



Assessment Report	Date: 8th May To 9th May
	2024


[Disclaimer: The audit report has been generated to reflect the compliance of the company toward the MSPO standard and every criterion's have been in every effort taken to ensure the accuracy of the assessment and reporting produced. As the assessment is been carried out based on sampling, certain areas or processes may not be able to verified on its compliances.]

**MSPO 2530:2013
Part 3**

NAME OF CERTIFIED ENTITY	KUKUH CEMERLANG SDN BHD
MSPO CERTIFICATE NO & VALIDITY	MYMS5195007 VALID UNTIL 22/05/2024
MAIN ADDRESS	Lot PT 2406 & 2407, Jalan Paloh Lebir, P.O Box 83, 18300, Gua Musang, Kelantan
REPORT NO	MS24RM024
TYPE OF CERTIFICATION	SINGLE
TYPE OF AUDIT	ON-SITE VERIFICATION (FIELD VISIT DOCUMENTATION)
AUDIT STAGE	RE-CERTIFICATION If surveillance NA

Thank you for your trustful cooperation during our audit of your organization. This report has been prepared of every effort to ensure the accuracy of the information recorded. The assessment is based on sampling on the records, practice, documents and personnel; therefore, the final results of the assessment is of representative towards the system implementation of the organization. This report is generated to record as much of the system implementation information but may still limited due to the sampling. This report details the assessment results including strengths, opportunities, and weaknesses. These results were presented to your management at the closing meeting of the audit. You can use these results to improve the effectiveness of your management system. We look forward to continuing our partnership towards sustainable business success. This report has been prepared in compliance to the ISO 17021:2011 requirements.

To ensure the next assessment will be carry out in compliance to the ISO 17021:2011, please remember to immediately notify CARE Certification International about any significant change to your company at any point of time. Together we will then coordinate appropriate measures to maintain your current certification. Such circumstances include, for example, changes relating to the legal, commercial, organizational status or ownership, organization and management (e.g., key managerial, decision making or technical staff), contact address and sites, scope of operations under the certified management system, and major changes to the management system and processes. Together we CARE and will then ensure the smoothness of the upcoming assessment. Thank you for your persistence of support.

	Signed for on behalf of CCI	Signed for on behalf of client
Sign		Name: Designation:
Name	Mohamad Hafis Bin Mustafa	Company stamp
Date	9/5/2024	
Email	admin@cciglobe.com	
Fax no	038073 2688	

Confidentiality:

The Auditor shall not at any time during his/her assignment or after the completion of his/her assignment disclose to any person any information on business dealings practice or affairs of the establishment or the establishment's clients or any other matters which may come to the knowledge of the auditor by reason of his/her assignment. The Auditor agrees that the material term of this assignment is to keep all Confidential Information absolutely confidential and to protect its release to unauthorized party. The Auditor agrees not to divulge, reveal, report or use any of the Confidential Information which the Auditor has obtained or which was disclosed to the Auditor by the Client as result of the assessment for purposes other than to fulfil the audit objective.

Together, we CARE.

Section A Previous Audit Result

The result of the last audit system has been reviewed, in particular to ensure appropriate correction and corrective action has been implemented to address any nonconformities identified. This review has concluded that:

<input checked="" type="checkbox"/>	No nonconformities have been raised during last assessment.
<input type="checkbox"/>	Any nonconformities identified during last previous audit have been corrected and the corrective action continuous to be effective.
<input type="checkbox"/>	The management system has not adequately addressed non conformity identified during previous audit activities and the specific issue has been re-defined in the nonconformity section of this report.

Section B Conclusion

The audit team conducted a process-based audit focusing on significant aspects/risk objectives required by the standard(s). The audit methodology used is based on 3P which were People, Paper and Practice.

The audit team concludes and express

CONGRATULATION and has

CONGRATULATION however some processes need to address non-compliance(s) but others has

SORRY and the organization has not established and maintained its management system in line with the requirements of the standard and

demonstrated

not demonstrated

the ability of the system to systematically achieved agreed requirements within the scope of the organizations.

Base on the record, there is/are 2 unresolved issue. Therefore, the audit team recommends that based on the results of this audit and the system's demonstrated state of development and maturity, management system certification be:

Granted (initial certification or recertification)

Granted upon the acceptance of the noncompliance(s)

Continued (surveillance)

Continued (surveillance) upon the acceptance of the noncompliance(s)

Withheld

Suspend until satisfactory corrective action(s) is completed

Others (please specify)

NOTE:

The assessment and recommendation for the initial or continue was based on random samples and therefore nonconformities may exist which have not been identified. All the pages should be attached if the organization wishes to copy and delivered to the interested party.

Section C (For Recertification only)

1	The company has demonstrated effective implementation and maintenance/improvement on its management system	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2	The internal audit program has been fully implemented and demonstrates its effectiveness as a tool for maintaining and improving the management system.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3	The management review process demonstrates its capability to ensure the continuing suitability, adequacy and effectiveness of the management system	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4	Throughout the audit process, the management system demonstrates overall conformance with the requirements of the audit standard	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Section D Auditor and Auditees Names

CCI Assessors	Attendance during opening and closing meeting	
Team leader	Name	Designation
Mohamad Hafis	Yong Siew Meng	General Manager
Team member	Hairul Alip	Sr Ast Manager
Aliff Abu Hurairah	Zulhilmi Ibrahim	Ast Manager
Trainee auditor	Rohaya Ibrahim	Chief Clerk
-	Nik Nurul Hasmira Nik Husin	Storeclerk
Observer	Azrolnizam Omar	Field Conductor
-	Daniel Khan Che Zuha	Cadet Assistant

Section E Audit Process Matrix

Next Audit Matrix (legend "" plan to cover & covered, "" for uncover)

Planned month & year	5/2024	5/2025	5/2026	5/2027	5/2028
Internal Audits	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Stakeholder consultation / survey	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Use of logo	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Follow-up from previous audit finding	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.1 Management Commitment & Responsibility					
4.1.1 MSPO Policy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.1.2 Internal audit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.1.3 Management Review	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.1.4 Continual Improvement	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.2 Transparency					
4.2.1 Transparency of information and documents relevant to MSPO requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.2.2 Transparent method of communication and consultation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.2.3 Traceability	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.3 Compliance to legal requirements					
4.3.1 Regulatory requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.3.2 Land use rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.3.3 Customary rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4 Social responsibility, health, safety and employment condition					
4.4.1 Social impact assessment (SIA)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.2 Complaints and grievances	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

4.4.3 Commitment to contribute to local sustainable development	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.4 Employees safety and health	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.5 Employment conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.6 Training and competency	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5 Environment, natural resources, biodiversity and ecosystem services					
4.5.1 Environmental management plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.2 Efficiency of energy use and use of renewable energy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.3 Waste management and disposal	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.4 Reduction of pollution and emission	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.5 Natural water resources	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.6 Status of rare, threatened, or endangered species and high biodiversity value area	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.7 Zero burning practices	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6 Best Practices					
4.6.1 Site management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.2 Economic and financial viability plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.3 Transparent and fair price dealing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.4 Contractor	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.7 Development of new planting					
4.7.1 High biodiversity value	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA
4.7.2 Peat land	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA
4.7.3 Social and Environmental Impact Assessment (SEIA)	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA
4.7.4 Soil and topographic information	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA
4.7.5 Planting on steep terrain, marginal and fragile soils	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA
4.7.6 Customary land	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA	<input type="checkbox"/> NA
Group Member Audit Matrix (SINGLE Certification)	5/2024	5/2025	5/2026	5/2027	5/2028
Kukuh Cemerlang Sdn Bhd	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Assessment man days for the next assessment: 3 md. Recertification: 05/2029

NOTE:

- (i) Recertification should be carried out minimum 2 months prior to the expiry of the certificate
- (ii) The Audit Programme shall include Stage 1 and Stage 2 audit, surveillance audits in the first, second, third and fourth years, and a recertification audit in the fifth year prior to expiration of certification.
- (iii) The recommended minimum on-site audit duration for individual and group certification respectively, which includes the opening meeting, site auditing, document verification, and closing meeting as documented in ACB – OPMC 2, Issue 2, 04 September 2020.
- (iv) Additional auditor days may be required for conducting post audit follow-up activities, such as verification on major non-conformities raised or addressing of any contentious stakeholder issues.

Section G Audit Summary

Summary of Area Audited

BUSINESS AREAS	DETAILS OF AUDITED SUMMARY	
Auditor	Date	Time
MH/AA	8/5/2024	9.30 am
Opening Meeting <ul style="list-style-type: none"> a) introduction of the participants, including an outline of their roles; b) confirmation of the scope of certification; c) confirmation of the audit plan (including type and scope of audit, objectives and criteria), any changes, and other relevant arrangements with the client, such as the date and time for the closing meeting, interim meetings between the audit team and the client's management; d) confirmation of formal communication channels between the audit team and the client; e) confirmation that the resources and facilities needed by the audit team are available; f) confirmation of matters relating to confidentiality; g) confirmation of relevant work safety, emergency and security procedures for the audit team; h) confirmation of the availability, roles and identities of any guides and observers; i) the method of reporting, including any grading of audit findings; j) information about the conditions under which the audit may be premature terminated; k) confirmation that the audit team leader and audit team representing the certification body is responsible for the audit and shall be in control of executing the audit plan including audit activities and audit trails; l) confirmation of the status of findings of the previous review or audit, if applicable; m) methods and procedures to be used to conduct the audit based on sampling; n) confirmation of the language to be used during the audit; o) confirmation that, during the audit, the client will be kept informed of audit progress and any concerns; p) opportunity for the client to ask questions. 		
Auditor	Date	Time
MH/AA	9/5/2024	4.30 pm
Closing Meeting <ul style="list-style-type: none"> a) informing the client that the audit evidence collected was based on a sample of the information; thereby introducing an element of uncertainty b) the method and timeframe of reporting, including any grading of audit findings; c) the certification body's process for handling nonconformities including any consequences relating to the status of the client's certification; d) the timeframe for the client to present a plan for correction and corrective action for any nonconformities identified during the audit; e) the certification body's post audit activities; f) information about the complaint handling and appeal processes. g) any diverging opinion that are not resolved. h) opportunity for the client to ask questions. 		

Executive Summary

CARE Certification International (M) Sdn Bhd (CCI) is first private certification body originating from Malaysia, that been accredited by Standard Malaysia under the purview of Ministry of Science, Technology and Innovation (MOSTI). CARE Certification International have been fully complying to ISO 17021. The company is established with CARE of the needs of system certification and training in mind and is one of the leading multi-sector certification body in Malaysia.

CARE Certification International (M) Sdn Bhd (CCI) has vast experience in conducting audits related to MSPO certification. It has certified more than hundred palm oil estates throughout Malaysia. CCI has obtained accreditation from Standards Malaysia for its MSPO certification scheme, holding certificate No. MSPO 28122017 CB 06 since 28 December 2017.

This assessment was conducted on 809/5/2024. The audit plan is included as Appendix 2 of this report. The approach to the audit was to treat the Company as a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. MS 2530-3:2013 MSPO Part 3: General principles for oil palm plantations and organized smallholder was used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment. The computation of the sampling size is elucidated by the following formula as per table below.

This report will be externally reviewed by MSPO approved Peer Reviewer prior to certification decision by CARE Certification International (M) Sdn Bhd. CCI does not provide any advice on compliance with any legislation, regulation, or standards. All audit reports and other documentation provided by the company, are given in good faith and in reliance on the accuracy and completeness of the information provided by the client. No responsibility is accepted to any third party that may rely in whole or in part on the content of this report, to the extent permitted by Law.

Audit Findings

MNN C01	MNNC: 4.4.4.2 b) Referring to the CHRA provided, it was found that the management is not in compliance against the Section 14 (1) USECCH Regulation 2000, where it stated that recommendation by the CHRA assessor to be conducted within 30 days after completion of the report. Details as followed: 1. The Chemical Exposure Monitoring to be conducted for foreman working in workshop. 2. Medical surveillance to be conducted for workers exposed in rat baiting and sodium chloride operation.	MINOR NONCONFORMIT
MNN C02	MNNC: 4.5.5.1 b) The management has failed to maintain the required frequency of outgoing water monitoring, with the last recorded sampling for the river's inlet and outlet taken on 30/5/2022, indicating a non-conformity with established monitoring protocols.	
OBS 01	OBS: 4.1.2.1 Noted the internal audit has been planned to be conducted in May of 2024, however, its has been delayed due to the previous internal auditor has been signed out from the company.	OBSERVATION
OBS 02	OBS: 4.1.3.1 Noted the invitation for the management review meeting planned to be conducted in May of 2024 after completing the internal audit. However, due to the delayed of internal audit the management has decided to postponed the management review meeting.	

OBS 03	OBS: 4.3.1.1 1. Noted the management is midst of applying the license for extracting water from natural resources, the management to ensure the process to be complete as to complying with the applicable legislation. 2. Observed at diesel skid tank the labelling of the permit information has been faded, the management to consider refurbish the information to ensure complying with the permit's requirement.	
OBS 04	OBS: 4.4.1.1 Estate management had established, reviewed and documented the Social Impact Assessment report dated December 2018, where the feedback is from identified stakeholder. However, the social management plan was not updated to the current year. Will be verified during next assessment.	
OBS 05	OBS: 4.4.4.2b Referring to the Noise Risk Identification provided by management, it was confirmed that Noise Risk Assessment (NRA) for workers is needed. Will be verified during next assessment.	
OBS 06	OBS: 4.4.4.2 h) Noted there was a potential of oil spillage as there was a worked done by foreman at workshop area. Therefore, the management to consider to develop the trap to ensure potential of oil spilled into the perimeter drain not flow out to the soil.	
OBS 07	OBS: 4.4.5.3 Based on the sample of workers monthly payslip provided, it was also noted that the number of working days were not completed (26 days) in a month by those workers. However, based on calculation of wages of piece rated harvester (few sample) per day, it was found that it does not meet the minimum daily wages which may caused during end of the month that the salary will unable to be met with Minimum Wages Order 2022. The management may consider to enhance the performance of their worker as the management has decided to pay the harvester with piece rated.	
OBS 08	OBS: 4.4.5.5 Noted the employee and contractor's employee record detail has been established and updated. However, improvements in recording the work permit information of their contractor's employees need to be made.	
OBS 09	OBS: 4.5.3.3 Noted there was no scheduled waste as been collected by contractor on 30/4/2024. However, sighted the consignment and inventory was updating in the manual form. As the authority has developed the website in handling the scheduled waste, the management has previously registered with the system may consider to executing and updating in the website system.	
OFIO 1	4.4.2.3: OFI Observed at workshop area, there was a fabrication worked on going by personnel, but due to the size of the workshop the fabrication has been carry out at outside of the shaded area. The management may consider extending the roofing, as site verification during the peak of the hot season revealed that the provided umbrellas are insufficient for the personnel to carry out their work effectively as feedback from the workshop personnel.	OFI
		OFI
<p>During the assessment_2_nonconformities were identified. All Non-conformance will be further detailed in CAR Form # CCI-QP-07-3B</p>		

Note:

The assessment has been assessed and summary of the findings by Principle and Criteria – MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders.

Sampling Calculation

Entity	Initial		Surveillance	Recertification
	Stage 1	Stage 2		
Oil palm estate (40.47 - 100 ha)	1	1.5	2	2
Oil palm estate (101 - 500 ha)	1	3	3	3
Oil palm estate (500 ha onwards)	2	3	4	4
Oil mill	2	3	3	3

Table 1: Recommended minimum on-site audit durations (man-days) for each Operating Unit

Conclusion:

A total of 1 estates were randomly sampled for this round of assessment. This is SINGLE Certification.

(i) Main Assessment Visit (MAV):

$$= \sqrt{\quad}$$

(ii) Surveillance Assessment Visit (SAV):

$$= \sqrt{\quad} \times$$

NOTE:

The details in above tables are developed to provide sufficient time under normal circumstances to adequately carry out auditing of a management unit against the certification standards for oil palm management under the MS 2530: Part 3; "General principles for oil palm plantations and organised smallholders". However, the time allocated to the various locations of complex audits must be documented to justify the allocated audit durations. The audit duration is calculated on the basis of 8 hours per day. Audit working days will be calculated to the nearest full or half day.

Summary of Assessment

The assessor(s) concluded that, based on all objective evidences reviewed, observed and discovered during this round of assessment, the Company Does Comply to the MS 2530: Part 3; "General principles for oil palm plantations and organised smallholders" standards and requirements. The following finding(s) were identified:

CATEGORY	Number of Finding (s)						
	P1	P2	P3	P4	P5	P6	P7
Major Nonconformity (Major NCR)	-	-	-	-	-	-	-
Minor Nonconformity (Minor NCR)	-	-	-	1	1	-	-
Observation (OBS)	2	-	1	5	1	-	-
Opportunity for improvement (OFI)	-	-	-	1	-	-	-

PRINCIPLE 1	The client has demonstrated an acceptable degree of commitment in embracing the MSPO standard requirements in its entirety through continuous internal compliance assessment as well as bolstering managerial and operational improvements continually.
PRINCIPLE 2	The client is able to maintain its transparency and efficiency in communicating data and information internally and/ or externally. The client has also established an effective system in upholding the traceability elements across its daily operations.
PRINCIPLE 3	Review of documents and physical observations during the audit stint indicated that the client is aware and abide all governing rules and regulations (with several exceptions, if applicable) pertaining its daily operations throughout.
PRINCIPLE 4	The client has demonstrated its ability in providing substantial number of considerations towards the welfare of all stakeholders. The general and specific wellbeing of its employees (and contractors' employees) were also being sufficiently accounted for.

PRINCIPLE 5	It is evident that the Client has established a considerably holistic approach and plans in mitigating all potential negative environmental impacts arising from its oil palm plantation activities; while simultaneously enhancing the positive impacts.
PRINCIPLE 6	The Client has proved that all operations are governed by certain sets of procedures (with several exceptions, if applicable). Additionally, the Client was able to demonstrate its commitment in upholding proper governance against its business directions as well as contract management.
PRINCIPLE 7	Not applicable due to no new planting activities. [Omit this entire statement if P7 is not applicable]

NOTE:

By the virtue of random sampling approach, there may exist chances of non-conformities not being identified during the assessment. Such occurrence shall therefore not be related with the assessor's competency and integrity in any way.

Stakeholder Consultation

List of Stakeholders Interviewed	Siti Sarinah Werta Mohd Wahyudi Zulkifli Awang	Position	Internal employee Internal employee Spraying contractor Local community representative (Lebir)
Inputs	<ol style="list-style-type: none"> 1. All Stakeholders are aware of the grievances procedure introduced by the Management. 2. All stakeholders complemented the Management for its good rapport and relationship with the stakeholders. 3. All stakeholders were able to demonstrate their understanding towards the relevant MSPO standard requirements made applicable to them 		
Management Response	Estate management will continue enhancing its rapport with the stakeholders		
Audit Team Conclusion	No complaints or any grievance were raised by the stakeholders. The stakeholders were able to demonstrate substantial understanding towards the MSPO standard requirements.		

NOTE:

With reference to ABC- OPMC 4 Issue 2 dated 04 September 2020. Whenever deemed applicable, stakeholder consultation/ interview may be held in order to obtain the internal and external stakeholders' inputs on the Company's compliance towards the MSPO standards and stakeholders' views on areas where the Company could improve. Such consultation will be conducted professionally and in absolute isolation from the Company officials. All comments made by the stakeholders will be recorded and presented in this assessment report.

Competency Criteria of Audit Team

With reference to ABC- OPMC 1 Issue 2 dated 04 September 2020. This assessment has been conducted by the following approved assessor(s) which hold sufficient qualifications and experiences to conduct MSPO Assessment. CARE Certification International (M) Sdn Bhd holds copies of educational qualifications, certificates and audit logs for each of the audit team members. Summary of the Assessor's credentials are as follows:

Criteria	Requirement	Lead Auditor	Auditor
Education	Post-secondary education, college or university diploma/degree in one of the following i. Agriculture; ii. Science & Technology (e.g., Environmental Sciences, Life Sciences, Geological Sciences, Natural	Mohamad Hafis Bin Mustafa graduated in Bachelor of Applied Science (Conservation and Management of Biodiversity) from University Malaysia Terengganu in year 2011.	Aliff Abu Hurairah Abas holds a Master of Science (Hons) Plantation Industry Management from Mara University of Technology (UiTM) Shah Alam

	Sciences,); iii. Engineering, Process Technology; iv. Energy Management, Quality Management; v. Social Sciences and/or Anthropology; vi. Business Management; or vii. Other relevant related fields		
Work Experience	Lead: At least five (5) years of work experience in the oil palm sector or related fields such as social, health, safety and environment Auditor: Post Secondary education: At least ten (10) years of work experience in the oil palm sector or related fields such as social, health, safety and environment Tertiary education: At least three (3) years of work experience in the oil palm sector or related fields such as social, health, safety and environment	Experienced in oil palm plantation company in field of Sustainability from year 2012 - 2018, then worked with certification body in year 2018 until present.	He has more than 7 over years of experience in oil palm industry in which, previously working with MPOB as Research Officer and UiTM Jengka, Pahang as a lecturer under Faculty of Plantation and Industry Management. Currently a freelance MSPO Lead Auditor/Auditor and a consultant.
Training	i) Attended the MS 2530 series of standards training or other auditor competency trainings endorsed by MPOCC or MPOB (pre-2016). ii) shall have undergone 40 hours of accredited OR 40 hours of lead auditor course either in Quality Management Systems (QMS) or Environmental Management Systems (EMS) or Occupational, Health and Safety Management Systems (OSH)	i) Attended the MSPO Lead auditor course conducted by OSH ISIS for 40 hours. ii) Had completed 40 hours of lead auditor training course for ISO 9001:2015 IRCA endorsed, and 40 hours of IMS (ISO9001, ISO14001, ISO45001) Exemplar Global Endorsed, and 40 hours of Social Standard Basic Auditor SA8000.	He has successfully obtained competency of Lead Auditor courses for Malaysian Sustainable Palm Oil (MSPO 2530:2013) and Auditor/Lead Auditor Integrated Management System (IMS) (ISO 9001:2015 & ISO 14001:2015) course. Furthermore, he also is a qualified MPOB Code of Practice (CoP) Lead Auditor.
Auditing Experience	Lead: Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of	Successfully completed 15 man-days assessment as Lead Auditor in training under CARE Certification International Sdn Bhd within the last 3 years.	He had successfully completed more than 150 man-days assessment as MSPO Auditor within the last 3 years. Apart of MSPO audit, he also

	<p>fifteen (15) man-days under the direction and guidance of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years.</p> <p>Auditor: Conducted a minimum four (4) on-site audits for a total of at least 20 man-days of audit experience as an auditor-in-training under the direction and guidance of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years.</p>		<p>had performed MPOB Code of Practices (CoP) for Oil Palm Nursery (CoPN), Code of Good Agricultural Practices (CoGAP) and Code of Good Milling Practices (CoPM) certification under MPOB since 2013.</p>
General	<p>A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or any other local language</p>	<p>Able to handling and evaluating source of information related base on working and audit experience. Able to speak and understand Bahasa Malaysia and English language.</p>	<p>Able to communicate in Bahasa Malaysia and English Language.</p>

Details of Certified Entity (Single Certification)

1. ESTATE INFORMATION:

Category of the listed organisation is Estate

NAME OF UNIT	MPOB LICENSE NO	LOCATION	GPS COORDINATES	CERTIFIED AREAS (HA)	PLANTED AREAS (HA)
Kukuh Cemerlang Sdn Bhd	508223702000	Lot PT 2406 & 2407, Jalan Paloh Lebir, P.O Box 83, 18300, Gua Musang, Kelantan	4.990940, 102.346296	1674.50	1127.77
Other Sustainability Certification		NIL			

Note:

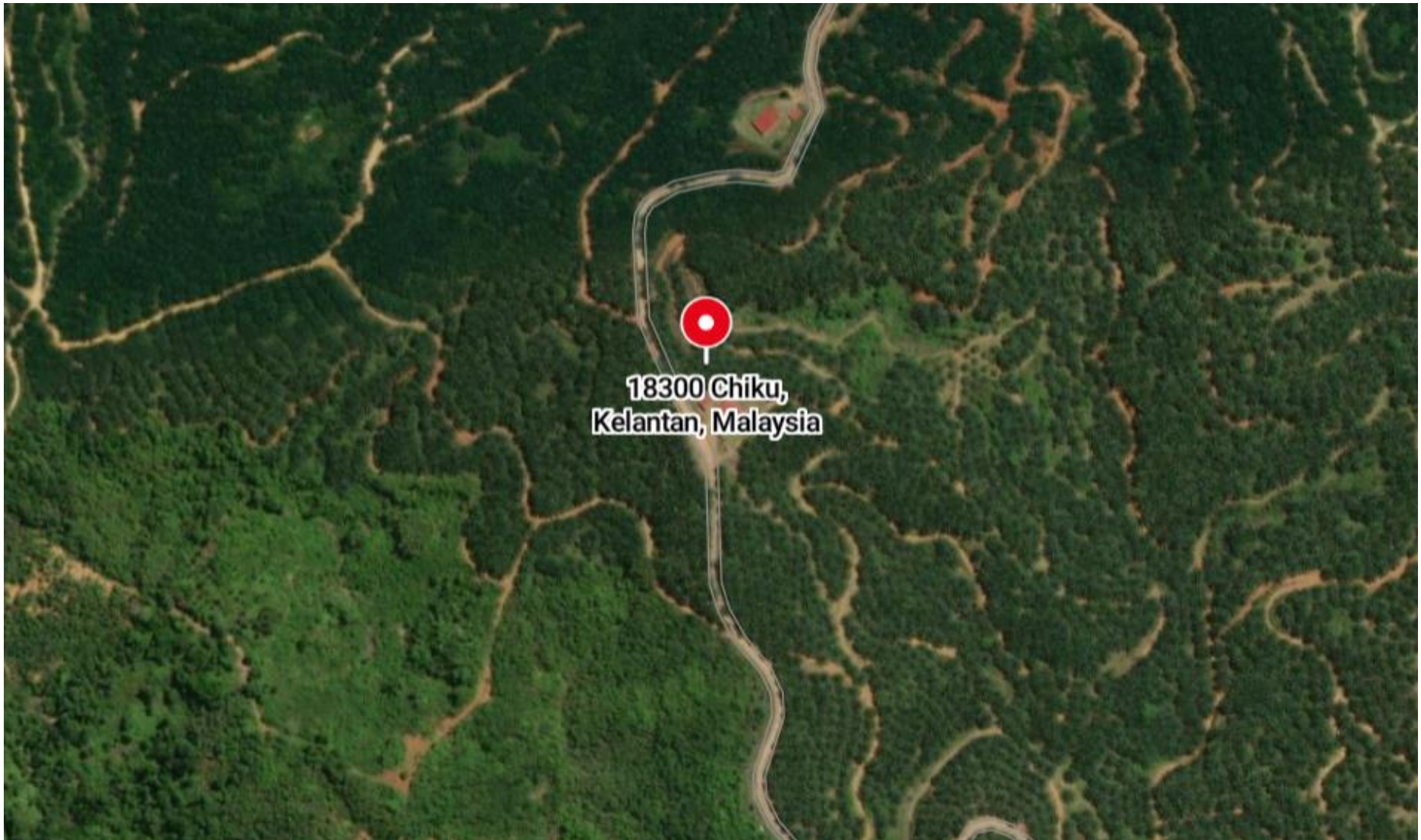
- (i) Maps showing geographical location, with close-up of the certified estates are attached as in Appendix 1 of this report.
- (ii) With reference to Circular MPOCC dated 2 April 2021

2. AREA STATEMENT AND FFB FORECAST:

Category of the listed organisation is Estate

NAME OF UNIT	CERTIFIED AREA (HA)	PLANTED AREA (HA)	FFB TON/ YEAR 2023	YIELD TON/ YEAR
Kukuh Cemerlang Sdn Bhd	1674.50	1127.77	16,323.75	14.74
TOTAL	1674.50	1127.77	16,323.75	14.74

Appendix 1: Location and Field Map



No 16-G, 16-1, Jalan Flora 1/1, Blossom Square Bandar Rimayu, 42500 Telok Panglima Garang, Selangor.
Tel: +603 8073 2788 Fax: +603 8073 2688

Appendix 2: Audit Plan

Attention to : Mr Edwin Chee (012-602 7282)
 Client name : Kukuh Cemerlang Sdn Bhd
 Address : Lot PT 2406 & 2407, Jalan Paloh Lebir, P.O Box 83, 18300, Gua Musang, Kelantan.



Audit Plan for: Recertification Assessment Visit

Audit objective:

- A. To ensure that all elements of the proposed scope of registration and entire requirements of the management standard are effectively addressed by the client.
- B. Determination of the conformity of the company's management system
- C. Evaluation of the ability of the management system to ensure the client organization meets applicable statutory, regulatory and contractual requirements.

Job code	MS24RM024
Scope of cert.	Part 3 : Provision Of Planting And Harvesting Of Fresh Fruit Bunches (FFB) By Oil Palm Plantation
Management std	MS2530:2013 Part 3
Revised No.	-

Lead auditor	Mr Hafis Mustafa (MH)
Team member	Mr Aliff Abu Hurairah (AA)
Trainee Auditor	-
Witness Auditor	-

Audit scope

- a) The assessment will be carried out on the client's MSPO management system documentation
- b) Reviewing the client's status and understanding regarding requirements of the MSPO standard, in particular with respect to the identification of key performance of significant aspects, processes, objectives and operation of the management system;
- c) To collect necessary information regarding the scope of the MSPO management system, processes and location(s) of the client, and related statutory and regulatory aspects and compliance (e.g. quality, environmental, legal aspects of the client's operation, associated risks, etc);

Date	Time	Assessor	Business area / process	Operation	Clause
8 May 2024 Day 1	0930	ALL	Introduction by client Opening meeting		
	1000	ALL	Site Visit	Fertiliser store, SW Store, Chemical store, harvesting, spraying, line site. Office, stakeholder premises	

9 May 2024 Day 2		ALL	Stakeholder consultation	Office		
		AA	Document review: Principle 1: Management commitment & responsibility - Criterion 1: Malaysian Sustainable Palm Oil (MSPO) Policy - Criterion 2: Internal audit - Criterion 3: Management review - Criterion 4: Continual improvement	Office	4.1 4.1.1 4.1.2 4.1.3 4.1.4	
		MH	Principle 2: Transparency - Criterion 1: Transparency of information and documents relevant to MSPO requirements - Criterion 2: Transparent method of communication and consultation - Criterion 3: Traceability	Office	4.2 4.2.1 4.2.2 4.2.3	
		1230	LUNCH			
		1330	AA	Stakeholder consultation	Stakeholder premises	
			MH	Principle 3: Compliance to legal requirement - Criterion 1: Regulatory requirements - Criterion 2: Land use rights - Criterion 3: Customary land rights	Office	4.3 4.3.1 4.3.2 4.3.3
		0930	AA	Principle 4: Social responsibility, health, safety and employment condition - Criterion 1: Social impact assessment - Criterion 2: Complaints and grievances - Criterion 3: Commitment to contribute to local sustainable development - Criterion 4: Employees safety and health - Criterion 5: Employment conditions - Criterion 6: Training and competency	Office	4.4 4.4.1 4.4.2 4.4.3 4.4.4 4.4.5 4.4.6
			MH	Principle 5; Environment, natural resources, biodiversity and ecosystem services - Criterion 1: Environmental management plan - Criterion 2: Efficiency of energy use and use of renewable energy - Criterion 3: Waste management and disposal - Criterion 4: Reduction of pollution and emission including greenhouse gas	Office	4.5 4.5.1 4.5.2 4.5.3 4.5.4

			Criterion 5: Natural water resources Criterion 6 : Status of rare, threatened, or endangered species and high biodiversity value area - Criterion 7: Zero burning practices		4.5.5 4.5.6 4.5.7
	1230		LUNCH		
	1330	AA	Principle 6: Best practices - Criterion 1: Site management - Criterion 2: Economic and financial viability plan - Criterion 3: Transparent and fair price dealing - Criterion 4: Contractor	Office	4.6 4.6.1 4.6.2 4.6.3 4.6.4
		MH	Report Preparation		
	1700	ALL	Closing meeting		

Note

Company Information:

- Times are approximate and will be confirmed at the opening meeting prior to commencement of the audit.
- Auditors reserve the right to change or add to the elements listed before or during the audit depending on the results of on-site investigation.
- A private place for preparation, review and conferencing is requested for the auditor's use.
- Ensure that the appropriate auditees are available according to the audit schedule.
- Availability of guides for the auditors.
- Prepare necessary PPE (if required) for plant visit.
- Please inform CCI if there is any objection or conflict of interest related to any of the above team members.
- You are invited to review the team members and, if necessary advise CCI of any conflict of interest. Please contact Managing Director (fleming@cciglobe.com) and General Manager (nabila.seth@cciglobe.com) of CCI directly for any objection.

Section F General Information

General	
Audit objectives	<input type="checkbox"/> To verify that the system initial implementation is in accordance to requirements of the standard adopted. <input checked="" type="checkbox"/> To verify that the system implementation is continuously in accordance to the requirements of the standards adopted. <input type="checkbox"/> To verify that the system implementation is continuously after and in fifth years of implementation is in accordance to the standards adopted. <input type="checkbox"/> Other, (please specify)
Integrate Assessment	No
Applicable National Standards	MS ISO/IEC 17021-1:2015, ACB-OPMC 1, ACB-OPMC 2, ACB-OPMC 3 & ACB-OPMC 4 and MS 2530-3:2013
Issue of certificate	No Please justify if YES-

Scope of Certification	
Scope of certification in English	Provision of Planting and Harvesting of Fresh Fruit Bunch (FFB) by Oil Palm Plantation
Requirement not being applicable	P7 - Development of New Planting
Justification	The company doesn't have any new planting activities.
Other language than above	NA
Changes from Previous registration	No
Extension/changes of scope date	NA

Contact Details	
Management Representative	Mr Edwin Chee
Alternate contacts	Mr Yong Siew Meng/ Puan Rohaya Ibrahim
Management Representative contact no.	012-6027282, 017-968 9910, 019-668 5308
E-mail address	tgcmspo@gmail.com, edwinchee@atlasice.com.my
Fax Number	-
Fixed Line Number	-
No of Group Members / SPOC	NA

Risk Assessment (Applicable for Remote Audit ONLY)					
Date of Remote Audit: NA			Name of Auditor/s: NA		
A. Management Responsibility			No = 1 Yes = 0		
No	Questionnaire	No	Yes	Rating	Remark
1	Has the company have a management person responsible for the sustainability issues?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	The responsible person is Mr XXX
2	Has the company conducted the internal audit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	The last IA dated XX
3	Has the company organized Management review meeting?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	The last MRM dated XX
4	Has the company provided transparent information on the company's operations for the public access?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	Information related to operation is available in XXX
5	Has the company kept real time monitoring records of the estate/mill operation activities? (FFB/CPO sales record)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	Referring to XXX
B. Social Aspect			No = 1 Yes = 0		
No	Questionnaire	No	Yes	Rating	Remark
1	Has the company have a policy covering the following - respect for human right, - no forced labour, - no child labour, - working condition, - wages & benefits, - non-discrimination, - freedom of association and collective bargaining *Please refer to Principle 4 Criteria 5 Indicator 14 (MSPO Standard)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	Referring to policy # XX
2	Has the site established a management system in place to manage the social issue policies described in question 1?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1	Referring to XXX
3	Has the company resolved any complaints or grievances received from the stakeholder?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1	NIL stakeholder complaint recorded
4	During this pandemic of COVID 19, has the company established any guideline or SOP's as to follow the Majlis Keselamatan Negara (MKN) requirement? Are the SOPs updated to the latest standard?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1	Referring to XXXX
			No = 0 Yes = 1		
No	Questionnaire	No	Yes	Rating	Remark
5	Has the company received any complaint from stakeholder?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	NIL stakeholder complaint recorded from the last review
6	Is there is any COVID 19 cases in the premise area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	No case reported as of to date
C. Economic Aspect			No = 1 Yes = 0		
No	Questionnaire	No	Yes	Rating	Remark
1	Has the company have long term financial management plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	Referring to XX
2	Is there a system in place to monitor the implementation of the management plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	Referring to XX
D. Environment Aspect			No = 0 Yes = 1		
No	Questionnaire	No	Yes	Rating	Remark
1	Is there any endangered, rare and threatened species observed at the operation site or around it?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	Company declared no endangered, rare or threatened species at site and this is supported by XXX

2	If yes, is there any effort to protect it?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	
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Additional Verification for operational sites:
Remark: If the rating for this area shown double High risk been tick, remote audit will not be proceeded. However, if the rating were click double Low or Low and High consideration for remote audit may be proceed depending on the total risk rating scored.

1	How many nonconformity has / nonconformities have been raised during the previous audit? * If more than 3 major nonconformities or total nonconformities are more than 10 findings, please tick High risk column.	LOW	<input type="checkbox"/>	HIGH	<input checked="" type="checkbox"/>
2	Have the previous nonconformities been adequately resolve with sufficient evidence? * If yes please click LOW	LOW	<input checked="" type="checkbox"/>	HIGH	<input type="checkbox"/>

Decision/ Justification	Remote Audit based on the justification that the company scored 3 points after addressing all the criteria and properly attended to the findings from last review.	Total Score	3
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Total score between 0-4 : Low Risk	Total score between 5-9: Medium Risk	Total score between 10 and above: High Risk
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To be filled by Auditor: Methods and Techniques of MSPO Audit Processes being conducted via Select Please specify for Others

NOTE:

With reference to Guidance on Remote Audits due to Covid-19 Pandemic Restrictions, Version 3 Updated Circular (22 March 2021)

AUDIT CHECKLIST			
Verification of previous visit			
Certificate Number	MYMS5195007	Expiry Date	22/05/2024
Stage of Previous Audit	Surveillance Year 4	Date of Audit	6/4/2023
No of Findings	NIL Non-Conformance/s	2 Observation/s	
Status/ Remark	Verified for previous audit on SAV (Surveillance Assessment Visit 4) and sighted all the findings raised were promptly addressed and closed within stipulated time frame.		
Verification of MSPO Logo			
For this period of review nil usage of MSPO Mark.			
P1: Management Commitment & Responsibility			
Criterion 1	Malaysian Sustainable Palm Oil (MSPO) Policy		
Indicator	Requirement	Findings	
4.1.1.1	A policy for the implementation of MSPO shall be established	Conformity	
Confirmed that there are no changes to the MSPO policy documented by the management of Kukuh Cemerlang Sdn Bhd with an effective date and approved on 1 July 2018 signed by Chee Kim Hoon and Choong Keen Shian as Directors. As stated in the policy, management strive to: <ul style="list-style-type: none"> 1. comply all requirements and principles of MSPO standard 2. achieve production of sustainable FFB through continual improvement plan. Verified during site visit that the policy had been displayed in office notice board, roll call area for public view. No changes from previous assessment			
4.1.1.2	The policy shall also emphasize commitment to continual improvement.	Conformity	
As well as the policy been maintained by the management, verified that the policy had clearly stated the company's commitment which included continual improvement in the overall aspects of plantation management and community development.			
Criterion 2	Internal Audit		
Indicator	Requirement	Findings	
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.	Observation	
Seen the internal audit plan was prepared by the management for year 2022/2023 as seen below: Document: Internal audit plan Date: 6 April 2023 Auditor: R. Devan Rao A/L Rajoo OBS: 4.1.2.1 Noted the internal audit has been planned to be conducted in May of 2024, however, its has been delayed due to the previous internal auditor has been signed out from the company.			
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action	Conformity	
The management had established, maintained and documented the Internal audit procedure, dated on 1 July 2018. Company has established a procedure to access and ensure the development and implementation of MSPO system is in conformance and effectively maintained. The management had carried out internal audit report as seen in the audit below: Document: Internal audit report Auditor: Joseph Ong, R. Devan Rao A/L Rajoo			

Date of audit: 6/4/2023 No. of NC raised: Nil		
4.1.2.3	Report shall be made available to the management for their review.	Conformity
Verified the following records are available to the management for their review: a. Internal Audit Report b. Observation list		
Criterion 3	Management Review	
Indicator	Requirement	Findings
4.1.3.1	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.	Observation
The management had carried out management review meeting as seen in the below: Record: Minutes of meeting, management review report Date: 8/3/2023 Time: 4.30 pm Chairman: Mr Yong Siew Meng, General Manager Attendees: 8 OBS: 4.1.3.1 Noted the invitation for the management review meeting planned to be conducted in May of 2024 after completing the internal audit. However, due to the delayed of internal audit the management has decided to postponed the management review meeting.		
Criterion 4	Continual improvement	
Indicator	Requirement	Findings
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.	Conformity
It is observed that the Action Plan for Continual Improvement established by the organization discusses currents issues in general such as safety/health and environmental training, relation with neighbour, without covering every scope of main estates activities by considering environmental and social impact, which is it will be prudent if the management could consider to review the template of Continual Improvement plan by discussing action plans based on each process flow scope so that the action plan can cover all processes continuously without lagging behind.		
4.1.4.2	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.	Conformity
It was noted and verified that any intentions or plans to adopt new information, techniques, industry standards or technology are incorporated into the above-mentioned plan for consideration and deliberation. Interview with the Estate Manager indicated that adopting new methodologies, techniques or technologies is economically and practically not feasible at present. However, the Company is open and ready to accept such Assimilation once the situation deems fit.		
4.1.4.3	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.	Conformity
As per 4.1.4.2		

P2: Transparency								
Criterion 1	Transparency of information and documents relevant to MSPO requirements							
Indicator	Requirement	Findings						
4.2.1.1	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.	Conformity						
<p>The management had established, maintained and documented the Procedure Komunikasi dan Rundingan, ref no: PR-4. The management has adopted an open and transparent method of communication and consultation when dealing with relevant parties e.g. its workers, government agencies, contractors by personal invitation to attend the internal and externals' consultation meetings.</p> <p>Observed during site visit, Suggestion and Feedback Form is available at the estate office.</p>								
4.2.1.2	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.	Conformity						
<p>The management has maintained the Reference Document List that is publicly available for stakeholders such as:</p> <ol style="list-style-type: none"> 1. Internal memo and external memo. 2. Management minute of meeting 3. Minute of safety and health committee 4. Comment from external stakeholder 5. Complaint Investigation report. 6. Record for outgoing and incoming information. 7. Safety and health plan 8. Environmental impact assessment 9. Pollution prevention plan 10. Complaint and grievance 11. Procedure for communication 12. Continues Improvement plan. 13. List of stakeholder 14. Human right policy 								
Criterion 2	Transparent method of communication and consultation							
Indicator	Requirement	Findings						
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders	Conformity						
<p>The management had established, maintained and documented the Procedure Komunikasi dan Rundingan, ref no: PR-4.</p>								
4.2.2.2	A management official shall nominated officials at the operating unit responsible for issues related to indicator 1 (4.2.2.1)	Conformity						
<p>The management had retained the appointment of persons responsible for communication for estate as below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Document</th> <th>Name of PIC</th> <th>Date appointed</th> </tr> </thead> <tbody> <tr> <td>Appointment letter</td> <td>Pn Rohaya Binti Ibrahim</td> <td>17 August 2018</td> </tr> </tbody> </table>			Document	Name of PIC	Date appointed	Appointment letter	Pn Rohaya Binti Ibrahim	17 August 2018
Document	Name of PIC	Date appointed						
Appointment letter	Pn Rohaya Binti Ibrahim	17 August 2018						
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.	Conformity						
<p>The management had prepared, maintained and documented the list of stakeholders dated 23 April 2023. The stakeholders listed include:</p> <ol style="list-style-type: none"> 1. Government agency: MAIK, Land Department, PERKESO, Labour Department, KASTAM 2. Suppliers: GM Electrical Motor Works, Agro Makmur Sdn Bhd, Agromate (M) Sdn Bhd 3. Customers: Kilang Sawit Chiku, Kilang Sawit Paloh 3, Kilang Sawit Aring A 4. Neighboring area: GM Vistani, Ladang Hanswee, RKT KESEDAR, Gemalai Plantation 								

<p>The management also had carried out a meeting with stakeholders as seen in the evidence below: Document: Minutes of meeting, stakeholders consultation Date: 16 January 2024 Venue: Estate's office Time: 3.30pm - 5.00pm Matters discussed: Cattle issue No of stakeholders attended: 14, from Kg Lebir and Kg Paloh</p>														
Criterion 3	Traceability													
Indicator	Requirement	Findings												
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).	Conformity												
<p>The estate management had established and maintained the documented Traceability Procedure, ref no: PR-5. The procedure established to ensure the origin of palm product can be documented, verified and information maintained across the supply chain. Several records are to be maintained by the management such as:</p> <p>a. Infield weighbridge ticket b. External weighbridge ticket</p>														
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system	Conformity												
<p>Estate management had maintained the following records for traceability, signed and verified by management. Sample as shown below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Document</th> <th>Date</th> <th>Field no</th> <th>Lorry no</th> </tr> </thead> <tbody> <tr> <td>FFB Delivery Record</td> <td>6 May 2024</td> <td>B28</td> <td>JQS 5407</td> </tr> <tr> <td></td> <td>5 May 2024</td> <td>B24</td> <td>JRV 2615</td> </tr> </tbody> </table>			Document	Date	Field no	Lorry no	FFB Delivery Record	6 May 2024	B28	JQS 5407		5 May 2024	B24	JRV 2615
Document	Date	Field no	Lorry no											
FFB Delivery Record	6 May 2024	B28	JQS 5407											
	5 May 2024	B24	JRV 2615											
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system	Conformity												
<p>The management had retained the appointment of persons responsible for traceability as shown below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Document</th> <th>Name of PIC</th> <th>Date appointed</th> </tr> </thead> <tbody> <tr> <td>Appointment letter</td> <td>Ms Beh Kim Kian</td> <td>1 January 2019</td> </tr> </tbody> </table>			Document	Name of PIC	Date appointed	Appointment letter	Ms Beh Kim Kian	1 January 2019						
Document	Name of PIC	Date appointed												
Appointment letter	Ms Beh Kim Kian	1 January 2019												
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained.	Conformity												
<p>Estate management had maintained the FFB delivery records as shown in clause 4.2.3.2</p>														
P3: Compliance to legal requirements														
Criterion 1	Regulatory requirements													
Indicator	Requirement	Findings												
4.3.1.1.	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations	Observation												
<p>1. MPOB Licence: Ref no: 508223702000; Valid until: 31/1/2024 with Area: 1674.5ha 2. Quit rent payment: Lot no: PT 6783, PT 6782, Date: 7/2/2024 3. Weighbridge calibration: Ref no: B1638178, capacity 40 mt, Date: 2/10/2023 4. Workers work permit: i. Worker: Sohel Md, #A06609297, Valid until: 15/1/2033. Work permit valid until 29/3/2025 ii. Worker: Hossain Md Rana, #04714692, Valid until: 3/9/2032. Work permit valid until 29/3/2025 iii. Worker: Rakib Mohammad, #A06300821, Valid until: 3/9/2032. Work permit valid until 29/3/2025 iv. Worker: I Ketut Werta, #C7503644, Valid until: 18/9/2024. Work permit valid until 29/3/2025 v. Worker: Salam Md Abdus, #EJ0399242, Valid until: 15/8/2026. Work permit valid until 30/9/2024 5. Levy payment: - Ref no: D10/WPA3/000038/04/24, Date: 21/4/2024 6. CF of labor quarters Ref no: JTK.KEL.09/2008 Date: 29 August 2010 Ref no: JTK/KEL13/2013 Date: 14 July 2013</p>														

<p>7. Wage deduction approval letter from JTK Date: 21/3/2021 Ref no: JTKKEL:600-1/16/4 JLD 2 (38) Deduction: electricity RM30/worker.</p> <p>8. Permit bekalan menggunakan bekalan air persendirian Seksyen 6(1)(a) #PMT/BA(KA)/009/2022. Valid until 10/8/2024</p> <p>9. Permit barang kawalan berjadual #PBKB/2023/P/D-000148 for total storage of 10,000 liter for diesel (Euro 5) valid until 31/10/2024</p> <p>OBS: 4.3.1.1</p> <p>1. Noted the management is midst of applying the license for extracting water from natural resources, the management to ensure the process to be complete as to complying with the applicable legislation.</p> <p>2. Observed at diesel skid tank the labelling of the permit information has been faded, the management to consider refurbish the information to ensure complying with the permit's requirement.</p>		
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register	Conformity
<p>The management had provided a List of legal requirement register updated on 1/4/ 2024 during the assessment. Seen sample of Legal registered for: -</p> <ol style="list-style-type: none"> Occupational Safety & Health Act, 1994 Employment Act 1955 (Amendment 2022) Employee Provident Fund Act 1991 (ACT 452) Employment Insurance System Act 2017 (ACT 800) Prevention and Control of Infectious Diseases Act 1988 Environmental Quality Act 1974 Pesticide Act 1974 Windfall Profit Levy Act 1998 Workers Minimum Standard of Housing and Amenities Amendment 2022 		
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.	Conformity
Review of the legal register as cited in 4.3.1.2 confirms that all legal requirements are updated and enforceable		
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.	Conformity
The management had retained the appointment of Mr. Hairul Bin Alip as a person responsible to monitor compliance and update the changes in regulatory requirements. Sighted his letter of appointment dated on 14May 2018		
Criterion 2	Land used right	
Indicator	Requirement	Findings
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users	Conformity
It was noted that the Management is aware of its legal boundary stones surrounding its establishment. Company sets a perimeter trenches and terrain boundary as marker to segregate their lands from surrounding neighbours		
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.	Conformity
<p>Sighted 2 land title under Majlis Agama Islam dan Adat Istiadat Melayu Kelantan (MAIK). It was noted that Lease Agreement between Kukuh Cemerlang Sdn Bhd and Majlis Agama Islam dan Adat Istiadat Melayu Kelantan(MAIK)dated 28/01/2003 stated that Majlis Agama Islam dan Adat Istiadat Melayu Kelantan (MAIK) has agreed to lease the land for term of 66 years to Kukuh Cemerlang Sdn Bhd. The agreement signed by Vice Chairman of MajlisAgama Islam dan Adat Istiadat Melayu Kelantan (MAIK) and Director Kukuh Cemerlang Sdn Bhd and the grant as below:</p> <p>i) No PT - PT 6782 Hectare - 215 Ha Land Use - Pertanian Syarat Nyata - Kelapa Sawit</p> <p>ii) No. PT - PT 6783 Hectare - 1459.50 Ha Land Use - Pertanian Syarat Nyata - Kelapa Sawit .</p>		

4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.	Conformity
It was noted that the Management is aware of its legal boundary stones surrounding its establishment. Company sets a perimeter trenches and terrain boundary as marker to segregate their lands from surrounding neighbors. Observation during the field walkabout confirms this finding		
4.3.2.4	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).	Conformity
An interview with the Management Representative and verification of complaints / communication records indicated that no land ownership dispute arose thus far.		
Criterion 3	Customary rights	
Indicator	Requirement	Findings
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.	Conformity
Estate operation is not under customary right land.		
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available	Conformity
Estate operation is not under customary right land.		
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.	Conformity
Estate operation is not under customary right land.		
P4: Social Responsibility, Health, Safety and Employment Condition		
Criterion 1	Social impact Assessment (SIA)	
Indicator	Requirement	Findings
4.4.1.1	Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones	Observation
OBS: 4.4.1.1 Estate management had established, reviewed and documented the Social Impact Assessment report dated December 2018, where the feedback is from identified stakeholder. However, the social management plan was not updated to the current year. Will be verified during next assessment.		
Criterion 2	Complaints and grievances	
Indicator	Requirement	Findings
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented	Conformity
Estate management had established and maintained the Complaint Procedure, ref no: PR-8, which adequately stated the mechanism complaint and grievance management for the estate.		

4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.	Conformity
Verified the complaint received by management will be recorded in the complaint & grievance form. At this point of audit, there was no complaint recorded in the complaint form made by stakeholders.		
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.	OFI
Sighted the complaint form and complaint box was available at the office and stakeholders are freely to lodge the complaint. 4.4.2.3: OFI Observed at workshop area, there was a fabrication worked on going by personnel, but due to the size of the workshop the fabrication has been carry out at outside of the shaded area. The management may consider extending the roofing, as site verification during the peak of the hot season revealed that the provided umbrellas are insufficient for the personnel to carry out their work effectively as feedback from the workshop personnel.		
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time	Conformity
Employees and stakeholders aware with the complaint form and sighted the complaint procedure was displayed at the office notice board.		
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	Conformity
The estate management had maintained the record of the complaint form and made available since year of 2019 in the filing record.		
Criterion 3	Commitment to contribute to local sustainable development	
Indicator	Requirement	Findings
4.4.3.1	Growers should contribute to local development in consultation with the local communities.	Conformity
Sighted contribution record made by the management until 2024. Seen some sample contribution been made during: 1. Hari Raya Festival, Immigration, JTK, Majlis Daerah Gua Musang, Police: 7 April 2024 2. Hari Raya Haji, employees: 28 June 2023 3. PIBG SK Lebir: 24 June 2023		
Criterion 4	Employees safety and health	
Indicator	Requirement	Findings
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented	Conformity
Estate management had established and maintained the documented Occupational Safety and Health Policy", endorsed on 1 July 2018 and was endorsed by the Director Mr Chee Kim and Hoon and Mr Choong Keen Shian. It was noted that the policy was communicated through routine meeting/briefing and displayed in notice board for public view. Based on the interview session with the sample employees, they have awareness on the Company OSH policy.		

4.4.4.2	The occupational safety and health plan shall cover the following:														
a) A safety and health policy, which is communicated and implemented			Conformity												
As per 4.4.4.1.															
b) The risks of all operations shall be assessed and documented			Observation												
<p>The HIRARC for the estate operations was verified to identify all associated hazards, risk analysis and risk control. Areas of work covered in the HIRARC including field activities, office activities and others.</p> <p>Seen also the CHRA report prepared by estate as shown below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Ref no:</th> <th style="text-align: center;">Date</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">HQ/14/ASS/00/357-2023/359</td> <td style="text-align: center;">12 July 2023</td> </tr> </tbody> </table> <p>Recommendation made by the assessor includes:</p> <ol style="list-style-type: none"> 1. Medical surveillance for organophosphate on yearly basis for spraying 2. Provide formal PPE training for workers on correct selection, use and wearing of personal protective equipment, comfort, and fit requirements. 3. Refresher course for chemical handling 4. Fire drill training at lease once a year 5. Safety data sheet to be brought on field during spraying operation <p>The management also had sent their 2 sprayers (contractors) for medical surveillance at Klinik Kuala Krai dated 24 July 2023. Based on the report provided, it was found that they were fit to work.</p> <p>Refer to appendix 1 ICOP (Noise Exposure and Hearing Conservation 2019), the Noise risk assessment was carried out by Mr Yong Siew Meng dated 9 May 2024.</p> <p>OBS: 4.4.4.2b Referring to the Noise Risk Identification provided by management, it was confirmed that Noise Risk Assessment (NRA) for workers is needed. Will be verified during next assessment.</p> <p>NC Minor: 4.4.4.2b Referring to the CHRA provided, it was found that the management is not in compliance against the Section 14 (1) USECCH Regulation 2000, where it stated that recommendation by the CHRA assessor to be conducted within 30 days after completion of the report. Details as followed:</p> <ol style="list-style-type: none"> 1. The Chemical Exposure Monitoring to be conducted for foreman working in workshop. 2. Medical surveillance to be conducted for workers exposed in rat baiting and sodium chloride operation. 				Ref no:	Date	HQ/14/ASS/00/357-2023/359	12 July 2023								
Ref no:	Date														
HQ/14/ASS/00/357-2023/359	12 July 2023														
c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:			Conformity												
<ol style="list-style-type: none"> 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. 															
Referring to the training record, estate management had carried out training to workers who exposed to chemicals as seen below:															
<table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th style="width: 15%;">Date</th> <th style="width: 25%;">Topic</th> <th style="width: 30%;">Trainer</th> <th style="width: 30%;">No of Attendees</th> </tr> </thead> <tbody> <tr> <td>22 January 2023</td> <td>Demonstration for poisoning</td> <td>Che Danial Khan Che Zuha</td> <td>6</td> </tr> <tr> <td>24 January 2024</td> <td>Chemical spraying</td> <td>Che Danial Khan Che Zuha</td> <td>7</td> </tr> </tbody> </table>				Date	Topic	Trainer	No of Attendees	22 January 2023	Demonstration for poisoning	Che Danial Khan Che Zuha	6	24 January 2024	Chemical spraying	Che Danial Khan Che Zuha	7
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22 January 2023	Demonstration for poisoning	Che Danial Khan Che Zuha	6												
24 January 2024	Chemical spraying	Che Danial Khan Che Zuha	7												

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).	Conformity																				
The estate management had provided appropriate PPE to workers for their own use during operations. The PPE issuance record was maintained and updated as seen in evidence below:																					
<table border="1"> <thead> <tr> <th>Document</th> <th>PPE issued</th> <th>Workers</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td rowspan="2">PPE issuance record</td> <td>Mask N95</td> <td>Rozita, Yati, Sarinah Esah, Hafiz</td> <td>4 May 2024</td> </tr> <tr> <td>Hand glove</td> <td>Rozita, Yati, Sarinah Esah, Wahyudi (Contractor)</td> <td>5 May 2024</td> </tr> </tbody> </table>		Document	PPE issued	Workers	Date	PPE issuance record	Mask N95	Rozita, Yati, Sarinah Esah, Hafiz	4 May 2024	Hand glove	Rozita, Yati, Sarinah Esah, Wahyudi (Contractor)	5 May 2024									
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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.	Nonconformity																				
The management had established and maintained the documented Procedure for handling chemical, which include process from purchasing chemical, storage, labeling, usage of pesticides, chemical handling and etc.																					
Seen also the chemical register prepared by management as shown in details below:																					
<table border="1"> <thead> <tr> <th>Document</th> <th>Date</th> <th>No of chemical</th> <th>Prepared by</th> </tr> </thead> <tbody> <tr> <td>Chemical register</td> <td>13 June 2023</td> <td>24</td> <td>Rohaya Ibrahim</td> </tr> </tbody> </table>		Document	Date	No of chemical	Prepared by	Chemical register	13 June 2023	24	Rohaya Ibrahim												
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Chemical register	13 June 2023	24	Rohaya Ibrahim																		
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.	Conformity																				
The estate management had retained the appointment of persons responsible for any issues related to worker's safety and health. Evidence as below:																					
<table border="1"> <thead> <tr> <th>Document</th> <th>Name</th> <th>Position</th> <th>Date appointed</th> </tr> </thead> <tbody> <tr> <td>Appointment letter</td> <td>Mr Yong Siew Meng</td> <td>Chairman</td> <td>14 May 2018</td> </tr> <tr> <td>Appointment letter</td> <td>Rohaya Ibrahim</td> <td>Secretary</td> <td>14 May 2018</td> </tr> <tr> <td>Appointment letter</td> <td>Nik Nurul Hasmira Che Danial Khan Mohd Azrulnizam Omar</td> <td>Employer's representatives</td> <td>14 May 2018</td> </tr> <tr> <td>Appointment letter</td> <td>Rozimi Ismail Mazlam Che Mat Rokiah Hayat</td> <td>Employees' representatives</td> <td>14 May 2018</td> </tr> </tbody> </table>		Document	Name	Position	Date appointed	Appointment letter	Mr Yong Siew Meng	Chairman	14 May 2018	Appointment letter	Rohaya Ibrahim	Secretary	14 May 2018	Appointment letter	Nik Nurul Hasmira Che Danial Khan Mohd Azrulnizam Omar	Employer's representatives	14 May 2018	Appointment letter	Rozimi Ismail Mazlam Che Mat Rokiah Hayat	Employees' representatives	14 May 2018
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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.	Conformity																				
It was noted that the Management has conducted a meeting to discuss on safety and health matters as shown below:																					
<table border="1"> <thead> <tr> <th>Document</th> <th>Chairman</th> <th>Date</th> <th>No of attendees</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Minutes of meeting</td> <td rowspan="2">Mr Yong Siew Meng</td> <td>20 February 2024</td> <td>20</td> </tr> <tr> <td>25 November 2023</td> <td>16</td> </tr> </tbody> </table>		Document	Chairman	Date	No of attendees	Minutes of meeting	Mr Yong Siew Meng	20 February 2024	20	25 November 2023	16										
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		25 November 2023	16																		
h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.	Observation																				
The management had established and maintained the documented "Prosedur Pelan Tindakan Kecemasan". The objective of the procedure is to identify emergency situation/ accidents that can have an adverse environmental impact and the appropriate mitigations and response actions if situations occurred.																					
Observed during site visit, it was noted that the safety signages are adequately displayed at labor quarters, offices and store. Seen also the signboards such as warning signage, no naked lights and emergency assembly point. Based on interview session with the sample employees, it was noted that they have awareness on the accident and emergency procedure.																					

Seen also the fire extinguisher being allocated at the facilities in the estate as shown in sample below:

Location	Serial no	Valid until
Estate office	SR022019Y659298	6 July 2024

OBS: 4.4.4.2 h)

Noted there was a potential of oil spillage as there was a worked done by foreman at workshop area. Therefore, the management to consider to develop the trap to ensure potential of oil spilled into the perimeter drain not flow out to the soil.

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	Conformity
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It was seen that the first aid box was placed in a clearly identifiable, well-illuminated and accessible location. It contains basic quantity of suitable first-aid materials, and no oral medication of any kind other than those required for first-aid treatment.

First aid kits have been made available with approved content which located at office and store. Verified the internal training on first aid been attended by contractor as refer to below :

Document	Organizer	Topic	Expiry Date	Person attended
First aid certificate	PBSM	Introduction to First aid and CPR	28 December 2026	Rohaya Ibrahim Ammar Azhari Muhamad Fikri Mat Yusof

j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.	Conformity
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The estate management had submitted JKPP8 form to DOSH, as shown below:

Document	Ref no	Submission date
JKPP8 form	JKPP8/161005/2023	10 January 2024

Criterion 5	Employment conditions	
Indicator	Requirement	Findings
4.4.5.1	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	Conformity

The estate had established, maintained and documented the "Human Resource & Social Policy" that is signed by the Director on 1 July 2018. Noted that the policy has deliberated on the following matters:

1. Comply with the Employment Act 1955, Industrial Relation Act 1967 etc.
2. Provide equal opportunity and treatment to all employees
3. Employee remuneration and employment terms and conditions
4. Prevent all forms of sexual harassment

Interview with the sampled stakeholders confirms that the management has adequately communicated the policy through briefings and meetings.

4.4.5.2	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.	Conformity
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As per 4.4.5.1

Based on interview session, it was found that there was no discriminatory practiced and all employees are treated equally

4.4.5.3	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.	Observation
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The estate management had provided sample of payslip of workers as seen during audit day. Based on the payslip provided, it was seen that workers were paid accordingly. Seen also that the management had made contributions to said employees such as EPF, SOCSO and SIP. Evidence as below:

Workers	Months
Mad Rawi Said	March and April 2024
Rakib Mohamad	March and April 2024
Abdus Salam	March and April 2024
Siti Sarinah Shaari	March and April 2024
Zukiman Idris	March and April 2024
Md Sohel	March and April 2024
Rozita Ismail	March and April 2024
Bilal Rana	March and April 2024
Werta	March and April 2024

OBS: 4.4.5.3

Based on the sample of workers monthly payslip provided, it was also noted that the number of working days were not completed (26 days) in a month by those workers. However, based on calculation of wages of piece rated harvester (few sample) per day, it was found that it does not meet the minimum daily wages which may caused during end of the month that the salary will unable to be met with Minimum Wages Order 2022. The management may consider to enhance the performance of their worker as the management has decided to pay the harvester with piece rated.

4.4.5.4	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	Conformity
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The Management is currently engaged with several FFB harvesting contractors. Based on the interview session during external stakeholders consultation, it was found that he (Wahyudi) was paid accordingly.

4.4.5.5	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.	Observation
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Employees record are available in the Employee Register for both own employees and contractor's. Verified the record available such as Name, Age, date of employment, passport no and position.

OBS: 4.4.5.5

Noted the employee and contractor's employee record detail has been established and updated. However, improvements in recording the work permit information of their contractor's employees need to be made.

4.4.5.6	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	Conformity
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Seen the contract agreement for workers were available during audit day. Information consists in the contract include position, no of working days, holiday, payment rate, overtime rate, annual leaves and working hours. The contract agreement was signed by both parties. Sample as shown below:

Document	Workers	Date of employment	Position
Contract agreement	Mad Rawi Said	1 September 2020	Security guard
	Rakib Mohamad	24 March 2023	General worker
	Abdus Salam	30 March 2018	Harvester
	Siti Sarinah Shaari	1 December 2017	General worker
	Zukiman Idris	9 August 2021	Foreman

		Md Sohel	30 March 2023	General worker	
		Rozita Ismail	1 December 2017	General worker	
		Bilal Rana	24 March 2023	General worker	
		Werta	18 September 2013	Driver tractor	
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.			Conformity	
Verified that the management has maintained Checkroll book as a time recording system. Estate manager will check and confirm the checkroll book at the end of each month before the salary payment is made.					
4.4.5.8	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			Conformity	
As per 4.4.5.3					
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements			Conformity	
As per 4.4.5.3 and 4.4.5.6					
4.4.5.10	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			Conformity	
The following benefits were offered by the Management to its employees: 1. Free housing & amenities 2. Medical treatment 3. EPF and SOCSO contribution to the local workers 4. Training and development					
4.4.5.11	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.			Conformity	
The management has provided labor quarters for workers as seen during audit day. It was confirmed that the electricity and water was provided for free to workers. Seen list of weekly housing inspection record for the month of March and April 2024 being carried out by the management. Based on the record and site visit to workers quarters, it was found that the quarters were in good condition.					
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace			Conformity	
The management's commitment to preventing any sexual harassment and violence at workplace, as refer to 4.4.5.1. Site visit and based on interview session, it was noted that no sexual harassment and violence at workplace. Verified on the estate practice through interviewing with the employees, the output as follow: - No complaints from the workers. - No pressure or workload by management to employee - Transparent communication been practice between employee and employer					

4.4.5.13	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.	Conformity
The commitment to respect employee rights for collective bargaining is evident in the "Human Resource & Social Policy". Refer to 4.4.5.1		
4.4.5.14	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.	Conformity
The management's commitment to prohibit the exploitation of children and young persons is evident in the "Human Resource & Social Policy". Refer to 4.4.5.1		
Based on the workers list, it was concluded that there are no young person or children hired by the management		
Criterion 6	Training and competency	
Indicator	Requirement	Findings
4.4.6.1	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.	Conformity
Seen annual training programme, for year 2024 as shown below: Document: Annual training plan Ref no: MSPO/KC Estate Prepared by: Rohaya Ibrahim Training programme: 1. Harvesting 2. Poisoning 3. HIRARC 4. First aid and CPR 5. Chemical spraying 6. Manuring		
4.4.6.2	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.	Conformity
Refer to Training Matrix provided, it was noted that the training needs aligned with training required for Estate Manager, Chief Clerk, Office Clerk, Field Supervisors, Harvester and etc.		
4.4.6.3	A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.	Conformity
Several training has been conducted for workers as shown in the training records. Evidence as below: 1. Harvesting: 17 January 2024 2. Poisoning: 22 January 2024 3. HIRARC: 15 March 2024 4. Chemical spraying: 18 July 2024		

P5 Environment, Natural Resources, Biodiversity and Ecosystem Services		
Criterion 1	Environmental management plan	
Indicator	Requirement	Findings
4.5.1.1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.	Conformity
<p>The company had established and maintained the documented Environmental, Natural Resources, Biodiversity and Ecosystem Policy available dated 01/07/2018 signed by Directors (Mr Chee Kim Hoon and Choong Keen Shian).</p> <p>The policy stated that management committed to:</p> <ol style="list-style-type: none"> 1. Comply with the relevant country and state environmental laws 2. Monitor and address environmental and biodiversity issues 3. Update information relating to environment and biodiversity matters <p>Based on the interview session with the sample employees, they have awareness on the Company Environmental policy.</p>		
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives. b) The aspects and impacts analysis of all operations	Conformity
<p>a) As per 4.5.1.1</p> <p>b) The management had developed and maintained the documented Environmental Aspect Impact Assessment (EAIA) dated on 4 April 2019 that covered estate operations. The operation covered include Harvesting, Weeding, Pruning and Fertilizer application. Sample as below:</p> <ol style="list-style-type: none"> 1. Scope: Spraying, Manuring & Scheduled Waste Activity: Spraying using pesticide/chemical Environment Component: Soil Impact: Soil erosion due to surplus spraying Risk: 4 (2 x 2) Management step: Spraying as per program/ circle and strip spraying only allowed Monitoring program: Daily inspection during program 2. Scope: Penuaian & Pemangkasan Pelepah Activity: Harvesting & pruning operation Environment Component: Water source Impact: Improper biomass disposal Risk: 2 (1 x 2) Management step: Proper frond stacking Monitoring program: Daily inspection during program <p>Sighted a analysis form of Environmental Aspects and Impacts Analysis-Kukuh Cemerlang Sdn Bhd established by organizations of Atlas Group of Companies-Kukuh Cemerlang Estate available during audit.</p>		
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.	Conformity
<p>Seen that the management had developed a environmental management plan prepared by management for year 2023/2024 as shown below:</p> <ol style="list-style-type: none"> 1. Proper and scheduled maintenance of vehicles/machineries at all time 2. Always maintain a proper sewerage system in housing area 3. Maintain a proper rubbish pit (away from residential area) for discard of trash. 4. Recycle materials are to be packed and disposed accordingly. 		
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan	Conformity
As per 4.5.1.3		
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.	Conformity
<p>It was noted that the Management has conducted a training related to environment as shown below: Document: Training record Date: 13/3/2022</p>		

Topic: Taklimat Zon Penampapan (Buffer Zone) Trainer: En Danial Khan Attendees: 4		
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed	Conformity
The management had carried out a meeting to discuss on environmental matters as seen below: Record: Minutes of meeting Date: 25/5/ 2023 Chairman: Mr Yong Siew Meng, General Manager Attendees: 10		
Criterion 2	Efficiency of energy use and use of renewable energy	
Indicator	Requirement	Findings
4.5.2.1	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.	Conformity
The management had monitor the consumption of non-renewable energy for both diesel and electricity usage by maintaining the baseline value on monthly basis.		
4.5.2.2	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.	Conformity
Estimation based on the yearly financial estimation made by the company.		
4.5.2.3	The use of renewable energy should be applied where possible	Conformity
Visual observation and document review confirm that the Management does not harness any forms of renewable energy as of the day of audit		
Criterion 3	Waste management and disposal	
Indicator	Requirement	Findings
4.5.3.1	All waste products and sources of pollution shall be identified and documented.	Conformity
The management had developed and documented the Waste Management Plan as shown in sample below: (i) Types of waste: Domestic Waste (Non Recyclable Wastes) Source: Line Site, Office Item Description: Disposal of rubbish Action to be taken: Provide rubbish pit/ landfill (ii) Types of waste: Recycle Waste Source: Premixing Item Description: Disposal of empty pesticides container Action to be taken: Establish SOP to rinse and puncture pesticides containers		
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) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.	Conformity
As per 4.5.3.1.		

4.5.3.3	The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.	Observation
<p>It is noted that the management had established and maintained the "Prosedur Pengendalian Bahan Buangan" where all the waste item was manage on proper and safe handling, storage and disposal for empty chemical. Seen also the inventory record of schedule waste generated by the management.</p> <p>Based on scheduled waste inventory record book, it is noted that used oil accumuated at 1210liter and been collected by Rengkas Maju (M) Sdn Bhd with total collected at on 30/4/2024.</p> <p>OBS: 4.5.3.3 Noted there was no scheduled waste as been collected by contractor on 30/4/2024. However, sighted the consignment and inventory was updating in the manual form. As the authority has developed the website in handling the scheduled waste, the management has previously registered with the system may consider to executing and updating in the website system.</p>		
4.5.3.4	Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.	Conformity
<p>The management had established and maintained the documented procedure "Prosedur Pengendalian Bahan Buangan" where all the waste item was managed on proper and safe handling, storage and disposal for empty chemical. Verified during audit day, that the empty pesticide container is reused for spraying activities.</p>		
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.	Conformity
<p>Verified during site visit, domestic waste was dump into landfill at field block 25 away from site office and labour quarters. It was noted that the rubbish collection is conducted once a week.</p>		
Criterion 4	Reduction of pollution and emission	
Indicator	Requirement	Findings
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent	Conformity
As per 4.5.1.2b		
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented	Conformity
<p>The management provided a record of regular maintenance as part of the plan to reduce the pollutants and emissions. Seen the records of inspection as seen in detail below: Record: PUSPAKOM inspection Vehicle no: JPR 8646 Ref no: ZD02 89606 Valid until: 9/6/2024</p> <p>Record: PUSPAKOM inspection Vehicle no: JQS 5497 Ref no: ZD02 90639 Valid until: 12/8/2024</p> <p>Record: PUSPAKOM inspection Vehicle no: JVH 5938 Ref no: D01 2973470 Valid until: 29/5/2024</p>		

Criterion 5	Natural water resources	
Indicator	Requirement	Findings
4.5.5.1	The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:	
a) Assessment of water usage and sources of supply.	Conformity	
The management is using water from nearby river, called Sg. Lebir and collected in water catchment area for domestic used. Seen the record of water assessment for chlorine and pH reading conducted on weekly basis by field staff.		
b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities	Nonconformity	
Sighted Certificate of Analysis and Analysis Report prepared by Permulab Sn Bhd. The Analysis Assessment conducted for Sungai Lebir on 30/5/2022 with BVAQ referene : 22-131806. The result for sample name wastewater Outlet and wastewater Inlet been observed during audit. MNNC: 4.5.5.1 b) The management has failed to maintain the required frequency of outgoing water monitoring, with the last recorded sampling for the river's inlet and outlet taken on 30/5/2022, indicating a non-conformity with established monitoring protocols.		
c) Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).	Conformity	
The establishment of silt pits in the Estate was dedicated predominantly to collect rainwater for effective palm tree irrigation, nutrient uptake and soil moisture conservation. The maintenance of softgrasses also was seen to serve similar functions		
d) Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.	Conformity	
Noted the protection of water course has been done with proper signage and buffer zone has been maintained.		
e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.	Conformity	
Per findings in 4.5.7.1 (d), a restoration plan/schedule was not established		
f) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.	Conformity	
No bore well is used for water supply		
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.	Conformity
Per findings in 4.5.7.1 (d), construction of such structures was not observed.		
4.5.5.3	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).	Conformity
The establishment of the water drainage system in the Estate was dedicated predominantly to collect rain water for effective palm tree irrigation, nutrient uptake and soil moisture conservation.		

Criterion 6	Status of rare, threatened, or endangered species and high biodiversity value area	
Indicator	Requirement	Findings
4.5.6.1	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.	Conformity
The management had established and maintained the documented the Biodiversity Assessment Report dated on February 2020. Wildlife identified in the estate are as below: Birds a) Ashy Tailorbird (<i>Orthofomus ruficeps</i>) b) Zebra Dove (<i>Geopelia striata</i>) c) Common Tailorbird (<i>Orthotomus sutorius</i>) Mammals a) Long-tailed Leaf-Monkey (<i>Macaca fascicularis</i>) b) Malayan Field Rat (<i>Rattus tiomanicus</i>) c) Low's Squirrel (<i>Sundasciurus lowii</i>) d) Wild Boar (<i>Sus scrofa</i>)		
	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.	Conformity
The management had classified wildlife identified in 4.5.5.1a according to the IUCN and Wildlife Conservation Act 2010.		
4.5.6.2	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	Conformity
Referring to the updated Biodiversity Management Plan prepared by management with action plan suchas: 1. To maintain the signage of No Hunting in the estate 2. To increase knowledge of employees on Biodiversity awareness and conservation 3. Maintain buffer zone alongside the river, Sg. Lebir area		
	b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts	Conformity
Based on the interview session with the management representatives, no any discouraging illegal or inappropriate hunting, fishing or collecting activities was carried out in the estate. Seen also the signboard of No hunting was placed in the estate to discouraging illegal hunting.		
4.5.6.3	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.	
As per 4.5.6.2b.		
Indicator 7	Zero burning practices	
Indicator	Requirement	Findings
4.5.7.1	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.	
Verified there was no use of fire for waste disposal and for preparing land for replanting been practiced.		

4.5.7.2	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.	Conformity
Memo dated 15/5/2023 by general manager to all employee, contractor and smallholder on the commitment from the management in prohibiting open burning in the estate area.		
4.5.7.3	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.	Conformity
No special approval requested and no required by estate management.		
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.	Conformity
No special approval requested and no required by estate management.		
P6: Best Practices		
Criterion 1	Site management	
Indicator	Requirement	Findings
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	Conformity
<p>The management has documented SOP covering the following activities:</p> <ol style="list-style-type: none"> 1. Harvesting & Loading, 2. Manuring, 3. Weeding, 4. Planting, 5. Slashing, 6. FFB Transportation 7. Water treatment 8. Workshop <p>Observed during site visit to witness FFB harvesting operations, manuring operations, workshop operations it was found that the workers were wearing appropriate PPE such as safety helmet and safety vest. Based on the interview session, it was noted that they understand the companys best practices procedure and have awareness on safety and environment aspects.</p>		
4.6.1.2	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.	Conformity
<p>Observed during site visit, it was found that estate topography is hilly area and only small part area was undulating area. The estate management has maintained good agricultural practices such as:</p> <ol style="list-style-type: none"> 1. Maintenance of soft grass along the harvesting path 2. Circle spraying around palm base 3. Selective spray in most of the estate area 4. Proper frond stacking 		
4.6.1.3	A visual identification or reference system shall be established for each field.	Conformity
All fields are marked and identified. There are stenciled at the palm trees and also displayed in signage at the boundary/corners of every field. This is observed during the field visit.		

Criterion 2	Economic and financial viability plan									
Indicator	Requirement	Findings								
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.	Conformity								
The Company's Business/Management Plan was reviewed and verified. It was noted that the document established cost and revenue projections FY2023/2024 (Oct 2023-Sept 2024).										
4.6.2.2	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	Conformity								
It was noted that there was no replanting programme at point of audit										
4.6.2.3	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.	Conformity								
As per 4.6.2.1										
4.6.2.4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.	Conformity								
It was noted that the Manager regularly monitors the implementation and progresses of all plans in the Estates. Verified record of Profit and Loss for the estate available during auditing. The FFB production was monitored and recorded in monthly basis and available during audit day.										
Criterion 3	Transparent and fair price dealing									
Indicator	Requirement	Findings								
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented.	Conformity								
The estate had made statement to carry out few estate operations. Evidence as below:										
<table border="1"> <thead> <tr> <th>Document</th> <th>Contractor</th> <th>Date of agreement</th> <th>Job offered</th> </tr> </thead> <tbody> <tr> <td>Contract agreement</td> <td>Leu Yau Choi</td> <td>1 October 2023 - 30 September 2024</td> <td>1. Strip/circle spraying 2. Selective spraying</td> </tr> </tbody> </table>			Document	Contractor	Date of agreement	Job offered	Contract agreement	Leu Yau Choi	1 October 2023 - 30 September 2024	1. Strip/circle spraying 2. Selective spraying
Document	Contractor	Date of agreement	Job offered							
Contract agreement	Leu Yau Choi	1 October 2023 - 30 September 2024	1. Strip/circle spraying 2. Selective spraying							
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner	Conformity								
The estate has provided evidence of payment to contractors as shown in evidence below:										
<table border="1"> <thead> <tr> <th>Document</th> <th>Ref no:</th> <th>Contractor</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Cheque</td> <td>33-03083</td> <td>Leu Yau Choi</td> <td>22 April 2024</td> </tr> </tbody> </table>			Document	Ref no:	Contractor	Date	Cheque	33-03083	Leu Yau Choi	22 April 2024
Document	Ref no:	Contractor	Date							
Cheque	33-03083	Leu Yau Choi	22 April 2024							
Criterion 4	Contractor									
Indicator 1	Requirement	Findings								
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information	Conformity								
It was also found that both parties are aware of the term and conditions of the agreement and that both parties have agreed to the agreement by endorsing the agreement accordingly. Referring to the contract agreement, it does specify the contractor to comply with the MSPO requirement (Clause 17). Based on the interview with the appointed contractor, it was noted that the contractor is aware of all MSPO requirements and shall abide to its necessity if										

required by the principal management.		
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor.	Conformity
Refer to 4.6.3.1		
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required	Conformity
Refer to 4.6.4.1		
4.6.4.4	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	Conformity
<p>Verified the observation of the harvesting and field maintenance activities was being monitored either through verification of the weighing bridge tickets received from the palm oil mill and/or visual observation of the work performance in the estate establishments. Payments remitted to the contractor were based on the weighing bridge ticket record and job completion verification forms.</p> <p>All works performed at the estates are checked and verified by the estate's supervisor. The management was able to establish control points to the task that performed by the contractor.</p>		

P7: Development of new plantings		
Criterion 1	High biodiversity value	
Indicator	Requirement	Findings
4.7.1.1	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.	Select
Not Applicable		
4.7.1.2	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	Select
Not Applicable		
Criterion 2	Peat Soil	
Indicator	Requirement	Findings
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice.	Select
Not Applicable		
Criterion 3	Social and Environmental Impact Assessment (SEIA)	
Indicator	Requirement	Findings
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations.	Select
Not Applicable		
4.7.3.2	SEIA shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders.	Select
Not Applicable		
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed.	Select
Not Applicable		
4.7.3.4	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.	Select
Not Applicable		
Criterion 4	Soil and topographic information	
Indicator	Requirements	Findings
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation	Select

Not Applicable		
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure	Select
Not Applicable		
Criterion 5	Planting on steep terrain, marginal and fragile soils	
Indicator	Requirements	Findings
4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.	Select
Not Applicable		
4.7.5.2	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.	Select
Not Applicable		
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion	Select
Not Applicable		
Criterion 6		
Indicator	Requirements	Findings
4.7.6.1	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	Select
Not Applicable		
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.	Select
Not Applicable		
4.7.6.3	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	Select
Not Applicable		
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement.	Select
Not Applicable		
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented.	Select
Not Applicable		
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.	Select
Not Applicable		
4.7.6.7	The process and outcome of any compensation claims shall be documented	Select

	and made publicly available.	
Not Applicable		
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development.	Select
Not Applicable		