

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 Ulu Lepar

-Individual Certification-

ANNUAL SURVEILLANCE AUDIT 01
20th June 2020

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	02/07/2020	Issued as Draft Report	Mohamad Razin Bakal	Lead Auditor	
B	23/08/2020	Issued as Final Report	Mohamad Razin Bakal	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



Confidentiality clause: This audit report is confidential and limited in distribution to Global Gateway Certifications Sdn. Bhd. and to the organisation audited. It remains the exclusive property of the certification body, therefore it is forbidden to reproduce either partially or in totality without the formal authorization of the certification body.

Table of Contents

SECTION I : PUBLIC SUMMARY REPORT	3
1.1 Certification Scope	3
1.2 Company details and Contact information.....	3
1.3 Certification Unit.....	3
1.4 Map Showing Geographical Location	4
1.5 Production Area, Actual and Projected FFB Production (MT)	5
1.6 Certificate Details.....	6
1.7 Qualification of the Lead Assessor and Assessment Team.....	6
1.8 Audit Methodology	7
1.9 Audit Plan Information	7
1.10 Audit Result Summary Findings	7
1.11 Stakeholder Consultation.....	8
1.12 Recommendation	10
1.13 Date of Next Surveillance Audit.....	10
1.14 Confidentiality	10
1.15 Abbreviations Used	10
SECTION II : ASSESSMENT FINDINGS BY PRINCIPLES AND CRITERIA.....	12
2.1 Principle 1 : Management commitment and responsibility	12
2.2 Principle 2 : Transparency	14
2.3 Principle 3 : Compliance to legal requirements.....	17
2.4 Principle 4 : Social responsibility, health, safety and employment condition	19
2.5 Principle 5 : Environment, natural resources, biodiversity, and ecosystem services	30
2.6 Principle 6 : Best practices.....	37
2.7 Principle 7 : Development of new planting.....	41
2.8 Details of Audit Findings.....	45

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 Ladang TM Ulu Lepar [Estate]. During this Annual Surveillance Audit (ASA 1), the audit team was briefed by Estate Manager, of the supply base disposition.

This assessment was conducted onsite on 20th June 2019 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**

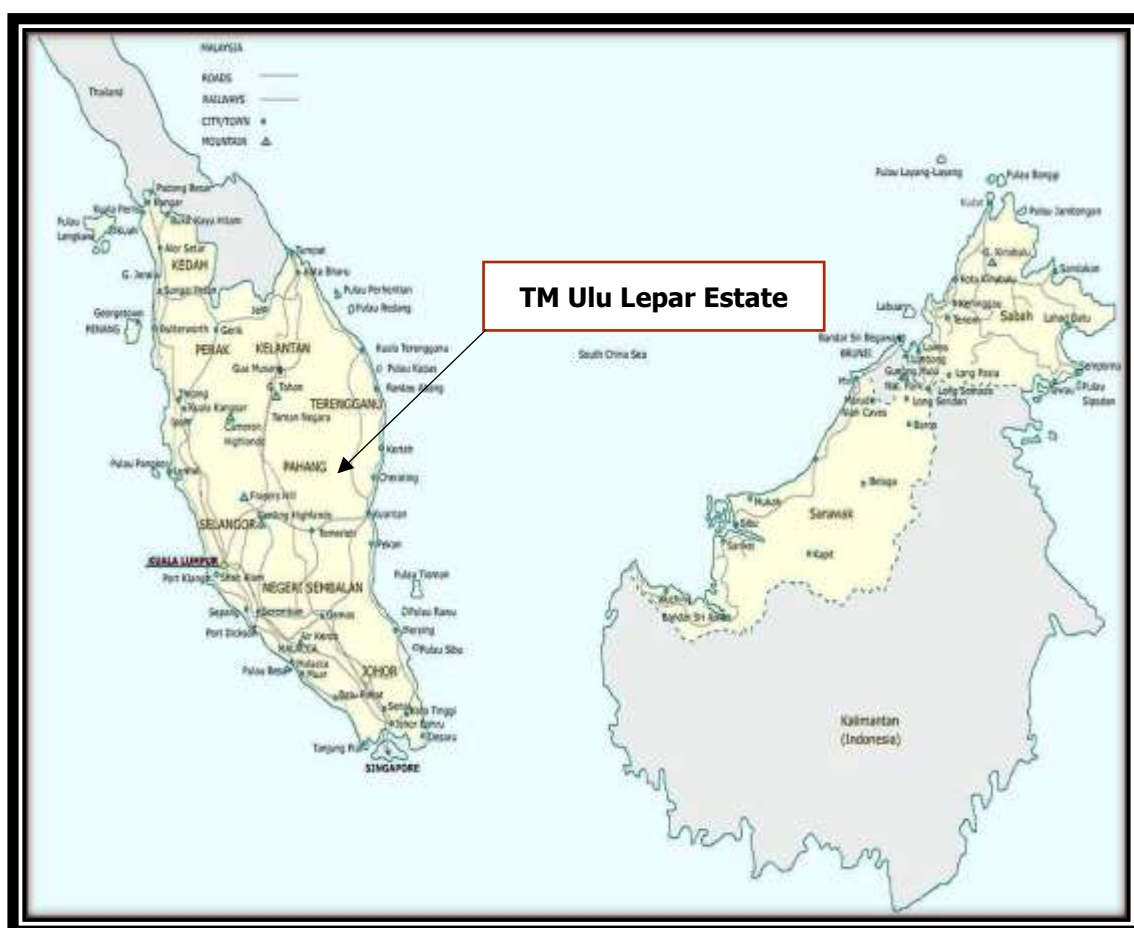
No	Name of the Certification Unit	Site Address	GPS Reference of the site office	
			Longitude	Latitude
1.	Ladang TM Ulu Lepar	Ladang TM Ulu Lepar, Peti Surat No. 7 Pejabat Pos Maran 26500 Maran, Pahang	E 102.872313	N 3.79452

MPOB License Information

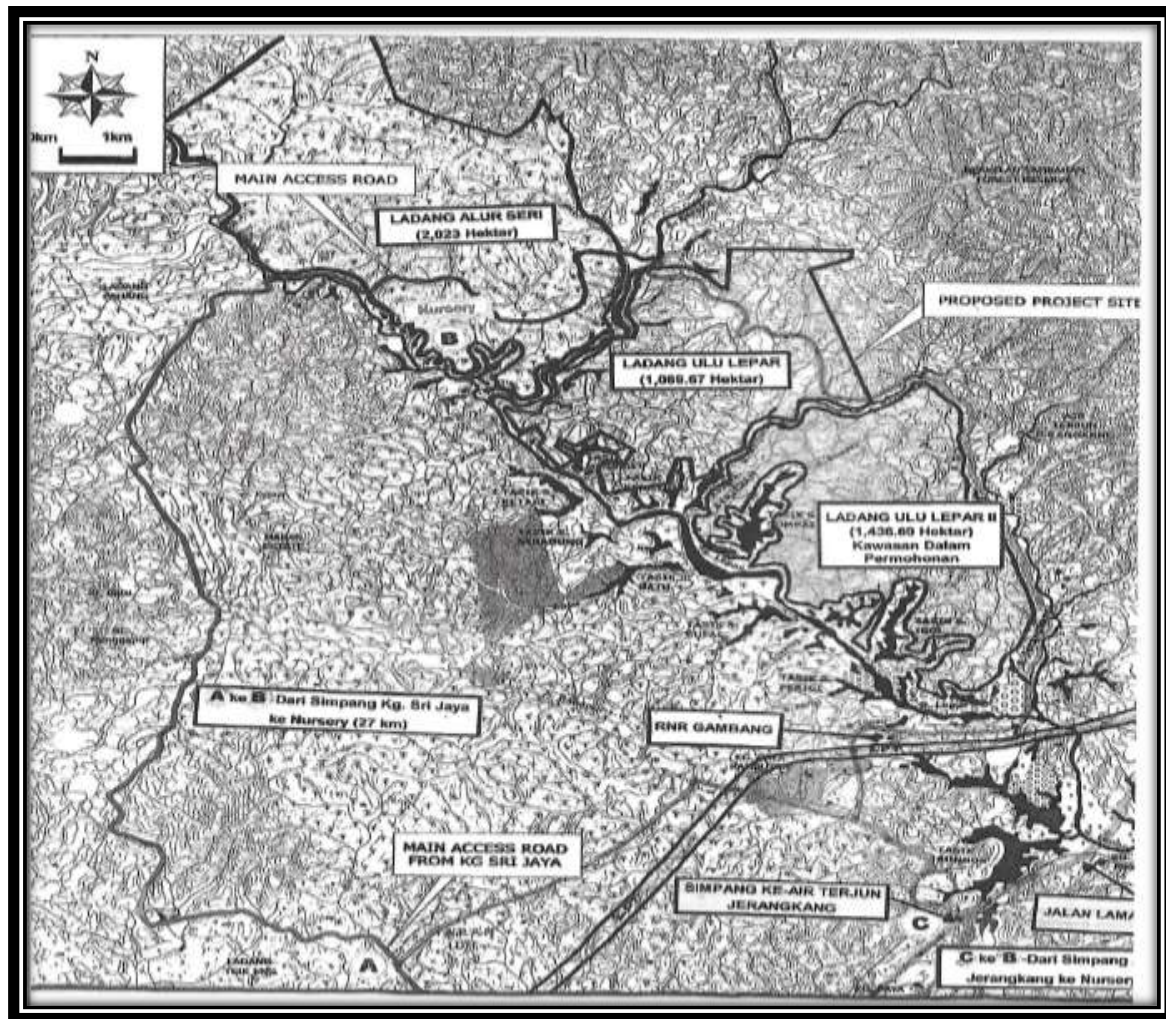
No	Name of the Site	LICENCE NUMBER	EXPIRY DATE	SCOPE ACTIVITY
1	Ladang TM Ulu Lepar	617081002000	31/12/2020	"Menjual dan Mengalih FFB"

Others Sustainability Certification

No	Name Of The Site	Others Sustainability Certifications
1.	NIL	NIL

1.4 Map Showing Geographical Location**1) TM Ulu Lepar Location**

2) TM Ulu Lepar Estate Map



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 Ulu Lepar	1,069.67	1,029.00	1,029.00
Total	1,069.67	1,029.00	1,029.00

Name of the Certification Unit	Area Summary (HA)		
	Conservation Area	HCV	Others
Ladang TM Ulu Lepar	-	-	-
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 Ulu Lepar	8,500.00	5,014.56	8,750.00
Total	8,500.00	5,014.56	8,750.00

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-TMB009-MSPO-01-2019
Initial certificate issued date	19 th July 2019
Certificate expiry date	18 th July 2024
Stage 1 assessment date	09 th April 2019
Stage 2 / Main Assessment	19 th June 2019
Annual Surveillance 1 [ASA 1]	20 th 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: Mohamad Razin bin Bakal

Graduate in Degree of Accountancy with University Putra Malaysia. Having 17 years of working experience in various field in Malaysia, Africa and Indonesia. Have enough knowledge and experiences in oil palm estate operation inclusive of estate administrative, budget preparation, jungle clearing, new planting, nursery establishment and management, harvesting, field upkeep and maintenance, safety and health, vehicle running and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Involved in MSPO auditing since 2018. Qualified as Lead Auditor/Auditor for MSPO 2530:2013, ISO 14001:2015 and ISO 9001:2015 from Sirim Berhad. Member of GGC MSPO audit team.

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: Ismadi bin Hj. Ismail

He holds Diploma in Planting Industry Management from MARA Institute of Technology, Kuantan Pahang. 24 years of working experiences with various plantation companies and skills in Best Agriculture Practices (GAP) for plantation. Fully trained in CoP, MSPO and OSHAS. Qualified as Lead Auditor/Auditor for MSPO and CoP. Involved in MSPO assessment since 2017. Completed and certified MSPO Auditor course in 2017 held by SGS (M) Sdn Bhd and ISO 9001:2015 lead auditor course by TOMC. 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 there is only one estate namely Ladang TM Ulu Lepar.

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	20 th June 2020
Name of site(s) visited	Ladang TM Ulu Lepar
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 (To Verify Next Surveillance Audit)
Area of Concern	0	No action requires
Noteworthy /Positive Comments	7	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 internal 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 (Harvester)	<ul style="list-style-type: none"> MSPO awareness, company policy and SOP are briefed to workers during muster call. All of them having good understanding about MSPO. Monthly salary payment was made promptly without any delay before 7th every month. All of them are aware that any complaints or suggestions could be forwarded to the estate management. Feel very happy with the management and hopes to continue service for a long period of time Have good relationship between worker and management. Personal Protective Equipment are distributed free of charged by management. 	No action requires	Positive findings

		<ul style="list-style-type: none"> • There is no conflict ever happened between worker & estate management. • Company well managing the welfare, health and safety of their workers. • Have been treated equally without any discrimination. The salary was according to Minimum Wage Order 2020. 		
2	Stakeholders B (Estate Staff)	<ul style="list-style-type: none"> • Having good knowledge about MSPO implementation, company policy and SOP • Have good relationship with the estate management and top management from HQ. • There is no conflict ever happened between staff & estate management. • Have good understanding about complaint and grievance mechanism. • Company well managing the welfare, health and safety of their staff. 	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 Ladang TM Ulu Lepar. 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 0 Major, 2 (two) NC Minor and 0 Area of concern 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" is awarded to Ladang TM Ulu Lepar.

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 18 staffs and workers during morning muster call dated 30th January 2020. The briefing conducted by The Assistant Manager, Mohd Shahreza bin Kamaruddin

Sighted, the External Stakeholder Meeting was conducted on 18th February 2020 at Majlis Daerah Maran Meeting Room which attended by 38 representatives. The meeting was collaborated between Alur Seri Estate, Aur Gading Estate and Ulu Lepar Estate.

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

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

Summary The policy highlighted all the MSPO principles to be implemented by the company. The policy also stated that the company is going for "Penambahbaikan Berterusan dan memainkan peranan dalam mengusahakan perladangan sawit secara lestari dan mampan.

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 Internal audit procedure sighted as per document No: TMB/MSPO/IAM-01 (Prosedur Audit Dalaman), dated 15.11.2018.

Seen, Jadual Perancangan Tahunan Audit Dalaman MSPO, IAM-01/JPT/L1, Lampiran 1, prepared by En Isrizal bin Israni and approved by Tuan Haji Alias bin Awang. The date proposed was on 20th February 2020.

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

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

Summary 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

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 Mohd Azif bin Taib and En. Muhammad Firdauz bin Zolkarna'ain on 20th February 2020. Twelve (12) major and one (1) minor non-conformities being raised during audit.

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

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

Summary 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.

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 whether 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)

The Management Review Meeting was conducted on 3rd March 2020 at TMB Alur Seri Meeting Room. The meeting attended by 11 participants.

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 Penambaihan Berterusan, Lampiran 2, MRM-02/PPB/L2.

Continual Improvement Plan for the estates comprising Environmental, Social, OSH and Best Practices. The details as follows:-

No	Continual Improvement Plan	Deadline
1	Pihak ladang dalam proses membuat landskap dikawasan pejabat dan perumahan kakitangan dan pekerja	In next 3 months
2	Pihak ladang dalam proses menyediakan tempat riadah untuk pekerja	Next Month

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 No new information and techniques or new industry standards and technology being introduce in the Estate.

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

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

Summary No new information and techniques or new industry standards and technology being introduced in the Estate.

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 Ulu Lepar Estate has established the Communication Procedure; Title: Komunikasi dan Konsultasi Pihak Berkepentingan. Doc No.: TMB/MSPO/CCS-03. Records of request and complaint is available as referred to: "Borang Permohonan Maklumat – Berkaitan MSPO" CCS-03/BMM/L4.

The management has communicated to the Internal and External stakeholders on the Complaint and Grievance procedures and also how to request for information from the estate in the stakeholders meeting. Details of Internal and External Stakeholders Meeting as follows :

Date: 2nd March 2020

Venue: Bilik Mesyuarat Ladang Ulu Lepar

Attendance: 9 persons (Internal)

Date: 18th February 2020

Venue: Bilik Mesyuarat Majlis Daerah Maran

Attendance: 38 persons (External)

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 listing of management documents that are confidential and non-confidential that can be made publicly. Sighted list of Publicly Available documents during audit where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social. The list of documents was prepared

by En. Mohd Shahreza bin Kamarudin and verified by En. Zulhisham bin Mat Din (Manager) dated on 1st January 2020.

The publicly available document includes:

- MSPO Policies
- Schedule Waste
- Estate organization chart
- Complaint form
- MSPO matter related officer in charged.

Documents cannot expose to public are includes;

- Estate MSPO procedures
- Pengurusan pelan tindakan
- Jadual audit dalaman
- Laporan audit dalaman
- Senarai nama audit dan surat lantikan
- Minit mesyuarat kajian semula pengurusan.

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 Seen SOP for communication of stakeholders, "Komunikasi dan Konsultasi Pihak Berkepentingan", [No. dok: TMB/MSPO/CCS-03, dated 15th November 2018.

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 Ulu Lepar Estate has nominated En. Mohd Shahreza bin Kamarudin as person responsible for consultation and communication through letter of appointment dated on 2nd March 2019 signed by En. Mohd Zulhashim bin Din (Manager).

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 latest stakeholder list updated for year 2019 dated 18th March 2019. List of stakeholders is available with document named: "Senarai Pihak Berkepentingan" stakeholder such as UNION, MPOCC, Pengurusan Air Pahang Berhad (PAIP), DOSH, DOE, KPDNKK, SJPOM etc. is included in the list. List of stakeholder has been prepared by En. Mohd Shahreza bin Kamarudin and verified by En. Mohd Zulhashim bin Din (Manager) dated on 3rd January 2020.

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 Seen SOP for Traceability, "Kebolehhkesanan BTS" [No Dok.: TMB/MSPO/TRC-04] dated 15th November 2018. Implementation of the *Plantation Micro Macro Program (PMMP)* has been demonstrated at the time of audit.

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

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

Summary FFB Traceability Inspection using "Senarai Semak Kebolehhjekkan" was made available and check by Traceability PIC and verify by Estate Manager. Sighted record of checking dated on 3^{1st} May 2020 checked by En. Noor Esam bin Ahmad and verify by En. Zulhashim bin Din (Manager).

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

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

Summary Ulu Lepar Estate has nominated En. Noor Esam bin Ahmad as person responsible for traceability through letter of appointment dated on 1st March 2020 signed by En. Mohd Zulhashim bin Din (Manager).

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

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

Summary Sighted all records done by estate management. From field to the mill. Estate will The records and documents related to FFB traceability such as weighbridge tickets and daily FFB delivery records were adequately maintained by the estate.

Internal transport ticket:

- Date: 18/06/2020
- Contractor : Nomy Enterprise
- Supplier : Block 1604
- Docket no: P0011952
- Vehicle No.: CD 1
- Product: FFB
- Trans code: Contract
- Quantity: 5,140 KG



External transport ticket:

- Mill: Seri Jelotong Palm Oil Mill
- Date: 19/06/2020
- Time: 14.53
- Docket no: S0001429
- Vehicle No.: VAV 9651
- Product: FFB
- Quantity: 40,330 KG

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 Prosedur Pengurusan Pematuhan Undang-Undang [No doc.: TMB/MSPO/PUU-11] dated 5th April 2019.

List of applicable laws has been established as documented in "Legal and Other Requirements Register (LORR)". The list contains of local and international laws and regulations has been updated on 29th April 2019. There is set of Legal Requirements been divided into:

- a. OSH
- b. Environment
- c. Water
- d. HR Related
- e. Other Local Malaysian Requirements
- f. Key International Laws and Conventions Applicable to the production of palm oil

Non-Compliance (Minor)

Non-compliance to Environmental Quality (Schedule Waste) Regulations 2005 PU(A) 294/2005 and SOP Pengurusan Bahan Buangan No. Document : TMB / MSPO / SWM – 05M section 5.2 (Inventori Bahan Buangan Terjadual).

Record of " Penyelenggaraan Traktor Ladang Ulu Lepar 2020 " shown that 2 units of farm tractor with registration No. CDW 4079 and CDS 8917 have changed the lubricant oil during servicing dated 3rd April 2020.

No evidence of the above schedule waste being recorded as per regulation Environmental Quality (Schedule Waste) Regulations 2005 PU(A) 294/2005 section 11, waste generator shall keep an inventory of schedule wastes and SOP Pengurusan Bahan Buangan No. Document : TMB / MSPO / SWM – 05M section 5.2 (Inventori



Bahan Buangan Terjadual) in the Borang Bahan Buangan Berjadual Jadual 5 (peraturan 11) Kualiti Alam Sekitar (Bahan Buangan Berjadual) Peraturan 2005 Pindaan 2007.

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

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

Summary Sighted Permits and Licenses being kept and monitored by the Company. The Company has the following documents;

1. MPOB License, No Lesen: 617081002000, untuk menjual dan mengalih FFB (keluasan estet: 1,069.67ha) bagi tempoh 01.01.2020 to 31.12.2020.
2. Potongan upah di bawah Seksyen 24 Akta Kerja 1955 bagi Tujuan Pembayaran yuran Kelab Sukan dan Kebajikan Lembaga Kemajuan Perusahaan Pertanian Negeri Pahang.

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

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

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

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

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

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

Summary Ulu Lepar Estate has nominated Puan Noremy binti Hashim as person responsible for monitoring compliance and to track the update changes in regulatory requirements through letter of appointment dated on 1st March 2019 signed by En. Zulhashim bin Din (Manager).

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 Ulu Lepar Estate is under original landlord, Lembaga Kemajuan Perusahaan Pertanian Negeri Pahang. There is no new development since then.

The copy of land title is maintained in estate office. There is clearly stated syarat for Pertanian. The Company land title is available and well maintained.

No	Lot No	Titled Ha
1	No 4333	1,069.67

Sighted evidence of premium payment of land paid as follow :

1. Cheque RM 106,970.00 dated on 9th May 2019 for Lot No. 4333

Boundary visual inspection conducted and found clearly demarcate during the field visit.

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 Ulu Lepar Estate is under original landlord, Lembaga Kemajuan Perusahaan Pertanian Negeri Pahang.

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 Estate has completed re-surveyed the estate perimeter to allocated the new marking for boundary. This is sighted in 'Peta Batu Sempadan Ladang Ulu Lepar. From documentation, there is 67 poles been maintained on site.

Sighted sampled evidence of map Showing the Location of Boundary Markers for estate as follows;

- GPS Coordinate Pole 1 – N 3 48.523, E 102 54.100
- GPS Coordinate Pole 3 – N 3 48.127, E 102 54.941

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

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

Summary There is no evidence of conflict present in this estate. There is no violence in instigated violence in maintaining peace because company has a clear procedure for land conflict.

During interview with Estate Manager, no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported.

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	There is no customary land in or surrounding the estate. There are also no land disputes or claims involving this estate. The company has proper legal land tile for the land ownership.
In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable	
Indicator 2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available.
Summary	There is no customary land in or surrounding the estate. There are also no land disputes or claims involving this estate. The company has proper legal land tile for the land ownership. Therefore, no maps for recognized customary rights is available.
In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable	
Indicator 3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.
Summary	There is no customary land in or surrounding the estate. There are also no land disputes or claims involving this estate. The company has proper legal land tile for the land ownership.
In Compliance <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable	

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

Criterion 1 Social impact assessment (SIA)	
Indicator 1	Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.
Summary	<p>Sighted, SIA for Internal and External stakeholders being conducted on 18th February 2020. The purpose of Social Impact Assessment is assessing on Access and Use Rights, Economic livelihoods and working condition, cultural and religion issues, health and education facilities and subsistence activities. 49 internal stakeholders being assessed and responded.</p> <p>Seen, 12 questionnaires in the assessment and 2 responded positives.</p> <p>Seen in the review report, the mitigation plan on the negative's response.</p> <p>Post assessment was conducted on the even date.</p>

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 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.

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.

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

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

Summary Sighted 'Aduan Pihak Berkepentingan dan Resolusi Matriks' [Doc. No.: CCS-03/ARM/L3 dated 13th March 2019.

8 complaints being recorded in 2020 and mainly on repair to main access road. Sample taken on repair to window pane, faulty door lock and clogged piping system by Mr. Mahrin dated 2nd June 2020.

The matter being resolved on 10th June 2020.

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

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

Summary Prosedur Komunikasi dan Konsultasi Pihak Berkepentingan", [No. dok: TMB/MSPO/CCS-03, dated 15th November 2018]. Approved by Tengku Dato Sri Ahmad Faisal Bin Tengku Ibrahim, Managing Director dated 15th November 2018.

As per Clause 5. (vi), complaint box is stationed at main office, kongsi [Doc No.: CCA-03/BAM/L2) is prepared for stakeholders to raise any complaint or concern.

Workers has shown good understanding on estate complain procedure as per interview session with them during estate site visit.

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.

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

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

Summary Evidence, the policy being communicated to all 18 staffs and workers during morning muster call dated 30th January 2020. The briefing conducted by The Assistant Manager, Mohd Shahreza bin Kamaruddin

Sighted, the External Stakeholder Meeting was conducted on 18th February 2020 at Majlis Daerah Maran Meeting Room which attended by 38 representatives. The meeting was collaborated between Alur Seri Estate, Aur Gading Estate and Ulu Lepar Estate.

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 Seen, 3 complaints being recorded in 2019 and 8 in 2020 to date. There were no negative complaints made by either party in the last 24 months.

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

Criterion 3 Commitment to contribute to local sustainable development

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

Summary The Estate is committed and have contributed to local development. The contribution made to the internal and external stakeholders. In general the CSR performed by the company consist of the following:

1. Contribution for the local communities programme
2. Support for the implementation of the programme such as blood donation and religious festival i.e. Hari Raya. Sample taken on the followings Corporate Social Responsibility contribution by the Estate on the followings:-

No	Date	Receiver	Amount
1	29/01/2020	Kejohanan Bola Sepak Kelab Polis Maran	RM300.00

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

Criterion 4 Employees safety and health

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

Summary 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 being displayed at the Notice Board and awareness programme to all the Stakeholders.

2020 Estate OSH objectives as follows:-

- a. Kepatuhan kepada Akta Keselamatan Pekerjaan dan Kesihatan 1994 dan Akta Kilang dan Jentera 1967
- b. Aktiviti Keselamatan dan Kesihatan.
- c. Memberi kesedaran tentang keselamatan kesihatan kepada semua pekerja & pihak ketiga untuk mewujudkan suasana bekerja yang selamat.

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

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).

HIRAC review date was on 29TH April 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.

The programme as follows:-

	TOPIC	MONTH PROGRAMME	STATUS DONE
1	Pengendalian Jentera	Feb & Aug	11/02/2020
2	Pemakaian PPE	Feb & Oct	22/02/2020
3	Pertolongan Cemas	Jan & July	09/01/2020
4	Pengendalian Bahan Kimia	Jan & Nov	11/01/2020
5	Open Burning	Mac & Nov	08/02/2020
6	Memancas pelepah	Mac & Nov	03/03/2020
7	Sisa Buangan Berjadual	Mac & Oct	09/03/2020
8	Spraying	May & Sept	27/05/2020
9	Environment	Feb & Nov	08/02/2020
10	IECS	June & Dec	08/06/2020
11	Harvesting	July & Dec	On-Going

Training records for Harvesting was sighted on 11th January 2020 conducted by En. Mohd Shahreza bin Kamaruddin attended by 6 participants.

Estate has provided appropriate PPE for all workers in their operations.

Person in-charge of in issuing PPE is Cik Nurul Syairah bt Mat Seman , the Storekeeper

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.

CHRA was conducted in 8th May 2019 by Occumed Consultancy & Services Sdn Bhd, Dr Yasriza Yahaya, JKKP HIE 127/171/2(8)

Sighted Chemical Register being established and updated 31ST May 2020.

Seen, Standard Operating Procedure for receiving, handling, storage and disposal of chemicals under Prosedur Bahan Buangan TMB/MSPO/SWM-05 dated 15TH November 2018.

Seen, all the Medical Surveillance report for 5 workers conducted on 18th December 2019. All of them are fit for work.

Sighted the appointment letter for Chairman Osh, En. Mohd Zulhashim bin Din dated 1st January 2020 signed by En Alias bin Awang , Pengurus Besar Perladangan..

OSH Committee Chart 2020 sighted. Seen, Letter of appointment for committee members dated 1st January 2020.

Non-Compliance (Minor)

Evidence the interval of meeting being conducted in- consistently and against the Occupational Safety and Health (Safety and Health Committee) Regulation 1996, Part IV Meetings of Safety and Health Committee, Regulation 21 - Frequency of meetings of committee.

(1) A safety and health committee shall meet as often as may be necessary commensurate with the risk's attendant on the nature of work at the place of work but shall not meet less than once in three months. Sample taken as follows: -

- a. 3rd March 2020
- b. 3rd October 2019
- c. 11th March 2019

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 2020 indicates En Mohd Shahreza bin Kamarudin as First Aider for Ulu Lepar Estate. He has attended the course conducted by Dr Suzana bt Mohd Hashim, Pegawai Kesihatan Daerah, Temerloh.

A First Aid Kit equipped with approved contents seen available at each worksite. Seen, the 1st Aid Box replenishment record book. The content being checked on periodical basis Seen, 4 staffs and mandores being provided First Aid Kit for their responsibility.

Estate has sent JKPP 8 (I & II)/(IV) on annually basis to DOSH dated 23rd January 2020. No accidents occurred in 2019.

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 :-

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

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 Polisi Kemasyarakatan dan Hak Asasi Manusia 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 RM1200.00 as stated in the guidelines.

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

Sample taken on Mr. A F – 840104-06-XXXX– May 2020

Item	Income (RM)	Deduction (RM)	Net Income (RM)
Basic Salary	1,200.10		
Holiday Pay	218.20		
Housing Allowance	90.00		
Overtime	196.32		
Transport Allowance	70.00		
Cola	150.00		
Cash Advance		200.00	
KWSP		190.00	
SOCSSO		9.75	
SIP		3.90	
Total	1,924.62	403.65	1,520.97

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 Ulu Lepar and the following Contractor,:-
 a) Nomy Enterprise – FFB Transport – Mohd Azmi bi Othman – 841016-02-5293
 b) Jentera Makmur – JCB Transport – En. Mohd Affindi bin Senek – 760601-06-5283

Both contracts are on month to month basis. No workers under the above contractor as they also act as the worker.

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 on
 a. Ahmad Faizul bin Suboh – 840104 – 06 – 5661
 b. Mazuki Mohamad – 770521- 11 -5331
 c. Imran – AU 574217
 d. Bagus Sukmayadi – AU 091932
 e. Muttakain Ramli – AU 495717
 f. Misdah – AU 496316

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

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

Summary Sighted, Employment Contract between Ladang Alur Seri and the workers. 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. Sample taken on

- a. Azhazul bin Zulkiflee – 850518-08-5717
- b. Nur Nadzirah bt Razmi – 970906-06-5562
- c. Md Morshaf Ali – BK 0437398
- d. Mohammad Suhan Ali – BQ 0940991



- e. Mohammad Johir Ali – BQ 0396442
- f. Anggun Sastria Gunawan – C 6324004
- g. Mur – AU 187567
- h. Heriawan – AU 207520

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 Management has established Time Recording System based on Thumb print for staff / mandore and PPMP System to workers.

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

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

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

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

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 sighted.

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.

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, all are covered under SOCSO.

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, takraw court, and surau.

Water being subsidized at RM6 per head and electricity at RM10 per head.

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 established on 1st November 2018 which was approved by Managing Director, Tengku Dato' Sri Ahmad Faisal bin Tengku Ibrahim.

The policy to prevent all forms of sexual harassment and violence at the workplace

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 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.

In addition, the Social Policy did stated 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

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 is 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 shall not be employed or exploited. has been stated under the following number:

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. The workers were clear that no one below 18 years old should be employed.

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:-

	TOPIC	MONTH PROGRAMME	STATUS DONE
1	Pengendalian Jentera	Feb & Aug	11/02/2020
2	Pemakaian PPE	Feb & Oct	22/02/2020
3	Pertolongan Cemas	Jan & July	09/01/2020
4	Pengendalian Bahan Kimia	Jan & Nov	11/01/2020
5	Open Burning	Mac & Nov	08/02/2020
6	Memancas pelepas	Mac & Nov	03/03/2020

7	Sisa Buangan Berjadual	Mac & Oct	09/03/2020
8	Spraying	May & Sept	27/05/2020
9	Environment	Feb & Nov	08/02/2020
10	IECS	June & Dec	08/06/2020
11	Harvesting	July & Dec	On-Going

Training records for Spraying was sighted on 27th May 2020 conducted by En Mohd Shahreza bin Kamarudin, Assistant Manager of TMB Ulu Lepar attended by 14 participants.

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 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 Shahreza bin Kamarudin dated 30th January 2020.

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.

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 Sighted the management has conducted the environment Policy in document "Polisi Perlindungan dan Penjagaan Alam Sekitar" and "Polisi Larangan Pembakaran Terbuka. The policy was signed by Tengku Dato' Sri Ahmad Faisal Bin Tengku Ibrahim as their managing director dated on 1st November 2018.

Policies have been communicated through "Taklimat dan Latihan Alam Sekitar" on 11th February 2020 at Muster Call area and attended by all workers, contractors' workers and estate management. Records are available in the "Training (2)" File.

Environmental Management Plan is available as referred to: "Plan Pengurusan Alam Sekitar" dated 1st January 2020 and the implementation has been verified during the site visit at the time of audit.

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 Environmental Policy is available as referred to: "Polisi Perlindungan dan Penjagaan Alam Sekitar" dated 1st November 2018.

The aspect and impact analysis of all operations is available as referred to document: EVM-06/AIS/L1 dated 3rd March 2020 and the implementation has been verified during the site visit at the time of audit.

The environmental aspect identification findings are recorded in documents covering 16 processes/activities. The environmental aspects being identified includes as sample below :

Aspek Alam Sekitar	Kesan Alam Sekitar	Kesan Tahap Risiko	Langkah Mitigasi
Penggunaan petrokimia	Pencemaran tanah dan air	6	Sentiasa memantau aktiviti pengangkutan semasa operasi ladang
Bahan buangan manusia dijana daripada perumahan pekerja	Pencemaran tanah dan air	6	Membina system pembuangan yang teratur seperti mengali lubang untuk pelupusan dan di kambus

Kebocoran minyak daripada tractor	Pencemaran tanah dan air	6	Sentiasa melakukan pemantauan berkala terhadap operasi tractor
Pelupusan bag baja	Pencemaran tanah	6	Melupuskan bahan beg baja kepada agen pelupusan yang berdaftar

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 Environmental Management Plan is available as referred to: "Plan Pengurusan Alam Sekitar 2020" dated 6th January 2020 prepared by En. Mohd Faizul Izwan bin Khalid and verified by En. Mohd Zulhashim bin Din (Manager).

Pelan Pengurusan	Pengawasan dan Penunjuk
Menyediakan jadual kutip sampah untuk perumah pekerja	Staff Alam Sekitar
Penutupan lubang sampah lama dan penggalian lubang sampah yang baharu	Staff Alam Sekitar
Menyediakan latihan dan taklimat Alam Sekitar kepada dan pekerja	Staff Alam Sekitar

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

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

Summary The Continuous Improvement Plan is available as referred to: "Pelan Penambahbaikan Berterusan" dated 7th January 2020. The plan includes;

- i. Sentiasa ada latihan kesedaran tentang alam sekitar
- ii. Pihak ladang sediakan Jadual berkala kutipan sampah
- iii. Pihak ladang membuat bancia di hidupan liar

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 programs on the Environmental Management and Improvement are available as referred to "Kalendar Latihan Tahunan".

Sighted Kalendar Latihan Tahunan 2020 prepared by En. Mohd Faizul Izwan bin Khalid and verified by En. Mohd Zulhashim bin Din (Manager) as listed below;

1. Kempen dan latihan kitar semula (3R)
2. Latihan sisa bahan buangan domestic
3. Latihan sisa bahan buangan terjadual
4. Latihan pengendalian dan penyelenggaraan jentera

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 Meetings, where the environmental quality is discussed, were conducted on 16th March 2020 during the "Mesyuarat Ahli Jawatankuasa Alam Sekitar" at Meeting Room and attended by the 12 committee members. Minute meeting was prepared by En. Mohd Faizul Izwan bin Khalid and verified by En. Mohd Zulhashim bin Din. The agenda of the meeting as below;

1. Welcoming by Chairman
2. Matter arising
3. Appointment of Environment Committee
4. Closing

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 Records on the consumption of non-renewable energy and the baseline values are available as referred to: "Rekod Penggunaan Tenaga" as to-date.

Ulu Lepar Estate has established the Energy Optimization Plan for 2020 as below;

- Method / Description : Reduce energy consumption
- Action Plan :
 1. Using less power lighting and offer much longer lifespan i.e LED, CFL
 2. Switch off equipment when not in use
 3. Use energy efficient device & energy saving features
 4. Discourage the excessive use of lighting or electricity
 5. Educate all employees on energy saving

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 Ulu Lepar Estate has established its Greenhouse Gas (GHG) calculation for the year 2020 calculated for January to May 2020 based on the following emissions parameter;

1. Electric
2. Diesel
3. Water

Non Renewable	Usage	FFB (MT)	Usage / FFB
Electric (kwh)	3,123.00	2,821.77	1.11
Air (liter)	2,909.00	2,821.77	1.03
Diesel (liter)	11,950.00	2,821.77	4.23

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

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

Summary The use of renewable energy is not implemented thus far.

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 Waste Management Plan is available as referred to: "Pelan Pengurusan Sisa" dated 10th February 2020 prepared by En. Mohd Faizul Izwan bin Mohd Khalid and verified by En. Mohd Zulhashim bin Din (Manager).

The purpose of this procedure is to describe the procedure for waste management for all related activities of estate. There are 2 procedure flow outline in these procedures;

1. Waste Management Flow
2. Waste Disposal Flow

Company classification on scheduled waste include;

1. SW305 Spent Lubricating oil
2. SW306 Used Hydraulic Oil
3. SW409 Disposed containers, bag or equipment contaminated with chemical, pesticides, mineral oil and schedule wastes
4. SW410 Rags, plastics, papers or filters contaminated with schedule wastes

5. SW408 Contaminated soil, debris or matter resulting from cleaning up of a spill of chemical, mineral oil or schedule wastes

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 Waste Management Plan is available as referred to: "Pelan Pengurusan Sisa" dated 10th February 2020 prepared by En. Mohd Faizul Izwan bin Mohd Khalid and verified by En. Mohd Zulhashim bin Din (Manager). The plan consist of sample evidence below;

Kod : SW 305

Kategori : Minyak Pelincir Terpakai

Sumber : Kenderaan (Tractor, Lori, Van and Motor)

Kawalan :

1. Disimpan di dalam bekas yang tahan lasak untuk memastikan sisa minyak lincir terpakai tidak mengalir ke kawasan persekitaran
2. Bekas simpanan bahan berjadual mestilah sentiasa tertutup dan dibuka hanya untuk menambah dan mengeluarkan bahan berjadual
3. Sebarang kesan tumpahan bahan berjadual mestilah dibersihkan menggunakan kit tumpahan dan setelah di bersihkan, kit tumpahan tersebut mestilah disimpan di dalam tong dan dilabel sebagai (SW)-bahan berjadual.

Tindakan :

1. Bengkel hendaklah mengemaskini jumlah minyak pelincir terpakai secara bulanan dan mengisi "Fifth Schedule" sebagaimana arahan Jabatan Alam Sekitar Malaysia
2. Memaklumkan kepada Penolong Pengurus sekiranya minyak pelincir terpakai yang disimpan melebihi 20MT atau 180 hari.
3. Pengurusan mestilah mengawasi :
 - i. Senarai bahan berjadual yang dihasilkan
 - ii. Inventory bahan berjadual yang dihasilkan (bulanan)
 - iii. Senarai semak inventori
 - iv. Nota Konsainan
 - v. Kebersihan setor

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 SOP on handling used chemical is available and referred to: "Pengurusan Bahan Buangan" document TMB/MSPO/SWM-05 dated 15th Nov 2018.

Document attached under this SOP

- Lampiran 1 : Senarai Bahan Buangan Berjadual
- Lampiran 2 : Pemberitahuan Bahan Buangan Berjadual
- Lampiran 3 : Inventori Bulanan Bahan Buangan Berjadual
- Lampiran 4 : Borang Rekod Bahan Buangan Berjadual
- Lampiran 5 : Nota Kosainan Bahan Buangan Berjadual
- Lampiran 6 : Senarai Semak Jadual Bahan Buangan Berjadual
- Lampiran 7 : Simbol Bahan Buangan Berjadual

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 Sighted, SOP for "Pengurusan Bahan Buangan" document TMB/MSPO/SWM-05 dated 15th Nov 2018. The empty pesticides containers will be appropriately treated as stated in the SOP "Pengurusan Bahan Buangan"

Sighted record of triple rinse for empty pesticide container as below

No	Month	No of Empty pesticides containers
1	January	24
2	February	38
3	March	-
4	April	-
5	May	-

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 Implementation of waste disposal through landfill method has been verified during the site visit at the time of audit. Landfill area were located at Block 1. Based on Map sighted that there are, away from Housing and Water course.

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 Management of energy used is available as recorded in the "Pelan Pengurusan Gas Rumah Hijau" dated on 2nd January 2020 prepared by En. Mohd Faizul Izwan bin Mohd Khalid and verified by En. Mohd Zulhashim bin Din (Manager).

Assessment for source of polluting as below;

1. Pelepasan asap seperti asap lori, traktor dan genset
2. Pengangkutan BTS ke Ramp & Kilang Sawit
3. Pelepasan Gas Rumah Hijau daripada baja (Nitrogen)

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

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

Summary Sighted assessment on polluting activities dated 9th February 2020 prepared by En. Mohd Shahreza bin Kamaruddin and verified by En. Mohd Zulhashim bin Din dated on 10th February 2020.

No	Sumber Gas Rumah Hijau	Impak Alam Sekitar	Program Kawalan
1	Pelepasan asap seperti asap lori, traktor dan genset	Pencemaran udara	Melakukan penyelenggaraan secara berkala
2	Pengangkutan BTS ke Ramp & Kilang Sawit	Pencemaran udara, bunyi dan gas rumah hijau	Memberi nasihat kepada pemandu sentiasa melakukan penyelenggaraan ke atas kenderaan
3	Pelepasan Gas Rumah Hijau daripada Baja (Nitrogen)	Pencemaran udara – Pemanasan Global	Mengikut nasihat agronomist

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

Criterion 5 Natural water resources

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

- a) Assessment of water usage and sources of supply.
- b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.
- c) Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).

- d) Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.
- e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.
- f) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.

Summary Sighted Water management Plan dated 1st January 2020 prepared by En. Mohd Faizul Izwan bin Khalid and verified by En. Mohd Zulhashim bin Din (Manager).

Identification of usage and source of supply as listed below;

Source of water	Use of water
Air sungai yang di rawat	Perumahan pekerja, surau, pejabat dan operasi harian ladang

Sighted the water sampling dated 21st May 2020 for water treatment is available. The assessment was conducted by PERMULALAB SDN. BHD. Water in- take is from Sg. Berakit.

Water Certificate of Analysis (COA) has been carried out by PERMULALAB SDN. BHD. BOD test started on 13th May 2020 and temperature testing on 12th May 2020, BVAQ Reference : 20-129841. Sample was taken and sent to laboratory and sample result is within the limit.

Based on the estate map, there is 1 river namely Sg. Berakit recorded pass though the estate area.

Rain water is used for general purpose and for mixing of herbicides.

Buffer zone was marked clearly along the Sg. Berakit.

Bore well is not applicable

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

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

Summary During site visit, no construction of bunds, weirs and dams across main rivers or waterways passing through an estate.

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

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

Summary During site visit conducted to estate fields, there were evidence of road side drains constructed along the main road.

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

Criterion 6	Status of rare, threatened, or endangered species and high biodiversity value area
Indicator 1	<p>Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <p>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</p> <p>b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p>

Summary Records are available in the:

1. HBV-07/MHB/L1 "Matriks Mengenalpasti Habitat dan Status Pemuliharaan" dated 2nd June 2020.
2. HBV-07-PHB/L2 "Pelan Pengurusan Habitat Nilai Biodiversiti Tinggi dated 2nd June 2020.
3. HBV-07/LPB/L3 "Lembaran Pemantauan Kepelbagaian Biodiversity dated 9th June 2020
4. HBV-07/GHL/L4; Lampiran bergambar.

The Management Plan is available as referred to "Pelan Pengurusan Biodiversity".

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

Indicator 2	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts.</p>
--------------------	---

Summary The management plan for Biodiversity is available in "Pelan Pengurusan Habitat Nilai Biodiversiti Tinggi" document HBV-07/PHB/L2. Interview with staff during site visit reveal that the employee aware on the illegal hunting to protect the RTE species.

2. HBV-07-PHB/L2 "Pelan Pengurusan Habitat Nilai Biodiversiti Tinggi

Pelan Pengurusan	Tindakan Pengurusan	Pengawasan dan Penunjuk
------------------	---------------------	-------------------------

Memberi perhatian kepelbagaian biologi termasuk termasuk sepsis endemic dan spesies jarang ditemui, terancam atau merbahaya yang signifikan di peringkat global, serantau atau nasional	Memantau kepelbagaian biologi	Kemaskini maklumat melalui jabatan peliharaan
Kawasan ladang yang mempunyai ekosistem yang signifikan di peringkat global, serantau atau nasional dan mengandungi populasi / spesis yang diwartakan sebagai terancam dan jarang ditemui	Memantau ekosistem ladang	Laporan daripada pegawai bertanggungjawab
Habitat jarang ditemui, terancam atau ekosistem merbahaya dan diancam kepupusan	Memantau habitat di dalam ladang	Laporan daripada pegawai bertanggungjawab
Kawasan yang mempunyai ekosistem asas dalam situasi penting dan kritikal termasuklah kawasan tadahan air, kawasan yang mempunyai hakisan tanah yang kritikal dan cerun yang terdedah serta berbahaya	Menyelenggara system jalan berkala	Pegawai memastikan jalan dalam keadaan baik
Tapak dan sumber yang lengkap untuk memenuhi keperluan asas masyarakat setempat atau penduduk asli (contohnya mata pencarian, kesihatan, pemakanan, air) dan dikenalpasti melalui penglibatan komuniti atau masyarakat pribumi ini	Memantau tapak ladang	Laporan daripada pegawai bertanggungjawab
Tapak, sumber, habitat dan lanskap dari budaya global atau nasional, arkeologi atau sejarah yang signifikan dan budaya yang kritikal, ekologi, ekonomi atau agama yang penting untuk budaya tradisional masyarakat setempat atau penduduk asli, yang dikenalpasti melalui penglibatan dengan komuniti setempat atau masyarakat pribumi	Memantau persekitaran ladang	Laporan daripada pegawai bertanggungjawab

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 None RTE species been identified. However, the Estate has following and continuously execute on the monitoring activities. Sighted "Borang Bancian Hidupan Liar".

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 SOP for Oil Palm Replanting, Version 1.0 dated 15th November 2018 sighted. No burning of agricultural waste is allow as outlined in the SOP.

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 SOP on replanting activity is available as referred to : Manual "Polisi Amalan Pertanian bagi Penanaman dan Penjagaan Kelapa Sawit".

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. All replanting activities are using the felling method. 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 Best practice procedure Is available in "Polisi Amalan Pertanian Bagi Penanaman dan Penjagaan Kelapa Sawit" dated published in October 2015. The document contains SOP and procedures for most of estate operations such as:

1. Oil Palm Replanting
2. Oil Palm Nursey Establishment

3. Land preparation for replanting
4. Soil and water conservation
5. Roads and boundaries
6. Legume cover crop
7. Immature oil palm maintenance
8. Harvesting
9. Black Bunch Census (BBC)
10. Mature Palm maintenance
11. Fertilizer application

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 in "Polisi Amalan Pertanian Bagi Penanaman dan Penjagaan Kelapa Sawit" on sloping land and levels is available under Clause 6.0 : 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, hectare, stand per hectare and task number.

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 2020. The budget includes the projected FFB production, general charges, upkeep & cultivation, Collection and Immature areas.

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 No replanting programme for the Estate in next 5 years.

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

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

Summary Sighted 5 years Business Management Plan being established from FY2019 until FY 2023.

The Business Plan includes the projected FFB production, total revenue, total cost of sale, Estate operational cost and Nett Profit / Loss before tax.

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 estates 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.

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 The Contract Agreement is fair and transparent. Seen, under Syarat – Syarat Tambahan bagi Perjanjian Kontrak stated under clause 16.4 “Tempoh kredit ialah selama 30 hari dari tarikh tuntutan bayaran tetapi tertakluk kepada budi bicara serta perbincangan dari masa ke semasa atas persetujuan kedua-dua belah pihak”.

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 Policies and MSPO requirements have been communicated through “Latihan dan Mesyuarat bersama pihak Kontraktor” on 3rd March 2020 which attended by 3 representatives.

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

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

Summary Sighted, an Agreement, between Tanah Makmur Bhd Ladang and the following contractors:

No	Name of Contractor	Nature of work	Date Contract
1	Nomy Enterprise	Pengangkutan dalam Ladang	01/06/2020-30/06/2020
2	Jentera Makmur	JCB	01/06/2020-30/06/2020

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 As sighted in contractor agreement, the contractor is agreed to be assessed by MSPO approved auditors to verify assessments through physical inspection if required ensure that contractor is auditable.

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 Ulu Lepar.

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 Ulu Lepar.

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

Criterion 2 Peat land

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

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

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 Ulu Lepar.

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 Ulu Lepar.

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 Ulu Lepar.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Indicator 4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Ulu Lepar.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Criterion 4	Soil and topographic information
Indicator 1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Ulu Lepar.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Indicator 2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.
Summary	There were no new plantings involving forest land or land with high biodiversity. Thus, it is not applicable for Ladang TM Ulu Lepar.
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 Ulu Lepar.
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 Ulu Lepar.

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

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

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

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

Criterion 6 Customary land

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

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

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

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

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

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 Ulu Lepar.

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 Ulu Lepar.

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 Ulu Lepar.

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 Ulu Lepar.

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 Ulu Lepar.

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 Ulu Lepar.

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

2.8 Details of Audit Findings

Details Non-Conformity

- See Appendix B -

Details of Area of Concern

- See Appendix B -

Details of Noteworthy / Positive Findings

- 1) Top management continuously establishes directions for the middle and upper management to execute in ways to comply with the MSPO management system in future.
- 2) The management is highly committed to comply the MSPO system by adopting continuous improvement programs.
- 3) The estate management has demonstrated fully commitment during the entire audit process.
- 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.
- 7) Good record keeping has been established in the office in order to easily retrieve the documents required during the audit process.

Appendix A: Audit Plan


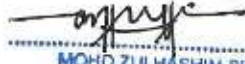
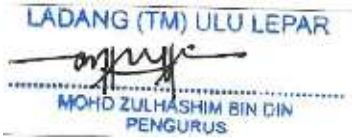
AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
20 th June 2020	08:00 – 09:00	<ul style="list-style-type: none"> ➤ Opening Meeting at Ladang TM Ulu Lepar: <ul style="list-style-type: none"> • Presentation by the manager/coordinator • Presentation by Lead Auditor. ➤ Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation – where applicable). 	MRB	IBI
	09:00 – 13:00	Ladang TM Ulu Lepar <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. 	MRB	IBI
	10:30 – 12:30	<ul style="list-style-type: none"> ➤ Estate inspection: <ul style="list-style-type: none"> • 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. 	MRB	IBI
	13:00 – 14:00	<ul style="list-style-type: none"> ➤ Lunch 	MRB	IBI
	14:00 – 16:00	<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. 	MRB	IBI
	16:00 – 16:30	<ul style="list-style-type: none"> ➤ Verify any outstanding issues and auditor discussion. 	MRB	IBI
	16:30 – 17:00	<ul style="list-style-type: none"> ➤ Closing Meeting at Ladang TM Ulu Lepar: <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 	MRB	IBI

Appendix B : Non-Conformity details

Non-Conformities Identified During This Audit

Major Nonconformities:	Non-were raised during this audit.
-------------------------------	------------------------------------



Minor Nonconformities:	2 (two) Minor NC's were raised for this audit.
-------------------------------	--

Company Name	Tanah Makmur Berhad – Ladang Ulu Lepar			
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-T9-MSPO-2019			
NC No. / Ref.	T9/MSPO/MINOR/01	Date Detected	20/06/2020	
Site(s) concern	TM Ulu Lepar	Target Completion	Next Surveillance	
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	Non-compliance to Environmental Quality (Schedule Waste) Regulations 2005 PU(A) 294/2005 and SOP Pengurusan Bahan Buangan No. Document : TMB / MSPO / SWM – 05M section 5.2 (Inventori Bahan Buangan Terjadual)			
NC Objective Evidence:				
Record of “ Penyelenggaraan Traktor Ladang Ulu Lepar 2020 ” shown that 2 units of farm tractor with registration No. CDW 4079 and CDS 8917 have changed the lubricant oil during servicing dated 3 rd April 2020.				
No evidence of the above schedule waste being recorded as per regulation Environmental Quality (Schedule Waste) Regulations 2005 PU(A) 294/2005 section 11, waste generator shall keep an inventory of schedule wastes and SOP Pengurusan Bahan Buangan No. Document : TMB / MSPO / SWM – 05M section 5.2 (Inventori Bahan Buangan Terjadual) in the Borang Bahan Buangan Berjadual Jadual 5 (peraturan 11) Kualiti Alam Sekitar (Bahan Buangan Berjadual) Peraturan 2005 Pindaan 2007				
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 or 20 mt for next collection. Within 150 days and above, estate management will be 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. Estate management will be plan to dispose the disposal waste on 10 th July 2020	
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 conduct a briefing session to staff regarding the plan	
Review of corrective/preventive action (to be filled by Lead Auditor)	
To be verified in next audit surveillance.	
NC Closed: <input type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Company Name		Tanah Makmur Berhad – Ladang Ulu Lepar			
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-T9-MSPO-2019			
NC No. / Ref.	T9/MSPO/MINOR/02		Date Detected	20/06/2020	
Site(s) concern	TM Ulu Lepar		Target Completion	Next Surveillance	



Normative Reference and Requirement	4.4.4.2 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 meeting are kept and the concerns of the employees and any remedial actions taken are recorded.
NC Type	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern
Description of Non-Conformity	Non-compliance to Occupational Safety and Health (Safety and Health Committee) Regulation 1996, Regulation 21.
NC Objective Evidence: g. Evidence the interval of meeting being conducted in- consistently and against the Occupational Safety and Health (Safety and Health Committee) Regulation 1996, Part IV Meetings of Safety and Health Committee, Regulation 21 - Frequency of meetings of committee. (1) A safety and health committee shall meet as often as may be necessary commensurate with the risk's attendant on the nature of work at the place of work but shall not meet less than once in three months. Sample taken as follows: - a. 3 rd March 2020 b. 3 rd October 2019 c. 11 th March 2019	
Lead Auditor Signature: 	Client Signature:  LADANG (TM) ULU LEPAR MOHD ZULHASHIM BIN DIN PENGURUS
Root cause Analysis (to be filled by client): Lack of meeting being conducted in consistently about Occupational Safety and Health (Safety and Health Committee)	
Corrective action planned (to be filled by client): Estate management will schedule the Occupational Safety and Health (OSHA) meeting 4 times a year and ensure that the meeting being conducted in consistently	
Preventive Action (to be filled by client): Estate management with internal audit will follow and monitor the schedule of Occupational Safety and Health (OSHA) meeting.	
Review of corrective/preventive action (to be filled by Lead Auditor) To be verified in next audit surveillance.	

NC Closed: <input type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Verified:	Lead Auditor Signature:

Area of Concern:	Non-were raised during this audit.
-------------------------	------------------------------------

Non-Conformities Identified During Previous Audit [Main Assessment Audit]
--

Major Nonconformities:	Non-were raised during this audit.
-------------------------------	------------------------------------

Minor Nonconformities:	Non-were raised during this audit.
-------------------------------	------------------------------------

Area of Concern:	Non-were raised during this audit.
-------------------------	------------------------------------



Appendix C : List of Stakeholders Contacted

Attendance List

Internal Stakeholders

- 1) Ladang TM Ulu Lepar management team and staff
- 2) Harvesters and Loose fruit picker
- 3) FFB evacuation team