

GLOBAL GATEWAY CERTIFICATIONS

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)




CERTIFICATION AUDIT REPORT


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

BAKKEP Resources Sdn Bhd
Ladang Badan Kebajikan Kerabat Pahang (BAKKEP)

-Individual Certification-

ANNUAL SURVEILLANCE AUDIT 01
15th June 2020

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	06/07/2020	Issued as Draft Report	Surenthiran Panneerselvam	Lead Auditor	
B	23/08/2020	Issued as Final Report	Surenthiran Panneerselvam	Lead Auditor	
B	01/09/2020	Final Report Approved	Muhd Jamalul Arif	Certifier	

Acknowledgment by Ladang Badan Kebajikan Kerabat Pahang (BAKKEP)					
Rev	Date	Description	Management Representative	Role	Signature
B	01/09/2020	Acceptance of the contents	Dato' Shahrul Nizam bin Abdul Aziz	Group Chief Executive Officer	

Declaration

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

WITH INTEGRITY WE SERVE



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

SECTION I: PUBLIC SUMMARY REPORT

1.1 Certification Scope

Global Gateway Certifications Sdn. Bhd. (GGC) has conducted the Certification Assessment of Ladang Badan Kebajikan Kerabat Pahang (BAKKEP). During this Annual Surveillance Audit 1, the audit team were briefed by estate management of the supply base disposition. The estate consists of Ladang Badan Kebajikan Kerabat Pahang (BAKKEP), that seek for single site certification.

This assessment was conducted onsite on 15th June 2020 to assess the compliance of the certification unit against the "MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholder". The scope of certification is "Management of Sustainable Oil Palm Plantations from Cultivation, Planting and Production of Fresh Fruit Bunches".

1.2 Company details and Contact information

Company Name	BAKKEP Resources Sdn Bhd
Business Address	B 12, Tingkat 2 & 3, Jalan Seri Kuantan 2, Sri Kuantan Square, 25050 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 Bakkep Resources Sdn Bhd	Bakkep Resources Sdn Bhd B12, Tingkat 2 & 3, Jalan Seri Kuantan, Sri Kuantan Square, 25050 Kuantan, Pahang	E 103.191853	N 3.690678

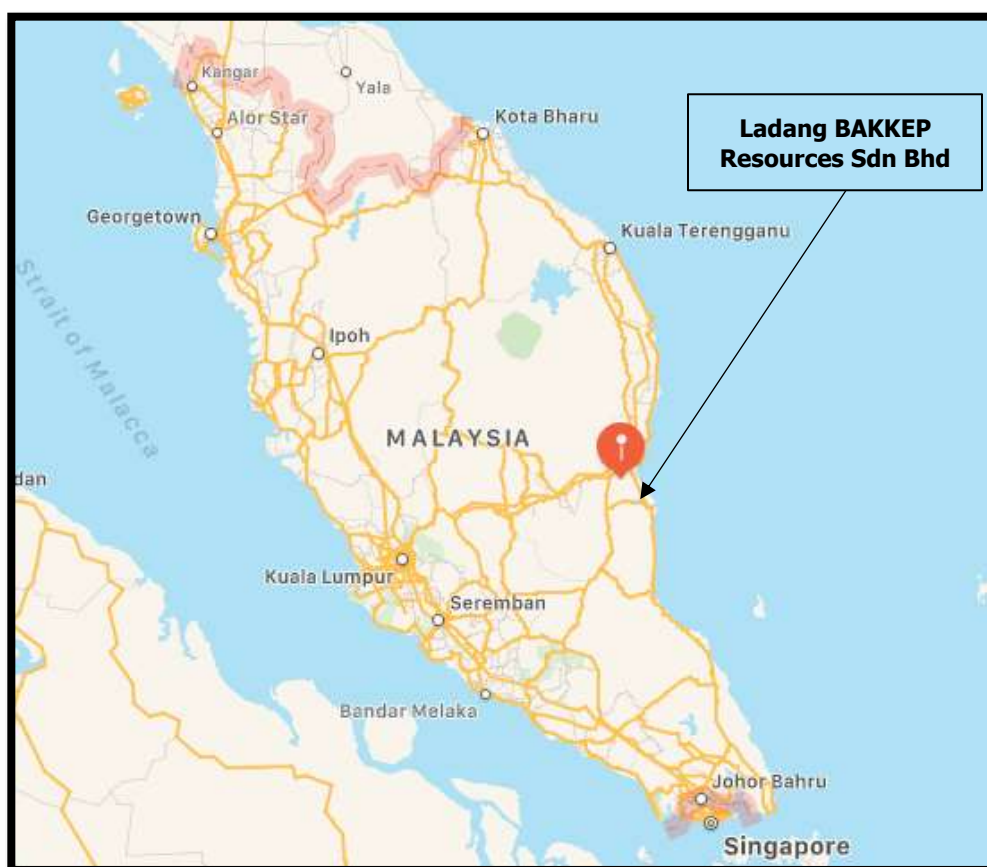


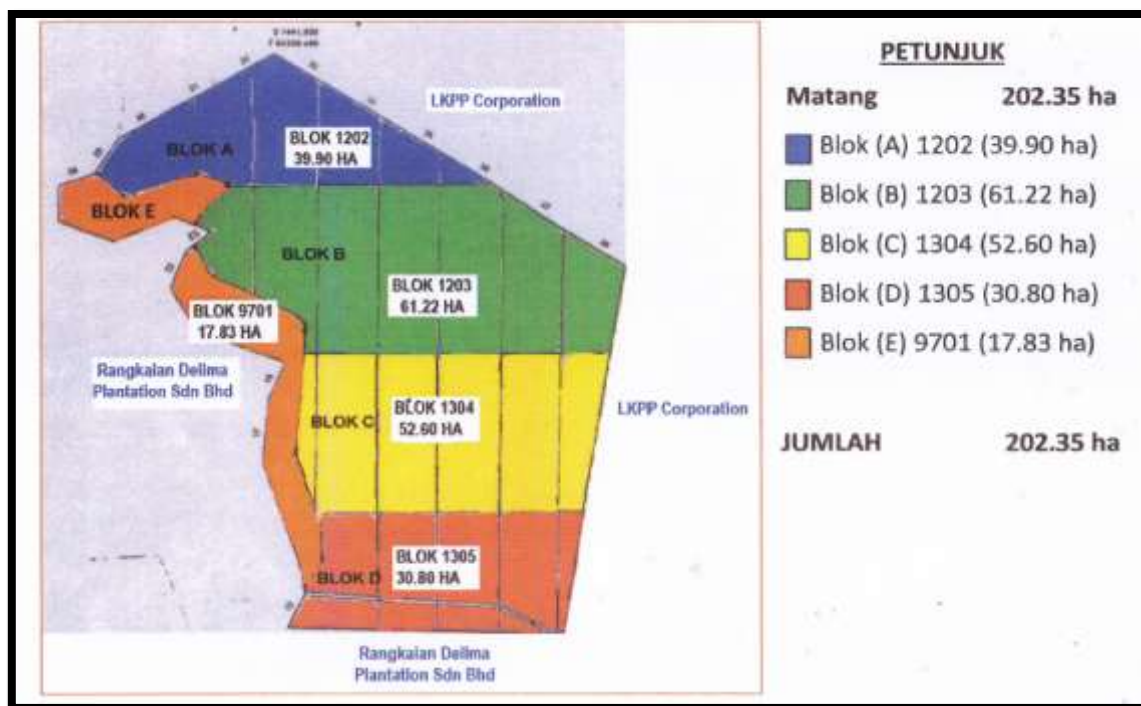
MPOB License Information

No	Name of the Site	Licence Number	Expiry Date	Scope Activity
1.	Ladang Bakkep Resources Sdn Bhd	576859002000	30 th September 2021	"Menjual dan Mengalih FFB"

Others Sustainability Certification

No	Name of the Site	Others Sustainability Certification
1.	Ladang Bakkep Resources	NIL

1.4 Map Showing Geographical Location**a) Ladang Badan Kebajikan Kerabat Pahang (BAKKEP)**



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 Bakkep Resources	202.35	202.35	202.35
Total	202.35	202.35	202.35

Name Of The Supply Base	Area Summary (HA)		
	Conservation Area	HCV	Others
Ladang Bakkep Resources	Nil	Nil	Nil
Total			

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 2019 - May 2020]
Ladang Bakkep Resources	3,437.00	3,281.27	4,200.00
Total	3,437.00	3,281.27	4,200.00

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-LBR001-MSPO-01-2019
Initial certificate issued date	19 th July 2019
Certificate expiry date	18 th July 2024
Stage 1 assessment date	10 th April 2019
Stage 2 / Main Assessment	19 th June 2019
Annual Surveillance 1 [ASA 1]	15 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: Surenthiran Panneerselvam

Graduate in PgDip/MSc Oil and Gas Accounting from University of Abertay Dundee, Scotland, UK. Equipped with experience in sustainability audit field and with more than 7 years working experience. Involved in MSPO Assessment since 2017. Fully trained in Malaysian Sustainable Palm Oil (MSPO2530), Roundtable Sustainable Palm Oil (RSPO), ISO9001:2015 and ISO37001:2016. Completed and certified MSPO auditor course in year 2018 held by SGS Academy and ISO9001:2015 auditor course in year 2017 by TOMC. 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).

Auditor

Name: Muhammad Syafiq bin Abd Razak

Graduate in plantation management with more than 7 years working experience in various plantation company and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Fully trained in similar agriculture certification programs such as RSPO, SCCS, MSPO and etc. Qualified as Lead Auditor/Auditor in several certification programme. Involved in RSPO and MSPO assessment since 2014. Involved in audits conducted in for many different companies in Malaysia, Indonesia, Australia, Pakistan, Arab Saudi and Ivory Coast. Completed and certified MSPO Auditor course in 2014 (3rd Batch) held by MPOB. Experienced in handling mineral and peat soil oil palm estate. Knowledgeable in chemical in control of weeds and pest & disease in Oil Palm Plantation sector. Understanding in Industrial relation and labour law. Attended OSH Act 1994 & Regulations and Factories & Machinery Act 1967 & Regulations Training. Participated in Workshop for Oil Palm Growers on Peat at Bogor, Indonesia. Completed and attended Social Impact Assessment Training at Bogor, Indonesia organized by Remark Asia. Also, has attended training for RSPO GHG calculation on year 2015 in Kuala Lumpur. During this assessment, he assessed on the aspect of transparency, traceability, environmental aspects, best practices and stakeholder's consultation. Able to speak and understand Bahasa Malaysia and English

1.8 Audit Methodology

The audit was conducted based on the method as specified in the MSPO requirements (MSPO-Questionnaire Self-Assessment – RA). In the case of this certification unit, sampling calculation was determined prior to the audit assessment. Therefore, total numbers of supply based assessed in the audit are only 1 estate consists of Ladang BAKKEP Resources Sdn Bhd.

During audit, company policies, management system procedures, waste management procedures, legal documents, safety procedures and others. A range of environmental, social and safety factors were covered during the audit. Issues that would significantly impact to environmental, safety, social and legal requirements were also verified. The main approach of the audit, was to treat the palm oil estate referred as MSPO Certification Unit [Ladang BAKKEP Resources Sdn Bhd]. Collection of objective evidence was completed during physical site inspection, observation of tasks and processes, interview of stakeholders, interview of officers, review of documents and data.

Audit team were grouped and covered the palm oil estate operations, agricultural practices, pest management, pesticide and fertilizer application, occupational safety and health, environmental and other requirements.

Audit team conducts the stakeholder's interview randomly involving internal and external stakeholders during the audit. Stakeholders were interviewed with the absence of estate management. Feedback obtained as part of information and evidence gathered. Audit checklists and questionnaires were used to guide the collection of information and the comments made by external stakeholders. Stakeholders comments were also been taken into consideration in this assessment. Refer to 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, refer to (Appendix C) of MSPO.

The Prime Minister, Tan Sri Muhyiddin Yassin did announce that the Conditional Movement Control Order (CMCO) ended 9th June 2020 and replaced with the Recovery Movement Control Order (RMCO). The RMCO would take effect from 10th June 2020 until 31st August 2020 with more lenient restrictions. 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	15 th June 2020
Name of site(s) visited	Ladang Bakkep Resources Sdn Bhd
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	0	No action requires
Area of Concern	1	No action requires
Noteworthy /Positive Comments	5	No action requires

1.11 Stakeholder Consultation

As per ACB-Malaysian Sustainable Palm Oil (MSPO); ACB-OPMC4; Issue 1, 01st August 2017; Stakeholder Consultation Requirements for Certification Bodies Operating Oil Palm Management Certification, the stakeholder consultation shall be carried out in stage 2 and recertification audit cycle of the management unit. During this Annual Surveillance Audit 1, the audit team has conducted stakeholder consultations involving both internal and external stakeholders randomly 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.

The aim of stakeholder consultation is to ensure that the MSPO requirements are continuously implemented and adhere to, as well as others aspects that they considered could be improved. However, in surveillance audit, the consultation may be limited to those stakeholders who have raised concerns, complaints or disputes prior to the audit. The auditor begin consultation with brief explained on the purpose of the audit, interviewed and record comments made by the stakeholders. All comments made by the stakeholders are recorded. The comments were verified with the estate management before incorporating into the assessment findings. The details are 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 (Spraying gang)	<ul style="list-style-type: none"> PPE were equipped during spraying activity. Due to COVID-19 – MCO period, all SOP's were followed and social distancing were maintained. Good relationship with the Management and the Estate will render their assistance when required. No sexual harassment and violence case reported at workplace. Workers aware the chemical handling procedure. 	<p>Free PPE were provided to all workers.</p> <p>Adequate training was provided, related to the respective activity.</p> <p>Adequate SOP training were provided.</p>	Positive findings
2.	Stakeholders B (Harvesting gang)	<ul style="list-style-type: none"> Workers are aware of the safety aspects during harvesting activity. PPE usage are very important to avoid accidents. Workers have good understanding about MSPO. Attended training provided by company. 	Continue with MSPO briefing awareness to all employees.	Positive findings

		<ul style="list-style-type: none"> Aware of complaint and grievance mechanism. 		
3.	Stakeholders C (Contractors)	<ul style="list-style-type: none"> Contractors were invited to stakeholder meeting, and estate management briefed on the importance of MSPO. They informed that the payments were made promptly without any delay. Contract agreement were signed prior commencement of work. 	No action requires	Positive findings

1.12 Recommendation

Ladang Badan Kebajikan Kerabat Pahang (BAKKEP) 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. Estate Manager being the person responsible to ensure facility and his subordinates comply to the requirements and procedures stated in this manual. Management commitment was demonstrated, as the estate management provide awareness training to all personnel in the company. The awareness training given enhance the employees understanding on the procedures and implementation of the MSPO standard. During interview session, the employees are aware of the requirements of MSPO. There was no complaint or feedback received during this Annual Surveillance Audit 1.

This report will be internally reviewed prior to certification decision by GGC. During annual surveillance audit, externally peer review by independents panel reviewers (qualified and trained by MPOCC) are not required. The audit was conducted in accordance to MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders. During this annual surveillance audit, zero major non-conformities have been raised to the facilities that being audited.

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted was no major non-conformity findings. Therefore, lead auditor recommends the continuity of certificate of "MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders" to Ladang Badan Kebajikan Kerabat Pahang (BAKKEP).

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

BAKKEP	Ladang Badan Kebajikan Kerabat Pahang
CHRA	Chemical Health & Risk Assessment
CIP	Continuous Improvement Plan
CoP	Code of Practise
CPO	Crude Palm Oil
DOE	Department of Environmental
DOSH	Department of Occupational Safety and Health Malaysia
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
EPC	Empty Pesticide Containers
FFB	Fresh Fruit Bunch
GAP	Good Agriculture Practise
GHG	Greenhouse Gas
GGC	Global Gateway Certifications Sdn Bhd
HIRARC	Hazard Identification, Risk Assessment and Risk Control
IPM	Integrated Pest Management
IUCN	The International Union on Conservation of Nature and Natural Resources
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
PPE	Personal Protective Equipment
SDS	Safety Data Sheet
SEIA	Social Environmental Impact Assessment
SOCISO	Social Security Organisation
SOP	Standard Operating Procedure
SW	Schedule Waste
TMB	Tanah Makmur Berhad
PMMP	Plantation Micro Macro Project

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 March 2019 signed by Director YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP is established by BAKKEP Resources Sdn Bhd. The policy clearly stated that BAKKEP Resources Sdn Bhd 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. Policy was communicated to all workers dated on 4th March 2020 "Latihan Pematuhan MSPO". The briefing conducted by staff in charge, En. Mohd Yusmi bin Dollah Yaakob.

Sighted external stakeholder meeting was conducted on 17th April 2019 at Meeting Room Ladang Rangkaian Delima which attended by 19 representatives. Management has planned to conduct the next stakeholder meeting on 25th March 2020, due to lockdown period [COVID-19] unable to conduct. Training materials and attendance record for both Estates are well compile in the file. Estate management manage to brief on safety measure during introduction (safety briefing) dated on 15th June 2020.

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

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

Summary The MSPO Policy has been established and incorporated in the "Perlaksanaan dan Komitmen Terhadap MSPO" 1st March 2019 signed by Director YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP is established by BAKKEP Resources Sdn Bhd. As stated in the Sustainability Policy; "Sejajar dengan itu, pengurusan BAKKEP Resources Sdn Bhd sentiasa komited ke arah penambaaian 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 BAKKEP Resources Sdn Bhd has established MSPO Procedure Title: Audit Dalaman MSPO, Doc No: TMB/MSPO/IAM-01, Date 1st March 2019 signed by Director YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. 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 27th February 2020. In total, 13 non-conformities were raised during internal audit conducted on 27th February 2020. Audit report was made available dated on 28th February 2020 [IAM-01/MAC/L3] – Lampiran 3. Internal auditor team comprises



of 2 auditors from HQ namely En Mohd Hanif Bin Md Noor & En. Mohd Ikham Bin Bahuri.

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 BAKKEP Resources Sdn Bhd has established MSPO Procedure Title: Audit Dalam MSPO, Doc No: TMB/MSPO/IAM-01, Date 1st March 2019 signed by Director YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. The purpose of this procedure is to describe the audit process conducted internally to determine BAKKEP Resources Sdn Bhd operations are effectively implemented to comply with the Malaysian Sustainable Palm Oil (MSPO) standards.

The internal audit conducted by En Isrizal bin Israni, En. Mohd Ikham bin Bahuri and En Mohd Hanif bin Md Noor on 27th February 2020. 12 major and 1 minor being raised during audit. Seen internal audit checklist established and internal auditor provide detailed findings by providing scoring in percentage of compliance. Non-conformity report (NCR) was documented by providing the root cause analysis and action taken on the NCR. Closed nonconformity included with root cause analysis, correction and corrective action with relevant evidence. Target date were stated and achieved by the estate management,

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

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

Summary Internal audit was conducted on 27th February 2020. The management has closed the non-conformities within the stipulated period given by the internal auditor. Management submitted the closure of NC, in total of 14 days from date audit report issued. The report is available for Management Review Meeting in timely manner dated on 28th February 2020.

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 BAKKEP Resources Sdn Bhd has established MSPO Procedure Title: Semakan Pengurusan MSPO, Doc No: TMB/MSPO/MRM-02, Date 1st March 2019 signed by Director YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. 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 Management Review Meeting was conducted on 6th March 2020 at Bilik Mesyuarat Ladang Aur Gading, Meeting Room. During the meeting, item discussed are:

- Menyemak kesesuaian and pelaksanaan prinsip, kriteria, dan petunjuk MSPO
- Semak dokumentasi MSPO
- Hasil siasatan yang dilakukan pihak audit dalaman
- SIA, EIA, dan isu-isu keselamatan
- Program penambahbaikan berterusan
- Kesediaan ladang untuk audit luaran dilakukan

Seen "Ringkasan Minit Mesyuarat (MRM)", dated 6th March 2020 [No. Ruj: P1/D]] – MRM-02/MMM/L1. Issue was discussed by the estate management during management review meeting and targeted date were set and person in charge were assigned to resolve the issue raised during internal audit.

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

BAKKEP Resources Sdn Bhd has established MSPO Procedure Title: Semakan Pengurusan MSPO, Doc No: TMB/MSPO/MRM-02, Date 1st March 2019 signed by Director YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. Sighted, statement on Continual Improvement under Clause 5.6, Kenalpasti untuk Pelan Penambahbaikan Berterusan, Lampiran 2, MRM-02/PPB/L2. Continual Improvement Plan for the estates comprising Environmental, Social, OSH and Best Practices. The details as follows: -

Seen Continuous Improvement Plan dated 6th March 2020 prepared by En Mohd Yusri Bin Dollah Yaakob and approved by En Johan Bin Derus. In total 9 continuous improvement list were added with PIC and targeted date of completion. As below:

No.	Action	PIC	Targeted date
1.	Obtaining approved linesite plan from JTK.	Mohd Yusmi	31/12/2021
2.	Conducting SIA	Mohd Yusmi	31/12/2020
3.	Retaining complaint and request information	Mohd Yusmi	31/12/2020
4.	Conducting stakeholder meeting	Mohd Yusmi	31/12/2020
5.	Conducting EIA	Mohd Yusmi	31/12/2020
6.	Conducting training for all workers	Mohd Yusmi	31/12/2020
7.	Boundary markers	Mohd Yusmi	31/12/2020

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
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Summary Estate management has systems in order to improve practices in line with new information and techniques. The details as follows: -

No	Sistem	Purpose
1	IECS	Workers salary, Estate Account, Estate Assets and Estate Budget

As interviewed with En. Mohd Yusmi Bin Dollah Yaakob. TMB HQ will assist Ladang BAKKEP to ensure the information referring to industry standard, techniques, and technologies are updated and informed. The estate management has established a system in order to improve practices in line and disseminating the information throughout the workforce by planning and giving proper training to their employees. During the training, the supervisor will update and inform on the current information of the industry to the workforce.

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 Training for new system (IECS) was conducted on 17th March 2020 at Pejabat Ldg TM Bukit Goh attended by En. Johan Bin Derus, En. Mohd Yusmi Bin Dollah Yaakob and Pn Khamila Binti Yunan. Attendance record available and the training emphasized on the new technology system briefing and way to operate the system. Training evaluation available and evident photographs of training conducted.

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 Ladang BAKKEP has established the Communication Procedure; Title: Komunikasi dan Konsultasi Pihak Berkepentingan. Doc No.: TMB/MSPO/CCS-03 dated on 01st March 2019. Approved by YH. Dato 'Setia Perkasa Tengku Dato' Sri Haji Zulkifly Bin Tengku Ahmad (Director). The purpose of this procedure is to outline the arrangements for consultation and communication by Ladang BAKKEP with its relevant stakeholders and how their concerns and views are addressed.

Sighted stakeholders' meeting dated on 17th April 2019. Briefing to government agency and suppliers and attended by 19 participants. No complaints or request made during the meeting. Estate management planned the 1st stakeholders meeting on 25th March

2020. However, the meeting was postponed due to COVID 19. Records of request and complaint is available as referred to: "Borang Permohonan Maklumat – Berkaitan MSPO" CCS-03/BMM/L4". Sighted list of stakeholders on 04th February 2020. Prepared by Mohd Yusmi bin Dollah Yaakob (Staff) and approved by Mr. Johan bin Derus (Estate Manager).

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

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

Summary Sighted Doc No.: "Senarai Dokumen Boleh Didedahkan" from Mr. Johan bin Derus (Estate Manager) dated 18th June 2019. The memo enlightens summary of documents listed as a guideline for Ladang BAKKEP to determine the confidentiality status or available for public disclosure. Among the classification of management documents as below;

Documents	Confidential	Non-confidential
Geran Tanah	/	
Akaun Syarikat	/	
Senarai Polisi MSPO		/
Senarai Prosedur Lestari		/
Audit Dalaman MSPO		/
Pelan Penambahbaikan berterusan		/
Pengawasan Undang-undang		/
Hak Guna Tanah		/
Pengurusan Impak Sosial		/
Tanggungjawab Sosial		/
Pengurusan Pekerja		/
Pengurusan Alam Sekitar		/
Pengurusan Biodiversiti		/
Pengurusan Kontraktor		/

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

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

Criterion 2 Transparent method of communication and consultation

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

Summary

Ladang BAKKEP has established the Communication Procedure; Title: Komunikasi dan Konsultasi Pihak Berkepentingan. Doc No.: TMB/MSPO/CCS-03 dated on 01st March 2019; approved by YH. Dato 'Setia Perkasa Tengku Dato' Sri Haji Zulkifly Bin Tengku Ahmad (Director). The policy has identified the procedure of arrangement for consultation and communication by Ladang BAKKEP with its relevant stakeholders and how their concern and view are addressed. Estate has shown a good communication, by publish the flow chart of Procedure "Pengurusan Aduan Pekerja/Stakeholder" at the notice board in front of estate office and housing complex. The feedback can be forward to estate management to complaint box. Sighted sample complaint form submitted by the external stakeholders:

Complainer	Complainant 1
Request	Mohon pihak ladang memberi maklumat dan jumlah pekerja mengikut pecahan bangsa/warganegara. Memaklumkan jika ada berlaku sesuatu kegiatan jenayah di Kawasan ladang ke Balai Polis Gambang. Memberi kerjasama kepada anggota yang membuat tugas rondaan di Kawasan ladang.
Dated received	17 th April 2019
Action taken	Pihak ladang akan memberikan kerjasama yang seperti yang dikehendaki oleh PDRM.

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

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

Summary

Sighted letter of appointment for the responsible person in charge of consultation and communication, En Mohd Yusmi Bin Dollah Yaakob (Staff) and approved by Mr. Johan bin Derus (Estate Manager) dated 1st March 2019.

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

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

Summary

Sighted list of stakeholders on 4th February 2020 prepared by Mohd Yusmi bin Dollah Yaakob (Staff) and approved by Mr. Johan bin Derus (Estate Manager). The list of stakeholders is adequately maintained and keep up to date. List of external stakeholders covering government agencies, neighboring communities and suppliers being recorded and maintained properly.

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

Criterion 3 Traceability

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

Summary Ladang BAKKEP has established Standard Operating Procedure: FFB Traceability Procedure. TMB/MSPO/TRC-04 dated on 01st March 2019; approved by YH. Dato 'Setia Perkasa Tengku Dato' Sri Haji Zulkifly Bin Tengku Ahmad (Director). The purpose of this procedure is to establish a suitable identification and traceability of oil palm Fresh Fruit Bunch (FFB) production traceable from the plantation activities till dispatch of Palm Oil Mill (POM).

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

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

Summary Random check has been conducted in order to inspect on compliance with the traceability system in the estate. The regular inspection has been carried out by the staff, Assistant Manager and Estate Manager using inspection form and occasionally by the General Manager during field visit.

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

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

Summary Sighted letter of appointment for the responsible person is, Mohd Yusmi bin Dollah Yaakob (Staff) approved by Mr. Johan bin Derus (Estate Manager) dated on 01st March 2019.

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

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

Summary FFB being sell to collection center and being monitored by Head Quarters. Sighted the records of sales, delivery or transportation of FFB. This record being maintained and the documents are kept by the both site (estate and collection center). As evidence:

- Estate: BKPP
- Date Delivery: 18/05/2020
- Weighbridge Ticket No: 053787
- Driver: Azhar
- D/O No: 0041
- Weight: 8.06 MT

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

2.3 Principle 3: Compliance to legal requirements

Criterion 1 Regulatory requirements

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

Summary List of permits and license was made available and prepared by En Mohd Yusmi Bin Dollah Yaakob, Supervisor dated on 4th February 2020. Below is the list provided:

- MPOB License, No. Lesen 576859002000, for Menjual dan Mengalih FFB, for a period of 1st October 2019 to 30th September 2020 untuk 202.35 Ha.
- Permit Barang Kawalan Berjadual), No Siri P: C001930, No Rujukan: PHG/PD/K/021/2019 – No. Bil 3/2020.

Diesel (200 litre/day)

Petrol RON 95 (100 litre/day)

Validity from 21st February 2020 until 20th August 2020.

- Business registration (SSM) sighted. Name: BAKKEP RESOURCES SDN BHD (926084-V), incorporation date on 20th December 2010. Nature of business: Management of oil palm estate and sales of oil palm.

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

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

Summary The summary list of laws was made available and last updated was on 1st January 2020. Seen new list of SOP – Procedure for Oil Palm Estates, March 2020 [CORONAVIRUS DISEASE OF 2019] by MEOA – Malaysian Estate Owners' Association.

Occupational Safety and Health:

- Occupational Safety and Health Act 1994
- Factories and Machinery Act 1967
- Uniform Building By Law 1986
- Pesticide Act 1974 (Act 149)
- Electrical Supply Act 1990
- Petroleum (Safety Measures) Act 1984

Environmental:

- Environmental Quality Act 1974
- Local Government Act

General:

- Workers' Minimum Standards of Housing and Amenities Act 1990
- Akta Kerja 1955
- Employee Provident Fund Act 1991
- Employees Sosial Security Act 1969

- Akta Kesatuan Sekerja 1959

Other requirements:

- Jadual Pematuhan Departmental of Environment
- MPOB

The legal list above only focused on national legal requirement. There are potential state and ratified international laws and regulations could be relevant with Ladang BAKKEP e.g. ILO Convention, UN Declaration etc. to be improve by the estate. International law: International Labour Organization (ILO) convention of human right.

No.	Description	Last revision date
1.	Minimum Wages Order, Amendment 2020, (P.U. [A] 5).	10 th Jan 2020
2.	Fire Services Act 1988 (Act 341)	15 th Jan 2019
3.	Employee Social Security Act 1969 (Act 4)	28 th Jan 2019
4.	Employment Insurance System Act 2017	28 th Jan 2019
5.	Children and young person (Employment) Act 1966	28 th Jan 2019
6.	Food Act 1983	28 th Jan 2019
7.	Police Act 1967	28 th Jan 2019
8.	Land acquisition Act (1960)	28 th Jan 2019
9.	Included all applicable international laws and conventions ratified.	29 th Apr 2019

This list maintained in Plantation Quality Management System being reviewed periodically and the last reviewed was on 1st January 2020.

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 As per interviewed with Mr. Johan Derus, Estate Visiting Manager. He mentioned that Pn. Khamila Mohd Yunan, the chief clerk will update any new amendments or any regulations once received through the communication with internal department, legal register, and communication with law/enforcement.

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

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

Summary Responsible person to monitor compliance and to track and update the changes in regulatory requirements is Pn. Khamila Mohd Yunan, the chief clerk. Seen letter of appointment dated on 7th February 2020 [No. ruj: (03)dml.BAKKEP/03/2020], approved by En Johan Bin Derus, Estate 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 Ladang BAKKEP is under leasehold status with 99 years with LKPPP. Sighted land title H.S. (D): 39698 registered on 21st July 2011 with total hectares is 202.35 Ha. [Badan Kebajikan Kerabat Pahang]. The copy of land title is maintained in estate office. There is clearly stated "Syarat - Syarat Nyata" is for Oil Palm only.

Hectarage statement:

Area	Ha
Mature	202.35 ha

Block 9701 – 17.83 Ha
 Block 1202 – 39.90 Ha
 Block 1203 – 61.22 Ha
 Block 1304 – 52.60 Ha
 Block 1305 – 30.80 Ha
 Total – 202.35 Ha

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

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

Summary The copy of land title is maintained in estate office. There is clearly stated "Syarat - Syarat Nyata" is for Oil Palm only. Sighted land title H.S. (D): 39698 registered on 21st July 2011 with total hectares is 202.35 Ha. [Badan Kebajikan Kerabat 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 During the audit, estate management has identified 11 boundary markers which available with the GPS location. The list was documented and the signage of boundary were visible during field visit. Estate manager emphasize their effort in identifying the remaining boundary marker as per JUPM map validated on 12th March 2019 [PA250730]. During field visit, markers identified as follow; [No. 1, No. 2, No.30, No. 31 – No. 38] (Total 11 boundary markers).

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

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

Summary Seen "Prosedur Pengendalian Pertikaian Sempadan" dan "Carta aliran pengendalian pertikaian sempadan". Seen "Prosedur Pengendalian Pertikaian Setinggian" is made available. No disputes recorded in estate area. If there is any dispute encountered, management will act according the SOP established.

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

Criterion 3 Customary land rights

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

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

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

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

Summary Maps are made available to show the legally owned land. There is no customary land in or surrounding all the estates. There are also no land disputes or claims involving these estates. The company has proper legal land tile for the land ownership.

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

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

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

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

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

Criterion 1 Social impact assessment (SIA)

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

Summary Sighted, SIA for Internal and External stakeholders being conducted on 17th April 2019. 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. In total, 19 internal stakeholders being assessed and responded. Seen, 12 questionnaires in the assessment and 4 responded positives. The SIA review report was made available, emphasizes the mitigation plan

on the negative's response. Post assessment was conducted on 20th April 2019. Estate management has developed the action plan to mitigate the negative responses and continue their effort in continuing the good practices.

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

Criterion 2 Complaints and grievances

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

Summary Estate management has established SOP No. TMB/MSPO/CCS-03: Komunikasi dan Konsultasi Pihak Berkepentingan, dated 1st March 2019. The procedure signed by the Director YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. Sample of Process Flow and Grievance Form as per Appendix 2 and 3 sighted, 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 1 complaint being recorded in 2019 to date 2019. Complaints forms seen and being responded by the Management. Sample taken on complaint by Complainant 1, on "No tracking of in and out of contractor workers" dated 17th April 2019. The mitigation was taken by management, as placing a visitor logbook to record the visitor inclusive of contract workers in Ladang BAKKEP; dated 19th April 2019.

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

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

Summary Complaint form was made available for external and internal stakeholders. All stakeholders able to deliver their complaints, grievance and request directly or via form which is available at outside office. A dropbox has been placed outside the office, to ease stakeholders to submit their complaint forms, and management able to keep the complaint records.

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 The policy being communicated to all 12 workers during morning muster call dated 4th April 2019. The briefing conducted by staff in charge, namely En. Mohd Yusmi bin Dollah Yaakob. Sighted, the external stakeholder meeting was held on 17th April 2019 at Meeting Room which attended by 19 representatives. Training materials and attendance record was made available.

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

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

Summary Sighted 1 complaint recorded in 2019 as to date and zero in 2018. No negative complaints made by external stakeholders within last 24 months at Ladang BAKKEP.

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 Estate management are committed into local development by contributing their effort in form of, as sampled below:

No	Date	Receiver
1	28 th April 2019	Rahmat bin Awang Ngah, Villager at Kg Jaya Gading due to Senior Citizen resident
2	28 th April 2019	Abd Rani Daud, Villager at Kg Jaya Gading due to Senior Citizen resident

Corporate Social Responsibility file was made available, and all contribution made are recorded by the estate.

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 Director, YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. The policy is written in Bahasa Malaysia language and displayed at the notice board, and awareness programme to all the Stakeholders.

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

The company has established Occupational Safety & Health Policy, dated on 13th March 2018 which was approved by Director, YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. The policy is written in Bahasa Malaysia language and displayed at the notice board, and awareness programme to all stakeholders.

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). HIRARC as sampled below:

No.	HIRARC
1.	Security post
2.	Worker quarters
3.	Fertilizer store
4.	Transporting fertilizer
5.	Chemical store
6.	Chemical preparation
7.	Chemical spraying
8.	Manual weeding
9.	Driver
10.	FFB loading and collection
11.	Harvesting
12.	Pruning
13.	Spraying
14.	Boundary marking
15.	Landfill



Sighted SOP No. TMB/MSPO/LKP-09: Latihan dan Kompetensi, dated 1st March 2019 has been established and documented. The procedure signed by Director, YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. 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 training programme sampled as below:

No.	Topic	Month Programme	Status (Completed)
1	MSPO Awareness	5 th March 2020	4 th March 2020
2	Environmental training	-	15 th March 2020
3	First aid kit training	11 th March 2020	-
4	Latihan Keselamatan Manual BTS	21 st March 2020	-
5	Latihan Pengendalian Bahan Kimia	23 rd March 2020	29 th May 2020

Estate management provides appropriate PPE for all workers in their operations in accordance to their job scope. Person in-charge of in issuing PPE is En. Mohd Yusmi bin Dollah Yaakob, the storekeeper. PPE Issuance and replacement record sighted for: -

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

Sighted the PPE issuing records for [Safety helmet, Safety bot, gloves, glasses, apron and others. The type of PPE is included in the HIRARC assessment chart for all type of job activities.

CHRA was conducted in 7th January 2019 by Occumed Consultancy & Services Sdn Bhd, Dr Yasrizah Yahaya, [JKKP HIE 127/171/2(8) -2018/095]. Sighted Chemical Register being established and updated 16th March 2019. Seen, Standard Operating Procedure for receiving, handling, storage and disposal of chemicals under Prosedur Pengurusan Bahan Buangan TMB/MSPO/SWM-05 dated 1st March 2018. Sighted, training on "Latihan Selamat dan Sihat Pengendalian Bahan Kimia Berbahaya Kepada Kesihatan 2019" by Occumed Consultancy & Services Sdn Bhd dated 26th March 2019 attended by 4 participants. Sighted medical surveillance report for 2 workers conducted on 19th March 2019.

Sighted an appointment letter for En Mohd Yusmi Bin Dollah Yaakob (Staff) and approved by Mr. Johan bin Derus (Estate Manager) as the person in charge for OSH matters.

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.

En Mohd Yusmi Bin Dollah Yaakob appointed as the First Aider for BAKKEP estate, and he attended training at Pejabat Kesihatan Daerah Temerloh on 11th March 2019. During field visit, seen mandores are responsible in handling the first aid kit and are trained by En. Mohd Yusmi Dollah Yaakob. First Aid Training are scheduled on 11th March 2020, due to COVID-19 outbreak, training are postponed until further notice.

Estate has sent JKKP 8 (I & II)/(IV) on annually basis to DOSH. 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 The company has established "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. The policy being displayed at notice boards outside the office, the policy being displayed at notice boards outside the office and communicated to all employees during "MSPO Training" held on 4th March 2020.

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 The company established "Polisi Kemasyarakatan dan Hak Asasi Manusia" on 1st March 2018 which was signed by Director, YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. The policy highlights equal opportunity 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 encountered in the estate. During field visit, interviewed workers as they are well treated by the estate management. The policy has been communicated to all employees during "MSPO Training" held on 4th March 2020. Workers enjoy the same scale of pay and were provided with equal housing and work facilities.

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 Pay and conditions are documented in the appointment letter of the staff and workers. Interviewed both estate staff and workers consisting both male and female. During the interview, they understand the terms and conditions of their employment provided by the employer. No confinement history and no illegal or forced deduction as per this audit period.

Sighted in the Social Policy on "Mematuhi Akta Gaji Minimum dan undang-undang Jabatan Tenaga Kerja serta peraturan-peraturan yang telah ditetapkan oleh pihak berkuasa" which established on 1st March 2019. The salary is according to 'Perintah Gaji Minimum (Pindaan) 2020. The salary is according to 'Guidelines on the Implementation on the Minimum Wages Order (Amendment) 2020.

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

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

Summary As per interview with estate management representative. No contractor being engaged in the estate.

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 Company has established system "Employee Records (Local) and (foreign workers)" for all data of their workers. Workers employed consisted of locals and foreign workers. All staffs and workers record which states the offered position, employee number, date joined, wages implied, working hours, OT, allowances, rest day, working on holiday in the employee workers listing.

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 This contract is signed by both employee and employer and accompanied with respective witnesses. Workers employed consisted of local and foreign workers. Sighted, employment contract between Ladang BAKKEP and the workers. The agreement stated all the term and conditions according to Malaysian Law. The contract is available in Bahasa Malaysia. All workers enjoy the same scale of pay and provided with equal housing and work facilities. This was confirmed through interview with workers from the estate and also through verification of contracts of service and pay slips of workers.

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 Estate management has established time recording system based on pocket check-roll to workers. Working hours is 8 hours (6:30am – 2:30pm) with the rest day on Sunday. Total monthly working hours is 208 hours. The overtime maximum is 104 hours according to Malaysian Law.

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 Reviewed payslips, contract and check roll of workers for working hours and any overtime complied to Employment Act 1955 (Act 265). During field visit workers feedback they understand the working hours. The working hour and break time have been clearly stated in the Employment Contract. Sighted in the Contract Agreement the rate of overtime which agreed by both parties. There is no complaint received regarding payment or forced to work on overtime during site interview.

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

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

Summary Reviewed pay records and crosscheck with the wage paid. As verified, the payment records are in line with legal regulations and work contracts. 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. The wages records for March and April 2020 are according to the Minimum Wage Order 2020. Interview with workers at estates they understand the wages.

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

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 Basic amenities and facilities at the quarters provided by the company to its workers. Water and electricity are being subsidized. Water are obtained from the Pengurusan Air Pahang Berhad (PAIP).

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 Estate management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights. The company established "Polisi Gangguan Seksual" dated on 1st March 2019 signed by Director, YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. The policy to prevent all forms of sexual harassment and violence at the workplace. Awareness are conducted time to time through various methods just as briefing during mustercall.

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

Indicator 13 The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.

Summary The company has established "Polisi Kemasyarakatan dan Hak Asasi Manusia" dated 1st November 2018 which was approved by Director, YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. 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

Interviewed with workers from different nationalities confirmed that they are allowed to join union freely without any restriction.

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 March 2019 and signed by Director, YH Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad, SSAP, DIMP. The policy on Children and young persons shall not be employed or exploited. It has been stated in the policy. During the



field visit, there are no children below ages of 18 working in the estate and this was cross checked through the list of employees. The workers were clear that no one below 18 years old should be employed. Estate management is committed not to engage or support the use of child labour as defined by Malaysian law.

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

Criterion 6 Training and competency

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

Summary

The company has established [SOP No. TMB/MSPO/LKP-09: Latihan dan Kompetensi] dated 15th November 2018 has been established and documented. The training calendar indicates [Ref: LKP-09/KLT/L1 –Lampiran 1], the estate comprehensive annual training plan for the staffs and workers. Trainings were provided during muster call and also briefing sessions held in the estate office compound. The following trainings made for the employees were recorded as follows:

No.	Topic	Month Programme	Status Done
1	MSPO Briefings	5 th March 2020	4 th March 2020
2	Environmental training	9 th March 2020	15 th March 2020
3	First Aid Kit Training	11 th March 2020	-
4	Fire Drill Training	15 th March 2020	-
5	Training to Contractors (MSPO)	20 th March 2020	-
6	Harvesting training	23 rd March 2020	
7	Chemical handling training	23 rd March 2020	
8	Emergency Response Plan (ERP) Training	23 rd August 2020	
9	Emergency training (CPR)	17 th May 2020	
10	Tractor driver training	20 th September 2020	
11	PPE training	21 st June 2020	25 th May 2020
12	New technology training	19 th July 2020	17 th March 2020
13	Triple rinse training	19 th July 2020	16 th March 2020

Training programme prepared by En. Mohd Yusmi Bin Dollah Yaakob, Field Supervisor and approved by En Johna Bin Darus, Estate Manager dated 4th February 2020.

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

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

Summary

Yearly training plan is developed by the estate management based on Training Needs Analysis (TNA) for workers involved in the operations. The details of the training needs include categories (name of employees, skills required, and their competency level as (Good, Need Training and Not Applicable). Training Need Analysis sheet is prepared by En. Mohd Yusmi Bin Dollah Yaakob, Field Supervisor and approved by En Johan Bin Darus, Estate Manager dated 4th February 2020. Training for staff and workers are assigned based on the job description and in total 14 employees are provided with training. Types of trainings included in the programme as follows:

- Induction
- MSPO Awareness
- Safety & health
- Internal audit
- Social Impact Assessment (SIA)
- HIRARC
- Laws and regulations
- Work management
- Document control
- Problem solving

In Compliance☒ **Yes**☐ **No**☐ **Not Applicable****Indicator 3**

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

Summary

Regular assessments of training needs were available for the audited site. Training plan for the operating unit were established. A training need identification matrix has been established with target dates for the training identified. All workers involved in the operations have been adequately trained in safe working practice. Trainings conducted were recorded in the various trainings record and completed with attendance records, training materials and photographs of the training.

No.	Topic	Month Programme
1	First Aid Kit Training	11 th March 2020
2	Fire Drill Training	15 th March 2020
3	Training to Contractors (MSPO)	20 th March 2020
4	Harvesting training	23 rd March 2020
5	Chemical handling training	23 rd March 2020
6	Emergency Response Plan (ERP) Training	23 rd August 2020
7	Emergency training (CPR)	17 th May 2020
8	Tractor driver training	20 th September 2020

Due to the COVID-19 pandemic attack in Malaysia, estate management taking precautionary action, in controlling the COVID-19 which affects the operations, with that, MKN SOP are followed by the estate management.

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 Ladang BAKKEP has established the "Polisi Perlindungan dan Penjagaan Alam Sekitar" dated on 01st November 2018, as evidence, the policies have been communicated on 10th March 2020. The briefing attended by 35 participants consists of all workers and estate management. Sighted the "Pelan Pengurusan Alam Sekitar 2020", prepared by En. Mohd Yusmi bin Dollah Yaakob (Staff) and approved by Mr. Johan bin Derus (Estate Manager). Environmental Management Plan is available as referred to: "Pelan Pengurusan Alam Sekitar 2020" dated 21st January 2020.

No.	Method	Action Plan
1.	Domestic waste at linesite to be collected as schedule.	Prepare rubbish collection schedule for worker's linesite.
2.	Dispose domestic waste in proper manner.	Full land fill to be closed and re-open new land fill.
3.	Provide environmental awareness	Provide environmental training and briefing
4.	Waste handling	Empty tray been placed under tractor to avoid spillage.
5.	Disposal of schedule waste	Record keeping on waste disposal.
6.	Rubbish collection	Provide garbage bin to all houses
7.	Avoid chemical spillage	Provide empty tray in chemical store
8.	Provide awareness on no open burning allowed	Training awareness to all employees. No open burning allowed in estate.

Communications to the employees were conducted through training session and briefing at muster grounds.

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

Ladang BAKKEP has established the "Polisi Perlindungan dan Penjagaan Alam Sekitar" dated on 01st November 2018. Sighted "Panduan Penilaian Aspek & Impak Kepada Alam Sekitar", has covered 20 sub-activities is available as referred to document: EVM-06/AIS/L1 dated 05th January 2020. Environmental Impact Assessment (EIA) is prepared by En. Mohd Yusmi bin Dollah Yaakob (Field Supervisor) and approved by Mr. Johan bin Derus (Estate Manager). As sampled:

No.	Description	Mitigation plan
1.	Penggunaan petrokimia untuk aktiviti pengangkutan	Sentiasa memantau aktiviti pengangkutan semasa operasi ladang
2.	Bahan manusia dijana daripada linesite	Membina system pembuangan yang teratur (mengali lubang untuk pelupusan)
3.	Pembinaan parit	Mengawasi spesifikasi pembinaan parit supaya aliran air berjalan lancar
4.	Pelupusan tong racun terpakai	Melupuskan tong racun kepada agen pelupus 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

The estate has conducted aspect and impact assessment for all the activities, which last assessment date was 5th January 2020. Sighted environmental management plan prepared by En. Mohd Yusmi bin Dollah Yaakob (Field Supervisor) and approved by Mr. Johan bin Derus (Estate Manager). Seen continuous improvement plan - "Pelan Penambahbaikan Berterusan Alam Sekitar 2020" dated 03rd March 2020 and yearly training calendar (environment) dated 2nd January 2020.

Process/area	Issue	Management control
Empty chemical container	Re-use empty chemical container	Ensuring triple rinse method are followed and empty container are placed in scheduled waste store.
Open burning	Air pollution	Displaying no open burning signage.
Vehicle engine oil	No stored in proper place	Develop schedule waste store and appoint approved licensed contractor who registered under DOE.

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

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

Summary Sighted "Pelan Penambahbaikan Berterusan Alam Sekitar 2020" dated 03rd March 2020 and Kalender Latihan Tahunan Alam Sekitar, dated 2nd January 2020 prepared by En. Mohd Yusmi bin Dollah Yaakob (Staff) and approved by Mr. Johan bin Derus (Estate Manager). Among the plans:

- Training on management recycling/rubbish disposal
- Disposal of scrap iron
- Disposal of empty pesticide container
- Disposal of EW (Engine oil, filter, spent batteries & hydraulic oil)

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 Sighted the environmental training conducted in 2019/2020 on the following aspect;

- Policy and Objective Environmental
- HIRARC
- Environment Aspect Impact Analysis
- Schedule waste training
- Manuring activity
- Water management plan

As evidence, sighted MSPO Training on 15th March 2020, conducted by En. Mohd Yusmi bin Dollah Yaakob (Staff) and Mr. Johan bin Derus (Estate Manager).

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

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

Summary The environmental quality has been discussed and briefed to estate workers on 21st February 2020. The briefing is attended by 52 participants consists of (all workers and estate management). Discussed matter mainly about open burning, and ensuring fire extinguisher are installed in placed, and ensuring vehicle entering estate are safe and driver training should be planned.

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

Criterion 2 Efficiency of energy use and use of renewable energy

Indicator 1 Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.

Summary Sighted the monitoring usage of diesel and electricity consumption for the operation of the estate. The audit team observed that the consumptions are monitored on a monthly basis. All data are compiled (2 years) for comparison and monitored to optimize the use of non-renewable energy. Records available were verified and showed satisfactory monitoring of the resources. As evidence, diesel:

Year	2018	2019
Diesel	4,173.15 liter	2,194.32 liter
FFB	3,326.68 MT	3,372.92 MT
Diesel/FFB	1.25 Liter/MT	0.65 Liter/MT

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

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

Summary The projection consumption of diesel and electricity for estate has been documented on annual basis based on the financial year with the latest available is for FY 2019/2020. As evidence, sighted estimate for diesel usage by estate management for year 2019/2020.

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

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

Summary There is no renewable energy been practiced at estate.

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 Ladang BAKKEP has established SOP "Prosedur Bahan Buangan" [Doc No.: BAKKEP/MSPO/SWM-05] dated 1st March 2019. Sighted identification of all waste products and operational plan to reduce pollution for Ladang BAKKEP. The data prepared by En. Mohd Yusmi bin Dollah Yaakob (Staff) and Mr. Johan bin Derus (Estate Manager).

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

List of domestic waste also sighted as papers, tin, plastic and food waste.

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

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

Summary The company established SOP "Prosedur Bahan Buangan" [Doc No.: BAKKEP/MSPO/SWM-05] dated 15th November 2018. Waste Management Plan is available as referred to: "Pelan Pengurusan Sisa" dated 15th November 2018. The estate has identified and documented the types of wastes that generated from its operation in Environmental Management Plan. There is no application of by products from the mill.

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 Ladang BAKKEP has established SOP on handling used chemical; BAKKEP/KKP/HSE-MS-001 in the "Garis Panduan dan Prosedur KKP" dated 15th November 2018. Handling of any used chemical products in the estate is under controlled and carried out by qualified person which have attended certain training.

Area of Concern:

Sighted the record of SW 409 by estate management. The date of generate of empty chemical containers are on 18th June 2019 with amount of 0.0055 MT. Referring to Environmental Quality Act 1974 (Act 127):

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

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

Estate has submitted the letter of extension to DOE requesting for extension in disposing the chemical containers as the date exceeded the stipulated days. However, the estate management yet to receive the approval from DOE.

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 During site visit, found that the chemical containers are triple rinsed and punctured to prevent contamination of water source or to human health. It is not used for other purposes. The other empty containers generated from estate are send to Department of Environmenta (DOE) approved contractor for disposed. Scheduled waste was disposed in accordance with scheduled waste requirements and regulation. In estate, the schedule waste (SW) materials are placed in the schedule waste store.

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

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

Summary Domestic waste is disposed in land fill, and map is available "Peta Ladang BAKKEP"- Tapak Pelupusan Sampah as evidenced. Seen Jadual Pembuangan Sisa Buangan Domestik (2 times a week).

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

Criterion 4 Reduction of pollution and emission including greenhouse gas

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

Summary Management of energy used is available as recorded in the "Pelan Pengurusan Tenaga Tahun 2020" and "Pelan Pengurusan Gas Rumah Hijau" dated 19th February 2020, prepared by En. Mohd Yusmi bin Dollah Yaakob (Staff) and Mr. Johan bin Derus (Estate Manager). Details as per below:

No.	Source GHG	Mitigation plan	Targeted date
1.	Greenhouse gas emission from fertilizing activity	Application of fertilizer shall follow agronomist recommendation	Done
2.	Gas emission release (lorry, tractor, genset)	Ensure regular maintenance	On-going
3.	FFB transported to mill	Advice transporter to regularly do maintenance	On-going
4.	Vehicle engine running during rest time and open burning.	Ensure vehicle engine switch off if idle for 30 minutes	On-going

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

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

Summary The action plan has been established and implementation is ongoing. As evidence, sighted the "Panduan Penilaian Aspek & Impak Kepada Alam Sekitar" for the year 2020 developed to prevent or minimize the pollution.

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
- e) waterways within the estate.
- f) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.
- g) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.

Summary Estate management established water management plan dated 19th February 2020 [ref: WMP-08/MSA/L2], prepared by En. Mohd Yusmi bin Dollah Yaakob (Staff) and Mr. Johan bin Derus (Estate Manager).

No river across the estate. It is surrounded with neighboring estates.

Sighted the monitoring usage of water consumption for the operation of the estate. The audit team observed that the consumptions are monitored on a monthly basis and showed satisfactory monitoring of the resources.

Water source: Pengurusan Air Pahang Berhad (PAIP).

Water usage: Untuk operasi ladang, perumahan pekerja, kakitangan ladang.

No bore in estate area.

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 field visit, no construction of bunds, weirs and dams across main rivers or waterways passing through an estate as no river across the estate. It is surrounded with neighboring estates.

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

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

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

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

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

Indicator 1 Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:

- a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.
- b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.

Summary Ladang BAKKEP has established SOP "Prosedur Pengurusan Spesies Jarang, Terancam, Merbahaya dan Nilai Biodiversity Tinggi [Doc No.: BAKKEP/MSPO/HBV-07] dated 1st March 2019. Management has taken action by preparing, "Pelan Pengurusan (Pemantauan Hidupan Liar)" and is made available, dated 1st January 2020. Records are available in:

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

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

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

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

Summary There is no status of rare, threatened, or endangered species and high biodiversity value area in the estate. During field visit, sighted no hunting signage was made available in estate.

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

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

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

species. The management plan for HBV is available in document "Pelan Pengurusan Habitat Nilai Biodiversiti Tinggi".

Biodiversity Value	Action
Pay attention to biological diversity	<ul style="list-style-type: none"> Enhancing monitoring on biological diversity Update information to "Jabatan Perhilitan"
Habitats are rarely found, endangered or endangered ecosystems and threatened with extinction.	<ul style="list-style-type: none"> Monitoring the habitat in estate Report to appointed officer
Estate areas that have a significant ecosystem globally	<ul style="list-style-type: none"> Monitoring estate ecosystem Report to appointed officer

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

Criterion 7 Zero burning practices

Indicator 1 Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.

Summary Zero burning policy was established and included in "Polisi Larangan Pembakaran Terbuka" dated 1st March 2019.

- "Bakkep Resources komited dalam mengamalkan system pengurusan perladangan yang lestari dan mesra alam bagi menjamin kesejahteraan serta pemuliharaan kepada alam sekitar".

During site visit there is no evidence of open burning in estate area and linesite also during interviews.

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

Indicator 2 A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.

Summary As per interview with estate manager, there is no out-break of diseases in estate area. However, palm trees are attacked by ganoderma diseases. The estate treats the palms by chipping and deboling and left and to exposed to sunlight about 3 months and closed.

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 the open burning. Estate has adopted "Polisi Larangan Pembakaran Terbuka" dated 1st March

2019 well implemented. Estate can manage by using the chemical, pulverizing and chipping only.

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 Ladang BAKKEP has adopted "Polisi Larangan Pembakaran Terbuka" dated 1st March 2019 well implemented. There is no open burning noticed during the plant visit. 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 will be felled, chipped and pulverized and been remained in the field for self-composed as per stated in "Polisi Amalan Pertanian bagi Peenanaman dan Penjagaan Kelapa Sawit".

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 Ladang BAKKEP has implemented Good Agriculture Practice (GAP) as seen from visit to the estate and seen from the document and also interviewing the workers. Estate have 3 types of manuals:

- i. Good agricultural practice policy for oil palm cultivation and maintenance.
- ii. Occupational Safety, Health and Environment Management System for BAKKEP Resources
- iii. MSPO Procedures

Regular inspection and supervision are conducted by mandore, supervisor, executives as well as HQ Department. All SOP and procedures are kept and will be updated periodically. The estate regularly conducted training for all workers in the estate operations to ensure that all workers are fully aware and understand the SOP. Fertilizer are stored in proper ventilated store and secured. PPE signage and warning signs are displayed at the store

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

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

Summary Sighted "Polisi Amalan Pertanian Bagi Penanaman dan Penjagaan Kelapa Sawit"; dated October 2015; SOP NO. 6 "Pemuliharaan Tanah dan Hakisan Air". No cover crops as this is flat area, the estate terrain comprise of undulating landscape for palm growth.

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

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

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

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

Criterion 2 Economic and financial viability plan

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

Summary Estate had an annual budget for the financial year 2020-2022. The estate budget includes the projected FFB, OER, PK and etc production which projected for three years from 2020 until 2022. It also incorporated item such as general charges, estate maintenance, general services, processing cost, fixed assets and others. Sighted documented business and management plan prepared by En. Mohd Yusmi bin Dollah Yaakob (Staff) and approved by Mr. Johan bin Derus (Estate Manager). As evidence in,

FY	2020	2021	2022
FFB	3,761	3,928	4,095
OER %	18.60	18.60	18.60
KER %	5.00	5.00	5.00
FFB Price	497.17	497.21	497.24

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 There is no replanting programme available for year 2020 - 2024.

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

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

Summary Estate had an annual budget for the financial year 2020-2022. The estate budget includes the projected FFB, OER, PK and etc production which projected for three years from 2020 until 2022. It also incorporated item such as general charges, estate maintenance, general services, processing cost, fixed assets and others. Sighted documented business and management plan prepared by En. Mohd Yusmi bin Dollah Yaakob (Staff) and approved by Mr. Johan bin Derus (Estate Manager).

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

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

Summary The 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 Compliance ☒ **Yes** ☐ No ☐ Not Applicable

Criterion 3 Transparent and fair price dealing

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

Summary The FFB pricing mechanism is determine and based on the approval by HQ. The company will make an announcement for tender for other services like harvesting, EFB transport and etc. For others, pricing mechanism is set through open tender process. Announcement will be made available to all contractors and they will deliver their quotation to the estate. The contractors have signed an agreement with the estate to provide services. The agreement has detailed the pricing mechanism for the service offered.

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

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

Summary All contracts are kept in estate office. Sighted the contract agreement signed by contractor and Ladang BAKKEP. As evidence, sighted the Contract Agreement between estate with Kurnia Mastiara Sdn Bhd (FFB Buyer) sealed on 01st January 2020. Monthly contract payment shall be paid on or before 30 days of the following month.

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

Criterion 4 Contractor

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

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

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

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

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

- Sighted the Contract Agreement between estate with Kurnia Mastiara Sdn Bhd (FFB Buyer) sealed on 01st January 2020. The agreement signed by Dato' Setia Perkasa, Tengku Dato' Sri Haji Zulkifly bin Tengku Ahmad (Pengarah).

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 Ladang BAKKEP was audited by Global Gateway Certifications Sdn Bhd MSPO auditor on 15th June 2020. Sighted audit plan dated 12th June 2020 (2nd Revision) which have been accepted address to Mr. Shahrul Nizam Bin Abdul Aziz (Sr. Manager). All the auditors are qualified MSPO auditor. As per agreed, the company accept the GGC MSPO auditors to verify through a physical inspection if required for audit purposed.

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

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

Summary Estate verified the work done by the contractors before all the payment paid to the contractors. Estate also inspect the contractor's workers. As per interviewed and also during site visit, the workers aware with OSH requirement. As example, the workers are required to wear 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 BAKKEP.

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 BAKKEP.

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

Criterion 2 Peat land

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

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

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

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

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

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

Indicator 4 Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be

managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.

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

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

Criterion 4 Soil and topographic information

Indicator 1 Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.

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

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

Indicator 2 Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.

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

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

Criterion 5 Planting on steep terrain, marginal and fragile soils

Indicator 1 Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.

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

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

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

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

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 BAKKEP.

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. Also, there is no customary land within or surrounding the estates. Thus, it is not applicable for Ladang BAKKEP.
	In Compliance <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Indicator 2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.
Summary	There were no new plantings involving forest land or land with high biodiversity. Also, there is no customary land within or surrounding the estates. Thus, it is not applicable for Ladang BAKKEP.
	In Compliance <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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. Also, there is no customary land within or surrounding the estates. Thus, it is not applicable for Ladang BAKKEP.
	In Compliance <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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. Also, there is no customary land within or surrounding the estates. Thus, it is not applicable for Ladang BAKKEP.
	In Compliance <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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. Also, there is no customary land within or surrounding the estates. Thus, it is not applicable for Ladang BAKKEP.
	In Compliance <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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. Also, there is no customary land within or surrounding the estates. Thus, it is not applicable for Ladang BAKKEP.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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. Also, there is no customary land within or surrounding the estates. Thus, it is not applicable for Ladang BAKKEP.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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. Also, there is no customary land within or surrounding the estates. Thus, it is not applicable for Ladang BAKKEP.
In Compliance	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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. There are no traces of labour discrimination for both local and foreigners, as seen many long serving employees and comfortable with management administrative.
2. Proactive and highly committed by Ladang BAKKEP in establishing directions for the management in complying with the MSPO certification.
3. Estate management demonstrated the awareness of complying to MKN and Ministry of Health SOP.
4. Due to COVID-19 outbreak, all operations were conducted with strict SOP by wearing appropriate PPE (social distancing, wearing face mask, usage of sanitizer and etc).
5. Estate management demonstrated full commitment during the entire audit process.

Appendix A: Audit Plan

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
14 th June 2020	08:00 – 09:00	➤ Opening Meeting at Ladang BAKKEP: <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).	SP	MS
	09:00 – 13:00	Ladang BAKKEP <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. 	SP	MS
	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. 	SP	MS
	13:00 – 14:00	➤ Lunch / Break	SP	MS
	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. 	SP	MS
	16:00 – 16:30	➤ Verify any outstanding issues and auditor discussion.	SP	MS
	16:00 – 17:00	Closing Meeting <ul style="list-style-type: none"> ➤ Presentation of findings by the audit team ➤ NC closure dateline (if any) ➤ Questions and answers ➤ Final summary by team leader End of assessment	SP	MS

Appendix B: Non-Conformity details



Non-Conformities Identified During This Audit

Major Nonconformities:	Non-were raised during this audit.
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Minor Nonconformities:	Non-were raised during this audit.
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Area of Concern:	1 AOC was raised during this audit.
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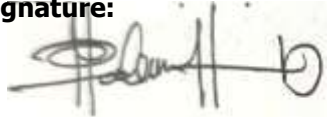
Company Name	Ladang BAKKEP Resources Sdn Bhd			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-U1-MSPO-2019			
NC No. / Ref.	U1/MSPO/AOC/01	Date Detected	15 th June 2020	
Site(s) concern	Ladang BAKKEP	Target Completion	-	
Normative Reference and Requirement	4.5.3.3 The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.			
NC Type	<input type="checkbox"/> Major <input type="checkbox"/> Minor <input checked="" type="checkbox"/> Area of Concern			
Description of Non-Conformity	Not in compliance to Environmental Quality Act 1974 (Act 127), Environmental Quality (Scheduled Wastes) Regulations 2005; PU(A) 294/2005			
NC Objective Evidence:				
<p>Sighted the record of SW 409 by estate management. The date of generate of empty chemical containers are on 18th June 2019 with amount of 0.0055 MT. Referring to Environmental Quality Act 1974 (Act 127):</p> <p>"Environmental Quality (Scheduled Wastes) Regulations 2005; PU(A) 294/2005; Regulation 9-Storage of Scheduled Wastes; No.5 – Any person may store schedule wastes generated by him for 180 days or less after its generation provided that:</p> <p>1. The quantity of scheduled wastes accumulated on site shall not exceed 20 metric tonne; and"</p> <p>Estate has submitted the letter of extension to DOE requesting for extension in disposing the chemical containers as the date exceeded the stipulated days. However, the estate management yet to receive the approval from DOE.</p>				

Lead Auditor Signature: 	Client Signature: 
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Major Nonconformities:	Non-were raised during previous audit.
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Minor Nonconformities:	Non-were raised during previous audit.
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Area of Concern:	1 AOC raised during previous audit
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Company Name	Ladang Badan Kebajikan Kerabat Pahang (BAKKEP)			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
Client Number	GGC-T12-MSPO-2019			
NC No. / Ref.	T12/MSPO/AOC/02	Date Detected	19 th June 2019	
Site(s) concern	Ladang BAKKEP	Target Completion	-	
Normative Reference and Requirement	4.5.3.4 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.			
NC Type	<input type="checkbox"/> Major <input type="checkbox"/> Minor <input checked="" type="checkbox"/> Area of Concern			
Description of Non-Conformity	No evidence sighted during the audit			
NC Objective Evidence: Evidence, Inventory of schedule waste as per e-SWIS system is made available and submitted to Department of Environmental on 15 th June 2019. However, no evidence of approved licensed contractor for disposal of schedule waste is sighted as to ensure scheduled waste was disposed in accordance with scheduled waste requirements and regulation.				
Lead Auditor Signature: 	Client Signature: 			

Appendix C: List of Stakeholders Contacted

Internal Stakeholders

- 1) Ladang BAKKEP, Management team and staff
- 2) Harvester
- 3) Sprayers

External Stakeholders

- 1) En. Mohd Rahim bin Awang – MPOB
- 2) En. Mohd Faizul Darus – KMT
- 3) En. Rasedi Wahab – PASFA
- 4) En. Azmi bin Mohamad – MPKK
- 5) Puan Fadhilah Mahmaud – Jabatan Parit Saliran
- 6) Mr. Albert Leong – Syarikat Indah Agro
- 7) En. Abu Bakar bin Haji Endul – Syarikat Indah Agro