNUAL SRVEILLANCE AUDIT 1**  
**22<sup>nd</sup> February 2021 – 24<sup>th</sup> February 2021**

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	23/04/2021	Issued as Draft Report	Mohd Azmi Samynathan bin Abdullah	Lead Auditor	
B	05/05/2021	Issued as Final Report	Mohd Azmi Samynathan bin Abdullah	Lead Auditor	
B	12/05/2021	Final Report Approved	Muhammad Syafiq bin Abd Razak	Certifier	

Acknowledgemnt by Hupdat Plantation Sdn Bhd & Hup Tien Plantations Sdn Bhd					
Rev	Date	Description	Management Review	Role	Signature
B	12/05/2021	Acceptance of the contents	Mr. Jason Lee	Manager	

#### **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 for Hupdat Plantation Sdn. Bhd. & Hup Tien Plantations Sdn. Bhd. During this Annal Surveillance Audit 1, the audit team were briefed by the Manager, of the supply base disposition. The FFB production for Hupdat Plantation Sdn. Bhd. & Hup Tien Plantations Sdn. Bhd. were purchased by Hup Aik Oil Palm Sdn. Bhd.

This assessment was conducted remotely via ICT Platform using Skpye application on the 22<sup>nd</sup> and 24<sup>th</sup> 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

<b>Company Name</b>	Hupdat Plantation Sdn. Bhd. & Hup Tien Plantations Sdn. Bhd.
<b>Business Address</b>	No. 2 (1 <sup>st</sup> Floor), Jalan Muhibbah, Taman Muhibbah, 86700 Kahang, Johor
<b>Contact Person</b>	Mr. Lee Kien Soon & Ms Tan Huay Shan
<b>Office Telephone</b>	07-788 3189
<b>E-Mail</b>	huptien252@hotmail.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	Hupdat Plantation Sdn. Bhd.	Plots No. 2,3, & 4, & PTD 8378	E 103°33'24.00"	N 2°19'03.00"
2	Hup Tien Plantations Sdn. Bhd.	PTD 5891 Mukim Kahang	E 103°29'37.83"	N 2°09'32.39"

**MPOB License Information**

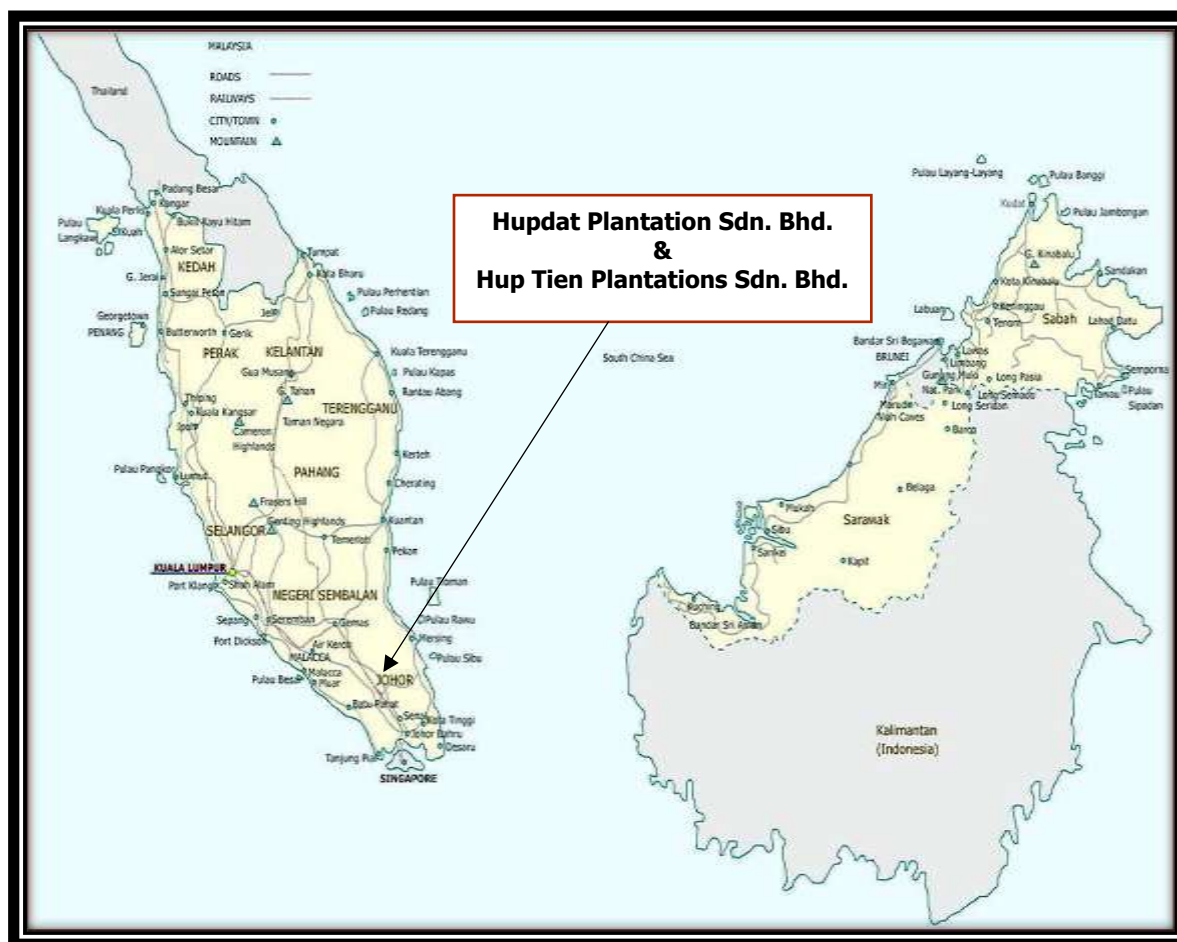
No	Name Of The Site	Licence Number	Expiry Date	Scope Activity
1	Hupdat Plantation Sdn. Bhd.	533526002000	October 2021	Mengalih Buah
2	Hup Tien Plantations Sdn. Bhd.	533524102000	October 2021	Mengalih Buah

**Others Sustainability Certification**

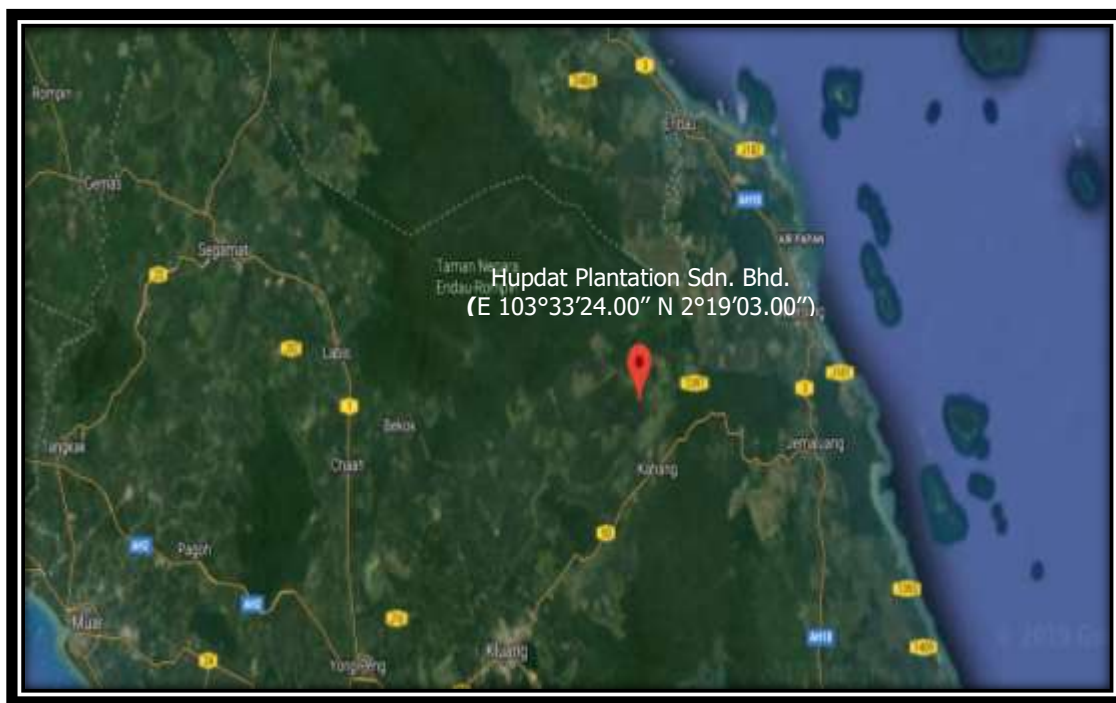
No	Name of the Site	Others Sustainability Certification
1.	Hupdat Plantation Sdn. Bhd.	N/A
2.	Hup Tien Plantations Sdn. Bhd.	N/A

## 1.4 Map Showing Geographical Location

### a) Hupdat Plantation Sdn. Bhd. & Hup Tien Plantations Sdn. Bhd.



### b) Hupdat Plantation Sdn. Bhd.



c) **Hup Tien Plantations Sdn. Bhd.**



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

Name of the Certification Unit	Area Summary (HA)		
	Land Title	Planted	Mature
Hupdat Plantation Sdn. Bhd.	121.38	121.38	121.38
Hup Tien Plantations Sdn. Bhd.	102.20	102.20	102.20
<b>Total</b>	<b>223.58</b>	<b>223.58</b>	<b>223.58</b>

Name Of The Supply Base	Area Summary (HA)		
	Conservation Area	HCV	Conservation Area
Hupdat Plantation Sdn. Bhd.	-	-	-
Hup Tien Plantations Sdn. Bhd.	-	-	-
<b>Total</b>	-	-	-

Name of the Certification Unit	FFB Summary (MT)		
	Projected from last audit [March 2020 - February 2021]	Actual Production for 12 Months [March 2020 - February 2021]	Projected Production for next 12 Months [March 2021 -February 2022]
Hupdat Plantation Sdn. Bhd.	1,785.00	2,355.00	2,355.00
Hup Tien Plantations Sdn. Bhd.	1,570.00	2,480.00	2,480.00
<b>Total</b>	<b>3,355</b>	<b>4,835</b>	<b>4,835</b>



## 1.6 Certificate Details

<b>Certification body</b>	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: <a href="http://www.ggc.my">www.ggc.my</a>
<b>Assessment standard</b>	(MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders
<b>Certificate number</b>	GGC-HDHT001-MSPO-01-2020
<b>Initial certificate issued date</b>	26-Feb-2020
<b>Certificate expiry date</b>	25-Feb 2025
<b>Stage 1 assessment date</b>	13 <sup>th</sup> November 2019
<b>Stage 2 / Main Assessment</b>	09 <sup>th</sup> – 10 <sup>th</sup> December 2019
<b>Annual Surveillance 1 [ASA 1]</b>	22 <sup>nd</sup> - 23 <sup>rd</sup> February 2021
<b>Annual Surveillance 2 [ASA 2]</b>	To be advised
<b>Annual Surveillance 3 [ASA 3]</b>	To be advised
<b>Annual Surveillance 4 [ASA 4]</b>	To be advised

## 1.7 Qualification of the Lead Assessor and Assessment Team

### Lead Auditor

**Name:** **Mohd Azmi Samynathan bin Abdullah [MAS]**

Mohd Azmi holds an MBA majoring in Human Resource Management, Bachelor of Business in Business Administration, Diploma in Human Resource Management and Certificate in Agriculture from University of Western Sydney, RMIT University, Australia, University Malaya and Institut Pertanian Semenanjung Malaysia respectively.

He has vast experience in the field of Human Resource Management spanning more than two decades in the manufacturing industry. Prior to this he held various key management positions in Human Resource & Administration with several multinational companies. Azmi has extensive hands-on experience in recruitment and selection of Foreign Labour, managing conciliation meetings at the Labour and Industrial Relations Department, handling employee disciplinary issues, employee welfare, developing, reviewing & updating human resource policies and procedures. He has been advising management teams throughout his career on requirements of the Labour Laws. Further, Mohd Azmi, is a Panel Member of the Industrial Court representing the employers appointed by the Minister of Human Resources from 17<sup>th</sup> February 2019 - 16<sup>th</sup> February 2022.

Besides his vast experience in HRM, Azmi is also an experienced auditor in second and third-party auditing system. Fully trained in ISO 9001:2008 (Quality Management System) Lead Auditor Course and successfully completed MSPO, MSPO- SCCS (endorsed by MPOCC) and RSPO Auditors Training Course. He is a member of GGC MSPO audit team and able to read and write in English and Bahasa Malaysia fluently.

### Auditor

**Name:** **Muhd Jamalul Arif bin Hamid [MJA]**

Educational background in Plantation Management and Marine Cargo Surveying with working experience in handling Quality & Quantity cargo survey for agricultural products such palm oil, soybean, maize and sugar. Also qualified and involved in sustainability and Management System (MS) auditing since 2011 for mostly sustainability schemes such RSPO, ISCC, MSPO, Global Gap, GMP, SMETA, ESCAS and second party audit. Involved in RSPO P&C, NEXT and SCCS conducted in Malaysia, Indonesia, Colombia, Ecuador, Ivory Coast, Papua New Guinea and Middle East Country.

Completed ISO 9001:2008 Lead auditor in 2011, trained in ISO 19011 & 17021 requirements in 2014, Social Skill Auditing Conversion against RSPO, MSPO, ETI & SEDEX requirements on 2015, RSPO P&C Lead Auditor Endorsed Course on 2013, 2016 and 2019, RSPO SCC Course on 2015, MSPO Auditor Training on 2014 (3rd Batch) held by MPOB, MSPO SCCS Auditor Training on 2018, Basic Safety Training Course etc. Member of GGC MSPO audit team. Able to speak and understand Bahasa Malaysia and English.

## Auditor

**Name:** **Md Jefri Bin Shara'ai [JS]**

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. 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. Therefore, total numbers of supply based assessed in the audit are two (2) estates namely Hupdat Plantation Sdn. Bhd. & Hup Tien Plantations Sdn. Bhd.

The assessment activities include of documents review and interview only, as the audit was carried out remotely via ICT Platform i.e. Skpye application. The documents that had been reviewed via Skype and documents which are up-loaded into Google Drive, among others were company policies, internal procedures, management system procedures, waste management procedures, legal documents etc. Significant issues that would impact to the environmental and social has also been verified.

The methodology for collection of objective evidence was established during document review of the tasks and processes, interviews internal of 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 have 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.

## 1.9 Audit Plan Information

<b>Audit Date</b>	22 <sup>nd</sup> - 23 <sup>rd</sup> February 2021
<b>Name of site(s) visited</b>	Hupdat Plantation Sdn. Bhd. Hup Tien Plantations Sdn. Bhd.
<b>Total number of man-days spent</b>	6 man-days

**1.10 Audit Result Summary Findings**

Category	Numbers	Status (Closed/Open/Not Applicable/No Action Requires)
Major Nonconformities	0	No action required
Minor Nonconformities	1	Open (Next Surveillance Audit)
Area of Concern	2	No Action Required
Noteworthy /Positive Comments	3	No Action Required

**1.11 Stakeholder Consultation**

As per ACB-Malaysian Sustainable Palm Oil (MSPO); ACB-OPMC4; Issue 1, 01<sup>st</sup> 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 Audit 1, 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 or during the field assessment 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.	Stakeholder Meeting	<ul style="list-style-type: none"> <li>Have good understanding about MSPO.</li> <li>Have a good knowledge on the existence of method/mechanism of complaints/grievances.</li> </ul>	No action requires	Positive findings

		<ul style="list-style-type: none"> <li>• The Estates has a good rapport with surrounding neighbour estate</li> <li>• No land issue between company and neighbour estates</li> </ul>		
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### 1.12 Recommendation

The estates have 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 Hupdat Plantation Sdn. Bhd. & Hup Tien Plantations Sdn. Bhd.

The management is committed to comply with 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 1 (ASA01).

This report will be internally reviewed for certification decision by GGC and external peer review by independent reviewers (Qualified by MPOCC) is not required. During Annual Surveillance Audit 1(ASA 1), based on MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO)] Part 3: General Principles for Oil Palm Plantations and Organized Smallholders), there were **one (1) minor** non-conformity and two (2) area of concerns have been raised to the facility that is being audited.

Since the audit objectives as mentioned in the audit plan have been achieved and the assessment resulted in no Major NC raised. Therefore, the Lead Auditor recommends a certificate of compliance **"MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders"** is awarded to **Hupdat Plantation Sdn. Bhd. & Hup Tien Plantations Sdn. Bhd.**

### 1.13 Date of Next Surveillance Audit

The Annual Surveillance Audit 2 (ASA 2) visit will be scheduled before 12 months from the date of Annual Surveillance Audit 1 (ASA 1)

### 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**

CHRA	Chemical Health & Risk Assessment
CoP	Code of Practise
CPO	Crude Palm Oil
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
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
RSPO	Roundtable on Sustainable Palm Oil
SEIA	Social Environmental Impact Assessment
SOP	Standard Operating Procedure

**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** Hupdat and Huptien Plantations Sdn Bhd has been established MSPO Policy dated 8<sup>th</sup> October 2019 signed by the Mr. Lee Yew Hock, Managing Director.

The policy clearly stated that the committed to adopt the requirement of MSPO standards to deliver sustainable Fresh Fruit Bunch according to principles and criteria as listed below.

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
7. Development of New Planting

The MSPO policy was communicated to all management staff and internal stakeholders as part of the implementation process on the 21<sup>st</sup> November 2020 at the Hupdat's.

Plantation Office situated in Kahang, Johor attended by nine (9) persons as sighted in the file.

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

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

**Summary** The commitment statement states that Hupdat Plantation Sdn. Bhd. and Hup Tien Plantations Sdn. Bhd. are committed for continual improvement practice via available best practices and technology in order to ensure continuous production of fresh fruit bunches in a sustainable manner.

**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** Hupdat Plantation Sdn Bhd and Huptien Plantations has established Yearly Internal Audit Plan for 2021 dated 1<sup>st</sup> October 2020 prepared by Ms Tan Shuay Shan and approved by Mr Jason Lee Lian Soon, Manager.

The Internal Audit was carried by Mr Subramaniam and En Najumuddin who are Consultants on 12<sup>th</sup> January 2021 and approved by Mr Jason Lee Lian Soon, Manager. Two (2) Non-Conformities was raised during the internal Audit. Given below are the Non-Conformities.

1. 4.3.1.3 Amendment on Minimum Wages regulations not updated in the Legal Register

2. 4.5.2.2 Diesel consumption not completed for the year 2020

Action was taken on 15<sup>th</sup> January 2021 for the correction by Ms. Tan Huay Shan (4.3.1.3) and Mr Jason Lee Lien Soon, Manager (4.5.2.2) and verified closed by Mr Subramaniam the Lead Auditor (consultant).

**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** Hupdat Plantation\_Sdn Bhd and Huptien Plantations has established Internal Audit Procedure Document No: P1-01 dated 1<sup>st</sup> October 2019 approved by Me Lee Yew Hock, Managing Director.

The Internal Audit was conducted on the 12 January 2021 by Mr Subramaniam (Lead Auditor) and En Najumuddin (Auditor), consultants from Global Sustainable Solutions Sdn Bhd.

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

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

**Summary** All the internal audit (MSPO) findings of Hupdat Plantation Sdn Bhd and Huptien Plantations Sdn Bhd for last audit report was available and discussed during Management Review Meeting dated 3<sup>rd</sup> February 2021 at Meeting Room, Plantation Office which attended by five 5 persons.

**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** Sighted Management Review Meeting Minutes dated 3rd February 2021 prepared by Mr Jason Lee Lien Soon, Manager, chaired and approved by Mr Lee Yew Hock, Managing Director.

The following were discussed during the Management Review meeting:

1. MSPO Implementation, and Documentation Procedures
2. MSPO Policies
3. Internal Audit Results
4. Continual Improvement
  
5. Stakeholder Consultation
  
6. Safety & Health
7. Employment Condition
8. Waste Management
9. HBV
10. Housing Condition

All written documents were documented in the Management Review Meeting file attended by 5 persons.

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

<b>Criterion 4</b>	<b>Continual improvement</b>
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<b>Indicator 1</b>	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.
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**Summary** Sighted Continual Improvement Plan dated 2<sup>nd</sup> October 2020 prepared by Ms Tan Shuay Shan and approved by Mr Jason Lee Lian Soon, MSPO, Chairman.

The Continuous Improvement Plan was discussed under clause 4 in the Management Review Meeting.

Sighted 8 topics in the continual action plan listed in the Continual Improvement Plan 2019 report.

1. PPE usage & awareness
2. Safety Signage & Training
3. Cleanliness & hygiene in workers housing.
4. Reduction in schedule waste generation
5. Reduction on domestic waste
6. Zero burning
7. Stakeholder Meeting
8. Road repair maintenance

**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** Both estates are currently applying the standard practices for their estate operations. As such no new technique or technology were applied/implemented in this estate at the moment.

**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** As the management has not implemented any new technique or technology in the estate, no action plan to provide necessary resources including training, to implement the new techniques or new industry standard or technology is established. Both estates are applying the standard GMP for estate according to the SOP.

**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 Estates has established procedure titled "P2-03 Stakeholders Consultation and Communication" 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.

Sighted record of attendance of the contractor Mr Tan Chee Hong on the awareness training of MSPO compliance such as policy Safety, environment, and social was briefed by Mr Jason Lee who is the Chairman of MSPO Steering committee.

**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** The Estates has established "List of Documents and Classification - 2019" which has contained name of document, classification of document whether the document is confidential or publicly available. Among the documents that been identified as publicly available includes MSPO Policy, health and safety policy, continual improvement plan, management review meeting minutes, stakeholder meeting minutes, complaint and action plan, FFB delivery record, customer complaint, legal register, boundary stone location map, SIA report, EIA report, JKPP report, etc. Documents that classified as confidential that cannot be disclosed in the list are financial data, return of investment, profit & loss account, etc.

The document consists of 30 subjects listed and approved by the Managing Director Mr Lee Yew Hock on 29<sup>th</sup> October 2019.

**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** Hupdat Plantation Sdn. Bhd. and Hup Tien Plantations Sdn. Bhd. have established the Communication Procedure Document No: P2-03 named Stakeholders Consultation and Communication" procedure dated 1<sup>st</sup> October 2019 signed by Mr Lee Yew Hock, Managing Director.

The purpose of this procedure is to outline the arrangements for consultation and communication with its relevant stakeholders and how their concerns and views are addressed.

**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** Hupdat Plantation Sdn. Bhd. and Hup Tien Plantations Sdn. Bhd. has nominated Ms Twe Siaw Chiam as person responsible for consultation and communication vide letter dated 8<sup>th</sup> October 2019 approved by Mr Lee Yew Hock, Managing Director.

**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** The company has established the list of External and Internal stakeholders which is adequately maintained and updated. List of External Stakeholders covering Government Agencies, Neighboring Communities and Suppliers being recorded and maintained properly. List of internal stakeholders are the company's employees.

Consultation and communication and records of action taken in response to input from stakeholders properly maintained in file. Sighted stakeholder meeting minutes.

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

<b>Criterion 3 Traceability</b>	
<b>Indicator 1</b>	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).
<b>Summary</b>	SOP on traceability is available as referred to: "P2-04 Traceability. The procedure has identified process for traceability from the phase of oil palm planting until delivered to palm oil mill. FFB are collected by 3 <sup>rd</sup> party collector "Hup Aik Oil Palm Sdn Bhd" and delivers to the mill. The Estates retains records of weighbridge ticket.
<b>In Compliance</b> <input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/> <b>Not Applicable</b>	
<b>Indicator 2</b>	The management shall conduct regular inspections on compliance with the established traceability system.
<b>Summary</b>	The bunch record book input was handled by the mandore in charge and inspected and verified by the Mr Tan Chee Hong the supervisor of the contractor Hui Kang Trading.
<b>In Compliance</b> <input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/> <b>Not Applicable</b>	
<b>Indicator 3</b>	The management should identify and assign suitable employees to implement and maintain the traceability system.
<b>Summary</b>	The management has appointed Mr Kiew Chze Yeong as the person responsible for Traceability for both estates vide letter dated 8 <sup>th</sup> October 2019 approved by Mr Lee Yew Hock, Managing Director.
<b>In Compliance</b> <input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/> <b>Not Applicable</b>	
<b>Indicator 4</b>	Records of sales, delivery or transportation of FFB shall be maintained.
<b>Summary</b>	The records and documents related to FFB traceability such as bunch chit, weighbridge tickets and daily FFB delivery records were adequately maintained all estates.
<b>In Compliance</b> <input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/> <b>Not Applicable</b>	

## 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 operations are in compliance with the applicable local, state, national and ratified international laws and regulations. Sighted and verified license applicable as follows:

1. MPOB License  
Hupdat Sdn Bhd  
No Lesen: 533526002000  
Validity: 1<sup>st</sup> November 2020 – 31<sup>st</sup> October 2021
2. MPOB License  
Hup Tien Sdn Bhd  
No Lesen: 533524102000  
Validity: 1<sup>st</sup> November 2020 – 31<sup>st</sup> October 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** Sighted Legal Register for both estates dated on 29<sup>th</sup> April 2019 prepared by Ms Tan Huay Shan and approved by Mr Lee Yew Hock.

Given below are some sampled laws applicable to both estates.

1. Employment Act 1955
2. Industrial Relations Act 1967
3. Minimum Retirement Age Act 2012
4. Minimum Wage Order (Amendment) 2018
5. Employee Provident Fund Act 1991
6. Employee Social Security Act 1969 (Act 4)
7. Employment Insurance System Act 2017
8. Children and Young Persons (Employment) Act 1966
9. Environmental Quality Act 1974
10. Water Act 1920
11. Water Services Industry Act 2006

The COVID-19 related legal SOP and legislation has also been included and adhered to.

**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** Any changes to legal requirements are tracked by means of periodic review and evaluation on the Laws & regulations list to ensure that any new/addition as well as changes and amendment are captured and updated, through the following manner:

1. Enquiring the laws books publisher
2. Communication with law/enforcement officers
3. Relevant Government Agencies Website

**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** The management has appointed Mr Jason Lee as the person responsible to monitor compliance and to track and update changes in regulatory requirements for both estates vide letter dated 8<sup>th</sup> October 2019 approved by Mr Lee Yew Hock, Managing Director.

**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** The Estates land title is available and well maintained. The sample evidence as below.

ESTATES	TITLE NO	TITLED HA
Hupdat Plantation Sdn. Bhd.	PTD 8378 (Plot 2,3,4)	121.38
Hup Tien Plantations Sdn. Bhd	PTD 5891	102.19

Hup Tien Plantations – Sighted “Surat Perjanjian” signed by Persatuan Belia Jati Air Hitam with Hup Tien Plantations Sdn. Bhd dated on 16<sup>th</sup> August 2007 allowing the co Estates to develop and cultivate the land with Oil Palm.

Hupdat Plantation – Sighted “Surat Perjanjian” signed by Maju Kahang Plantation Sdn. Bhd. with Hup Tien Plantations Sdn. Bhd dated on 23<sup>rd</sup> July 2009 allowing the estates to develop and cultivate the land with Oil Pal

**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**

Hupdat Plantations Sdn Bhd have leased the occupied land Plot 2,3, & 4 (121.38 Ha) from MAJU KAHANG PLANTATIONS SDN BHD for 15 years vide Memorandum of Agreement dated 23rd July 2009. The land No PTD 8379 is located in Kahang Batu 26, Mukim of Kahang, State of Johore. Total hectareage of the said land is 121.38 Ha.

Hup Tien Plantations Sdn Bhd have leased the occupied land (102.20 Ha) from PERSATUAN BELIA JATI (No Persatuan: 3634/96) vide Memorandum of Agreement dated 16 August 2007. The land No PTD 5891 is located in Mukim of Kahang, Daerah Kahang, Negeri Johor. Total hectareage of the said land is 102.2 Ha.

Land use status for both estates as below

Ownership	Syarat-syarat Nyata
Hupdat Plantation Sdn. Bhd.	Cultivate the land with Oil Palm
Hup Tien Plantations Sdn. Bhd.	Cultivate the land with Oil Palm

**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**

Sighted sample evidence of Plan Showing the Location of Boundary Markers for both estates as listed below.

Hup Tien Plantations Sdn. Bhd.  
GPS Coordinate: E103°29'36, N2°9'36

Hupdat Plantation Sdn Bhd  
GPS Coordinate: E103°33'24, N2°19'03

**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**

There is no customary land in or surrounding bot the estates. There are also no land disputes or claims involving these estates.

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

**Criterion 3 Customary land rights**

<b>Indicator 1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.
<b>Summary</b>	There is no customary land in or surrounding both the estates. There are also no land disputes or claims involving these estates.
<b>In Compliance</b>	<input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
<b>Indicator 2</b>	Maps of an appropriate scale showing extent of recognized customary rights shall be made available.
<b>Summary</b>	There is no customary land in or surrounding the estates. There are also no land disputes or claims involving these estates. The estate has proper legal land titles for the land ownership. Thus, no maps for recognized customary rights is available.
<b>In Compliance</b>	<input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
<b>Indicator 3</b>	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.
<b>Summary</b>	There is no customary land in or surrounding both the estates'. There are also no land disputes or claims involving these estates.
<b>In Compliance</b>	<input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> No <input type="checkbox"/> Not Applicable

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

<b>Criterion 1</b>	<b>Social impact assessment (SIA)</b>
<b>Indicator 1</b>	Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.
<b>Summary</b>	<p>The Estates has established Social impact assessment procedure No. P4-05 outlining processes to carry out SIA</p> <p>Sighted latest SIA report for both estates dated 25<sup>th</sup> October 2019 which has analyzed findings of social impact survey carried out from 13<sup>th</sup> to 15<sup>th</sup> October 2019. Survey was conducted with 15 stakeholders including, neighboring smallholders, contractor and supplier The SIA is prepared by Ms. Tan (Personal Assistant) and approved by Mr. Jason Lee.</p> <p>The general objectives of Social Impact Assessment (SIA) are:</p> <ol style="list-style-type: none"> <li>1. To ensure Social Impact Assessment is done as per the MSPO 2530:2013 Criteria 4.4.1</li> </ol>



2. To ensure all activities and facilities of Hup Tien Plantations Sdn. Bhd. and Hupdat Plantation Sdn. Bhd. meet all the criteria in line with its Social Policy
3. To identify social impact with the affected relevant internal stakeholders especially employees.
4. To ensure actions taken in response to the recommendations of assessment report and feedback from affected stakeholders
5. To ensure a timetable with responsibilities for mitigating the negative impacts is reviewed and updated, the implementation of this SIA management plan, monitoring, reviewing and continuous improvement.

SIA questionnaire for internal and external covered the following areas:

No	Social Impact Survey Criteria
1	MSPO Awareness
2	Relationship with estate
3	Communication with estate
4	Contribution from Estate
5	Job opportunities
6	Pollution Activities
7	Housing Facilities
8	Religious Prayer facilities
9	Health facilities
10	Education facilities
11	Transportation facilities
12	Equal Rights

The Estates has established "Management Plan – 2019" dated 25<sup>th</sup> October 2019 for the social impact assessment. The management plan has evaluated risk level of social factors and have identified mitigation measures to minimize negative impacts.

**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** System for dealing with complaints and grievances were addressed in Grievance Handling procedure "Document reference no. P4-06. There is a 'Complaint and Grievance Form' available in the attachment of the procedure to make any complaint.

This procedure is a reference to management and staff in handling of any complaints and grievance from any stakeholder including individuals, government organization and non-government organization concerning the implementation of MSPO.

Sighted Flow chart of complaints and grievances designed for External and Internal Stakeholder.

**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** System to resolve disputes are addressed in procedure titled "Document reference no. P2-03, Stakeholders Consultation and Communication". There is a complaint 'Complaint and Grievance Form' available in the attachment of the procedure to make any complaint.

The procedure and flowchart are to specify steps for identification and verification of complaints and grievance in order to ensure management is committed to an open and transparent approach to resolve grievances with the involvement of affected stakeholders. It was confirmed through interviewed that all staff and worker are understand about this procedure.

According to Mr. Jason Lee there is no complaint received for both estates since the implementation of MSPO in October 2019.

**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** In order to ease the employees and relevant stakeholders to lodge a complaint, the complaints and grievances form and a box to submit the complaint and Grievance form is available at the Plantation Office and both estates.

**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** Sighted the Borang Soal Selidik Penilaian Pihak Kepentingan issued to all External Stakeholder on 12<sup>th</sup> October 2019. The policies and procedure of MSPO were stated in the form for self-explanation and guidance about the procedure. Total 15 stakeholder has responded on the Borang Soal Selidik Penilaian.

The stakeholder survey report was prepared by Ms Tan Huay Shan and Verified by Mr. Jason Lee dated on 25<sup>th</sup> October 2019

**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** No complaint received for all estates since the implementation of MSPO in October 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** The Estates contribution to local community are recorded in the form titled "Contribution to local community". Given below are the details:

NO	ESTATE	CSR CONTRIBUTION
1	Hup Tien Plantations Sdn. Bhd.	Contribution to Kiwanis on 8 <sup>th</sup> September 2019 – RM 100.00
2	Hupdat Plantation Sdn. Bhd.	Contribution to PIBG-SMK Kahang on 05 <sup>th</sup> April 2019 – RM 200.00 Contribution to Bomba Sukarela on 9 <sup>th</sup> June 2019 – RM 100.00

**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** Both estates has established Health and Safety Policy Titled "Occupational Health and Safety Policy" dated 8<sup>th</sup> Oct 2019 approved by Mr Lee Yiew Hock, Managing Director

The Estate's Safety plans are described in document titled "Health & Safety Management Plan 2019" and "Plantation & Safety Procedures". The safety procedures include chemical handling, chemical storage and accident investigation & reporting.

**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

- a) Both estates have established health and safety titled "Occupational Health and Safety Policy" dated 8<sup>th</sup> October 2019 approved by Mr Lee Yiew Hock, Managing Director. Sighted records of health and safety policy briefing dated 8<sup>th</sup> October 2019
- b) Hupdat Plantation and Hup Tien Plantations Sdn Bhd has established HIRARC which consist of hazard identification (type of work activity, hazard & effect), Risk analysis (Existing risk control, likelihood, severity & risk) & Risk Control (Recommended control measures & PIC appointed are Staff or Executive). Given below are some sampled risks assessed for the estate's operations.
  - 1. Chemical Issuance
  - 2. Driver Tractor
  - 3. Road Repair
- c) The estate has a comprehensive annual training plan for the Staffs and Workers, and this was sighted in the training records file. The Training Plan includes the following areas.
  - 1. MSPO Awareness
  - 2. Waste Management
  - 3. Safety Reporting
  - 4. Documentation

## 5. PPE Usage

- d) Both estates have provided appropriate PPE for all workers in their operations. PPE Issuance and replacement record. Sighted PPE issuance for the following workers.
1. Harvesters
  2. Field Workers

- e) Both estates have established the Standard Operating Procedure for Chemical Handling Doc. No: SP – 01 dated on 1<sup>st</sup> October 2019 approved by Mr. Lee Yew Hock, Managing Director.

CHRA assessment has been conducted for both estates on 26<sup>th</sup> November 2019 by Dr. S V Kumar registration No HQ/08/ASS/00/250

- f) Hupdat Plantation Plantation and Hup Tien Plantations Sdn Bhd has appointed Mr Tan Chee Hong as the person responsible for OSH vide letter dated 8<sup>th</sup> October 2019 approved by Mr Lee Yew Hok, Managing Director.
- g) There is no OSH Committee as the total worker in both estates are less 40 employees. However, both the estates management has taken initiative to discuss issue related to employee's health, safety and welfare during Safety Team Meeting dated 4<sup>th</sup> August 2020 at Kahang. The minute was recorded by Ms HS Tan and Verified by Mr. Jason Lee
- h) Accident and Emergency procedures for both estates were available during the audit assessment
- i) Hupdat Plantation Sdn. Bhd & Hup Tien Plantations Sdn. Bhd. has First Aid Training for workers dated 6<sup>th</sup> November 2020 for nine (9) workers.
- j) Both estates have monitored the accident record and will be reviewed during Safety Meeting held on every 3 months. Sighted JKPP8 form for year 2020 for both Hupdat & Hup Tien Plantation with Zero cases reported on 2020.

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

Criterion 5 Employment conditions	
<b>Indicator 1</b>	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**      Both estates have established policy on good social practices regarding human rights named "Social and Human Right Policy" dated 08<sup>th</sup> October 2019 approved by Mr. Lee Yew Hoch, Managing Director.

The Company has committed to carry out this policy in all its operations through:

1. Creating equal opportunities and anti-discrimination
2. Freedom of association

3. Non-sexual harassment
4. Reproductive right
5. Free from child labour
6. The human rights & business ethics

The policy was displayed in the notice boards in both estate's office for the employees reference.

**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** All workers in both estates enjoy the same scale of pay and provided with equal housing and work facilities.

No evidence to show that the management is engaged in or support discriminatory practices based on race, skin color, religion, gender, national origin, ancestry, disability, marital status, and sexual orientation was found in the estate.

**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** The managing of the plantation has been sub-contracted to contractor Hui Kang Trading, Kahang Enterprise and Hup Aik Oil Palm Sdn. Bhd. Sighted contract agreement signed between Hup Tien Plantations / Hupdat Plantation Sdn. Bhd. with Hup Aik Oil Palm Sdn. Bhd on 1<sup>st</sup> January 2019, and Hui Kang Trading on 20<sup>th</sup> December 2018 and Hui Kang Trading with Kahang Enterprise dated on 20<sup>th</sup> December 2018.

Pay and conditions for the contractor's worker are documented in the appointment letter of the staff and workers.

The salary is according to 'Guidelines on the Implementation on the Minimum Wages Order 2020'. National Wages Consultative Council Act 2011 (Act 732) Malaysian minimum salary is RM1100 as stated in the guidelines.

**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** As per interview with Mr. Lee Kien Soon, Estate Manager, the Estates has appointed Hup Aik Oil Palm Sdn. Bhd. to purchase FFB and transport dated on 01.01.2019 and Hui Kang Trading as main contractor to run the estate dated on 20.12.2018. Hui Kang has appointed Kahang Enterprise dated 20.12.2018 as subcontractor for harvesting FFB, Spreading Fertilizer and Weeding Chemical Works.

Sighted payslip for contractor worker maintained by both estates

NO	ID	DESIGNATION	NATIONALITY	WAGES
1	A001	Worker	Indonesia	1100.00
2	S002	Worker	Indonesia	1100.00
3	W001	Worker	Indonesia	1100.00
4	N001	Worker	Indonesia	1100.00
5	E001	Worker	Indonesia	1100.00
6	J001	Worker	Indonesia	1100.00
7	M 00019	Worker	Malaysia	1320.00
8	H00006	Worker	Malaysia	2150.00
9	T001	Staff	Malaysia	3500.00

**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** The contractor who worked for both the estates has established a system to record their workers particulars which consist of the following information.

1. Name
2. Identity Number
3. Pay Rate
4. Designation
5. Sex
6. Date of Birth
7. Marital Status
8. Race
9. Date Joined and Resigned
10. Address

Workers employed consisted of local and Indonesian. Workers' record sighted e.g Kahang Enterprise consist of 8 workers with details i.e. Name, Gender, DOB, Date of Entry, Job Descriptions and Salary.

**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** Sighted, Employment Contract between Kahang Enterprise and the workers. The term and conditions of employment are in accordance to Malaysian Law. The contract is in Bahasa Malaysia.

This contract is signed by both employee and employer. Workers employed consist of local and Indonesian.

**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** The Working hours is 8 hours per day from Monday to Saturday. The maximum overtime is 104 hours/month as per the Malaysian Law.

Daily attendance is recorded during muster call. The Estate has used pocket check-roll as a working time recording system.

**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** The working hour and break time has been clearly stated in the Employment Contract.

Sighted in the Contract Agreement the rate of overtime which agreed by both parties.

**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** Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. During interview with workers confirmed that they are being paid according to the stipulated minimum wage.

Sighted payslip for contractor worker maintained by both estates



NO	ID	DESIGNATION	NATIONALITY	WAGES
1	A001	Worker	Indonesia	1100.00
2	S002	Worker	Indonesia	1100.00
3	W001	Worker	Indonesia	1100.00
4	N001	Worker	Indonesia	1100.00
5	E001	Worker	Indonesia	1100.00
6	J001	Worker	Indonesia	1100.00
7	M 00019	Worker	Malaysia	1320.00
8	H00006	Worker	Malaysia	2150.00
9	T001	Staff	Malaysia	3500.00

**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** All workers have been provided with medical benefits, accident insurance coverage, free legalization cost, Insurance, annual leave and sick leave. Since 1<sup>st</sup> Jan 2019 foreign worker are cover under SOCSO for work accidents.

With regards to local workers, staffs and executives, all of them are covered under EPF & SOCSO as required by the Malaysian Laws and Regulations.

**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 managing of the plantation has been sub-contracted to contractor "Hui Kang Trading". (Refer to 4.4.5.3). There are no on-site quarters provided for workers.

**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** The company has established "Social and Human Rights Policy" dated 8<sup>th</sup> October 2019 approved by Mr. Lee Yew Hock, Managing Director. The Policy is in dual languages ie English and Bahasa Malaysia for the understanding of all levels employees in the company.

The objective of the policy is to prevent all forms of sexual harassment and violence at the workplace and has been incorporated into the Social and Human Rights Policy

**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** The company has established "Social and Human Rights Policy" dated 8<sup>th</sup> October 2019 approved by Mr. Lee Yew Hock, Managing Director. The Policy is in dual languages ie English and Bahasa Malaysia for the understanding of all levels employees in the company.

The management respects the right of all employees to form or to join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations.

Interview with Contractor that the Estates has no restriction for its employees to 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** The company has established "Social and Human Rights Policy" dated 8<sup>th</sup> October 2019 approved by Mr. Lee Yew Hock, Managing Director. The Policy is in dual languages ie English and Bahasa Malaysia for the understanding of all levels employees in the company. The policy of free from child labour at the workplace has been incorporated in the Social and Human Rights Policy.

Inspection of master employees record in the contractor's record confirmed that workers age were checked against their Identity Card for Malaysian workers and their passport in the case of foreign workers. Under-age persons were not employed in the Estates.

**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** The Estates has established "Annual Training Plan (Safety, Environment& MSPO Awareness)" dated 2<sup>nd</sup> October 2019. Training plan was prepared by Mr Jason Lee has included estate workers and office staff.

A comprehensive annual training which has been identified for both estates as listed below:

1. MSPO Awareness
2. Waste Management
3. Safety Reporting
4. Documentation
5. PPE Usage

**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** All workers involved in the operations have been adequately trained in safe working practice. As evidence, sighted the training needs analysis prepared by estate management for all workers. This TNA will be linked to "Annual Training Plan 2020 – 2021" accordingly.

Given below are some Sample of training identified for the workers

- PPE Training
- MSPO Awareness
- Chemical Handling Training
- RTE & Environment Training

**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 Estates has established "Annual Training Plan (Safety, Environment& MSPO Awareness)" dated 2<sup>nd</sup> October 2019. The Annual Training Plan prepared by Mr Jason Lee has included estate workers and office staff. The plan includes MSPO Awareness, PPE Usage , HBV & RTE, Etc.  
Trainings conducted were recorded in the various trainings record and completed with attendance records, training materials and photographs of the training.

List of training which has been implemented by both estates as listed below;

NO	Name of Training	Date Completed
1	First Aid Training	16 <sup>th</sup> November 2020
2	Chemical Handling Training	18 <sup>th</sup> November 2019

**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** The company has established Environment Policy dated 8<sup>th</sup> October 2019 prepared by Ms Tan Huay Shan and approved by Mr Lee Yew Hock, Managing Director.

The statement mentioned but not limited to the following: -

1. The estate activities in accordance with legal and regulatory framework
2. Practice zero burning policy on new planting
3. To plan, implement, monitor and measuring predetermined activities to mitigate environmental impacts and greenhouse effect.
4. To promote and provide awareness of environmental conservation through training to all employees and stakeholders
5. To ensure estate activities follow the guidelines of the current industry practice.
6. Ensure awareness of the environmental policy is disseminated to be understood and practiced by employee and all stakeholders.

The above policy was communicated to internal stakeholders via "Environment Awareness & Communication Meeting" dated 6th November 2020.

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

**Indicator 2** The environmental management plan shall cover the following:  
a) An environmental policy and objectives;  
b) The aspects and impacts analysis of all operations.

**Summary** Sighted the environmental management plan ref P5-8 for both estates which illustrates Environment objectives (Procedures)

Sighted Environment Aspect Impact Assessment dated 10/10/2020 prepared by Mr Jason Lee, Manager and approved by Mr Lee Yew Hock, Managing Director.

**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** The positive and negative impacts were identified in the Environmental Aspect and Impact Assessment dated 1<sup>st</sup> November 2019 with mitigation plan. There were 12

Environmental Aspect	Environmental Aspect
	Effect of the impacts
Use of petrochemical (petrol, diesel etc) for transportation activities	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.
Oil leakage from tractors / lorries	Pollution of soil and water course
Disposal of non-biodegradable wastes	Land contamination
Emission of greenhouse gaseous from nitrogen fertilizer usage	Air pollution – global warming
Smoke emission of heavy vehicle such as tractors,backhoe.	Air pollution

environment aspects identified by the estate. Given above are some sampled identified negative impacts.

No positive impacts were identified.

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

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

**Summary** As there are no positive impacts identified, hence no continual improvement plan is established to promote the positive impacts.

**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 of the environmental management and improvement management plans and are working towards achieving the objectives.

**Summary** The awareness training on the MSPO compliance which covers such as the Policy , safety ,social environment was held on the 8th October 2019 at the main office, Taman Muhibbah Kahang. It was attended by 6 internal stake holders.

**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** The environmental quarterly meeting was held on the 6<sup>th</sup> November 2020. Ref No: E01/2020 prepared by Ms. Tan Huey Shan and verified by Mr. Jason Lee.

The topic being discussed were the environmental policy awareness to the contractors, workers and schedule of the meeting to be held in future.

**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** Sighted, record of non-renewable energy for estates ie diesel consumption for year 2020 prepared by Ms. HS Tan.

Estate: Hup Tien Plantations Sdn. Bhd.

No	Item	2018	2019	2020
1	Actual FFB (MT)	1,784.47	1,738.4	1,832.43
2	Actual Diesel	3,642.71	3,672.14	3,084.30
3	Diesel /FFB	2.04	2.11	1.68
4	Budget Diesel/FFB	2.56	2.24	2.09

The base line value for 3 years' figure (2018-2020) is 2.10 Liters per ton of FFB.

Estate: Hupdat Plantations Sdn. Bhd.

No	Item	Year 2018	Year 2019	Year 2020
1	Actual FFB (MT)	1454.75	1,731.44	2,032.85
2	Actual Diesel	3704.66	3,896.64	3,637.20

3	Diesel /FFB	2.55	2.25	1.79
4	Budget Diesel/FFB	2.85	2.42	2.08

The baseline value for 3 years (2018-2020) is 2.32 liters per ton of FFB.

Both estates diesel (ltr)/ FFB (MT) consumption is well below the baseline value.

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

**Indicator 2** The oil palm premises shall estimate the direct usage of nonrenewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.

**Summary** Sighted Estimated annual usage for 2021 and 2022, diesel usage (liter) dated 1/1/2021 prepared by Ms Tan Huay Shan and approved by Mr. Jason Lee.

No	Estates	Year 2021	Year 2022
1	Hupdat Plantation Sdn Bhd	33,075	33,075
2	Hup Tien Plantations Sdn Bhd.	28,000	31,950

The diesel consumption by both estates are inclusive of the contractor's vehicle or transport.

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

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

**Summary** The management has no plans for the moment in implementing new technology e.g Solar lighting, recycling of water.

**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** Sighted waste management plan 2020 for both estates with sources of pollution identified. Given below are some sampled of waste and their source:

No	Waste	Source of Pollution
1	Spent lubricating oil	Vehicles – Tractors, Lorry, Van etc.)
2	Used PPE	Workers
3	Spent hydraulic oil	Vehicles-

4	Disposal of contaminated containers or bags	Empty chemical, pesticides containers, bags, bottle
5	Used PPE	Workers

The action plan to handle the waste are done as to comply to the environmental Act 1974 and schedule waste handling guideline 2005.

**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 established a waste management with plan to avoid or reduce pollution.

Sighted sample record of estimated for Hupdat & Huptien Plantation Sdn. Bhd. as below.

No	Waste	Source of Pollution	Action Plan
1	Spent lubricating oil	Vehicles – Tractors, Lorry, Van etc.)	Workshop monthly Inventory
2	Used PPE	Workers	Record keeping and DOE 5th Schedule
3	Spent hydraulic oil	Vehicles – Tractors, Lorry, Van etc.)	Workshop monthly Inventory
4	Disposal of contaminated containers or bags	Empty chemical, pesticides containers, bags, bottle	Record keeping and DOE third schedule
5	Used PPE	Workers	Record keeping.

**The estates were unable to provide evidence of schedule waste record keeping, as such a MINOR Non-Conformance was raised.**

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

**Indicator 3** The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.

**Summary** Hupdat Plantation Sdn Bhd & Hup Tien Plantations Sdn. Bhd. has established Standard Operating Procedure ref: SP-01 for handling of chemicals dated 1<sup>st</sup> October 2019 approved by Mr Lee Yew Hock, Managing Director. It covers the hazard and risk associated with chemical handling that require adequate control.



The procedure spells out the PPE requirements, training needed, definition of chemical, hazardous chemical, emergency response plan, safe work practices, toxic, isolation or separation of hazardous chemical.

**However, the estates were unable to provide evidence of scheduled waste being disposed of through DOE authorized collectors, as such a MINOR Non-Conformance was raised.**

**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** As per interview with Mr. Jason Lee, Estate Manager the used Empty Pesticide containers are rinsed three times, punctured and stored in the schedule waste store.

**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** The managing of the plantations has been sub-contracted to contractor "Hui Kang Trading". (Refer to 4.4.5.3). Owing to this, both the estates do not have any workers living quarters, as such there is no domestic waste generated.

**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** Sighted an assessment on polluting activities dated 5<sup>th</sup> September 2020 prepared by Ms Tan Huay Shan and approved by Mr Jason Lee.

No	Source of GHG	Environment Impact	Action Taken
1	Nitrogen from fertilizer	Air pollution	Follow the agronomist advice
2	Smoke emission of vehicles	Air pollution	Regular maintenance
3	Transportation of FFB	Air pollution, noise pollution	Regular maintenance
4	Open burning ond domestic waste	Air pollution - GHG	Company's No open burning policy and enforcement

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

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

**Summary** Sighted action plan to reduce identified significant pollutants and emissions dated 5<sup>th</sup> September 2019 prepared by Ms Tan Huay Shan and approved by Mr Jason Lee.

No	Source of GHG	Environment Impact	Action Plan
1	Nitrogen from fertilizer	Air pollution	Follow the agronomist advice
2	Smoke emission of vehicles	Air pollution	Regular maintenance
3	Transportation to FFB	Air pollution, noise pollution	Regular maintenance
4	Open burning of domestic waste	Air pollution GHG	No open burning policy signage and enforcement.

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

## **Criterion 5 Natural water resources**

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

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

**Summary** Sighted Water Management Plan dated 20<sup>th</sup> October 2020 (latest reviewed) prepared by Ms Tan Huay Shan and approved by Mr Jason Lee.  
The estate does not consume ground water and there is no river crossing the estate.

No	Management Plan	Action Plan
1	Record of water usage	monthly
2	In coming Water analysis as per legal requirement	Not applicable
3	Chemical spraying to minimize over spraying near buffer zone and water course	Training, minimum twice a year.
4	Restoration of natural vegetation in riparian area where been removed	No applicable
5	Regular inspection to ensure no bunds, weir, and dam constructed across main or waterways.	No applicable
6	Apply water harvesting practices where practicable	Appropriate time application
7	Optimization of the water usage	Appropriate time application
8	Analyse the ground water table if bore well is used for water supply	Not applicable

**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** There is no river or waterways passing through the estate area as such this is not applicable.

**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** As per interview with Mr Jason Lee, the management has constructed a road-side drains along the main roads to divert and conserve water at designated points.

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

**Criterion 6 Status of rare, threatened, or endangered species and high biodiversity value area**

**Indicator 1** Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:  
a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.  
b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.

**Summary** Sighted documents Identifying high biodiversity value habitats, such as rare and threatened ecosystems dated 8<sup>th</sup> October 2019 prepared by Mr Jason Lee.

**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** The Estates has established procedure for "Rare, Threatened and Endangered Species & High Biodiversity Value Management" document No P5-11 dated 1<sup>st</sup> October 2019 approved by Mr Lee Yew Hock, Managing Director. Further sighted High Biodiversity Management Plan 2020-2021 dated 15<sup>th</sup> November 2020 prepared by Mr Tan Chee Hong and verified by Mr Jason Lee, Estate Manager.

The objectives of this procedure are to provide the necessary guidance:

Steps for identification of high biodiversity value habitats and rare and threatened ecosystem

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

**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** Sighted High Biodiversity Management Plan 2020-2021 dated 15<sup>th</sup> November 2020 prepared by Mr Tan Chee Hong and verified by Mr Jason Lee, Estate Manager.

High Biodiversity Areas Identify	Management Action	Monitoring and Indicator	Status
Concentration of Biological Diversity	No significant area of HBV Prohibit illegal hunting	Verbal report Signage	On going
Large Landscape Level Ecosystem	Prohibit fishing. Control spraying	Signage of No hunting. And briefing to the workers	On going
RTE Ecosystem or Habitat	Not detected	Signage of No hunting. And briefing to the workers	On going
Basic Ecosystem services in critical situation including	Controlled chemical spraying	Briefing to workers	On going

protection of water catchment, erosion control,			
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**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** As per interview with Mr Jason Lee, no open burning is practiced in both estates. This is also clearly stated in para 4 of the Environment Policy.

**In Compliance** ☒ **Yes** ☐ **No** ☐ **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** As there is no previous crop which is highly diseased and post a significant risk of disease spread or continuation into the next crop,

**In Compliance** ☒ **Yes** ☐ **No** ☐ **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** No controlled burning is practiced in both estates. Estates Practicing zero burning

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

**Indicator 4** Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched

**Summary** No replanting was carried out in both estates as the palm trees are 10 – 11 years old.

**In Compliance** ☒ **Yes** ☐ **No** ☐ **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** The company has established Standard Operating Procedure named "Plantation & Safety Procedures" dated 1<sup>st</sup> Oct 2019 approved by Mr. Lee Yew Hock, Managing Director. The company has divided the procedures into two (2) areas namely MSPO Manual and Plantation & Safety Procedures. Given below are the details.

**MSPO MANUAL**

P1-01 Internal Audit Procedure  
P1-02 Management Review Procedure  
P2-03 Stakeholders Consultation & Communication Procedure  
P2-04 Traceability Procedure  
P4-05 Social Impact Assessment Procedure  
P4-06 Grievance Handling  
P4-07 Training Procedure  
P5-08 Environmental Management Plan  
P5-09 Waste Management Procedure  
P5-10 Water Management Plan  
P5-11 Rare, Threatened and Endangered Species & High Biodiversity Procedure.

**PLANTATION & SAFETY PROCEDURES**

PP-01 Oil Palm Replanting  
PP-02 Terrace and platform construction  
PP-03 Fertilizer application,  
PP-04 Frond staking,  
PP-05 Maintenance of mature areas  
PP-06 FFB harvesting which  
SP-01 Chemical Handling  
SP-02 Chemical Storage  
SP-03 Accident Investigation and Reporting

Work-Flow Procedure Explanation for all the SOP was sighted in the P6 file.

**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.

**Hupdat Plantation Sdn Bhd**

**Summary** The Oil Palm is NOT grown on slopy land as such appropriate soil conservation measures need not be implemented to prevent both soil erosion, siltation of drains and waterways as well contamination of surface and groundwater through runoff of either soil, nutrients or chemicals

**Huptien Plantations Sdn Bhd**

The Oil Palm is grown on sloping land, as such the company has implemented SOP No. PP-02 titled "Terrace & Platform Construction" which has identified strategy for planting on sloping and steeper areas. The SOP has outlined the following procedures for good agriculture practices.

1. Facilitate effective establishment, maintenance and harvesting of FFB
2. Minimize soil erosion
3. Reduce rainwater runoff and nutrient losses.
4. Increase water infiltration
5. Conserve moisture & increase water infiltration
6. Provide each palm with equal access to light, nutrient and water.

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

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

**Summary** The company has established visual identification of their plantation into blocks for both estates. Sighted photograph of the block identifications via photograph as this is a REMOTE Audit.

**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.

**Hupdat Plantation Sdn Bhd**

**Summary** Sighted Management Plan dated 15<sup>th</sup> January 2021 for the year 2021 and 2022 prepared by Ms Tan Shuay Shan and approved by Mr Jason Lee Lien Soon, Manager

Description	Budget 2021	Budget 2022
FFB Production	2355 tons	2355 tons
Fuel utilization (Diesel)	33075 liters	33075 liters
Fertilizer Application	RM28000	RM28000
Workers Salary	RM230,500	RM237,000
Maintenance	RM30,000	RM30,000
Planting Material	Dura	Dura
No. of workers	4 persons	4 persons
Return of Investment	RM80,000	RM82,000

**Huptien Plantations Sdn Bhd**

Sighted Management Plan dated 1<sup>st</sup> January 2021 for the year 2021 and 202 prepared by Ms Tan Shuay Shan and approved by Mr Jason Lee Lien Soon, Manager

Description	Budget 2021	Budget 2022
FFB Production	1980 tons	2480 tons
Fuel utilization (Diesel)	28000 liters	31950 liters
Fertilizer Application	RM100,000	RM120,000
Workers Salary	RM211,500	RM225,000
Maintenance	RM24,000	RM30,000
Planting Material	Dura	Dura
No. of workers	3 persons	3 persons
Return of Investment	RM270,000	RM315,000

**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** The estate current oil palm was planted on 2008 and the next planting will be carried in 2033. As the Palm trees are about 13 years old, the company do not have replanting programme in place applicable every 3-5 years.

**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.

**Hupdat Plantation Sdn Bhd**

Sighted the Business Management Plan for the year 2021

- Planting Material – Dura
- Crop Projection – 2355 tons  
Age profile – 10 to 11 years
- Cost of Production/ton – RM282.14
- Price Forecast – RM510/ton



- e. Return of Investment – RM80,000

**Huptien Plantations Sdn Bhd**

Sighted the Business Management Plan for the year 2021

- a. Planting Material – Dura
- b. Crop Projection – 1980 tons  
Age profile – 10 to 11 years
- c. Cost of Production/ton – RM210.80
- d. Price Forecast – RM510/ton
- e. Return of Investment – RM270,000

**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** The monthly work progress report was available for 2020 for the Estates achievement from Jan- Dec which are documented in the annual cost report. All the above work was monitored by Mr. Jason Lee, Manager, progress report was documented to monitor the achievement of the goals & objective.

**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** Sighted Agreement for the purchase of FFB between Hup Aik Oil Palm and Hupdat Plantation Sdn Bhd as well as Huptien Plantations Sdn Bhd dated 1/1/2020. The pricing mechanism is determined by the Mill based on the price announced by MPOB and the OER. The average price will be taken into consideration by the Mill for the selling and purchasing of FFB.

**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** All contracts are fair, legal and transparent and agreed payments were made on a timely manner. **Given below are the sampled details of payment to their respective contractors.**

**Hupdat Plantation Sdn Bhd**

Sighted Invoice from Kahang Enterprise to Hupdat Plantations Sdn Bhd for services rendered. Kahang Enterprise is the contractor for Harvesting, Pruning, Spreading Fertilizer and Weeding.

**Invoice Details**

Invoice No: 0121-06  
Invoice Amount: RM508.00  
Invoice Date: 31/1/2021

**Proof of Payment Details**

Cash Payment Voucher No: 17090  
Payment Date: 13/2/2021

**Huptien Plantations Sdn Bhd**

Sighted Invoice from Hui Kang Trading to Huptien Plantations Sdn Bhd for services rendered. Hui Kang Trading is the contractor for Harvesting, Pruning, Spreading Fertilizer and Weeding.

**Invoice Details**

Invoice No: HK0121-02  
Invoice Amount: RM4,279.85  
Invoice Date: 31/1/2021

**Proof of Payment Details**

Cash Payment Voucher No: CP/2102/10  
Payment Date: 9/2/2021

**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** Mr. Jason Lee have conducted the MSPO sustainability policy requirements briefing to the contractors on the 8<sup>th</sup> October 2019 @ 10.30am at the Hupdat Plantation's Office. Total attendance was Six (6) pesons.

Sighted the meeting attendance Record sheet.

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

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

**Summary** Sighted Agreement between Hupdat & Huptien Plantations Sdn Bhd and their contractor Kahang Enterprise and Hui Kang Trading for Harvesting, Punning, Fertilizer Spreading and Weeding for the year 2021 dated 20/12/2020 respectively.

**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 was audited by Global Gateway Certifications Sdn Bhd MSPO auditors on 22<sup>nd</sup> and 23<sup>rd</sup> February 2021 as per audit Plan dated 4<sup>th</sup> February 2021. All the auditors are qualified MSPO auditor. As per the agreement, all estates shall accept MSPO approved auditors to verify assessments through a physical inspection if required.

**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** The verification for all the work performed by the contractors for the estates' operations will be monitored and verified by Mr. Jason Lee, Manager. The payment will be processed upon completion of work and accepted by the manager from the monitoring and checking for all the works given to the contractors.

**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** As there were no new plantings involving forest land or land with high biodiversity. As Such, it is not applicable for all 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** As there were no new plantings involving forest land or land with high biodiversity, conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) is not applicable for the 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** As there were no new plantings and replanting in Peat land in the estate, MPOB guidelines on New Planting and replanting on peat land is not applicable for the 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** As there were no new plantings in the estate, a comprehensive and participatory social and environmental impact assessment (SEIA) prior to establishing new plantings or operations is not applicable.

**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. As such SIEA it is not applicable for the estates.

**In Compliance** ☐ Yes ☐ No ☒ **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** As there were no new plantings involving forest land or land with high biodiversity, incorporating SIEA results into an appropriate management plan and a developed, implemented, monitored and reviewed operational procedures is not applicable

**In Compliance** ☐ Yes ☐ No ☒ **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** As there were no new planting involving, smallholder schemes of above 500ha in total or small estates, documentation and a plan to manage the impacts and implications of how each scheme or small estate is to be managed is not applicable

**In Compliance** ☐ Yes ☐ No ☒ **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** As there were no new plantings involving forest land or land with high biodiversity, Information on soil types to establish the long-term suitability of the land for oil palm cultivation is not applicable.

**In Compliance** ☐ Yes ☐ No ☒ **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** As there were no new plantings involving forest land or land with high biodiversity, Topographic information to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure is not applicable.

**In Compliance** ☐ Yes ☐ No ☒ **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, as such it is not applicable for the 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, it is not applicable for all 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** As there were no new plantings involving forest land or land with high biodiversity, identifying Marginal and fragile soils, including excessive gradients and peat soils, prior to conversion is not applicable to all 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 customary land, as such it is not applicable for the 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 customary land, as such it is not applicable for the 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 customary land, as such it is not applicable for the 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 customary land, as such it is not applicable for the 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 customary land, as such it is not applicable for the 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 customary land, as such it is not applicable for the 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 customary land, as such it is not applicable for the 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 customary land, as such it is not applicable for the 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) Good cooperation and commitment from the management and staff during audit.



## Appendix A: Audit Plan



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

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
23 <sup>rd</sup> February 2021	09:00 – 13:00	<b>Hup Tien Plantations Sdn Bhd:</b> <ul style="list-style-type: none"> <li>➤ <b>Document review and interviews as applicable to this audit</b></li> <li>• Public documents, SOPs, Policies, Internal audit, Production &amp; Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc.</li> <li>• <i>[GGC recommends every 2 hours break session]</i></li> </ul>	MS	MJA JS
	13:00 – 14:00	<ul style="list-style-type: none"> <li>➤ <b>Lunch/Rest</b></li> </ul>	MS	MJA JS





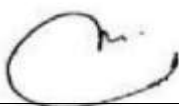

	14:00 – 15300	➤ <b>Continue document audit:</b> Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc.		
	15:30 – 16:00	➤ Verify any outstanding issues and auditor discussion.	MS	MJA JS
	16:00 – 17:00	➤ <b>Centralize Closing Meeting:</b> ➤ Chaired by the Lead Auditor • Presentation of findings by the audit team • Questions & answers and Final summary by Lead Auditor ➤ <b>End of assessment</b>	MS	MJA JS

## Appendix B: Non-Conformity details

Non-Conformities Identified During This Audit			
<b>Major Nonconformities:</b>	No Major Non Conformities were raised during the Audit		
<b>Minor Nonconformities:</b>	One (1) Minor Non-Conformity were raised during the Audit. Given below are the details.		
<b>Company Name</b>	Hupdat Plantation Sdn Bhd & Hup Tien Plantations Sdn Bhd		
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance 1	<input checked="" type="checkbox"/>	Recertification
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organised Smallholder		
<b>Client Number</b>	GGC-BD1-MSPO-2020		
<b>NC No. / Ref.</b>	BD1/MSPO/MINOR/01	<b>Date Detected</b>	23 <sup>rd</sup> Feb 2021
<b>Site(s) concern</b>	Hupdat Plantation Sdn Bhd & Hup Tien Plantations Sdn Bhd	<b>Target Completion</b>	Next surveillance
<b>Normative Reference and Requirement</b>	4.5.3.3 The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage, and disposal.		
<b>NC Type</b>	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
<b>Description of Non-Conformity</b>	Failure to provide "SW record book "as identified in the Waste Management Plan 2020, to record the following schedule wastes <ul style="list-style-type: none"> <li>SW305 – spent lubricant oil</li> <li>SW306 – spent hydraulic oil</li> <li>SW409 – dispose containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or schedule waste</li> <li>SW 410 – used personal protective equipment (PPE)</li> </ul> Subsequently, the estates were unable to provide evidence that the schedule wastes were disposed to a legal contractor approved by DOE.		
<b>NC Objective Evidence:</b> <ul style="list-style-type: none"> <li>Failure of implementation Waste Management Plan 2020.</li> <li>Failure to meet the Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 requirement.</li> </ul>			
<b>Lead Auditor Signature:</b>  		<b>Client Signature:</b>  	

<b>Cause Analysis (to be filled by client):</b>	
Waste management plan is not developed according to actual SW generation. Vehicles are owned by Contractor. SW 409 and SW 410 are from materials purchased by Contractors. Used PPE is contractor's employees. Contractor mixed all thr SW waste from other clients also. Do not have proper details.	
<b>Correction (to be filled by client):</b>	
<ol style="list-style-type: none"> <li>1. To revise Waste Management Plan according to current practise.</li> <li>2. Contractor to establish records on the type of SW generated by clients.</li> <li>3. To dispose SW generated by Contractor according to EQA 1974</li> </ol>	
<b>Corrective Action (to be filled by client):</b>	
<ol style="list-style-type: none"> <li>1. Hupdat Plantation Sdn Bhd &amp; Hup Tien Plantations Sdn Bhd to provide re-training on Waste Management according to EQA 1974</li> <li>2. Contractor to provide SW records generated for every 6 months to Hupdat &amp; Hup Tien Plantation.</li> <li>3. Hudpat &amp; Hup Tien Plantation Sdn Bhd to verify Contractor waste management record during internal audit.</li> </ol>	
<b>Review of correction/corrective action (to be filled by Lead Auditor)</b>	
<b>NC Closed:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Site verification:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Date Verified:</b>	<b>Lead Auditor Signature:</b>



<b>Area of Concern:</b>	Two (2) Area of Concern were raised during the Audit. Given below are the details.			
<b>Company Name</b>	Hupdat Plantation Sdn. Bhd & Hup Tien Plantation Sdn. Bhd.			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-BD1-MSPO-2020			
<b>NC No. / Ref.</b>	BD1/MSPO/AOC/01	<b>Date Detected</b>	23/02/2021	
<b>Site(s) concern</b>	Hupdat Plantation Sdn. Bhd & Hup Tien Plantation Sdn. Bhd.	<b>Target Completion</b>	N/A	
<b>Normative Reference and Requirement</b>	4.4.1.1 Social impact should be identified, and plans are implemented to mitigate the negative impacts and promote the positive ones.			
<b>NC Type</b>	<input type="checkbox"/> Major <input type="checkbox"/> Minor <input checked="" type="checkbox"/> Area of Concern			
<b>Description of AOC:</b> To expand the scope of survey correspondence to others type of stakeholders as identified in Stakeholder's List e.g. Government agency, NGO etc. Currently the survey is only limited to contractor, neighbours, and internal workers.				
<b>Lead Auditor Signature:</b>		<b>Client Signature:</b>		
				


<b>Company Name</b>	Hupdat Plantation Sdn. Bhd & Hup Tien Plantation Sdn. Bhd.			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-BD1-MSPO-2020			
<b>NC No. / Ref.</b>	BD1/MSPO/AOC/02	<b>Date Detected</b>	23/02/2021	
<b>Site(s) concern</b>	Hupdat Plantation Sdn. Bhd & Hup Tien Plantation Sdn. Bhd.	<b>Target Completion</b>	N/A	
<b>Normative Reference and Requirement</b>	4.4.6.3 A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.			
<b>NC Type</b>	<input type="checkbox"/> Major <input type="checkbox"/> Minor <input checked="" type="checkbox"/> Area of Concern			
<b>Description of AOC:</b> Training Plan is not linked with the actual record of training conducted. Example sighted such as training conducted for chemical handler on 18 <sup>th</sup> November 2020 and First Aid Training on 16 <sup>th</sup> Nov 2020 is not included in the yearly training plan.				
<b>Lead Auditor Signature:</b> 		<b>Client Signature:</b> 		



### Non-Conformities Identified During Previous Audit

**Minor Nonconformities:**


The followings NC's were raised for the previous audit. All NC's has been closed during the same year as evidence verified by the Lead Auditor.

<b>Company Name</b>	Hupdat Plantation Sdn. Bhd & Hup Tien Plantation Sdn. Bhd.		
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input type="checkbox"/>	Recertification
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
<b>Client Number</b>	GGC-BD1-MSPO-2019		
<b>NC No. / Ref.</b>	BD1/MSPO/MINOR 01	<b>Date Detected</b>	10 <sup>th</sup> December 2019
<b>Site(s) concern</b>	Hup Tien Plantation Sdn Bhd.	<b>Target Completion</b>	Next Surveillance Audit
<b>Normative Reference and Requirement</b>	4.2.2.2 Minor A management official should be nominated to be responsible for issues related to Indicator 1 (Transparency) at each operating unit.		
<b>NC Type</b>	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
<b>Description of Non-Conformity</b>	No evidence sighted during the audit.		
<b>NC Objective Evidence:</b>			
Appointment of Person responsible for issues related to Indicator 1 is not available during the audit assessment			
<b>Lead Auditor Signature:</b>		<b>Client Signature:</b>	
			
<b>Root cause Analysis (to be filled by client):</b>			
Appointment for Hupdat Plantation Sdn. Bhd. and Hup Tien Sdn. Bhd. is done jointly because Management Staff and Workers are the same personnel for both entities.			
<b>Corrective action planned (to be filled by client):</b>			
1.0 To issue separate appointment letter for both entities			
<b>Preventive Action (to be filled by client):</b>			
1.0 To establish separate documentation system for Hup Tien Sdn. Bhd.			
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>			
The justification given is accepted without further inquiry.			

<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Site verification:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Date Verified:</b> 19 <sup>th</sup> January 2020	<b>Lead Auditor Signature:</b> 

<b>Company Name</b>	Hupdat Plantation Sdn. Bhd & Hup Tien Plantation Sdn. Bhd.			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-BD1-MSPO-2019			
<b>NC No. / Ref.</b>	BD1/MSPO/MINOR 02	<b>Date Detected</b>	10 <sup>th</sup> December 2019	
<b>Site(s) concern</b>	Hup Tien Plantation Sdn Bhd.	<b>Target Completion</b>	Next Surveillance Audit	
<b>Normative Reference and Requirement</b>	4.2.3.3 Minor The management should identify and assign suitable employees to implement and maintain the traceability system.			
<b>NC Type</b>	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
<b>Description of Non-Conformity</b>	No evidence sighted during the audit			
<b>NC Objective Evidence:</b>				
Appointment of Person in charge of Traceability is not available during the audit assessment				
<b>Lead Auditor Signature:</b> 		<b>Client Signature:</b> 		
<b>Root cause Analysis (to be filled by client):</b>				
Appointment for Hupdat Plantation Sdn. Bhd. and Hup Tien Sdn. Bhd. is done jointly because Management Staff and Workers are the same personnel for both entities.				
<b>Corrective action planned (to be filled by client):</b>				
1.0 To issue separate appointment letter for both entities				
<b>Preventive Action (to be filled by client):</b>				
1.0 To establish separate documentation system for Hup Tien Sdn. Bhd.				
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>				
The justification given is accepted without further inquiry.				



<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Site verification:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Date Verified:</b> 19 <sup>th</sup> January 2020	<b>Lead Auditor Signature:</b> 

## Appendix C: List of Stakeholders Contacted

External Stakeholders
<ol style="list-style-type: none"><li>1. Goh Oh cheng – Neighbouring Estate</li><li>2. Tan Kuan Huat – Neighbouring Estate</li></ol>