

# GLOBAL GATEWAY CERTIFICATIONS

## MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

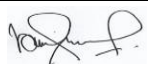


### CERTIFICATION AUDIT REPORT


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

Sinaron Sinua Plantation Sdn Bhd

- Individual Certification--

ANNUAL SURVEILLANCE AUDIT 1  
7<sup>th</sup> July 2020

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	10/8/2020	Issued as Draft Report	Ismadi bin Ismail	Lead Auditor	
B	07/10/2020	Issued as Final Report	Ismadi bin Ismail	Lead Auditor	
B	20/10/2020	Final Report Approved	Muhd Jamalul Arif	Certifier	

Acknowledgment by Sinaron Sinua Plantation Sdn Bhd					
Rev	Date	Description	Management Representative	Role	Signature
B	22/10/2020	Acceptance of the contents	Ms. Winnie Osingang	Sustainable Manager	

#### **Declaration**

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

WITH INTEGRITY WE SERVE



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

## SECTION I : PUBLIC SUMMARY REPORT

### 1.1 Certification Scope

Global Gateway Certifications Sdn. Bhd. (GGC) has conducted the Certification Assessment of Sinaron Sinua Plantation Sdn Bhd [Estate]. During this Annual Surveillance Assessment 1(ASA 1), the audit team were briefed by Estate Manager, of the supply base disposition. The Estate is on Single Site Certification.

This assessment was conducted onsite on 7<sup>th</sup> July 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

<b>Company Name</b>	Sinaron Sinua Plantation Sdn Bhd
<b>Business Address</b>	2-3, Lot 33, Block E, Lintas Square, Jalan Lintas, 88300 Kota Kinabalu, Sabah, Malaysia.
<b>Contact Person</b>	Mr. Roger Ling Wei Lee
<b>Office Telephone</b>	088-251711
<b>E-Mail</b>	roger.ling91@gmail.com

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

No	Name of the Certification Unit	Site Address	GPS Reference of the site office	
			Longitude	Latitude
1.	Sinaron Sinua Plantation Sdn Bhd	Kg. Sinua, Sook, Sabah, Malaysia	116.584770	5.480573

**MPOB License Information**

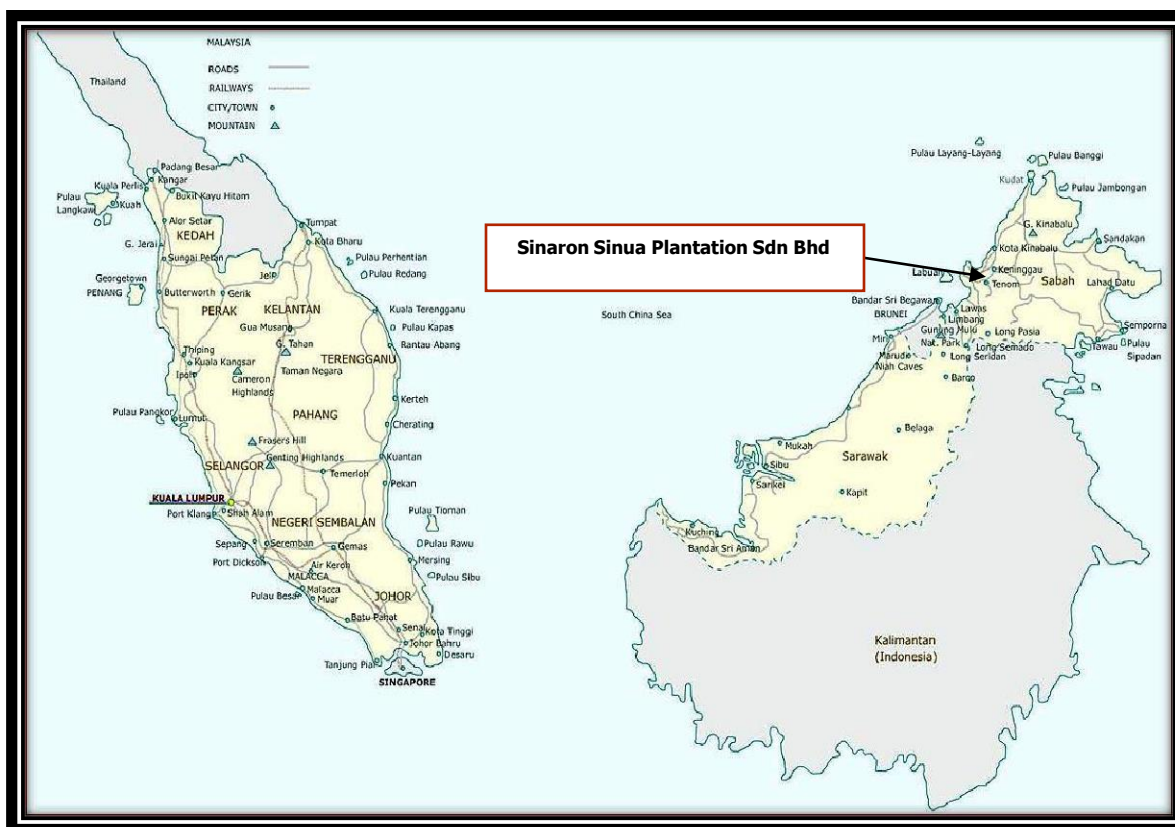
No	Name Of The Site	Licence Number	Expiry Date	Scope Activity
1.	Sinaron Sinua Plantation Sdn Bhd	616838002000	30.09.2020	Menjual dan mengalih FFB

**Others Sustainability Certification**

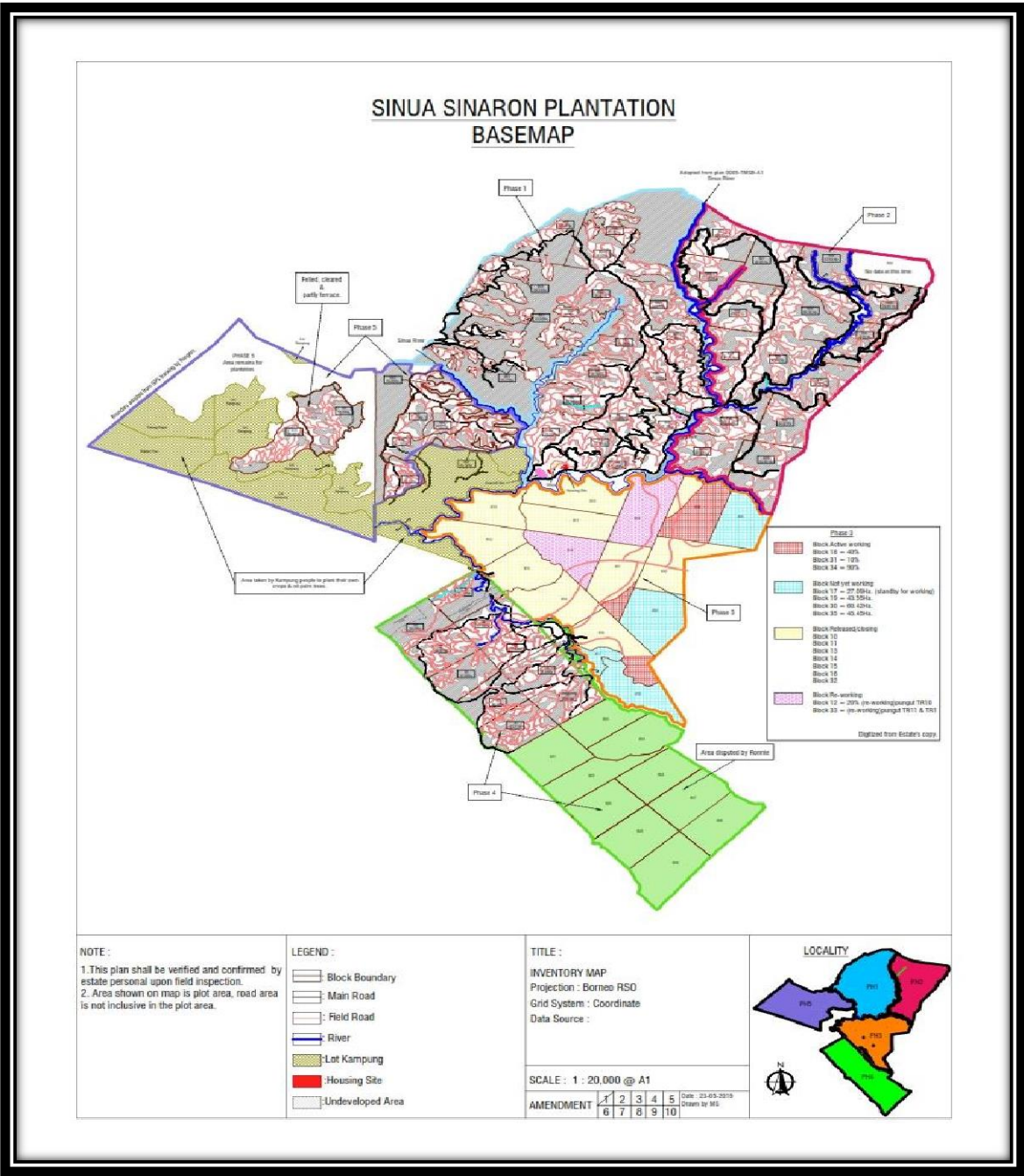
No	Name of the Site	Others Sustainability Certification
1.	Sinaron Sinua Plantation Sdn Bhd	Nil

## 1.4 Map Showing Geographical Location

### a) Sinaron Sinua Plantation Sdn Bhd



b) Sinaron Sinua Plantation Sdn Bhd



**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
Sinaron Sinua Plantation Sdn Bhd	3080.81	1189.73	489.69
<b>Total</b>	3080.81	1189.73	489.69

Name Of The Supply Base	Area Summary (HA)		
	Conservation Area	HCV	Others
Sinaron Sinua Plantation Sdn Bhd			493.79
<b>Total</b>			493.79

Name of the Certification Unit	FFB Summary (MT)		
	Projected from last audit	Actual Production for 12 Months [Jun 2019-May 2020]	Projected Production for next 12 Months [Jun 2020-May 2021]
Sinaron Sinua Plantation Sdn Bhd	635.00	928.58	4,960.00
<b>Total</b>	635.00	928.58	4,960.00

## 1.6 Certificate Details

<b>Certification body</b>	Global Gateway Certifications Sdn. Bhd., No. 10 Jalan Rasmi 7, Taman Rasmi Jaya, 68000 Ampang, Selangor Darul Ehsan, Malaysia. Tel.: +603 4256 2689; Fax: +603 4256 2687 Website: <a href="http://www.ggc.my">www.ggc.my</a>
<b>Assessment standard</b>	(MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders
<b>Certificate number</b>	GGC-SSP001-MSPO-00-2019
<b>Initial certificate issued date</b>	08th August 2019
<b>Certificate expiry date</b>	07th August 2024
<b>Stage 1 assessment date</b>	19 <sup>th</sup> April 2019
<b>Stage 2 / Main Assessment</b>	13 <sup>th</sup> June 2019
<b>Annual Surveillance 1 [ASA 1]</b>	7 <sup>th</sup> July 2020
<b>Annual Surveillance 2 [ASA 2]</b>	April 2021
<b>Annual Surveillance 3 [ASA 3]</b>	April 2022
<b>Annual Surveillance 4 [ASA 4]</b>	April 2023



## 1.7 Qualification of the Lead Assessor and Assessment Team

### Lead Auditor

**Name:** Ismadi bin Hj. Ismail

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

During this assessment, he assessed on the aspect of Transparency, Safety and Health, Employment Condition, Social and community engagements, stakeholder's consultation and workers welfare. Able to speak and understand Bahasa Malaysia and English

### Auditor

**Name:** Mohd Razin bin Bakal

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

### Auditor

**Name:** Mohd Razib bin Mohd Noor

Competent Marine Engineer with more than 30 years of working experiences in a various plantation company in Malaysia, Papua New Guinea and Indonesia. Having a skill in Good Milling Practices (GMP) including the crop quality control.

Qualified as Auditor for MSPO certification by SIRIM since 2018. Completed the ISO 9001:2015 Quality Management System Lead Auditor course by TOMC in May 2018 and MSPO SCCS Auditor by SIRIM in July 2019 respectively. Experienced in both palm oil mill and kernel crusher plant management, specifically boiler and process control. Member of GGC MSPO audit team. Able to speak and understand Bahasa Malaysia and English.

## 1.8 Audit Methodology

The audit was conducted based on sampling following the method as specified in the MSPO requirements (MSPO-Questionnaire Self-Assessment – RA). In the case of this certification unit, sampling calculation was not applied as it is on Single Certification.

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

The methodology for collection of objective evidence was established during physical site inspections, observation of tasks and processes, interviews of stakeholders, interview of officers, review of

documents and data. Checklists and questionnaires were used to guide the collection of information and the comments made by external stakeholders were also been taken into consideration in this assessment.

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

## 1.9 Audit Plan Information

<b>Audit Date</b>	7 <sup>th</sup> July 2020
<b>Name of site(s) visited</b>	Sinaron Sinua Plantation Sdn Bhd
<b>Total number of man-days spent</b>	3 man-days

## 1.10 Audit Result Summary Findings

<b>Category</b>	<b>Numbers</b>	<b>Status (Closed/Open/Not Applicable/No Action Requires)</b>
Major Nonconformities	2	Closed
Minor Nonconformities	0	Open
Area of Concern	0	No action requires
Noteworthy /Positive Comments	3	No action requires

## 1.11 Stakeholder Consultation

As per ACB-Malaysian Sustainable Palm Oil (MSPO); ACB-OPMC4; Issue 1, 01<sup>st</sup> August 2017; Stakeholder Consultation Requirements For Certification Bodies Operating Oil Palm Management Certification, the stakeholder consultation shall be carried out in stage 2 and recertification audit cycle of the management unit. The CB shall carry out stakeholder consultation to ensure continued compliance with the requirements of the certification standards. However, stakeholders' consultation during surveillance audit may be limited to those stakeholders who have raised concerns, complaints or disputes prior to the audit. GGC has published the public notification on 19th June 2019 (3rd Revised).

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. The auditor begin consultation with brief explained on the purpose of the audit, interviewed and record comments made by the stakeholders. The comments were verified with the Estate Management before incorporating into the assessment findings. There was no negative complaint or feedback received during the audit or during the field assessment when interviewing with the stakeholders. The details are as per table below:

No	Stakeholders	Subject raised / Identified Risk	Company response	Assessment
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	Name		and proposed action to be taken. [What we did]	team findings [Outcome]
1.	Stakeholders A (Estate workers)	<ul style="list-style-type: none"> <li>• They have good understanding about RSPO.</li> <li>• They have good understanding about complaint and grievance mechanism.</li> <li>• PPE given by company – free.</li> <li>• They reported that no sexual harassment and violence case was happened in the workplace.</li> <li>• They were treated equally with no discrimination based on gender.</li> </ul>	No action requires	Positive findings

### 1.12 Recommendation

The company has established sustainability policy, objectives and procedures that define an effective system for the administration and control of sustainability management system throughout all operation activities of Sinaron Sinua Plantation Sdn Bhd. Estate Manager is in charge and ensures that facility and his subordinates comply with the requirements and procedures stated in this manual. MSPO Compliance also being assist by Sustainability Department.

The management is committed to comply with MSPO system by giving awareness training to all personnel involved in this standard to make them understand the procedures and implementation of the standard. The employees are aware of the requirements of MSPO. There was no complaint received during this Annual Surveillance Audit (ASA 1).

This report will be internally reviewed for certification decision by GGC and external peer review by independent reviewers (Qualified by MPOCC) not required. During Annual Surveillance Audit (ASA 1), based on MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders, 2 major non-conformities have been raised to the facilities that being audited. All the evidence submitted were found adequate and therefore all major non-conformities are closed. (Refer to Appendix B, non-conformity table for details).

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted of major non-conformity findings is closed. Hereby, the lead auditor recommends to award the certificate of compliance "MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders" to Sinaron Sinua Plantation Sdn Bhd

### 1.13 Date of Next Surveillance Audit

The second annual surveillance assessment visit will be scheduled after 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

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

## 2.1 5 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** Sinaron Sinua Plantation Sdn Bhd has established a Sustainability Policy which stating their commitment to implanting the following sustainable practices:

- To operate sustainability management based on the principles and criteria contained in MS2530:2013 standard.
- To continuously improve our operation in line with social, environmental and economic aspects.
- Ensure protection and conservation for High Conservation Value and High Carbon Stock areas.
- Ensure protection and preservation of rare, threatened or endangered species and high biodiversity values.
- To ensure this sustainability policy is distributed and understood by all the employees and stakeholders.

The policy was signed by Director of Operation (Mr. Roger Ling Wei Lee), Sinaron Sinua Plantation Sdn Bhd dated 01 June 2018.

Sighted the External Stakeholder Meeting conducted on 21st February 2020 at Estate Meeting Room with total attendance of 21 person. The meeting conducted by Miss Winnie Osingang, the MSPO Coordinator.

For Internal Stakeholder Meeting, meeting with all workers was conducted on 22nd January 2020 at Stamping Sawmill area attended by all workers.

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

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

**Summary** Sinaron Sinua Plantation Sdn Bhd has established a Sustainability Policy which stating their commitment to implanting the following sustainable practices. The policy was signed by Director of Operation (Mr. Roger Ling Wei Lee) dated 01 June 2018.

The company is committed to continuously improve their operation in line with social, environmental and economic aspects based on the principles and criteria contained in MS2530: 2013 standards.

**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** Sinaron Sinua Plantation Sdn Bhd has established MSPO Procedure Title: Internal Audit, Doc No: MSPO-01, Rev 0, Date 1st July 2018.

Internal audit has been planned for the year 2020 as documented in "Annual Internal Audit Plan" prepared by Winne Osinggang and approved by the Director. Seen, the Internal audit at Sinaron Sinua Plantation Sdn Bhd being planned in March 2020.



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

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

**Summary** The company has established MSPO Procedure Title: Internal Audit, Doc No: MSPO-01, Rev 0, Date 1st July 2018.

The purpose of this procedure is to describe the audit process conducted internally to determine Sinaron Sinua Plantation Sdn Bhd operations are effectively implemented to comply with the Malaysian Sustainable Palm Oil (MSPO) standards.

The internal audit conducted by Ms. Winnie Osingang on 3rd March 2020. 10 major, 2 minor and 2 Opportunity for Improvement being raised during audit.

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

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

**Summary** Seen, all the Non-Conformities being closed before the Management Review Meeting conducted on 9<sup>th</sup> March 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** Sinaron Sinua Plantation Sdn Bhd has established the Management Review Procedure. MSPO-02; Rev 0; Date 1/07/2018.

Sighted the MSPO Management Review Meeting dated 9<sup>th</sup> March 2020 chaired by Mr. Haji Adzlie Teo. The meeting attended by 8 persons. As per stated in the procedure, the estate manager is responsible for arranging the meeting, preparing meeting agenda, determine scheduled date and meeting minutes. The agenda shall be as listed below:

1. Review action items from previous meetings.
2. Review the suitability of the policy.
3. Review process performance and product conformity including suitability and achievement of the quality objectives and other measures.
4. Review feedback from customers and other interested parties including data relating to customer perception of whether the organization has met customer requirements (include positive feedback as well complaints). Review customer

- delivery performance.
5. Review summary and status of non-conformities.
  6. Review any changes or requirements that might affect the QMS, e.g. revisions to the MSPO standard, legal & regulatory issues or new processes.
  7. Review resource issues such as:
    - Human – current adequacy and future needs, competency, training, organization chart and job descriptions (responsibility, authority and communication);
    - Facility – adequacy, suitability and maintenance of buildings, work environment and services (e.g. communications).
  8. Any other business or quality planning. (e.g financial, social, environmental, statutory, regulatory, marketing, etc)

**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** Sinaron Sinua Plantation Sdn Bhd has established Sustainability Policy. The policy has been approved by Director of Operation; Mr Roger Ling Wei Lee dated on 1st June 2018. Stated in the Sustainability Policy; Point no 2 – “To continuously improve our operations in line with social, environmental and economic requirements”.

Sinaron Sinua Plantation Sdn Bhd has established the Management Review Procedure. MSPO-02; Rev 0; Date 1/07/2018, Appendix 2: Continuous Improvement Plan. The Continual Improvement Plan as stated below: -

	2020
Manager / Asst House	8
Bathrooms	28
Surau	1
Diesel Skid Tank	1
Gen-set House	1

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

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

**Summary** The Company has installed Solar Panel to 72 workers quarters from the total of 160 in order to reduce the usage of Gen-set power supply.

**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** The management will adapt any new technology suitable for its operations from time to time

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

## 2.2 Principle 2 : Transparency

### Criterion 1 Transparency of information and documents relevant to MSPO requirements

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

**Summary** The Company has established the Stakeholder Communication & Consultation Procedure under No.MSPO-03 Rev:0 Dated 1 July 2018, Sinaran Sinua Plantation Sdn Bhd. Communication and consultation process is also communicated through stakeholder meeting.

External Stakeholder Meeting was conducted on 21<sup>st</sup> February 2020 at Sinaron Sinua Meeting Room attended by 24 participants. The meeting conducted by Miss Marina Jainis, the MSPO Coordinator.

Internal Stakeholder meeting was conducted on 15<sup>th</sup> January 2020 at Estate Muster Ground to 104 workers by Estate Manager.

No record on request and response matter being addressed by stakeholders.

**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 Reference Document List updated on 7<sup>th</sup> July 2020 by Mrs Winnie Yoku guideline as stated below: -

No	Reference Document	Confidential	Non Confidential
1	Workers Safety and Health		/
2	Trade Supplier	/	
3	Operations(Prosedures) and Quality		/
4	Administration and human Resources		/
5	Environmental Related Matters		/
6	FFB Supplier	/	



7	Financial Statement & Business Data	/	
8	Corporate Responsibility	/	
9	Statement of Corporate Governance	/	
10	Operational Manual	/	
11	Internal process, method & system	/	
12	Marketing Strategy, Projection or plan	/	
13	Business Strategy projection or plan	/	
14	Salary structure and bonus structure	/	
15	Contract Agreements	/	

All these documents were 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** The Company has established the Stakeholder Communication & Consultation Procedure under No.MSPO-03 Rev:0 Dated 1 July 2018, Sinaran Sinua Plantation Sdn Bhd. The Standard Operating Procedure has identified mechanism for consultation and communication with the relevant stakeholders.

**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** The person in charge for transparency agenda is Mr Zaidye Zainuddin, appointed on 1<sup>st</sup> March 2019 by the Sustainable Manager, Mr Lawrence Lau

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

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

**Summary** Sighted latest stakeholders list updated in 7<sup>th</sup> July 2020 as below: -

	No of stakeholders
Government	30
Supplier / Contractor	15
Local Community	4
Neighbouring Estate / Mill	4
Non - Government	9

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

<b>Criterion 3</b>	<b>Traceability</b>
<b>Indicator 1</b>	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).

**Summary** The company has established Sinaron Sinua Plantation Sdn Bhd MSPO Procedure : FFB Traceability Ref No: MSPO – 04 Rev: O; Date: 1st July 2018

Sighted, the FFB Traceability process flows in the Estate. Harvesting operation being conducted by Check-roll / own harvesters and the mandore / supervisor is under Estate Management.

At field, both Estate mandore / supervisor will conduct FFB grading and recorded all the Fresh Fruit Bunches (FFB) that harvested by the harvester in Daily Bunch Record. The daily bunch record consists of the following information:

- a. Harvester name
- b. Block and area number
- c. Date
- d. Quantity
- e. Grader's name and signature

Upon completion of field FFB Grading, the FFB will be loaded and transported to ramp and recorded in the Bunch Record.

Later, the FFB being loaded into the lorry and transported to Collection Centre. The Estate will record all the data in Bunch Record / Fresh Fruit Bunch Dispatch Chit. The weighbridge operator at mill will key – in the following information in the system: -

1. Date
2. Gross/tare/net weight
3. Contract Number
4. Weighbridge ticket number
5. Total Bunches
6. Vehicle number
7. Name of driver
8. Seal Number
9. Time in / out

The FFB being transported to the designated Collection Centre as per HQ instructions.



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

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

**Summary** The Management team on harvesting holds the responsibility on regular inspection of traceability system.  
Periodical inspections also being conducted through GM's and Director's 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** The person in charge for transparency agenda is Mr Zaidye Zainuddin, appointed on 17th January 2020 by the Sustainable Manager, Mr Lawrence Lau

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

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

**Summary** FFB being sell to Wonder Choice Sdn Bhd, collecting centre and being monitored by Head Office.

Sighted the records of sales, delivery or transportation of FFB. This record being maintained and the documents are kept by estate

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

## 2.3 Principle 3 : Compliance to legal requirements

### Criterion 1 Regulatory requirements

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

**Summary** The list of law sighted in document Legal Register Sinaron Sinua Plantation Sdn Bhd. The details as listed herein: -

1. Occupational Safety and Health
2. Factories and Machinery
3. Uniform Building by Law
4. Pesticide
5. Electrical Supply
6. Petroleum (Safety Measurement)
7. Fire Services
8. Code of Practice for Safe Working in A Confined Space
9. Environmental Quality

10. Local Government
11. Housing and Amenities
12. Labour
13. EPF
14. SOCSO
15. Union
16. Minimum Retirement Age Act 2012
17. National Wage Consultative Council Act 2011, Minimum Wages Order 2018
18. Weights and Measures Regulations 1981
19. MPOB

**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 list is fully covered the details requirements that related to MSPO compliance. Sighted Permits and Licenses being kept and monitored by the Company. The Company has the following documents;

<u>No</u>		<u>Permit Number</u>	<u>Expiry Date</u>
1	MPOB	616838002000	30/9/2020
2	Trade License	583832	31/12/2020
3	Lesen Penggajian Pekerja Bukan Pemastautin I/R02183/2019		22/7/2020
4	Fire Extinguisher      60 units		10/7/2020
5	Permit Pemetongan Gaji - Kantin		17/7/2021

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

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

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

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

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

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

**Summary** The Estate has nominated En Mrs Winnie Yoku as a person responsible for monitoring compliance and tracking the update changes in regulatory requirements through a letter of appointment dated 17<sup>th</sup> January 2020 signed by En. Parantis Singh, 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** Sighted A Joint Venture Agreement between Sabah Land Development Board and Tajuk Maju Sdn Bhd dated 24<sup>th</sup> February 2015 covering a land measuring 3,080.81 plantable hectares more or less and situated in Sungai Sinarun in the District of Tongod, Keningau, Sabah.

The Agreement between both parties made based on confidence and friendly cooperation to carry out the business of cultivating land up to 3080.81 Ha plantable Hectares more or less with Palm Oil trees and plant, harvest, process and sell the procedure derived there from the project.

Both parties agreed to carry out the Joint Venture Project through a joint company known Sinaron Sinua Plantation Sdn Bhd (Co. No 1101112-A). The Agreement was prepared by J.T Kulai & Co, Advocates and Solicitors.

Sighted Area Statement for year 2020 covering 3,080.81 Hectare. Details as listed herein: -

	Hectare
Mature	489.69
Immature	700.03
Total Planted	1,189.72
Unplantable	1397.20
Building Site	2.40
Plantable Reserve	323.76
Sawmill	9.50
Road	143.39
Water Catchment	14.84
Total Hectare	3,080.81

**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** Sighted the Joint Development Agreement – for the development of the Land measuring 3,080.81 plantable hectares more or less and situated in Sungai Sinarun in the District of Tongod, Keningau, Sabah between Sabah Land Development Board and

Tajuk Maju Sdn Bhd. (Company No: 754031-P) dated 24th February 2014. The Agreement was prepared by J.T Kulai & Co, Advocates and Solicitors.

The JV Project will be developed through a joint venture company known as Sinaron Sinua Plantation Sdn Bhd as stated under Clause 2, Whereas.

Sabah Land Development Board has identified 695 names as shareholders for this project. Details as follows: -

No	Name of Village	No of shareholders
1	Sinaron Tengah	125
2	Kampung Sinua	298
3	Tuawon	94
4	Sinaron	178
	Total	695

Seen, a letter from General Manager, Sinaron Sinua Plantation Sdn Bhd to General Manager, Sabah Land Development Board dated 28th January 2020 on permission to construct building for office, staff quarters, scheduled waste stores, chemical store, diesel skid tank and shower rooms on the land.

No approval being granted thus far by Sabah Land Development Board

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

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

**Summary** Sighted legal perimeter boundary markers be clearly demarcated and visibly maintained on the ground. 4 boundary markers being identified namely:

1. Phase 2/ Block 49 - 447/683
2. Phase 3 / Block 19 – 180/309
3. Phase 4 / Block 10 – 504/375
4. Phase 3 / Block 19

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

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

**Summary** No customary right demonstrates in this vicinity.

**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** No customary right demonstrates in this vicinity.

**InCompliance** ☒ **Yes** ☐ No ☐ Not Applicable

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

**Summary** No customary right demonstrates in this vicinity.

**InCompliance** ☒ **Yes** ☐ No ☐ Not Applicable

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

**Summary** No customary right demonstrates in this vicinity.

**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** Company has established the Standard Operating Stakeholder Communication & Consultant Procedure – Doc. No: MSPO-09 (Rev 0), Date: 1st July 2018. Prepared by Ms. Saulin Sigar (MSPO Staff) and approved by Mr. Lawrance Chan (Sustainable Executive) effective from 1st July 2018

Sighted, SIA for Internal stakeholders conducted on 22nd February 2020. The purpose of Social Impact Assessment is assessing on Access and Use Rights, Economic livelihoods and working condition, cultural and religion issues, health and education facilities and subsistence activities. 11 internal stakeholders being assessed and responded. The respond included;

No	Faktor Social / Kriteria	Kesan Impak	Analisa Impak Sosial	Langkah mitigasi	Tarikh Akhir
1	Kemudahan perumahan	Perumahan untuk staff ladang perlu di tambah baik dan membina	Positive	8 unit rumah untuk pegawai dan kerani ladang	Dec 2020

		rumah konkrit atau separuh konkrit			
2	Kemudahan beribadah	Tempat beribadah belum disediakan	Positive	Pembinaan surau pada tahun 2020	Dec 2020
3	Pengangkutan	Tidak ada pengangkutan untuk budak sekolah	Negative	Pengangkutan budak sekolah dalam proses perbincangan	Dec 2020
4	Ekonomi kehidupan	Penambahan elaun	Negative	Penambahan elaun dalam proses perbincangan	Dec 2020

Seen the review report with the mitigation plan and targeted date for completion.

**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** Company has established the Standard Operating Stakeholder Communication & Consultant Procedure – Doc. No: MSPO-09 (Rev 0), Date : 1st July 2018. Prepared by Ms. Saulin Sigar (MSPO Staff) and approved by Mr. Lawrance Chan (Sustainable Executive ) effective from 1st July 2018

Sighted record of complaint for year 2020. No complaint was made thus far.

**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** In order to ease the employees and relevant stakeholders to lodge the complaint, the complaints and grievances form and box are available at estate office and worker quarters.

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

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

**Summary** In order to ease the employees and relevant stakeholders to lodge the complaint, the complaints and grievances form and box are available at estate office and worker quarters.



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

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

**Summary** Sighted the External Stakeholder Meeting conducted on 21st February 2020 at Estate Meeting Room with total attendance of 21 person. The meeting conducted by Miss Winnie Osingang, the MSPO Coordinator.

For Internal Stakeholder Meeting, meeting with all workers was conducted on 22nd January 2020 at Stamping Sawmill area attended by all workers. The agenda for both meetings are;

1. Briefing on Company Policy
2. Briefing on complaints and request procedure

No complaints or request made during the meeting.

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

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

**Summary** Even though no record of complaint made by the internal and external stakeholder, estate management still maintain the complaints and grievances record for the last 24 months.

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

**Criterion 3 Commitment to contribute to local sustainable development**

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

**Summary** Sighted Corporate Social Responsibility Record File for internal and external stakeholder as follow;

No	Date	CSR Activities
1	18.06.2020	Celebration party with estate workers for crop target achievement
2	03.03.2020	Distribution of Company T-shirt to all estate staff

**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 1st June 2018 which was approved by Managing Director, Mr. Roger Ling Wei Lee. The policy was prepared in Bahasa Malaysia and English for easily understood by all level of its employees. OSH Plan for 2020 is available including objectives as follows:

1. Provide and ensure a safe and healthy working environment.
2. Ensure that all employees and stakeholder are given information, rules, instruction, training and supervision on safe working procedures.
3. Identify and investigate all type of accidents, diseases, poisoning and hazardous conditions and preventive measure not to repeat.
4. Compliance with legislative requirements especially the Safety and Health Act 1994 and the Factory and Machinery Act 1967.
5. Ensure that all employees and stakeholders carrying out work or field activities are provided with appropriate personal protective equipment and recognized standards.
6. Ensure that all contractors and suppliers comply with safety and health rules and regulations.
7. Nurture and enhance occupational safety and health through training to all employees and stakeholders.
8. Ensure the awareness of occupational safety and health policies is disseminated to be understood and practiced by employees and all 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**

OSH policy sighted signed by Managing Director Mr. Roger Ling Wei Lee, dated 1st June 2018.

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 sighted for the followings work operation :-

1. Tingkahlaku Semasa bekerja
2. Menanam Anak Pokok Kelapa Sawit
3. Memotong buah tandan segar
4. Penyemburan racun
5. Menabur Baja
6. Menabur Racun Tikus
7. Pemandu
8. Penyimpanan dan Pengurusan bahan di stor

Sinaron Sinua Plantation Sdn. Bhd. has a comprehensive annual training plan for the Staffs and Workers and this was sighted in the training records file for each staffs and workers. Training Plan includes: -

No	Title of Training	Planned Month
1	Policies Awareness ( Sustainability, Occupational Safety & Health, Environment, Sexual Harassment, Freedom of Association)	January 2020
2	Safe & Standard Operating Procedure	February 2020
3	SDS	February 2020
4	PPE	February 2020
5	SOP Handling of Chemical ( USECHH )	March 2020
6	Accident & Emergency Procedure	March 2020
7	First Aid	March 2020
8	SOP Handling of Used Chemicals (SW)	February 2020
9	Taklimat Kesedaran Larangan Pembakaran Terbuka " Zero Burning "	February 2020
10	Taklimat Kesedaran HBV & RTE	February 2020
11	Taklimat Prosedur Komunikasi dan Konsultasi	March 2020
12	Taklimat system aduan & keluhan ladang	March 2020
13	Taklimat Pencegahan Gangguan Seksual & Keganasan	March 2020

Estate has provided appropriate PPE for all workers in their operations. PPE Issuance and replacement record sighted for latest record for month of June 2020: -

1. Staff/AP
2. Harvesters
3. Field Workers
4. General Workers

Company has established the Standard Operating Procedure Pengendalian Bahan Kimia – Doc. No: CISB/MSPO/SOP-2 (Rev 0). Prepared by Mr. Saulin Sigar (Field staff) and Approved by Mr. Lawrance (Sustainable Staff) effective date on 26th February 2019

The company has appointed Rehpro Scientific Sdn. Bhd to carry out CHRA Assessment for Sinaron Sinua Plantaiton Sdn. Bhd. Site visit was carried out from 25th April 2020 (RSSB/CHRA/2020-023. Based on the recommendation by the Occupational Health Doctor, the medical surveillance must be carry out 12 month interval. Sighted quotation from DAB OH Sdn. Bhd. ( 967104-U) dated 19th June 2020 for Medical Survillance Service to 3 estates and mill ( Kawayoi Plantation Sdn. Bhd. / Sinaron Sinua Plantation Sdn. Bhd. / Mutiara Eramas Sdn. Bhd / Pandewan POM)

The Estate Manager Mr. Parantis Singah was appointed as the Chairman of the Operating Unit OSH Committee. Sighted letters of appointment for all the committees " Jawatan Kuasa Keselamatan dan Kesihatan Pekerja Ladang (JKKP) bagi sesi 2020 " signed by The OSH Chairman dated 17th January 2020.

The OSH Committee meeting has been conducted as follows;

- a. 28th February 2020
- b. 15th June 2020

Safety and health meeting were conducted every 3 months to discuss all issues regarding worker"s safety and health. All issues raised and discussed during conducted meeting has been resolve and taken action by POM and estate management with proper action and target date.

Sighted the emergency procedure for the Sinaron Sinua Plantation, SHM – SSPSB -04 dated 1st January 2019. Emergency response plan is available in local language. The ERP has been explained to all workers and staffs during training / morning muster. Emergency response plan include the emergency contact number, and also have Guidelines on Accident, Emergency Procedures and Exit routes as well as assembly point in file and pasted on notice board.

First Aid Training was conducted on 20th March 2020 by Mr. Wilder Joseph (Sustainability Staff). Sighted picture, training material and attendance list attended by all staff and mandores with attendance of 29 persons

During field visit, sighted first aid box and records maintained by first Aiders at the work places area.

Estates have submitted JKPP 8 (I & II)/(IV) on annually basis to the DOSH. LTA calculation based on local interpretation from DOSH JKPP 8 which submitted on 28th January 2020.

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

**Criterion 5 Employment conditions**

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

**Summary** Sighted the Social Policy., established on 1<sup>st</sup> June 2018 signed by Operation Director, Mr Roger Ling Wei Lee. Communication of the policy to workforce is through muster – call and the policies being displayed at the office notice boards. This policy covers :-

- Compliance with established laws and regulations including labour laws, land title laws and workers’ housing
- Ensur minimum retirement age policy is complying
- Provide the relevant training and development associated with their roles and responsibility
- Prohibit employing worker by coercion or under age
- Paying salaries to employees and staff on a minimum a wage order
- Respect and protect Human Rights and workers Rights (including temporary workers, contracts or foreign workers )
- Freely of discrimination and prejudice against gender, race, religion, nationality and political views
- Provide a harmonious work environment to employees, customers and stakeholders
- Provide workplace free of sexual harassment whether directly or indirectly against all workers, societies and stakeholders.
- Allow workers to join or form trade unions of their own choosing that enable them to exercise their rights, Company shall give them freedom to have their own representative to organize themselves for collective bargaining.

The Policy being displayed at notice boards outside the estate office. The Social Policy has been communicated to all External and Internal Stakeholders during the meeting.

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

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

**Summary** Sighted the Social Policy., established on 1st June 2018 signed by Mr Roger Ling Wei Lee, Operation Director This policy covers :-

g. Freely of discrimination and prejudice against gender, race, religion, nationality and political views.

i. Provide workplace free of sexual harassment whether directly or

No evidence of discrimination based on race, skin color, religion, gender, national origin, ancestry, disability, marital status, and sexual orientation was found in the estate.

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

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

**Summary** Sighted the Social Policy., established on 1st June 2018 signed by Mr Roger Ling Wei Lee, Operation Director This policy covers :-

e. Paying salaries to employees and staff on a minimum a wage order

The salary is according to „Guidelines on the Implementation on the National Minimum Wages Order 2020“ as stated in the guidelines. Interview with both Estate staff and workers confirmed that they understand the terms and conditions of their employment. Sample of wages as below;

No	Name	Nationality	Passport No ID / Malaysia	Wages April Gross	Wages April Net
1	Jackson Podosi	Malaysia	891226-12-6223	1,382.88	1,298.43
2	Remeo Julius	Malaysia	910622-12-6701	1,778.96	1,700.71
3	Mahadi @ Marcus bin Lakang	Malaysia	680925-12-5609	1,489.11	1,428.86
4	Adi Sain	Indonesia	C 3825024	1,370.36	1,370.36
5	Amri bin Arifin	Indonesia	C 3827981	1,069.04	1,069.04

**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** 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** Sighted, the Registration Card of the workers which stated the offered position, employee number, date joined, wages implied, working hours, OT, allowances, rest day, working on holiday etc. Sample taken on Jackson Podosi (891226-12-6223) and Adi Sain (C 3825024)

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

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

**Summary** Sighted, Employment Contract between Sinaron Sinua Sdn Bhd and the workers. The Agreement stated all the term and conditions according to Malaysian Law. The contract is in Bahasa Malaysia.

This contract is signed by both employee and employer and accompanied with respective witnesses. Workers employed consisted of local and Indonesian. Sample taken on Jackson Podosi (891226-12-6223) and Adi Sain (C 3825024)

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

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

**Summary** The Management has established Time Recording System based on Attendance Record Book for staff and Pocket Check-roll to workers.

Working hours is 8 hours. From Saturday to Thursday. 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** The working hour and break time has been clearly stated in the Employment Contract.

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

There is no complaint received regarding payment or forced to work on overtime during site interview

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

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

**Summary** Pay Slip and Employment Contracts of each workers sighted. Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers interviewed confirmed that they are being paid more than the stipulated minimum wage and that they understand all the deductions being made.

Documented payslip was distributed to individual workers on the day of payment.

**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** For local workers, staffs and executives, all of them are covered under EPF & SOCSO as required by the Malaysian Laws and Regulations and For Indonesian workers, they will be covered under SOCSO.

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

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

**Summary** All workers are provided with housing facilities at workers linesite, sport facilities and creche. Gravity Water and solar electricity is provided free to all workforce.

Periodically, linesite Inspection was conducted on 12th June 2020 by Mr. Jack Yapi ( Field Staff ) and the record was compiled accordingly.

**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** Sighted the Social Policy., established on 1st June 2018 signed by Mr Roger Ling Wei Lee, Operation Director. This policy covers :-

- i. Provide workplace free of sexual harassment whether directly or indirectly against all workers, societies and stakeholders.

The Policy being displayed at notice boards outside the estate office. The Social Policy has been communicated to all External and Internal Stakeholders during the meeting.

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

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

**Summary** Sighted Freedom of Association Policy approved by Mr. Roger Ling Wei Lee dated 1st June 2018. 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:  
„f. Respect and protect Human Rights and workers Rights ( including temporary workers, contracts or foreign workers )

**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 approved by Mr. Roger Ling Wei Lee dated 1st June 2018.

The policy on Children and young persons shall not be employed or exploited. has been stated under the following number:  
d“. Prohibit employing worker by coercion or under age

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

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

## **Criterion 6 Training and competency**

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

**Summary** Training and Development policy is incorporated in the Social Policy established on 1<sup>st</sup> June 2018 signed by Operation Director, Mr Roger Ling Wei Lee. The statement is under the following number:

c" Provide the relevant training and development associated with them roles and responsibility

The Estate has a comprehensive annual training plan. The training plan for 2020

No	Title of Training	Planned Month	Date Conducted
1	Policies Awareness ( Sustainability, Occupational Safety & Health, Environment, Sexual Harassment, Freedom of Association)	January 2020	22.01.2020
2	Safe & Standard Operating Procedure	February 2020	22.01.2020 22.05.2020
3	SDS	February 2020	
4	PPE	February 2020	21.02.2020
5	SOP Handling of Chemical ( USECHH )	March 2020	10.04.2020
6	Accident & Emergency Procedure	March 2020	22.01.2020
7	First Aid	March 2020	21.02.2020
8	SOP Handling of Used Chemicals (SW)	February 2020	10.04.2020
9	Taklimat Kesedaran Larangan Pembakaran Terbuka " Zero Burning "	February 2020	22.01.2020
10	Taklimat Kesedaran HBV & RTE	February 2020	
11	Taklimat Prosedur Komunikasi dan Konsultasi	March 2020	22.01.2020
12	Taklimat system aduan & keluhan ladang	March 2020	
13	Taklimat Pencegahan Gangguan Seksual & Keganasan	March 2020	

Training records for 1st Aid Training was sighted on 29th March 2019 conducted by En. Wilder J attended by 8 participants.

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

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

**Summary** Yearly training plan is created based on Training Needs Analysis for workers involved in the operations. Sighted the Training Need Analysis of all workers, staffs and Management which are based on their competencies and job description.

**In Compliance** ☒ **Yes** ☐ No ☐ t Applicable

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

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

**In Compliance** ☒ **Yes** ☐ No ☐ t 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** Environmental policy signed by Managing Director, Mr. Roger Ling Wei Lee dated 01.06.2018 and seen Document No: MSPO-06 Pelan Pengurusan Alam Sekitar dated 01.07.2018. The policy covers the followings: -

1. Melaksanakan operasi perladangan mengikut peraturan yang berkaitan dengan alam kualiti alam sekitar.
2. Mengamalkan polisi Amalan Pembakaran Sifar untuk kawasaan baharu dan penanaman semula dalam situasi yang dibenarkan.
3. Memastikan aktiviti ladang mematuhi syarat syarat dalam industri semasa.
4. Merancang dan memantau melaksanakan mengawal ketetapan aktiviti untuk mengurangkan kesan pencemaran dan pelepasan termasuk gas rumah hijau.
5. Menggalakan dan meningkatkan kesedaran keatas pemeliharaan alam sekitar melalui latihan, ceramah kepada pekerja, kakitangan dan pihak berkepentingan.
6. Memastikan polisi Alam Sekitar ini difahami dan diamalkan oleh kakitangan, pekerja dan pihak berkepentingan.

Sighted Training on Sustainable, Environmental, Safety & Health and Social Policy has been conducted to External stakeholders

**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** The estate has conducted Environmental Aspect Impact as per document Environmental Aspect Impact Assessment Guidance for Estate dated 03. 01.2020 prepared by the Environmental officer and approved by the Estate manager, covering all estate operations which may have major impacts on the environment.

**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** Sinaron Sinua Plantation Sdn Bhd have established a mitigation plan documented in document Environmental Aspect Impact Assessment Guidance for Estate dated 03.01.2020-reference number: -MSPO -06. Sample as below: -

Aspect	Impact	Mitigation measure	Monitoring program	Continuous Improvement	Timeline
Generation of empty chemical container	Land contamination	Empty chemical containers shall be triple rinses and punctured and disposed of through authorized collector	Empty chemical containers should be not used for other than premix or spraying  To ensure that the empty chemical container not in used at the housing area	To get approval from DOE to carry out the triple rinse approval and proper premix facility.	monthly
Disposal of the clinical waste	Land contamination	To contain in the clinical waste bin	Monitor by the estate hospital assistant	-	monthly
Disposal of the empty fertilizer bags	Land and water contamination	Remove the solid waste and transfer to collection	Record the triple rinse fertilizer bags .	To get approval from DOE to carry out the triple rinse approval and	monthly



		facility Triple rinse the empty fertilizer bags		proper premix facility.	
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**In Compliance** ☒ **Yes** ☐ **No** ☐ **Not Applicable**

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

**Summary** Program to promote positive impacts to the environment has been established. Estate established planning to upgrade / build Schedule waste store, Lubricant store, workshop and general store with time bound plan.

**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** For Internal Stakeholder Meeting, meeting with all workers was conducted on 22nd January 2020 at Stamping Sawmill area attended by all workers.

**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 management meeting was conducted on 23rd March 2020. Attended by 13 participant and chaired by the estate manager Michael Philip.

**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** Record for diesel consumption monitoring sighted during the audit. Consumption of Diesel monitored by establishing baseline values and trends. Solar Panel were installed to reduce diesel consumption.

Month	Actual 2019 Ltr	Actual 2020 Ltr
January	4141	4293
February	5288	4610
March	4679	4284
April	4791	5163
May	4366	3921
June	4416	
July	4175	
August	3338	
September	3751	
October	4982	
November	4643	
December	4631	
Total	53201	

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

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

**Summary** Sighted annual estimate of non-renewable energy being established for the year 2020.

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

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

**Summary** Evidence, 109 solar panels being installed particularly the workers quarters.

**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** All waste products and sources of pollution identified and documented under Schedule Waste Management Procedure namely Prosedur MSPO – Pengurusan Bahan Buangan. List of schedule waste clearly stated in Annex 1 as below: -

Jenis bahan buangan	Punca
SW 102 battery	Workshop
SW 305 Spent Lub oil	Workshop

SW 306 Spent Hydraulic oil	Workshop
SW 410 Filters/ used gloves	Workshop
Used tyre	Workshop
Biodegradable kitchen waste	Linesite/office
Non biodegradable tin plastic bottle	Linesite / office
Karong baja kosong	Operasi membaja diladang
Gallon Racun kosong	Operasi meracun di ladang

**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** Identifying and monitoring sources of waste and sources of pollution identified and documented under Schedule Waste Management Procedure, Pengurusan Bahan Buangan. List of schedule waste clearly stated in Annex 1 for instance improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products available.

Jenis bahan buangan	Punca	Program mitigasi	Program pemantauan
SW 102 battery	Workshop	Bahan buangan terjadual dihantar ke Pusat pengumpulan Pendawan Mill (Disimpan /lupuskan mengikut akta Alam sekitar 1974(bahan terjadual 2005)  Dikitar semula sebagai pasu bunga	Rekod penyimpanan distore dan penghantaran ke Pendawan mill dibuat
SW 305 Spent Lub oil	Workshop		sama
SW 306 Spent Hydraulic oil	Workshop		sama
SW 410 Filters/ used gloves	Workshop		sama
Used tyre	Workshop		Memastikan ia digunakan untuk landskap saja
Biodegradable kitchen waste	Linesite /office	Dilupuskan dikawasan pelupusan sampah ladang	Rekod penghantaran ke landfill
Non biodegradable	Linesite / office	Program kitar semula	Rekod Penjualan bahan kitar semula

tin plastic bottle		.Pengasingan mengikut bahan buangan	
Karong baja kosong	Operasi membaja diladang	Cuci 3 kali bilas untuk digunakan sebagai penyimpanan biji lerai	Penggunaan karung yang dicuci dan dibilas 3 kali di rekodkan
Gallon Racun kosong	Operasi meracun di ladang	Cuci 3 kali bilas dan di gunakan untuk premixed gallon sahaja	Penggunaan gallon yang dicuci dan dibilas 3 kali di rekodkan

**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** The Sinaron Sinua Plantation Sdn Bhd of its MSPO Procedure related to the Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 as to ensure proper and safe handling, storage and disposal is developed. Refers to dokumen SSOP 11.01.0.

The following work flow is described in the schedule waste disposal procedure: para 5.2 Of the Waste Management Procedure Date 1 July 2018.

Work flow	Description	Responsibility	Document
1) Schedule Waste Identified	Type of schedule waste codes (SW) and labels to be used shall be identified.  The identification shall be based on the Environmental Quality (Scheduled Wastes) Regulation 2005.	Estate Manager	Environmental Quality (Scheduled Wastes) Regulation 2005.
	Notify DOE on types and quantities of Schedule Wastes generated using Second Schedules (Regulation 3) of Environmental Quality (Scheduled Wastes) Regulation 2005.	Estate Manager	Second Schedule (Regulation 3) of Environmental Quality (Scheduled



	Subsequently, new categories and quantity of schedule waste shall be reported 30 days from the date whereby the wastes are generated.		Wastes) Regulation 2005.
2) Collection and Storage of Schedule Waste	Appropriate type of dust bin/container are provided at the temporary collection of schedule wastes.  This container shall be durable, provided with covers and shall be clearly marked as "Schedule Waste".	Estate Manager	
	These scheduled wastes shall be transferred to the allocated scheduled waste storage are at appropriate intervals.	Estate Manager	
	The store person in-charge shall ensure that the schedule waste kept in the storage area are stored in containers that are durable and are able to prevent spillage or leakages. Containers shall be sealed or enclosed at all times. Spill kits shall be provided nearby the storage area.  Scheduled waste store shall be sheltered and secured. Proper inventory shall be maintained.	Store Person In-charge	Fifth Schedule Environmental Quality (Scheduled Wastes) Regulations 2005.
3) Disposal of Schedule Waste	No schedule waste shall be kept for more than six month or with quantity exceeding 20 metric ton.  Schedule wastes can only be disposed by licensed schedule waste collector. Copies of license shall be kept for record and reference.	Estate Manager	License Contractor by 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** Schedule waste record was verified from schedule waste file. Proper recording of Schedule waste was maintained. The empty chemical container being recycle for water supply during spraying

Also verified estate's "Prosedur Pelan Pengurusan Alam Sekitar-Lampiran 1-Panduan Penilaian Kesan Aspek Alam Sekitar untuk Ladang,number 8", Empty chemical containers were recycled by rinsing it with clean water at least minimum 3 times.

**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 for linesite area is managed by the Estate.

Domestic waste disposal area is more than a Kilometer away from the housing and water course. Not sighted any contamination agent or schedule wastes inside the landfill.

**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** Assessment of polluting activities in the estate sighted in document "MSPO-06 Lampiran 1: Panduan Penilaian Kesan Aspek Alam Sekitar Untuk Ladang".

Environmental aspect	Environmental impact
Use of petrochemical for estate power supply	Global warming Depletion of non renewable resource
Use of petrochemical for estate transportation and heavy machineries	Land and water contamination
Human sewage from linesite/office	Water and land pollution
Domestic waste –biodegradable & Non-biodegradable	Land and water course contamination

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

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

**Summary** Sinaron Sinua Estate have established a mitigation plan documented in document Environmental Aspect Impact Assessment Guidance for Estate dated 1/7/2018-reference number: -MSPO -06.

Environmental aspect	Environmental impact	Mitigation measure	Monitoring program	Continuous improvement plan
Use of petrochemical for estate power supply	Global warming Depletion of non renewable resource	Generator running hour as scheduled be monitored closely	Recording the diesel consumption.	To apply the renewable energy if available
Use of petrochemical for estate transportation and heavy machineries	Land and water contamination	Stopped the spillage Handle the soiled contaminant into a proper drum.	Schedule maintenance to follow GHC monitoring	Monitoring by the driver/operator to reduce any breakdown incident
Human sewage from linesite/office	Water and land pollution	Stop any leakage/overflow. Contractor to maintain the septic tank repair	House /office inspection	Repair /upgrading of toilet and bath room. new housing as per Worker housing Act 1990 or other applicable act
Domestic waste – biodegradable & Non-biodegradable	Land and water contamination	Desilting on any permanent water body /within riparian zones Transfer the solid waste to the collection facility.	Segregation of recyclable waste such as plastic paper, glass, tins Training on this segregation awareness	To promote the recycling program. To sell the segregated product as an incentive

The GHG emission from the estate cultivation activity for 2019 was 92 kg CO<sub>2</sub> eq / kg FFB

**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:
- Assessment of water usage and sources of supply.
  - Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.
  - 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.).
  - Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.
  - Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.
  - Where bore well is being used for water supply, the level of the ground water table should be measured at least annually.

**Summary** Plan documented in Document Reference: Agricultural Technical Policy No.15, Water Management-ATP 15), Revision 1. Sources of water used for the estate have been identified in document "Identification of Water Source".

The analysis of drinking water supply by the gravity flow is stopped during Movement Control Order due to Covid 19 epidemic. Also, the estate is switching to Kementerian Kesihatan laboratory water analysis due to cost consideration. A letter to the Kementerian Kesihatan to that effect dated 22.6.2019 referred to.

The surface water monitoring point W3 down stream taken on 7.11.2019. The result as listed herein: -

Parameter	W3 monitoring point	Standard limit
pH Value	8.28	6-9
Temperature	29.5	-
Turbidity	<0.20	50
Total Suspended Solid mg/l	7	50
Ammoniacal-Nitrogen ml/L	<0.05	0.3
Oil and Grease mh/L	<1.5	-
BOD mg/L	<1	3
COD mg/L	<10	25

**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** Evidence, no bunds, weirs and dams across the river.

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

**Indicator 3** Water harvesting practices should be implemented (e.g. water from road-side drains can be

directed and stored in conservation terraces and various natural receptacles).

**Summary** Sighted during site visit, the house being provided with 200 gallon of PVC water tank.

**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** Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities done through a survey on 20th April 2019. Rare and threatened species such as:

- a) Kera
- b) Musang Tanggalong
- c) Beruk
- d) Musang Binturong
- e) Landak Borneo
- f) Teledu
- g) Mengkira
- h) Musang Belang Tenggiling
- i) Ular sawa Panjang
- j) Ular Sawah Darah

**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** Measures to Discouraging any illegal or inappropriate hunting taken by installing signboard that shows the restriction to hunting in estate area. Sighted "No hunting" signboard during the sight visit in phase 4/Block 19, Phase 2/Block47.

**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** Management plan sighted in document estate HBV Assessment Report. Management plan was effectively implemented. Verified the Meeting minutes and attendance for Training and awareness programme on HBV to prohibit any activities within wildlife corridor boundary as stated in the point number 3 under HBV Management Plan.

**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** Policy for zero burning practice sighted as per "Polisi Alam Sekitar Sinaron Sinua Plantation Sdn Bhd. SOP for new planting sighted as per "Agricultural Technical Policy No. 2: Land Clearing & Preparation". Point number 2.2.3 stating :Clean clearing with Zero Burning method should be practiced at all time

During site visit there are no trace of burning, Zero burning policy is implemented.

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

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

**Summary** No replanting works carried out in the estate.

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

**Indicator 3** Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.

**Summary** No replanting works carried out in the estate.

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

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

**Summary** No replanting works carried out in the estate.

**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** Sinaron Sinua Plantation Sdn Bhd established Standard Operating Procedure for estates as listed below:

No.	SOP	Policy No.
1	Pre-development survey, assessment and planning	ATP 1 – 1
2	Land clearing & preparation	ATP 2 - 2
3	The management of oil palm nursey	ATP 3 - 3
4	Road construction	ATP 4 – 4
5	Soil conservation	ATP 5 - 5
6	Establishment & maintenance of mucuna bracteate and other legumes cover crop	ATP 6 - 6
7	Planting & supplying	ATP 7 – 7
8	Palm replacement	ATP 8 – 8
9	Manuring	ATP 9 – 9
10	Pest and disease management	ATP 10- 10
11	Weed control	ATP 11 - 11
12	Bunch census	ATP 12 – 12
13	Harvesting	ATP 13 - 13
14	Frond pruning	ATP 14 -14
15	Water management	ATP 15 – 15
16	Environment	ATP 16 – 16

Person in charge will monitor the work flow and ensure all operations as per guided in the SOP. All SOP and procedures are kept and will be updated periodically.

**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** Seen in the Agricultural Technical Policy No.1, Pre-Development Survey, Assessment and Planning under b. Soil Suitability and Topography, Table 1 Land Suitability Classification Based on Terrain stated:-

Terrain Class	Ave. angle of slope	Complex Slope Mapping Units	Oil Palm Suitability Classification
Flat	0-2°	C1	Highly Suitable
Undulating	2-5°	C2	Highly Suitable
Rolling	6-15°	C3	Suitable
Hilly	16-25°	C4	Moderately Suitable
Very Steep	>25°	C5	Unsuitable

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

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

**Summary** The estate has a visual reference system to identify each field or block. Each field has the signboard with block and phase number, hectare and month & year planting.

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

**Criterion 2 Economic and financial viability plan**

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

**Summary** Estate had an annual budget for the financial year 2019. The budget includes the projected FFB production, general charges, upkeep & cultivation, Collection and Immature areas. Sighted, Sinua Estate Cashflow document for 6 years from 2019 until 2024.

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

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

**Summary** No replanting program, as the first phase planted in year 2013.

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

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

**Summary** Sighted 4 years Business Management Plan being established from FY2019 until FY 2023. The Business Plan includes the projected FFB production, total revenue, total cost of sale, Estate operational cost and Nett Profit / Loss before tax.

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

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



**Summary** The estates performance is recorded in the monthly progress report. Details on the actual vs budget i.e. Upkeep maintenance, FFB Production, capital expenditure are shown therein.

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

### **Criterion 3 Transparent and fair price dealing**

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

**Summary** Sighted, Contract Agreement on "Membekal dan membeli tandan buah segar sawit" between Sinaron SinuaPlnataion Sdn Bhd and Wonder Choice Sdn Bhd dated 1st November 2018. The Contract valid from 1st November 2018 until 1st November 2022.

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

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

**Summary** The Contract Agreement is fair and transparent. Seen, under clause 7. Syarat – Syarat Pembayaran stated "Pembayaran akan dilakukan secara online kepada pembekal. Pembayaran dalam masa 30 hari daripada tarikh invoice dikeluarkan.

**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** No contractor being engaged in the Estate.

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

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

**Summary** No contractor being engaged in the Estate

**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** No contractor being engaged in the Estate

**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** No contractor being engaged in the Estate.

**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 all estates.

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

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

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

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

### Criterion 2 Peat land

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

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

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

### Criterion 3 Social and Environmental Impact Assessment (SEIA)

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

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

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

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

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

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

**Indicator 3** The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.

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

**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 all estates.

**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 all estates.

**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 all estates.

**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 all estates.

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

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

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

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

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

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

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

**Criterion 6 Customary land**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## 2.8 Details of Audit Findings

**Details Non-Conformity**

- See Appendix B -

**Details of Area of Concern**

- nil -

**Details of Noteworthy / Positive Findings**

- 1) Good cooperation and commitment from the management and staff
- 2) Good positive feedback received from internal and external stakeholders.
- 3) Proactive and highly committed Management Team in establishing directions in complying with the MSPO certification

## Appendix A: Audit Plan

<b>AGENDA</b>				
<b>Date</b>	<b>Time</b>	<b>Subjects</b>	<b>Lead Auditor</b>	<b>Auditor</b>
07 <sup>th</sup> July 2020	08:00 – 09:00	<ul style="list-style-type: none"> <li>➤ <b>Opening Meeting at Sinua Estate:</b> <ul style="list-style-type: none"> <li>• Presentation by the manager/coordinator</li> <li>• Presentation by Lead Auditor.</li> </ul> </li> <li>➤ Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation – where applicable).</li> </ul>	IBI	MRB RMN
	09:00 – 13:00	<b>Sinua Estate</b> <ul style="list-style-type: none"> <li>➤ <b>Document Audit:</b> <ul style="list-style-type: none"> <li>• Public documents, SOPs, Policies, Internal audit, Production &amp; Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc.</li> </ul> </li> </ul>	IBI	MRB RMN
	10:30 – 12:30	<ul style="list-style-type: none"> <li>➤ <b>Estate inspection:</b> <ul style="list-style-type: none"> <li>• 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.</li> </ul> </li> </ul>	IBI	MRB RMN
	13:00 – 14:00	<ul style="list-style-type: none"> <li>➤ <b>Lunch</b></li> </ul>	IBI	MRB RMN
	14:00 – 16:00	<ul style="list-style-type: none"> <li>➤ <b>Continue document review</b> <ul style="list-style-type: none"> <li>• Public documents, SOPs, Policies, Internal audit, Production &amp; Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc.</li> </ul> </li> </ul>	IBI	MRB RMN
	16:00 – 16:30	<ul style="list-style-type: none"> <li>➤ Verify any outstanding issues and auditor discussion.</li> </ul>	IBI	MRB RMN
	16:30 – 17:00	<ul style="list-style-type: none"> <li>➤ <b>Closing Meeting at Sinua Estate:</b> <ul style="list-style-type: none"> <li>• Chaired by the audit Lead Auditor</li> <li>• Welcome and introduction by the Lead Auditor</li> </ul> </li> </ul>	IBI	MRB RMN



		<ul style="list-style-type: none"> <li>• Presentation of findings by the audit team</li> <li>• Questions &amp; answers and Final summary by Lead Auditor</li> </ul> <p>➤ <b>End of assessment</b></p>		
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## Appendix B: Non-Conformity details

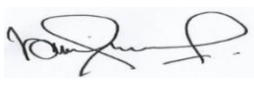
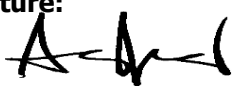
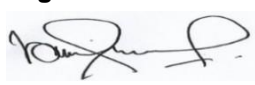
### Non-Conformities Identified During This Audit

#### Major Nonconformities:

2

<b>Company Name</b>	Sinaron – Sinua Plantation Sdn. Bhd.			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3 : General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-N4-MSPO-2019			
<b>NC No. / Ref.</b>	N4/MSPO/MAJOR/01	<b>Date Detected</b>	07/07/2020	
<b>Site(s) concern</b>	Sinaron – Sinua Plantation Sdn. Bhd.	<b>Target Completion</b>	90 days	
<b>Normative Reference and Requirement</b>	4.3.1.1 All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.			
<b>NC Type</b>	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
<b>Description of Non-Conformity</b>	Non-Compliance to the local, state and national laws and regulations			
<b>NC Objective Evidence:</b>				
1. Evidence, workers' wages for the month of April 2020 has been paid on 21 <sup>st</sup> May 2020 despite the date printed in the pay-slip date printed was on 7 <sup>th</sup> May 2020. The practice was not complied to the Sabah Labour Ordinance (Sabah Bab 67) Clause 108 (1) - The wages of an employee shall be paid not later than seven days after the expiration of the wage period in respect of which they are due.				
2. During the document verification, 17 units of Fire extinguishers permit was expired on 10 <sup>th</sup> June 2020.				






<b>Lead Auditor Signature:</b> 	<b>Client Signature:</b> 
<b>Root cause Analysis (to be filled by client):</b>	
<ol style="list-style-type: none"> <li>1. Payment of salary was late due to MCO (covid19). Main office in Sibu was closed due to Covid19 cases and delivering cash payment was restricted during that time.</li> <li>2. Lack of monitoring and communication between estate and HQ (Purchasing Department) was ineffective.</li> </ol>	
<b>Corrective action planned (to be filled by client):</b>	
<ol style="list-style-type: none"> <li>1. Payment of salary will be paid according to Sabah Labour Ordinance (Cap 67). <b>Section:108 Payment of wages: Sub Sec (1)</b> The wages of an employee shall be paid not later than seven days after the expiration of the wage period in respect of which they are due.</li> <li>2. To service fire extinguisher immediately.</li> </ol>	
<b>Preventive Action (to be filled by client):</b>	
<ol style="list-style-type: none"> <li>1. To ensure salary will be paid accordingly, staff – in charge to submit check roll report end of the month and manager's to follow up the process at all time and ensure the payment made not later than 7 days.</li> <li>2. To do close monitoring on fire extinguisher by staff in –charge and to send fire extinguisher 1 month before expired date.</li> </ol>	
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>	
All the evidences submitted were found adequate and the major non-compliance is closed. Continuous implementation will be further verified in the next assessment.	
<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Site verification:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Date Verified:</b> 10/8/2020	<b>Lead Auditor Signature:</b> 

<b>Company Name</b>	Sinaron Sinua Plantation Sdn. Bhd.			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3 : General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-N4-MSPO-2019			



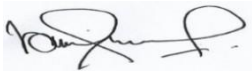



<b>NC No. / Ref.</b>	N4/MSPO/MAJOR/02	<b>Date Detected</b>	07/07/2020
<b>Site(s) concern</b>	Sinaron Sinua Plantation Sdn. Bhd.	<b>Target Completion</b>	90 days
<b>Normative Reference and Requirement</b>	4.5.3.2 A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution		
<b>NC Type</b>	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
<b>Description of Non-Conformity</b>	Non-Compliance to the SOP Waste Management Plan, MSPO – 05 dated 1 <sup>st</sup> July 2019		
<b>NC Objective Evidence:</b> During site verification, evidence waste was not disposed appropriately;  i. The Non-Biodegradable item such as plastic, bottle and aluminum tin were disposed at the land area.			
<b>Lead Auditor Signature:</b> 		<b>Client Signature:</b> 	
<b>Root cause Analysis (to be filled by client):</b> Lack of monitoring from staff in – charge and there's no company that specialist in recycles items in Keningau area. Recycle bin was not used properly.			
<b>Corrective action planned (to be filled by client):</b> To separate all recycle items in landfill and housing site immediately, to ensure recyclable items separated to 3 types, namely, Plastic, Glass & Aluminium. To build main recycle hut (collection center), collect all together (3 estates) and send to Kota Kinabalu.			
<b>Preventive Action (to be filled by client):</b> To do close monitoring and ensure the entire recycle item separated before domestic wastes send to landfill.			
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b> All the evidences submitted were found adequate and the major non-compliance is closed. Continuous implementation will be further verified in the next assessment.			
<b>NC Closed:</b> Yes <input type="checkbox"/> No <input type="checkbox"/>		Site verification: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>Date Verified:</b> 10/8/2020		<b>Lead Auditor Signature:</b> 	


<b>Minor Nonconformities:</b>	0
<b>Area of Concern:</b>	0



### Non-Conformities Identified During Previous Audit


<b>Major Nonconformities:</b>	5
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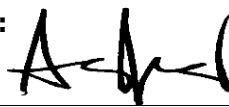
<b>Company Name</b>	Sinaron Sinua Plantation Sdn Bhd			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-N4-MSPO-2019			
<b>NC No. / Ref.</b>	N4/MSPO/MAJOR/01	<b>Date Detected</b>	13 <sup>th</sup> June 2019	
<b>Site(s) concern</b>	Sinaron Sinua Plantation Sdn Bhd	<b>Target Completion</b>	90 days	
<b>Normative Reference and Requirement</b>	4.2.3.1 Major The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).			
<b>NC Type</b>	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
<b>Description of Non-Conformity</b>	Incompliance to MSPO Procedure			
<b>NC Objective Evidence:</b> The actual FFB process flow is contradict with the Company's MSPO Procedure on Traceability.				
<b>Lead Auditor Signature:</b> 		<b>Client Signature:</b> 		
<b>Root cause Analysis (to be filled by client):</b>				
Lack of awareness				
<b>Corrective action planned (to be filled by client):</b>				




The procedure to be amended in accordance with the actual process flow.	
<b>Preventive Action (to be filled by client):</b>	
The procedure to be checked and amended according to actual process flow. Procedure will be strictly adhered.	
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>	
The Standard Operating Procedure for Traceability has been revised on 20 <sup>th</sup> June 2019. The evidence submitted was found adequate and the major non-compliance is closed. Continuous implementation will be further verified in the next assessment.	
<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Date Verified:</b> 11 <sup>th</sup> July 2019	<b>Lead Auditor Signature:</b> 

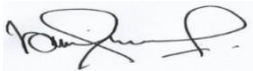


<b>Company Name</b>	Sinaron Sinua Plantation Sdn Bhd			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-N4-MSPO-2019			
<b>NC No. / Ref.</b>	N4/MSPO/MAJOR/02	<b>Date Detected</b>	13 <sup>th</sup> June 2019	
<b>Site(s) concern</b>	Sinaron Sinua Plantation Sdn Bhd	<b>Target Completion</b>	90 days	
<b>Normative Reference and Requirement</b>	4.4.2.2 Major The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties			
<b>NC Type</b>	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
<b>Description of Non-Conformity</b>	No evidence sighted during the audit.			
<b>NC Objective Evidence:</b> Evidence, all the complaints raised by the stakeholders dated 21 <sup>st</sup> September 2018, 21 <sup>st</sup> December 2018, 22 <sup>nd</sup> January 2019 and 24 <sup>th</sup> January 2019 are some without name and being resolve in an effective, timely and appropriate manner.				
<b>Lead Auditor Signature:</b> 		<b>Client Signature:</b> 		
<b>Root cause Analysis (to be filled by client):</b>				
Lack of awareness				

<b>Corrective action planned (to be filled by client):</b>	
The complaints forms to be filled in with complete details and resolved in an effective, timely and appropriate manner.	
<b>Preventive Action (to be filled by client):</b>	
To ensure forms to be completed accordingly	
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>	
All the evidences submitted were found adequate and the major non-compliance is closed. Continuous implementation will be further verified in the next assessment.	
<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Site verification:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Date Verified:</b> 11 <sup>th</sup> July 2019	<b>Lead Auditor Signature:</b> 

<b>Company Name</b>	Sinaron Sinua Plantation Sdn Bhd			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-N4-MSPO-2019			
<b>NC No. / Ref.</b>	N4/MSPO/MAJOR/03	<b>Date Detected</b>	13 <sup>th</sup> June 2019	
<b>Site(s) concern</b>	Sinaron Sinua Plantation Sdn Bhd	<b>Target Completion</b>	90 DAYS	
<b>Normative Reference and Requirement</b>	4.4.4.2 Major b. The risks of all operations shall be assessed and documented.			
<b>NC Type</b>	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
<b>Description of Non-Conformity</b>	Inadequate HIRARC during the audit.			
<b>NC Objective Evidence:</b> b. Inadequate Hazard Identification, Risk Assessment and Risk Control (HIRARC) covering all activities and operations be assessed and documented for the followings:- a. All the activities under Agricultural Technical Policy except Harvesting. b. Labour lines, Gate House, Chemical Store, Pre-mixing Store, Schedule Waste Room, Repeater House and watching tower..				
<b>Lead Auditor Signature:</b> 		<b>Client Signature:</b> 		
<b>Root cause Analysis (to be filled by client):</b>				

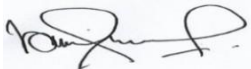


Lack of awareness	
<b>Corrective action planned (to be filled by client):</b>	
To add the HIRARC covering all other activities as highlighted.	
<b>Preventive Action (to be filled by client):</b>	
To ensure the HIRARC be prepared for any other new activities and operations in the estate.	
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>	
The additional HIRARC have been established on 18 <sup>th</sup> June 2019. All the evidences submitted were found adequate and the major non-compliance is closed. Continuous implementation will be further verified in the next assessment.	
<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Date Verified:</b> 11 <sup>th</sup> July 2019	<b>Lead Auditor Signature:</b> 

<b>Company Name</b>	Sinaron Sinua Plantation Sdn Bhd			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-N4-MSPO-2019			
<b>NC No. / Ref.</b>	N4/MSPO/MAJOR/04	<b>Date Detected</b>	13 <sup>th</sup> June 2019	
<b>Site(s) concern</b>	Sinaron Sinua Plantation Sdn Bhd	<b>Target Completion</b>	90 days	
<b>Normative Reference and Requirement</b>	4.5.3.3 Major The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.			
<b>NC Type</b>	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
<b>Description of Non-Conformity</b>	Standard Operating Procedure for handling of used chemicals are not according to Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 .			

<b>NC Objective Evidence:</b>	
Sighted in the Sinaron Sinua Plantation Sdn Bhd's Chemical Handling procedure: "Cara pengendalian bekas dan bungkus racun" stated:- v) Bungkus atau bekas yang telah dirosakkan mesti dibungkus dengan beg plastic yang lebih besar bagi mengurangkan risiko pencemaran semasa pengendalian. vi) Bungkus serpihan tersebut mestilah ditanam sekurang kurangnya satu meter dari paras tanah di tapak penimbunan/pelupusan yang telah dikhaskan dan mempunyai papan tanda amaran ) Stating that chemical containers has to be buried 1 meter deep inside the land fill.	
<b>Lead Auditor Signature:</b> 	<b>Client Signature:</b> 
<b>Root cause Analysis (to be filled by client):</b>	
Lack of awareness	
<b>Corrective action planned (to be filled by client):</b>	
SOP is prepared in accordance to the Regulatory requirement.	
<b>Preventive Action (to be filled by client):</b>	
To ensure procedure to be set up in accordance with the statutory and regulatory requirement.	
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b>	
Seen, the Standard Operating Procedure on Chemical Handling being amended on 17 <sup>th</sup> June 2019. The evidence submitted was adequate and the major non-compliance is closed. Continuous implementation will be further verified in the next assessment.	
<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Site verification:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Date Verified:</b> 11 <sup>th</sup> July 2019	<b>Lead Auditor Signature:</b> 

<b>Company Name</b>	Sinaron Sinua Plantation Sdn Bhd			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-N4-MSPO-2019			
<b>NC No. / Ref.</b>	N3/MSPO/MAJOR/5	<b>Date Detected</b>	13 <sup>th</sup> June 2019	
<b>Site(s) concern</b>	Sinaron Sinua Plantation Sdn Bhd	<b>Target Completion</b>	90 days	
<b>Normative Reference and Requirement</b>	4.5.4.1 Major An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.			






<b>NC Type</b>	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
<b>Description of Non-Conformity</b>	Assessment for greenhouse gas emissions not available during audit.		
<b>NC Objective Evidence:</b> Assessment of polluting activities in the estate sighted in document "MSPO-06 Lampiran 1: Panduan Penilaian Kesan Aspek Alam Sekitar Untuk Ladang". However, assessment for greenhouse gas emissions not available during audit.			
<b>Lead Auditor Signature:</b> 		<b>Client Signature:</b> 	
<b>Root cause Analysis (to be filled by client):</b> Lack of awareness			
<b>Corrective action planned (to be filled by client):</b> The pollution assessment to be prepared			
<b>Preventive Action (to be filled by client):</b> The assessment to be conducted regularly (as required)			
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b> The Greenhouse Gas Emissions being assess with Enzo GHG Calculator. The evidence submitted was adequate and the major non-compliance is closed. Continuous implementation will be further verified in the next assessment.			
<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Date Verified:</b> 11 <sup>th</sup> July 2019		<b>Lead Auditor Signature:</b> 	

<b>Minor Nonconformities:</b>	2
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<b>Company Name</b>	Sinaron Sinua Plantation Sdn Bhd			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-N4-MSPO-2019			
<b>NC No. / Ref.</b>	N4/MSPO/MINOR/01	<b>Date Detected</b>	13 <sup>th</sup> June 2019	
<b>Site(s) concern</b>	Sinaron Sinua Plantation Sdn Bhd	<b>Target Completion</b>	Next Surveillance	



<b>Normative Reference and Requirement</b>	4.4.1.1 Minor Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.		
<b>NC Type</b>	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern		
<b>Description of Non-Conformity</b>	There is no evidence sighted during the audit.		
<b>NC Objective Evidence:</b> SIA was conducted on 1 <sup>st</sup> March 2019. However, no management plan on the mitigation of the negative impacts and promote the positive ones was available.			
<b>Lead Auditor Signature:</b> 		<b>Client Signature:</b> 	
<b>Root cause Analysis (to be filled by client):</b> Lack of awareness			
<b>Corrective action planned (to be filled by client):</b> The management plan on the mitigation of negative impacts and promotes the positive ones as highlighted in the SIA is now available.			
<b>Preventive Action (to be filled by client):</b> To ensure the plans are implemented to mitigate the negative impact and promote the positive ones as raised in the SIA.			
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b> The evidence submitted was adequate and the minor non-compliance is closed. Continuous implementation will be further verified in the next assessment.			
<b>NC Closed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Date Verified:</b> 11 <sup>th</sup> July 2019		<b>Lead Auditor Signature:</b> 	

<b>Company Name</b>	Sinaron Sinua Plantation Sdn Bhd			
<b>Stage of Audit</b>	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input checked="" type="checkbox"/>
	Surveillance	<input type="checkbox"/>	Recertification	<input type="checkbox"/>
<b>Audited Standard</b>	Part 3: General Principles for Oil Palm Plantations and Organized Smallholders			
<b>Client Number</b>	GGC-N4-MSPO-2019			
<b>NC No. / Ref.</b>	N4/MSPO/MINOR/2	<b>Date Detected</b>	13 <sup>th</sup> June 2019	
<b>Site(s) concern</b>	Sinaron Sinua Plantation Sdn Bhd	<b>Target Completion</b>	Next Surveillance	



<b>Normative Reference and Requirement</b>	4.3.2.2 Minor The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.	
<b>NC Type</b>	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor <input type="checkbox"/> Area of Concern	
<b>Description of Non-Conformity</b>	No evidence during the audit	
<b>NC Objective Evidence:</b> No evidence:- 1. Declaration of infrastructure areas in the Area Statement Report 2. Legal Agreement between Sinaron Sinua Plantations Sdn Bhd and Sentosa Serimas Sdn Bhd, whom operating the sawmill in the Estate area		
<b>Lead Auditor Signature:</b> 		<b>Client Signature:</b> 
<b>Root cause Analysis (to be filled by client):</b> 1. The area has been identified but recorded as unplanted area. 2. Overlooked		
<b>Corrective action planned (to be filled by client):</b> 1. To split the hectare in the area statement. 2. The sawmill mill will be shutdown in Dec 2019.		
<b>Preventive Action (to be filled by client):</b> 1. Monthly monitoring on area statement report.		
<b>Review of corrective/preventive action (to be filled by Lead Auditor)</b> Seen during site verification, the mill has been shutdown and not in operation at all. The evidence submitted was adequate and the minor non-compliance is closed.		
<b>NC Closed:</b> Yes <input type="checkbox"/> No <input type="checkbox"/>		Site verification: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Date Verified:</b> 7 <sup>th</sup> July 2020		<b>Lead Auditor Signature:</b> 

<b>Area of Concern:</b>	Non-were raised during previous audit.
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## Appendix C: List of Stakeholders Contacted

### Internal Stakeholders

- 1) Sinaron Sinua Plantation Sdn Bhd Management team and staff
- 2) Local Workers Representatives
- 3) Foreign Workers Representatives

### External Stakeholders

Nil