

GLOBAL GATEWAY CERTIFICATIONS

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

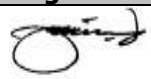
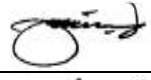

CERTIFICATION AUDIT REPORT


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

Tanah Makmur Berhad
Ladang TM Sri Jelutung

-Individual Certification-

ANNUAL SURVEILLANCE AUDIT 01
16th June 2020

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	13/07/2020	Issued as Draft Report	Muhammad Syafiq bin Abd Razak	Lead Auditor	
B	22/08/2020	Issued as Final Report	Muhammad Syafiq bin Abd Razak	Lead Auditor	
B	01/09/2020	Final Report Approved	Muhd Jamalul Arif bin Hamid	Certifier	

Acknowledgment by Tanah Makmur Berhad					
Rev	Date	Description	Management Representative	Role	Signature
B	01/09/2020	Acceptance of the contents	Dato' Shahrul Nizam bin Abdul Aziz	Group Chief Executive Officer	

Declaration

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

WITH INTEGRITY WE SERVE



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

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

Global Gateway Certifications Sdn. Bhd. (GGC) has conducted the Certification Assessment of Tanah Makmur Berhad, Ladang TM Sri Jelutung. During this Annual Surveillance Audit (ASA 1), the audit team were briefed by Estate Manager, of the supply base disposition. The estate consists only Ladang TM Sri Jelutung.

This assessment was conducted onsite on 16th June 2020 to assess the compliance of the certification unit against the "MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholder". The scope of certification is "Management of Sustainable Oil Palm Plantations from Cultivation, Planting and Production of Fresh Fruit Bunches".

1.2 Company details and Contact information

Company Name	Tanah Makmur Berhad
Business Address	Bangunan Tanah Makmur Berhad, Kotasas Avenue, Persiaran Kotasas, Kota Sultan Ahmad Shah, 25200 Kuantan, Pahang.
Contact Person	Dato' Shahrul Nizam bin Abdul Aziz
Office Telephone	013-3435517
E-Mail	gcoo.tmb@gmail.com ; nizam@tanahmakmurberhad.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.	Ladang TM Sri Jelutung	d/a Ladang TM Paloh Hinai, 26650 Pekan, Pahang.	E 103.1468677	N 3.3460888

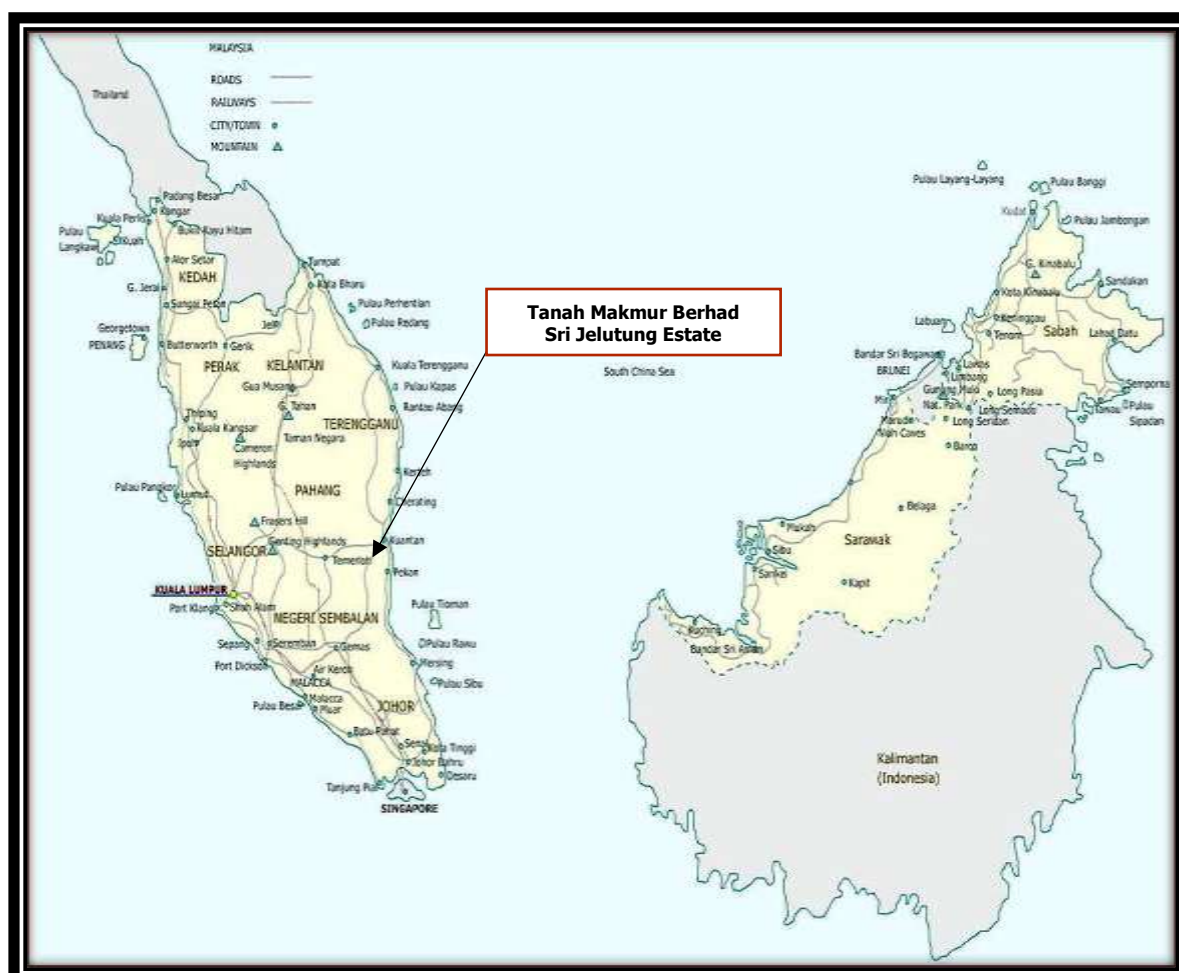


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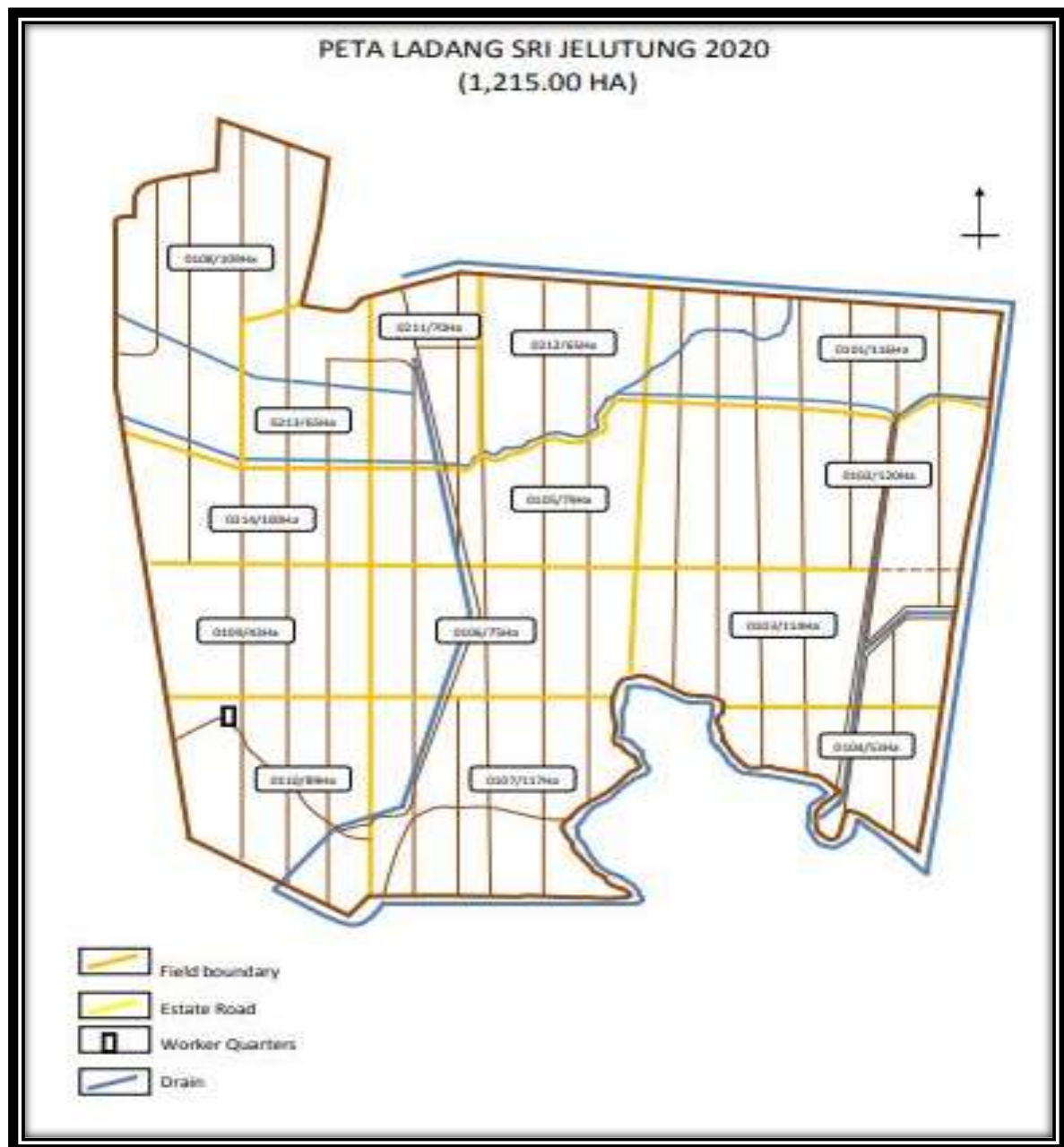
No	Name of the Site	LICENCE NUMBER	EXPIRY DATE	SCOPE ACTIVITY
1.	Ladang TM Sri Jelutung	504176002000	30.04.2021	"Menjual & Mengalih FFB"

Others Sustainability Certification

No	Name Of The Site	Others Sustainability Certifications
1.	Ladang TM Sri Jelutung	NIL

1.4 Map Showing Geographical Location**1) Tanah Makmur Berhad - Ladang TM Sri Jelutung**

2) Ladang TM Sri Jelutong



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

Name of the Certification Unit	Area Summary (HA)		
	Certified Area (per Land Title)	Planted	Mature
Ladang TM Sri Jelutong	1,215.00	845.00	845.00
Total	1,215.00	845.00	845.00

Name of the Certification Unit	Area Summary (HA)		
	Conservation Area	HCV	Others
Ladang TM Sri Jelutung	Nil	Nil	Nil
Total	Nil	Nil	Nil

Name of the Certification Unit	FFB Summary (MT)		
	Projected from last audit	Actual Production for 12 Months [June 2019-May 2020]	Projected Production for next 12 Months [June 2020-May 2021]
Ladang TM Sri Jelutung	17,000.00	18,108.53	17,000.00
Total	17,000.00	18,108.53	17,000.00

1.6 Certificate Details

Certification body

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

Assessment standard

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

Certificate number

GGC-TMB010-MSPO-01-2019

Initial certificate issued date

19th July 2019

Certificate expiry date

18th July 2024

Stage 1 assessment date

10th April 2019

Stage 2 / Main Assessment

17th June 2019

Annual Surveillance 1 [ASA 1]

16th June 2020

Annual Surveillance 2 [ASA 2]

June 2021

Annual Surveillance 3 [ASA 3] June 2022

Annual Surveillance 4 [ASA 4] June 2023

1.7 Qualification of the Lead Assessor and Assessment Team

Lead Auditor

Name: **Muhammad Syafiq bin Abd Razak**

Graduate in plantation management with more than 7 years working experience in various plantation company and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Fully trained in similar agriculture certification programs such as RSPO, SCCS, MSPO and etc. Qualified as Lead Auditor/Auditor in several certification programme. Involved in RSPO and MSPO assessment since 2014. Involved in audits conducted in for many different companies in Malaysia, Indonesia, Australia, Pakistan, India, Arab Saudi and Ivory Coast. Completed and certified MSPO Auditor course in 2014 (3rd Batch) held by MPOB. Member of GGC MSPO audit team.

Experienced in handling mineral and peat soil oil palm estate. Knowledgeable in chemical in control of weeds and pest & disease in Oil Palm Plantation sector. Understanding in Industrial relation and labour law. Attended OSH Act 1994 & Regulations and Factories & Machinery Act 1967 & Regulations Training. Participated in Workshop for Oil Palm Growers on Peat at Bogor, Indonesia. Completed and attended Social Impact Assessment Training at Bogor, Indonesia organized by Remark Asia. Also, has attended training for RSPO GHG calculation on year 2015 in Kuala Lumpur.

During this assessment, he assessed on the aspect of Transparency, Environment, Natural Resources, Biodiversity and Ecosystem Services, Stakeholder's Consultation, Workers Welfare, Best Practices and etc. He is able to speak and understand Bahasa Malaysia and English.

Auditor

Name: **Surenthiran Panneerselvam**

Graduated in PgDip/MSc Oil and Gas Accounting from University of Abertay Dundee, Scotland, UK. Equipped with experience in financial audit, internal audit and sustainability audit. Have more than 8 years working experience. Qualified and involved in MSPO Audit Assessment since year 2017.

Fully trained in audit certification such as MSPO (Malaysian Sustainable Palm Oil), MSPO SCCS (MSPO - Supply Chain) RSPO (Roundtable Sustainable Palm Oil), ISO9001:2015 (Quality Management System), ISO37001:2016 (Anti Bribery Management System). Member of GGC MSPO audit team.

During this assessment, he assessed on the aspect of Management Commitment and Responsibility, Compliance to Legal Requirements and Social Responsibility, Health, Safety and Employment Condition. Able to communicate in both Bahasa Malaysia and English (written and spoken).

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). In the case of this certification unit, sampling calculation was not applied as the estate applied for individual certification.

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

The methodology for collection of objective evidence was established during physical site inspections, observation of tasks and processes, interviews 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 were also been taken into consideration in this assessment.

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

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

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

1.9 Audit Plan Information

Audit Date	16 th June 2020
Name of site(s) visited	Ladang TM Sri Jelutung
Total number of man-days spent	2 man-days

1.10 Audit Result Summary Findings

Category	Numbers	Status (Closed/Open/Not Applicable/No Action Requires)
Major Nonconformities	0	No action requires
Minor Nonconformities	2	Open (Next Surveillance Audit)
Area of Concern	0	No action requires
Noteworthy /Positive Comments	6	No action requires

1.11 Stakeholder Consultation

As per ACB-Malaysian Sustainable Palm Oil (MSPO); ACB-OPMC4; Issue 1, 01st August 2017; Stakeholder Consultation Requirements For Certification Bodies Operating Oil Palm Management Certification Under Malaysian Sustainable Palm Oil (MSPO) Certification Scheme. The consultation during the audit will be carried out during the stage 2 and recertification audit of the management unit. The CB shall carry out stakeholder consultation to ensure continued compliance with the requirements of the certification standards. However, stakeholders' consultation during surveillance audit may be limited to those stakeholders who have raised concerns, complaints or disputes prior to the audit.

During this Annual Surveillance Audit (ASA 1), the audit team has conducted stakeholder consultations involving both internal and external stakeholders 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 estate management.

At the start of meeting, the 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 estate management before incorporating into the assessment findings. There was no negative complaint or feedback received during the audit or during the field assessment when interviewing with the external and internal stakeholders. The details is as per table below:

No	Stakeholders Name	Subject raised / Identified Risk	Company response and proposed action to be taken. [What we did]	Assessment team findings [Outcome]
1.	Stakeholders A (Sprayers Gang)	<ul style="list-style-type: none"> • They have good understanding about MSPO. • They have good understanding about complaint and grievance mechanism. • PPE given by company – free. • They were treated equally with no discrimination based on gender. • They claimed that the management provides good living quarters with proper domestic waste collection and promptly attend to quarters repairs. • They confirmed wages are being paid more than the Minimum Wage Order 2018 of RM1, 100.00 per month and understand all the deductions being made. 	No action requires	Positive findings
2.	Stakeholders B (Harvesting Gang)	<ul style="list-style-type: none"> • Good understanding about MSPO. 	No action requires	Positive findings

		<ul style="list-style-type: none"> • They are very happy with the management and hopes to extend their contract. • They have good understanding about complaint and grievance mechanism. • PPE given by company – free. • They claimed that the management provides good living quarters with proper domestic waste collection and promptly attend to quarters repairs. • They confirmed wages are being paid more than the Minimum Wage Order 2018 of RM1, 100.00 per month and no issue on wages received as well as the deductions made. 		
3.	Stakeholders C (Contractors)	<ul style="list-style-type: none"> • They have good understanding about MSPO. • They informed that the payments were made promptly without any delay. Contract agreement were signed prior commencement of work. • They were aware that any complaints or suggestions could be forwarded to the estate management. • The company has good relation with supplier and there is no issue with company's performance. 	No action requires	Positive findings
4.	Stakeholders E (Estate - Gender Committee Representatives)	<ul style="list-style-type: none"> • There was no discrimination, sexual harassment or violence case reported thus far. • The Management is quite supportive on the Committee activities. 	No action requires	Positive findings

1.12 Recommendation

The company has established sustainability policy, objectives and procedures that define an effective system for the administration and control of sustainability management system throughout all operation activities of Tanah Makmur Berhad, Ladang TM Sri Jelutung. Estate Manager is in charge and ensures that facility and his subordinates comply with the requirements and procedures stated in this manual.

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 (ASA 1).

This report will be internally reviewed for certification decision by GGC and external peer review by independent reviewers (Qualified by MPOCC) not required. During Annual Surveillance Audit (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 2 minor non-conformities have been raised to the facility that being audited.

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

1.13 Date of Next Surveillance Audit

The next annual surveillance assessment visit will be scheduled after 9-12 months of the MSPO Certificate being issued.

1.14 Confidentiality

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

1.15 Abbreviations Used

BOD	Biological Oxygen Demand
CHRA	Chemical Health & Risk Assessment
CIP	Continuous Improvement Plan
COD	Chemical Oxygen Demand
CoP	Code of Practise
CSPO	Certified Sustainable Palm Oil
CPO	Crude Palm Oil
CSPK	Certified Sustainable Palm Kernel
DOE	Department of Environmental
DOSH	Department of Occupational Safety and Health Malaysia
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
FFB	Fresh Fruit Bunch

FGS	Finished Good Stock
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
SPO	Sludge Palm Oil

SECTION II : ASSESSMENT FINDINGS BY PRINCIPLES AND CRITERIA

2.1 Principle 1 : Management commitment and responsibility

Criterion 1 Malaysian Sustainable Palm Oil (MSPO) Policy

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

Summary

The MSPO Policy has been established and incorporated in the "Perlaksanaan dan Komitmen Terhadap MSPO" date on 1st November 2018 signed by Managing Director Tengku Dato' Sri Ahmad Faisal Bin Tengku Ibrahim is established by Tanah Makmur Berhad. The policy clearly stated that Tanah Makmur Berhad is committed to ensuring that its products are produced in a sustainable manner". As evidence, the policies being displayed and sighted at the Estate Office notice board.

Evidence, the policy being communicated to all stakeholders during stakeholder meeting dated 13th February 2020. Sighted meeting minutes "Mesyuarat Pihak Berkepentingan Berpusat, prepared by En. Mohd Faiz Bin Othman and approved by En Taharin Bin Yusoff.

Training materials, photographs and attendance record for both Estates are documented. In total, 15 internal stakeholders and 35 external stakeholders attended the meeting. Stakeholders attended: SK Paloh Hinai, FELCRA, Contractors, LKPP, Indah Agro, Hextar Chemical, BOMBA Chini, SJPOM, JPJ Paloh Hinai, Bismi Agro and others).

During interview with the staff and workers, they are aware regarding the MSPO Policy and the implementation of the MSPO and able to answer the interviewer's question.

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

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

Summary

The MSPO Policy has been established and incorporated in the "Perlaksanaan dan Komitmen Terhadap MSPO" date on 1st November 2018 signed by MD Tengku Dato' Sri Ahmad Faisal Bin Tengku Ibrahim is established by Tanah Makmur Berhad.

Stated in the Sustainability Policy; "Sejajar dengan itu, pengurusan Tanah Makmur Berhad sentiasa komited ke arah penambaihan berterusan dan memainkan peranan dalam mengusahakan perladangan sawit secara lestari dan mampan".

During field observation, staff and workers are committed in complying to estate policies and procedures. As randomly interviewed site workers, managers often emphasize on the commitment to comply with MSPO Standard during morning mustercall.

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	<p>Tanah Makmur Bhd has established MSPO Procedure Title: Audit Dalam MSPO, Doc No: TMB/MSPO/IAM-01, Date 15th November 2018 by Managing Director Tengku Dato' Sri Ahmad Faisal Bin Tengku Ibrahim.</p> <p>Seen, "Jadual Perancangan Tahunan Audit Dalam MSPO, IAM-01/JPT/L1, Lampiran", prepared by En Isrizal bin Israni and approved by Tuan Haji Alias bin Awang. Seen audit plan dated 3rd February 2020 [Ref: (14)dIm.TMB/MSPO/IAM-01].</p> <p>As stated, lead auditor – En Mohd Azif Bin Taib and Auditor – En Muhammad Firdauz Bin Zolkarna'ain. Internal audit assessment is planned on 17th February 2020. [Ref: IAM-01/PAD/L2].</p> <p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
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	<p>Tanah Makmur Bhd has established MSPO Procedure Title: Audit Dalam MSPO, Doc No: TMB/MSPO/IAM-01, Date 15TH November 2018 by Managing Director Tengku Dato' Sri Ahmad Faisal Bin Tengku Ibrahim.</p> <p>The purpose of this procedure is to describe the audit process conducted internally to determine Tanah Makmur Bhd operations are effectively implemented to comply with the Malaysian Sustainable Palm Oil (MSPO) standards. The internal audit conducted by En Isrizal bin Israni, as audit report dated on 17th February 2020, as 11 major NC has been raised.</p> <p>One minor-nonconformity has been raised to Ladang TM Sri Jelutung. As per SOP Internal Audit [Clause 5.5.6 (c)], "Tindakan Pembetulan - Semua Tindakan pembetulan NCR bersama bukti sama ada dokumen atau gambar atau kedua-duanya perlu dikepilkan dan dikemaskinikan bersama Laporan Audit oleh Lead Auditor". During audit verification, found out that there is no evidence made available in order to confirm the closure of NC to the lead auditor. In total 11 NC raised during internal audit dated 17th February 2020.</p> <p>In Compliance <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 3	Report shall be made available to the management for their review.
Summary	<p>The Non – conformities being closed within the stipulated period by the Internal Auditor of 14 days from date audit report issued. The report is available for Management Review Meeting in timely manner.</p>

Minutes of management review meeting was made available dated on 24th February 2020 prepared by En Mohd Faiz Othman and approved by En Taharin Bin Yusoff. Sighted attendance record as 9 management team has gathered during the meeting.

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 Tanah Makmur Bhd has established MSPO Procedure Title: Semakan Pengurusan MSPO, Doc No: TMB/MSPO/MRM-02, Date 15th November 2018 by Managing Director Tengku Dato' Sri Ahmad Faisal Bin Tengku Ibrahim.

As per stated in the procedure, the estate manager is responsible for arranging the meeting, preparing meeting agenda, determine scheduled date and meeting minutes. The agenda shall be as listed below:

1. Review action items from previous meetings.
2. Review the suitability of the policy.
3. Review process performance and product conformity including suitability and achievement of the quality objectives and other measures.
4. Review feedback from customers and other interested parties including data relating to customer perception of weather the organization has met customer requirements (include positive feedback as well complaints). Review customer delivery performance.
5. Review summary and status of non-conformities.
6. Review any changes or requirements that might affect the QMS, e.g. revisions to the MSPO standard, legal & regulatory issues or new processes.
7. Review resource issues such as:
 - Human – current adequacy and future needs, competency, training, organization chart and job descriptions (responsibility, authority and communication);
 - Facility – adequacy, suitability and maintenance of buildings, work environment and services (e.g. communications).
8. Any other business or quality planning. (e.g financial, social, environmental, statutory, regulatory, marketing, etc).

Minutes of management review meeting was made available dated on 24th February 2020 prepared by En Mohd Faiz Othman and approved by En Taharin Bin Yusoff. Sighted attendance record as 9 management team has gathered during the meeting.

Top management discussed the issues rectified from previous audit, and develop the action plan with targeted date.

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

Criterion 4 Continual improvement

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

Summary Tanah Makmur Bhd has established MSPO Procedure Title: Semakan Pengurusan MSPO, Doc No: TMB/MSPO/MRM-02, Date 15th November 2018 by Managing Director Tengku Dato' Sri Ahmad Faisal Bin Tengku Ibrahim.

Sighted, statement on Continual Improvement under Clause 5.6, Kenalpasti untuk Pelan Penambaiakan Berterusan, Lampiran 2, MRM-02/PPB/L2. Continual Improvement Plan for the estates comprising Environmental, Social, OSH and Best Practices.

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 Seen, a few systems being establish by the Estate in order to improve practices in line with new information and techniques. The details as follows: -

No	Sistem	Purpose
1	IECS	Workers salary, Estate Account, Estate Assets and Estate Budget
2	IMOBILE IECS	Harvesting FFB and Piece rate System
3	Plantation Micro Macro Programme	FFB Grading, Workers Attendance, Field Inspection and FFB Transporting
4	TARUCA	FFB In field Collection

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 Trainings were conducted for the introduction and implementation of any new information or technology that is feasible and applicable to the company. Sighted the training on new system was conducted to the related workers and staff to enhance their competency in using the system.

As evidence, estate management has conducted system training dated 2nd March 2020 at Bilik Mesyuarat Ladang TM Sri Jelutung. Sighted attendance record which attended by all workers, seen photographs of Laithan IECS Mobile and including training evaluation forms after training provided.

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 Tanah Makmur Berhad (TMB) has established the Communication Procedure; Title: Komunikasi dan Konsultasi Pihak Berkepentingan. Doc No.: TMB/MSPO/CCS-03 dated on 15th November 2018. Approved by Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim (Managing Director).

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

Sighted stakeholders' meeting with:

- Dated on 13th February 2020. Briefing to Government Agency and Suppliers. Attended by 35 participants.

Records of request and complaint is available as referred to: "Borang Permohonan Maklumat – Berkaitan MSPO" CCS-03/BMM/L4.

Sighted list of stakeholders on 01st February 2020. Prepared by Mr. Mohd Faiz bin Othman (Estate Assistant Manager) and approved by Mr. Taharin bin Yusoff (Estate Manager).

No complaints or request made during the meeting.

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 Sighted Doc No.: "Senarai Dokumen Boleh Didedahkan" from Estate Manager dated 1st February 2020. The memo enlighten summary of documents listed as a guideline for Ladang TM Sri Jelutung to determine the confidentiality status or available for public disclosure.

The classification of management documents as below;

- 1) Confidential
 - Land Title
 - Company Account Statement

2) Non-Confidential

- Environment Policy
- Social Policy
- Sexual Harassment Policy
- OSH Policy
- Zero Burning Policy

All these confidential and non-confidential documents are available and sighted in the estate office.

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 Tanah Makmur Berhad (TMB) has established the Communication Procedure; Title: Komunikasi dan Konsultasi Pihak Berkepentingan. Doc No.: TMB/MSPO/CCS-03 dated on 15th November 2018. Approved by Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim (Managing Director).

The policy has identified the procedure of arrangement for consultation and communication by Ladang TM Sri Jelutung with its relevant stakeholders and how their concern and view 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 Sighted letter of appointment for the responsible person in charge of consultation and communication, Mr. Mohd Faiz bin Othman (Estate Assistant Manager) and approved by Mr. Taharin bin Yusoff (Estate Manager) dated 22nd February 2019.

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 Sighted list of stakeholders on 01st February 2020. Prepared by Mr. Mohd Faiz bin Othman (Estate Assistant Manager) and approved by Mr. Taharin bin Yusoff (Estate Manager).

The list of stakeholders is adequately maintained and keep uptodate. List of External Stakeholders covering Government Agencies, Neighboring Communities and Suppliers being recorded and maintained properly.

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

Criterion 3 Traceability

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

Summary The company has established Standard Operating Procedure: FFB Traceability Procedure. TMB/MSPO/TRC-04 dated on 15th November 2018. Approved by Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim (Managing Director).

The purpose of this procedure is to establish a suitable identification and traceability of oil palm Fresh Fruit Bunch (FFB) production traceable from the plantation activities till dispatch of Palm Oil Mill

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

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

Summary Random check has been conducted in order to inspect on compliance with the traceability system in the estate.

The regular inspection has been carried out by the staff, Assistant Manager and Estate Manager using inspection form.

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

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

Summary Sighted letter of appointment for the responsible person in charge of traceability, Mr. Mohd Faiz bin Othman (Estate Assistant Manager) and approved by Mr. Taharin bin Yusoff (Estate Manager) dated 22nd February 2019.

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

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

Summary All deliveries or transportation of FFB's record was properly maintained by the estate management. Sighted Daily Bunch Record, Delivery Note, Grading Chit and Mill Weighbridge Ticket kept in the office for reference.

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

2.3 Principle 3 : Compliance to legal requirements

Criterion 1 Regulatory requirements

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

Summary

List of permits and license was made available and prepared by Pn Fariza Binti Abdul Razak, Chief Clerk dated on 15th April 2020. Below is the list provided:

1. MPOB License, No. Lesen 50417600200, for Menjual dan Mengalih FFB, for a period of 1st May 2020 to 30th April 2021 untuk 1215 Ha.
2. Permit Barang Kawalan Berjadual), No Siri P: C001395, No Rujukan: PHG/PD/K/78/2019. Diesel (10,000 litre). Validity from 14th November 2019 until 13th November 2020.
3. Akta Kilang dan Jentera, 1967 – Air Compressors, inspection dated on 13th March 2020 [PMT – PH/20 31676].
4. PKPDNHEP – Permit Khas Bernombor Rujukan: PHG/P/K/020/2019 – Petrol Ron 95 valid from 8th February 2020 until 7th August 2020.
5. Permit Potongan Daripada Gaji Pekerja [No Siri: PP3/20/0007/2008, dated 12th September 2008.
(Kelab sukan, zakat, pinjaman bank, koperasi, insurance, ASB Tabung Haji).
6. Permit Potongan daripada Gaji Pekerja, no. ruj: PP3/10605/200010/0004 dated 15th October 2010.
7. Permohonan untuk mendapatkan lessen genset dated 1st April 2019 [No. ruj: (64) dlm.LSJ/PEN.002/2000. Application still pending due to price negotiation. Seen quotation dated 7th June 2019.
Genset – Permohonan Pelesenan Baru Pepasangan Persendirian [No fail: ST(PKN)L/PHG/01388 dated 10th March 2020. Payment has been made by the estate management. Sighted the debit note dated on 30th April 2020.

One minor non-conformity has been raised to Ladang TM Sri Jelutung. Sighted the record of Inventory of Scheduled Waste by estate management.

No.	Scheduled Waste Code	Date Generated	Date Collected
1.	SW 305 – Spent lubricating oil	30/04/2019	04/02/2020
2.	SW 409 – Used of PPE	31/01/2019	04/02/2020
3.	SW 409 – Respirator	31/01/2019	06/02/2020
4.	SW 410 – Filters	31/01/2019	04/02/2020

Referring to Environmental Quality Act 1974 (Act 127):

“Environmental Quality (Scheduled Wastes) Regulations 2005; PU(A) 294/2005; Regulation 9-Storage of Scheduled Wastes; No.5 – Any person may store schedule wastes generated by him for 180 days or less after its generation provided that:

1. The quantity of scheduled wastes accumulated on site shall not exceed 20 metric tonne; and”

Estate has submitted the letter of extension to DOE requesting for extension in disposing the scheduled waste as the date exceeded the stipulated days. However, the application was rejected by DOE.

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

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

Summary List of permits and license was made available and prepared by Pn Fariza Binti Abdul Razak, Chief Clerk dated on 15th April 2020. Tanah Makmur Berhad establishes SOP for legal requirement, namely "Prosedur Pengurusan Pematuhan Undang-Undang" [No dok.: TMB/MSPO/PUU-11] dated 5th April 2019]. There is set of Legal Requirements been divided into 4 types:

- a) Occupational Safety and Health
- b) Environmental
- c) General
- d) Other requirements

This list was maintained in PQMS "Summary of Compliance" that showing fully implementation by the estate. Legal register was last updated on 15th April 2020. Sample of law sighted:

Occupational Safety and Health:	
1.	Occupational Safety and Health Act 1994
2.	Factories and Machinery Act 1967
3.	Uniform Building by Law 1986
4.	Pesticide Act 1974 (Act 149)
Environmental:	
5.	Environmental Quality Act 1974
6.	Local Government Act
General:	
7.	Workers' Minimum Standards of Housing and Amenities Act 1990
8.	Akta Kerja 1955
9.	Employee Provident Fund Act 1991
10.	Employees Sosial Security Act 1969
11.	Akta Kesatuan Sekerja 1959
Other requirements:	
12.	Jadual Pematuhan Departmental of Environment
13.	Minimum Wages Order 2020 (P.U. (A) 5, 10 th January 2020.
14.	Malaysian Palm Oil Board Act 1998 {Act 582}.
15.	Malaysian Palm Oil Board (Licensing) Regulation 2005.
16.	Malaysian Palm Oil Board (Quality) Regulation 2005.
17.	Malaysian Palm Oil Board (Regulation of Contract) Regulation 2005.

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 National legal list is found being updated from time to time e.g. Minimum Wages Order 2020, Environmental Quality Act 1974. Included with ILO Convention, UN Declaration and other relevant laws and regulations. As per interviewed with Pn. Fariza binti Abdul Razak, Chief Clerk, she will update any new amendments or any regulations once received through the communication with internal department, legal register, communication with law/enforcement officers from the Head Quarters. Last updated: 15th April 2020.

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 Responsible person to monitor compliance and to track and update the changes in regulatory requirements is Pn. Fariza binti Abdul Razak and approved by Mr. Taharin Bin Yusoff (Estate manager), sighted letter of appointment [ref: (03)dml.LSJ/TMB/02/22] dated 22nd February 2019.

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 entire land of Ladang Sri Jelutong is under leasehold status with 99 years. Sighted land title # H.S (D). 3633 registered on 24th Feb 2003 with total hectares is 1,215 Ha.

Land title:

No.	No hak milik	Lot	Ha
1.	3633	PT 4901	1,215 Ha

Hectarage statement:

Area	Ha
Mature	845 ha
Buidling	0.5 Ha
Road	41.60 Ha
River	8.90 Ha
Peat land	319.00 Ha
Total	1,215 Ha

Sighted quit rent dated on 31st May 2019 amounted RM36,450.00 for 1,215 Ha [No. AG035/2-19]. However, Syarat – Syarat Nyata for Sri Jelutong still under progress of changing to Oil Palm cultivation. Seen letter from TMB HQ dated 3rd May 2019 [No. ruj: (7)dml. TMB/LDG98/00 Pt.7]. Follow up minutes is made available, as latest update dated on 14th June 2019, fail of submission is pending for approval "Pejabat Tanah Gadaian".

Sighted letter dated 23rd January 2020 [(16)dml.KSB/LDG98/00PT.5] mentioning the application submitted to Majlis Mesyuarat Kerajaan Negeri (MMK) on 15th January 2020.

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 The entire land of Ladang Sri Jelutong is under leasehold status with 99 years. Sighted land title # H.S (D). 3633 registered on 24th Feb 2003 with total hectares is 1215 Ha.

However, Syarat – Syarat Nyata for Sri Jelutong still under progress of changing for Oil Palm cultivation. Seen letter from TMB HQ dated 3rd May 2019 [No. ruj: (7)dml. TMB/LDG98/00 Pt.7]. Follow up minutes is made available, as latest update dated on 14th June 2019, fail of submission is pending for approval “Pejabat Tanah Gadaian”.

Sighted letter dated 23rd January 2020 [(16)dml.KSB/LDG98/00PT.5] mentioning the application submitted to Majlis Mesyuarat Kerajaan Negeri (MMK) on 15th January 2020.

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 As referred to JUPM map, there are 13 boundary markers marked, and map of boundary marker is made available.

Sighted GPS coordinate and cross checked with JUPM map provided by the estate management. During field visit, all boundary marker is clearly demarcated and visibly maintained within the estate boundary.

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 Seen “Prosedur Pengendalian Pertikaian Sempadan” dan “Carta Aliran Pengendalian Pertikaian Sempadan”. Seen “Prosedur Pengendalian Pertikaian Setinggalan” is made available. No disputes recorded in estate area. During interview with stakeholders, there is no issues related to loss of legal customary right with indigenous people, local communities and other stakeholder required.

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

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

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

Criterion 1	Social impact assessment (SIA)
Indicator 1	Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.
Summary	<p>Estate management has conducted Social Impact Assessment (SIA) for Ladang TM Sri Jelutung dated 13th February 2020, prepared by En Mohd Faiz Othman and approved by En Taharin Bin Yusoff. As verified, 46 respondents have participated in questionnaire provided by the estate management in order to assessment the social impact. "Penilaian Impak Sosial" was conducted on 13th February 2020.</p> <p>Below is the following issue raised by the stakeholders as no transport is provided to workers and estate management provide transport allowances and housing allowance (due to no housing provided by the estate management).</p> <p>Sighted, SIA for Internal and External stakeholders being conducted on 13th February 2020. The purpose of Social Impact Assessment is assessing on Access and Use Rights,</p>

Economic livelihoods and working condition, cultural and religion issues, health and education facilities and subsistence activities.

The estate management has conducted stakeholder meeting on 13th February 2020 at Bilik Mesyuarat Ladang TM Paloh Hinai attended by neighboring estate, school representative, government authority and others. Seen the attendance record and photographs as evidence. In total 12 social factor and criteria are examined by distributing the SIA questionnaire to the related stakeholders.

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	<p>Sighted SOP No. TMB/MSPO/CCS-03: Komunikasi dan Konsultasi Pihak Berkepentingan. Dated 15th November 2018 has been established and documented. The procedure signed by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim. Sample of Process Flow and Grievance Form as per Appendix 2 and 3.</p> <p>The procedure and flowchart outlined the mechanism to handle issues highlighted by all the stakeholders and resolved effectively, timely and appropriate manner that is accepted by all parties.</p>
	<p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.
Summary	<p>No complaint being recorded in 2020 to date June 2020. Complaints forms seen and being responded by the Management. However, as per interview with management representative, if there is any complaints or grievances from internal or external stakeholder, management will response according to the SOP established.</p>
	<p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.
Summary	<p>Complaint Form seen for External and Internal Stakeholders. All internal employee and external stakeholders' can deliver their complaints and grievances directly to the management through filling the complaints form and place into the Drop Box outside the Office.</p>
	<p>In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p>
Indicator 4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.

Summary Evidence, the policy being communicated to all 58 workers during morning muster call and during stakeholder meeting. The briefing conducted by The Manager, En. Taharin bin Yusoff. Evidence, communicated to all stakeholders during stakeholder meeting dated 13th February 2020. Sighted meeting minutes "Mesyuarat Pihak Berkepentingan Berpusat, prepared by En Mohd Faiz Bin Othman and approved by En Taharin Bin Yusoff. Meeting minutes, photographs and attendance record for both Estates are documented.

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 Sighted 2 complaints in 2019 to date and zero in 2020. During audit verification, estate management store and documented all past 24 months complaints.

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 Sighted, a Corporate Social Responsibility contribution by the Estate. Sighted "Rekod Sumbangan TM Sri Jelutong Tahun 2020 as below: -

NO	DATE	RECEIVER	AMOUNT (RM)
1	18 th February 2020	PIBG Sekolah Bandar 2 Paloh Hinai (Program Kem Kepimpinan kecil Sekolah 2020)	150.00

Seen payment voucher dated 18th February 2020 [PV: 044/20]. As evidence, proposal of event and photographs was made available.

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 Sighted the Occupational Safety & Health Policy, established on 18th March 2018 which was approved by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim. The policy is written in Bahasa Malaysia language.

The policy being displayed at the Notice Board and awareness programme to all the Stakeholders. Evidence, communicated to all stakeholders during stakeholder meeting dated 13th February 2020. Sighted meeting minutes "Mesyuarat Pihak Berkepentingan Berpusat, prepared by En Mohd Faiz Bin Othman and approved by En Taharin Bin

Yusoff. Meeting minutes, photographs and attendance record for both Estates are documented.

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

Sighted the Occupational Safety & Health Policy, established on 13th March 2018 which was approved by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim. The policy is written in Bahasa Malaysia language. The policy is communicated during MSPO training dated on 21st February 2020 for internal stakeholder and for external stakeholder has been communicated on 13th February 2020.

Adequate HIRARC being assessed and documented. Risk assessment was conducted through HIRARC based on the severity and the likelihood. HIRARC is consist of hazard identification (type of work activity, hazard & effect), Risk analysis (Existing risk control, likelihood, severity & risk) & Risk Control (Recommended control measures & PIC appointed are Staff or Executive).

No.	HIRARC
1.	Security post
2.	Surau
3.	Worker quarters
4.	Fertilizer store
5.	Transporting fertilizer
6.	Fertilizer application in field
7.	Chemical store
8.	Chemical preparation
9.	Chemical spraying
10.	Manual weeding
11.	Diesel tank
12.	Workshop
13.	Generator
14.	Carpenter
15.	Wiring
16.	Travelling to & from work
17.	Driver
18.	FFB loading and collection
19.	Harvesting
20.	Pruning
21.	Spraying
22.	Rat baiting
23.	Trunk injection
24.	Bridge and culvert maintenance
25.	Boundary marking
26.	Landfill
27.	Replanting

HIRARC last review date was on 8th January 2020.

Sighted SOP No. TMB/MSPO/LKP-09: Latihan dan Kompetensi. Dated 15th November 2018 has been established and documented. The procedure signed by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim. The training calendar being indicate under LKP-09/KLT/L1 –Lampiran 1. The Estate has a comprehensive annual training plan for the Staffs and Workers and this was sighted in the training file. Training for sprayers was conducted on 5th June 2020 to all 3 sprayers namely:

- Mijarul Islam
- Saiful Islam Azad
- Mohammad Nazmul Islam

Sighted photographs, attendance, and training procedures made available. Training evaluation form seen and answered by all the sprayers.

During field visit, sighted SDS is displayed as precautions is attached to products that shall be properly observed and applied. All chemical and fertilizers are attached with the SDS in both languages.

Estate has provided appropriate PPE for all workers in their operations. Person in-charge of in issuing PPE is En. Abdul Razak bin Latip, the Spraying Supervisor. PPE Issuance and replacement record sighted for: -

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

The type of PPE is included in the HIRARC assessment chart for all type of job activities. During field visit, found all workers are equipped with PPE highlighted in HIRARC.

CHRA was conducted in 22ND April 2016 by Occumed Consultancy & Services Sdn Bhd, Dr Yasriza Yahaya, JKPP HQ/08/Doc/00/18. Sighted Chemical Register being established and updated 16th March 2019. Seen, Standard Operating Procedure for receiving, handling, storage and disposal of chemicals under Prosedur Bahan Buangan TMB/MSPO/SWM-05 dated 15th November 2018.

Sprayers has undergone medical surveillance at Pantai Hospital dated on 11th February 2020. Below are the workers listed:

- Mohammod Mijarul Islam
- Mohannad Nazmul Islam
- Saiful Islam Azad

Sighted the appointment letter for Chairman Osh, En Taharin bin Yusoff dated 6th December 2018 signed by En Alias bin Awang, Pengurus Besar Perladangan. Seen appointment letter of En Mohd Arif Bin Mohd Shah as person responsible for workers safety and health dated on 22nd February 2019 [No: (02)dIm.LSJ/TMB/02/22] approved by En Taharin Bin Yusoff.

OSH Committee Chart – Jawatankuasa Keselamatan & Kesihatan Pekerja Ladang TM Sri Jelutung sighted, as headed by En Taharin Bin Yusoff. The committee meeting has been conducted on 13th March 2020 attended by 13 workers at Pejabat Ladang TM Sri Jelutung. To discuss all issues regarding worker's safety and health, and no accidents has occurred as to date.

Emergency Response Procedure Standard Operating Procedure, MNL/OSH/2009/1-1.21 dated 1st March 2009 sighted. The ERP has clearly justified procedures when dealing with chemical spillage, accident and others. Emergency response plan include the emergency contact number, Emergency Respond Plan Procedure and exit routes in file and notice board.

ERP Chart 2019 indicates En Muhammad Hazmi bin Aziz as First Aider for Sri Jelutung Estate. He has attended the course conducted by Dr Wan Abdul Rahim bin Wan Muhammad, Pakar Perubatan Kesihatan Awam UD56 Daerah Pekan, Pahang. Seen, 6 staffs and mandores being provided First Aid Kit for their responsibility areas dated 2 January 2019.

Estate has sent JKPP 8 (I & II)/(IV) on annually basis to DOSH dated 16th January 2020 [No ruj: JKPP8/50695/2019]. No accidents were recorded as to date.

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

Criterion 5	Employment conditions
Indicator 1	The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.

Summary Sighted Polisi Kemasyarakatan dan Hak Asasi Manusia established on 1st November 2018 which was approved by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim.

This policy covers: -

- a. Pematuhan terhadap peraturan dan undang –undang buruh yang berkaitan.
- b. Memastikan polisi persaraan minima dipatuhi.
- c. Memberi latihan dan orienta.si yang sewajarnya kepada pekerja baru dan lama.
- d. Tidak membenarkan individu di bawah umur 18 tahun bekerja di ladang – ladang Tanah Makmur Berhad kecuali dengan pengawasan penjaga yang dibenarkan / didaftarkan.
- e. Mematuhi Akta Gaji Minimum dan undang-undang Jabatan Tenaga Kerja serta peraturan-peraturan yang telah ditetapkan oleh pihak berkuasa.
- f. Menghormati amalan social dan persekitaran yang baik.
- g. Bebas daripada diskriminasi dan prejudis terhadap jantina, bangsa, agama, kewarnegaraan dan fahaman politik.
- h. Memberi kediaman yang bersesuaian mengikut peruntukan undang-undang.
- i. Berusaha untuk menyelesaikan sebarang konflik social dan hal ehwal kemasyarakatan sekitarnya.
- j. Menghormati hak-hak kebebasan bersuara dan berpersatuan mengikut lunas undang-undang yang ditetapkan
- k. Mematuhi undang-undang hak milik tanah serta syarat-syarat penggunaannya.

The Policy being displayed at notice boards outside the office.

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.
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Summary Sighted Polisi Kemasyarakatan dan Hak Asasi Manusia established on 1st November 2018 which was approved by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim under clause:

- g. Bebas daripada diskriminasi dan prejudis terhadap jantina, bangsa, agama, kewarnegaraan dan fahaman politik.

No evidence of discrimination 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 Sighted in the Social Policy on Mematuhi Akta Gaji Minimum dan undang-undang Jabatan Tenaga Kerja serta peraturan-peraturan yang telah ditetapkan oleh pihak berkuasa which established on 1st November 2018 which was approved by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim

Pay and conditions are documented in the workers' offer letter and wage payment records / pay slip. The salary is according to 'Guidelines on the Implementation on the Minimum Wages'. National Wages Consultative Council Act 2020 (Act 732) Malaysian minimum salary is RM1,100.00 as stated in the guidelines. Interview with both estate staff and workers and with both male and female confirmed that they understand the terms and conditions of their employment.

Sample taken on Mr. M – AU 003XXX – May 2020

Basic salary	RM1,308.19
Other earned wages	RM163.87
Holiday pay	RM258.84
Productivity incentive	RM85.00
Hard shift allowance	RM80.00
Deduction:	
Cash advance	(RM200.00)
Net pay	RM1,695.90

Sample taken on Mr. Md – BQ 082XXX – May 2020

Basic salary	RM1,210.95
Other earned wages	RM44.15
Holiday pay	RM230.46
Productivity incentive	RM85.00
Hard shift allowance	RM80.00
Deduction:	
Cash advance	(RM200.00)
Net pay	RM1,450.56

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 Sighted, an Agreement, between Tanah Makmur Bhd Ladang Sri Jelutung and Sukran Jaya Enterprise on Pengangkutan dalam Ladang. Pay and conditions are documented in the workers' offer letter and wage payment records / pay slip. The salary is according to 'Guidelines on the Implementation on the Minimum Wages'. National Wages Consultative Council Act 2020 (Act 732) Malaysian minimum salary is RM1,100.00 as stated in the guidelines.

Employee name:

- Mr. Mar – Passport [B 122XXX] – Pemandu JCB

Contract agreement between Ladang TM Sri Jelutung and Nine Six Resources was made available. Contractor are appointed for "membekal mesin jentera untuk mengeluarkan buah BTS".

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 Sighted, the staffs and workers record which stated the offered position, employee number, date joined, wages implied, working hours, OT, allowances, rest day, working on holiday in the Employee Master Listing.

Sample taken as below:

- Ms Fariza bt Abdul Razak
- Mr. Md Khairul Islam
- Mr. Muhri

As interviewed with management representative, chief clerk is responsible in updating the master list of the employees, whenever new recruitment takes place.

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 Employment Contract between Ladang Sri Jelutung and the workers was made available. The Agreement stated all the term and conditions according to Malaysian Law. The contract is in Bahasa Malaysia. This contract is signed by both employee

and employer and accompanied with respective witnesses. Workers employed consisted of local and Indonesian.

During site visit, interviewed the workers, and they agreed, they received the copy of employment contract upon signing.

Sample taken:

- Mr. Sukri
- Mr. Usman Ismail
- Mr. Md Khairul Islam

All workers are aware of the salary given by the employer, and deduction will be deducted from the salary.

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 Management has established Time Recording System based on Thumb print for staff and Pocket Check-roll to workers. Working hours are stated in employment contract and signage of working hours sighted during field visit. Below are the working hours stated in employment contract sampled:

- Saturday – Thursday: 7.00am – 3.00pm
- Holiday: Friday

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 have been clearly stated in the Employment Contract. Sighted in the Contract Agreement the rate of overtime which agreed by both parties. There is no complaint received regarding payment or forced to work on overtime during site interview.

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 Pay slip and employment contracts of each workers was made available. Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers interviewed confirmed that they are being paid more than the stipulated minimum wage and that they understand all the deductions being made. Workers are entitled for overtime payment, and working hours after 3.00pm will be counted as overtime.

- Normal day: rate 1.5
- Leave day: rate 2.0
- Public holiday: rate 3.0

Note: Salary/8 hours x rate x approved overtime hours

Documented payslip was distributed to individual workers on the day of payment. Salary being paid through bank.

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 and accident insurance. With regards to local workers, staffs and executives, all of them are covered under EPF & SOCSO as required by the Malaysian Laws and Regulations. For Indonesian workers, will be covered under SOCSO upon expiring the Foreign Workers Compensation Scheme.

- Productivity allowance
- Hardship allowance
- Housing facilities for workers
- Water subsidized RM6.00 per month
- Medical expenses

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 All workers are provided with housing facilities at workers linesite, and surau. Water being subsidized at RM6 per head and electricity at RM10 per head. Sighted, a letter to Penolong Pengarah, Tenaga Kerja Kanan dated 29th May 2019 on the application of Permit Pemetongan for water usage. The application yet to granted an approval.

During field visit, all housing area were kept clean and management representative will be inspecting the housing area on weekly basis. Seen the housing inspection checklist.

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 Procedure for handling sexual harassment has been established as per "Polisi Gangguan Seksual" on 1st November 2018 which was approved by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim.

The policy is to prevent all forms of sexual harassment and violence at the workplace. Randomly interviewed workers and staff, there were no signs of sexually harassed cases around the estate. No cases were reported as to date.

Estate management has communicated the policies during the MSPO Training and during stakeholder meetings on 13th February 2020. The policy is displayed at offices for awareness.

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 TMB has established "Polisi Kemasyarakatan dan Hak Asasi Manusia" on 1st November 2018 which was approved by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim. In addition, the Social Policy highlighted on, respect the right of all employees to form or join trade union has been stated under clause:

j. Menghormati hak-hak kebebasan bersuara dan berpersatuan mengikut lunas undang-undang yang ditetapkan

Estate management has communicated the policies during the MSPO Training and during stakeholder meetings on 13th February 2020. The policy is displayed at offices for awareness. There is no restriction for the workers/ staff to form 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 Child and young person policy are incorporated in the Social Policy. The policy was established on 1st November 2018 and approved by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim.

The policy on Children and young persons emphasized that, no children and young person shall not be employed or exploited.

d'. Tidak membenarkan individu di bawah umur 18 tahun bekerja di ladang – ladang Tanah Makmur Berhad kecuali dengan pengawasan penjaga yang dibenarkan / didaftarkan.

There are no children below ages of 18 working in the Estate and this was proven through checking the list of employees as to date. The workers were clear that no one below 18 years old should be employed. The policies are displayed on the notice board.

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 Sighted SOP No. TMB/MSPO/LKP-09: Latihan dan Kompetensi. Dated 15th November 2018 has been established and documented. The procedure signed by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim. The training calendar being indicate under LKP-09/KLT/L1 –Lampiran 1. The Estate has a comprehensive annual training plan for the Staffs and Workers and this was sighted in the training file. The programme as follows: -

- Training for chemical sprayers – 5th June 2020 (3 participants)
- Training for drivers – 3rd June 2020 (4 participants)
- Training for MSPO Awareness – 21st February 2020
- Training PPE and Chemical Handling – 29th January 2020
- Training for harvester – 3rd March 2020 (42 participants)
- Training during MCO [COVID -19] dated 19th March 2020 – to all workers

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

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

Summary Yearly training plan is created based on Training Needs Analysis for workers involved in the operations Sighted the Training Need Analysis of all workers, staffs and Management which are based on their competencies and job description under SOP No. TMB/MSPO/LKP-09: Latihan dan Kompetensi. Dated 15th November 2018. The procedure signed by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim. The training calendar being indicate under LKP-09/TNA/L2 –Lampiran 2. The latest Training Need Analysis being prepared by En. Mohd Faiz bin Othman dated 12th February 2020.

In total 48 workers and 10 staff training needs has been developed. The person in charge En. Faiz Othman has prepared the TNA with approval by En Taharin Bin Yusoff dated 12th February 2020 [Doc no.: LKP-09/TNA/L2]. The trainings have been allocated as such:

- Induction
- MSPO Awareness
- Safety and health
- Environmental awareness
- Internal audit
- SIA
- HIRARC
- Laws and regulations
- Work management
- "Kemahiran Insaniah"
- Document control
- Problem solving

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 All workers involved in the operations have been adequately trained in safe working practice. The estate has a comprehensive annual training plan for its staffs and workers and this was sighted in the training records file for each staffs and workers. The training plan for 2020 was sighted. Trainings conducted were recorded in the various trainings record and completed with attendance records, training materials and photographs of the training.

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 Tanah Makmur Berhad has established the "Polisi Perlindungan dan Penjagaan Alam Sekitar" dated on 01st November 2018. Approved by Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim (Managing Director).

As evidence, the policies have been communicated on 21st February 2020. Attended by 52 participants (all workers and estate management).

Sighted the "Pelan Pengurusan Alam Sekitar 2020". Prepared by Mr. Mohd Faiz bin Othman (Estate Assistant Manager) and approved by Mr. Taharin bin Yusoff (Estate Manager).

Environmental Management Plan is available as referred to: "Pelan Pengurusan Alam Sekitar 2020" dated 1st February 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 Tanah Makmur Berhad has established the "Polisi Perlindungan dan Penjagaan Alam Sekitar" dated on 01st November 2018. Approved by Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim (Managing Director).

Sighted "Panduan Penilaian Aspek & Impak Kepada Alam Sekitar has covered 20 Sub-Activities dated 17th January 2020. Prepared by Mr. Mohd Faiz bin Othman (Estate Assistant Manager) and approved by Mr. Taharin bin Yusoff (Estate Manager).

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 Issues from the aspect impact analysis were translated to the Environmental Improvement Plan as referred to: "Pelan Penambahbaikan Berterusan Alam Sekitar 2020" dated 21st April 2020 and Kalender Latihan Tahunan Alam Sekitar, dated 1st March 2020. As evidence:

- Proses
 - Bekas tong racun
- Isu
 - Terdapat bekas tong racun digunakan semula
- Improvement plan
 - Memastikan menggunakan kaedah bilas 3 kali dan ditempatkan di dalam stor buangan berjadual

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

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

Summary Continuous Improvement Plan is available as referred to: "Pelan Penambahbaikan Berterusan" Approved on 21st April 2020.

Stated in "Panduan Penilaian aspek & impak kepada alam sekitar", dated 19th April 2020:

- Aktiviti gotong-royong dan kitar semula program yang dijalankan secara berkala.

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 Training plan as example below:

1. Policy and Objective Environmental
2. HIRARC
3. Environment Aspect Impact Analysis
4. Schedule waste training
5. Manuring activity
6. Water management plan.

Training programmes on the environmental management and improvement are available as referred to "Kalendar Latihan Tahunan" dated 1st March 2020.

As sighted in training records "Borang Kehadiran Latihan Kesedaran MSPO", dated 5th April 2020 at linesite (12 participants consist of workers attended as attendance record was made available, photographs seen).

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 quality has been discussed and briefed with estate workers. Date on 21st February 2020. Attended by 52 participants (all workers and estate management).

Discussed matter mainly about open burning, and ensuring fire extinguisher are installed in placed, and ensuring vehicle entering estate are safe and driver training should be planned.

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 A monthly record on energy consumption for both renewable and non-renewable sources were also maintained documented. It is monitored to optimize use of renewable energy. The data is compiled for comparison and control for future improvement with aim of gradual reduction particularly diesel.

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 The projection consumption of diesel for estate has been documented on annual basis based on the financial year with the latest available is for year 2020.

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

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

Summary There was no opportunity to use renewable energy in estate. Operation of vehicle is fully dependent on fossil fuel.

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 SOP "Prosedur Bahan Buangan" [Doc No.: TMB/MSPO/SWM-05] dated 1st March 2019. Senarai bahan buangan berjadual [Doc No: SWM-05/SBJ/L1 – Lampiran 1]. Schedule waste identified is available as follow:

NO.	DESCRIPTION
1.	SW 102
2.	SW 103
3.	SW 305
4.	SW 306
5.	SW 404
6.	SW 409
7.	SW 410
8.	SW 422

List of domestic waste also sighted as follow:

NO.	DESCRIPTION
1.	Paper
2.	Tin
3.	Plastic
4.	Food waste

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 Sighted SOP "Prosedur Bahan Buangan" [Doc No.: TMB/MSPO/SWM-05] dated 15th November 2018 Waste Management Plan is available as referred to: "Pelan Pengurusan Sisa" dated 15th November 2018. Approved by Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim (Managing Director).

Estate has classified 3 types of waste includes;

- 1) Scheduled waste
- 2) Domestic waste
- 3) Recycle waste

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 Sighted SOP No. TMB/MSPO/CCS-05: "Pengurusan Bahan Buangan". Dated 15th November 2018 has been established and documented. The procedure signed by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim.

The Standard Operating Procedure as below:

- SOP Membancuh Racun
- SOP Basuhan Tiga Kali Bekas Racun
- SOP Bilik Mandi dan Bilik Persalinan
- SOP Setor Bahan Kimia
- Carta alir pengeluaran racun

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 Based on SOP, chemical handling procedure "Pengurusan Bahan Buangan" document TMB/MSPO/SWM-05. Empty container will be pierced. During site visit, the chemical containers have been triple rinsed and punctured to prevent contamination of water source or to human health.

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 Domestic waste is disposed in Land fill, and map is available "Peta Ladang TM Sri Jelutung"- Tapak Pelupusan Sampah as evidenced. The land fill distance between linesite is around 800 m. Seen Jadual Pembuangan Sisa Buangan Domestik (2 times a week).

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

Criterion 4 Reduction of pollution and emission including greenhouse gas

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

Summary The assessment of polluting activities are identified and documented in the environmental impact assessment and management plan. From the EIA, it will be evaluated for the impact and any impact will be included in the management plan.

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

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

Summary The action plan to reduce identified significant pollutants and emissions are included in the environmental management plan. The action plans include:
 1) Storage and disposal of schedule waste
 2) Rubbish collection
 3) To ensure regular maintenance (changing exhaust filter of the vehicle involved).
 4) Etc.

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

The water management plan is available in document WMP-08/PPA/L2 "Doc no: WMP-08/PPA/L2][dated 21st March 2020. Pengurusan Sumber Air Ladang" the plan stated:

No.	Mitigation Plan	Frequency
1.	Record of all water resource in the estate	Once in a year
2.	Analyse water quality in and out	Once in a year
3.	Training for chemical sprayers (avoid spraying at buffer zone)	Once in a year
4.	Frequent checking on bun, wall build across the river	As needed (frequently)

As sighted the water sampling for inlet and outlet of the natural waterways. There is 2 inlet test and 2 outlet tests. The test was made by Central Laboratory Universiti Malaysia Pahang. Water supply is supplied by PAIP.

Sumber/punca air: Pengurusan Air Pahang Berhad (PAIP) Kegunaan: Untuk Perumahan pekerja, surau, pejabat dan operasi harian ladang.

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 across the estate land. Thus, no dam or bund being constructed across the river.

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 Water harvesting practices is maintained by the estate, as there are pond and pump is installed together with water tank to store and the water is used for watering plant, chemical pre mix usage.

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 Seen SOP "Prosedur Pengurusan Spesies Jarang, Terancam, Merbahaya dan Nilai Biodiversity Tinggi [Doc No.: TMB/MSPO/HBV-07] dated 1st March 2019.

Management has taken action by preparing, "Pelan Pengurusan (Pemantauan Hidupan Liar)" and is made available, dated 16th November 2018:

Records are available in the:

1. HBV-07/MHB/L1 "Matriks Mengenalpasti Habitat dan Status Pemuliharaan"
2. HBV-07-PHB/L2 "Pelan Pengurusan Habitat Nilai Biodiversiti Tinggi"
3. HBV-07/LPB/L3 "Lembaran Pemantauan Kepelbagaian Biodiversity."

The Management Plan is available as referred to: "Pelan Pengurusan Biodiversity". Sighted: HBV-07-PHB/L2. During field visit, sighted signage of "No hunting".

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 There is no status of rare, threatened, or endangered species and high biodiversity value area in the estate. Discourage all wild life hunting within the estate compound.

The estate management has committed to comply with the regulations set up by the authorities. As per interview with the workers, they are understood with the employer's instruction to not hunting the wildlife.

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

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

Summary There is no status of rare, threatened, or endangered species and high biodiversity value area in the estate. Thus, no management plan has been established by estate management. However, estate conducted briefing regarding the Sustainability Policy that includes RTE species.

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 Zero burning policy is available as referred to: "Polisi Larangan Pembakaran Terbuka" dated 1st March 2019. There is no evidence of fire being used waste disposal during site visit.

No evidence of fire used for waste management disposal during field visit. Signage was displayed on strictly no open burning is allowed in estate area.

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 No significant risk of diseased palm was reported in the estate. Open burning during new plantings and re-plantings is not allowed.

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 As per interview with Estate Manager, no special approval needed to do open burning. Estate has adopted "Polisi Larangan Pembakaran Terbuka". The practice is observed during field assessment.

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 Open burning in relation to new planting, re-planting or other development is not allowed and this was communicated to all employee and stakeholder. During replanting process, the old palm to be felled, chipped and pulverized and been remained in the field for self-composed.

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 estate has implemented Good Agriculture Practice (GAP) as seen from visit to the estate and seen from the document and also interviewing the workers.

Estate has 3 types of Manuals-

- 1) Polisi Amalan Pertanian Bagi Penanaman dan Penjagaan Kelapa Sawit
- 2) Sistem Pengurusan Keselamatan, Kesihatan dan Persekitaran Pekerjaan Bagi Ladang TM Sri Jelutong Resources
- 3) MSPO Procedure

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

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

Summary Sighted "Polisi Amalan Pertanian Bagi Penanaman dan Penjagaan Kelapa Sawit"; Dated October 2015; SOP NO. 6 for "Pemuliharaan Tanah dan Hakisan Air".

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

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

Summary The estate has a visual reference system to identify each field or block. Each field has the signboard with block number, year of planting, progeny, number of palms and hectare only.

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

Criterion 2 Economic and financial viability plan

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

Summary Estate had an annual budget for the financial year 2019-2021. The estate budget includes the projected FFB, OER, PK and etc production which projected for three years from 2019 until 2021.

It also incorporated item such as general charges, estate maintenance, general services, processing cost, fixed assets and etc. Sighted documented Business and Management Plan prepared by Mr. Mohd Faiz bin Othman (Estate Assistant Manager) and approved by Mr. Taharin bin Yusoff (Estate Manager).

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 As per interviewed with Mr. Mohd Faiz bin Othman (Estate Assistant Manager), there is no replanting programme for the next 5 years as follow for estate;

- Year 2020 = Nil ha



- Year 2021 = Nil ha
- Year 2022 = Nil ha
- Year 2023 = Nil ha
- Year 2024 = Nil ha

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

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

Summary Estate had an annual budget for the financial year 2019-2021. The estate budget includes the projected FFB, OER, PK and etc production which projected for three years from 2019 until 2021.

It also incorporated item such as general charges, estate maintenance, general services, processing cost, fixed assets and etc. Sighted documented Business and Management Plan prepared by Mr. Mohd Faiz bin Othman (Estate Assistant Manager) and approved by Mr. Taharin bin Yusoff (Estate Manager).

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

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

Summary The estate performance is recorded in the monthly progress report. Details on the actual vs budget i.e. Upkeep maintenance, FFB Production, capital expenditure are shown therein. In addition, the monitoring also through Central Reporting System.

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

Criterion 3 Transparent and fair price dealing

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

Summary The FFB Pricing Mechanism is determine and based on the approval by HQ.

The company will make an announcement for tender for other services like Harvesting, EFB Transport and etc,

For others, pricing mechanism is set thru open tender process. Announcement will be made available to all contractors and they will deliver their quotation to the estate. The contractors have signed an agreement with the estate to provide services. The agreement has detailed the pricing mechanism for the service offered.

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 kept in estate office. Sighted the contract Agreement signed by contractor and Ladang TM Sri Jelutung. As evidence, sampled:

- Sighted the Contract Agreement between estate with Sukran Jaya Enterprise (FFB Transport) sealed on 01.01.2020

Payment will be paid 30-60 days after the estate received the invoice from contractors.

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

Criterion 4 Contractor

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

Summary All the contractors aware that estate is certified under MSPO. Therefore, the contractor has been instructed by estate management to follow the MSPO standard requirement.

Pay and conditions are documented in the Workers' Contract Agreement and wage payment records / pay slip.

The salary is according to 'Guidelines on the Implementation on the Minimum Wages'. National Wages Consultative Council Act 2020 (Act 732) Malaysian minimum salary is RM1,100.00 as stated in the guidelines.

Interview with staff and workers confirmed that they understand the terms and conditions of their employment.

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

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

Summary All contracts are kept in estate office. Sighted the contract Agreement signed by contractor and Ladang TM Sri Jelutung. As evidence, sampled:

- Sighted the Contract Agreement between estate with Sukran Jaya Enterprise (FFB Transport) sealed on 01.01.2020.

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 auditor on 16th June 2020. Sighted audit plan dated 12th June 2020 (2nd Revision) which have been accepted address to Dato' Shahrul Nizam bin Abdul Aziz (Group Chief Executive Officer Manager). All the auditors are qualified MSPO auditor. As per agreed, the company accept the GGC MSPO Auditors to verify through a physical inspection if required for audit purposed.

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 Estate verified the work done by the contractors before all the payment paid to the contractors. Estate also inspect the contractor's workers. As per interviewed and also during site visit, the workers aware with OSH requirement. As example, the workers wear the PPE during the work task that given to them.

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

2.7 Principle 7 : Development of new planting

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

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

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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

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

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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 At this moment, there were no new plantings involving peat area. Thus, it is not applicable for Ladang TM Sri Jelutung.

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

Criterion 3 Social and Environmental Impact Assessment (SEIA)

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

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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

Indicator 2 SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders.

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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 There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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 There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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 There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Criterion 5	Planting on steep terrain, marginal and fragile soils
Indicator 1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Indicator 2	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Indicator 3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Criterion 6	Customary land
Indicator 1	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Indicator 2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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

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

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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

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

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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

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

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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

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

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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

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

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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

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

Summary There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Sri Jelutung.

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) The estate management has demonstrated fully commitment during the entire audit process.
- 2) Top management continuously establishes directions for the middle and upper management to execute in ways to comply with the MSPO management system in future.
- 3) The management is highly committed to comply the MSPO system by adopting continuous improvement programs.
- 4) Signages throughout office, chemical area and in the field sites, effectively maintained and appropriate to the needs of the process.
- 5) Good relationship being maintained with surrounding smallholders and villages.
- 6) Good positive feedback received from internal and external stakeholders.

Appendix A: Audit Plan

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
16 th June 2020	08:00 – 09:00	<ul style="list-style-type: none"> ➤ Opening Meeting at Ladang TM Sri Jelutung: <ul style="list-style-type: none"> • Presentation by the manager/coordinator • Presentation by Lead Auditor. ➤ Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation – where applicable). 	MS	SP
	09:00 – 13:00	Ladang TM Sri Jelutung <ul style="list-style-type: none"> ➤ Document Audit: <ul style="list-style-type: none"> • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MS	SP
	10:30 – 12:30	<ul style="list-style-type: none"> ➤ Estate inspection: ➤ Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	MS	SP
	13:00 – 14:00	<ul style="list-style-type: none"> ➤ Lunch 	MS	SP
	14:00 – 15:30	<ul style="list-style-type: none"> ➤ Continue document review <ul style="list-style-type: none"> • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MS	SP
	15:30 – 16:30	<ul style="list-style-type: none"> ➤ Verify any outstanding issues, auditor discussion and end of audit. 	MS	SP
	16:30 – 17:30	<ul style="list-style-type: none"> ➤ Closing Meeting at Ladang TM Sri Jelutung: <ul style="list-style-type: none"> • Chaired by the audit Lead Auditor • Welcome and introduction by the Lead Auditor • Presentation of findings by the audit team • Questions & answers and Final summary by Lead Auditor ➤ End of assessment 	MS	SP



Appendix B : Non-Conformity details

Non-Conformities Identified During This Audit


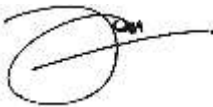
Major Nonconformities:	Non-were raised during this audit.
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Minor Nonconformities:	The following NC's were raised for this audit.
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Company Name	Tanah Makmur Berhad			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-T10-MSPO-2019			
NC No. / Ref.	T10/MSPO/MINOR/01	Date Detected	16 th June 2020	
Site(s) concern	Ladang TM Sri Jelutung	Target Completion	Next Surveillance Audit	
Normative Reference and Requirement	4.1.2.2 The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.			
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	Not in compliance with SOP.			
NC Objective Evidence:				
<p>Tanah Makmur Bhd has established MSPO Procedure Title: Audit Dalaman MSPO, Doc No: TMB/MSPO/IAM-01, dated 15th November 2018 by Managing Director Tengku Dato' Sri Ahmad Faisal Bin Tengku Ibrahim.</p> <p>As per SOP Internal Audit [Clause 5.5.6 (c)], "Tindakan Pembetulan - Semua Tindakan pembetulan NCR bersama bukti sama ada dokumen atau gambar atau kedua-duanya perlu dikepilkan dan dikemaskinikan bersama Laporan Audit oleh Lead Auditor".</p> <p>During audit verification, found out that there is no evidence made available in order to confirm the closure of NC to the lead auditor. In total 11 NC raised during internal audit dated 17th February 2020.</p>				
Lead Auditor Signature:		Client Signature:		
				
Root cause Analysis (to be filled by client):				

NC submission was submitted 3 months from the date given due delay in closing the NC.	
Corrective action planned (to be filled by client):	
NC has been submitted to Internal Audit Department, all NC's has been verified and closed. Estate management will carry out the next internal audit by following the documented procedure.	
Preventive Action (to be filled by client):	
Estate management will ensure all SOP are followed and strengthen the monitoring process in next cycle.	
Review of corrective/preventive action (to be filled by Lead Auditor)	
All the Corrective/Preventive Actions to address identified minor non-conformities have been detailed on an action plan and the intended action reviewed by the Lead Auditor, deemed to be satisfactory and will be followed up at the next surveillance audit.	
NC Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Company Name	Tanah Makmur Berhad		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2
	Surveillance	<input checked="" type="checkbox"/>	Recertification
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		
Client Number	GGC-T10-MSPO-2019		
NC No. / Ref.	T10/MSPO/MINOR/02	Date Detected	16 th June 2020
Site(s) concern	Ladang TM Sri Jelutung	Target Completion	Next Surveillance Audit
Normative Reference and Requirement	4.3.1.1 All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.		
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		

Description of Non-Conformity	Not in compliance to Environmental Quality Act 1974 (Act 127), Environmental Quality (Scheduled Wastes) Regulations 2005; PU(A) 294/2005 and SOP "Pengurusan Bahan Buangan"; Document No: TMB/MSPO/SWM-05.		
NC Objective Evidence:			
Sighted the record of Inventory of Scheduled Waste by estate management.			
No.	Scheduled Waste Code	Date Generated	Date Collected
1.	SW 305 – Spent lubricating oil	30/04/2019	04/02/2020
2.	SW 409 – Used of PPE	31/01/2019	04/02/2020
3.	SW 409 – Respirator	31/01/2019	06/02/2020
4.	SW 410 – Filters	31/01/2019	04/02/2020
<p>Referring to Environmental Quality Act 1974 (Act 127): "Environmental Quality (Scheduled Wastes) Regulations 2005; PU(A) 294/2005; Regulation 9-Storage of Scheduled Wastes; No.5 – Any person may store schedule wastes generated by him for 180 days or less after its generation provided that:</p> <ol style="list-style-type: none"> 1. The quantity of scheduled wastes accumulated on site shall not exceed 20 metric tonne; and" <p>Estate has submitted the letter of extension to DOE requesting for extension in disposing the scheduled waste as the date exceeded the stipulated days. However, the application was rejected by DOE.</p>			
Lead Auditor Signature:		Client Signature:	
			
Root cause Analysis (to be filled by client):			
Lack of awareness and enforcement of 180 days or 20 mt storage requirements regarding schedule waste collection deadline by estate management.			
Corrective action planned (to be filled by client):			
Estate management will dispose within 180 days/20mt for next collection. Within 150 days above estate management will call licensed contractor to collect the disposal waste. In case they reject for collection because of less quantity generated estate management shall get explanation letter from them and submit together with letter to DOE for request extension period storage.			
Preventive Action (to be filled by client):			
Estate management together with internal audit will follow & monitor collection plan for schedule waste collection that we had been establish after NCR. Estate management also had conducted a briefing session to staff regarding the plan.			

Review of corrective/preventive action (to be filled by Lead Auditor)	
All the Corrective/Preventive Actions to address identified minor non-conformities have been detailed on an action plan and the intended action reviewed by the Lead Auditor, deemed to be satisfactory and will be followed up at the next surveillance audit.	
NC Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Area of Concern:	Non-were raised during this audit.
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Non-Conformities Identified During Previous Audit [Main Assessment Audit]

Major Nonconformities:	1 Major NC was raised for this audit.
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Minor Nonconformities:	No NC's were raised for this audit.
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Area of Concern:	Two AOC's were raised for this audit.
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Appendix C : List of Stakeholders Contacted

Attendance List
Internal Stakeholders
1) Ladang TM Sri Jelutung management team and staff
2) Gender Committee Representatives
3) Male and Female workers
4) Workers Representatives
5) Foreign Workers Representatives
External Stakeholders
1) Estate Contractors
2) Estate Suppliers