



Assessment Report	Date: 22 <sup>nd</sup> January To 22 <sup>nd</sup> January
	2024

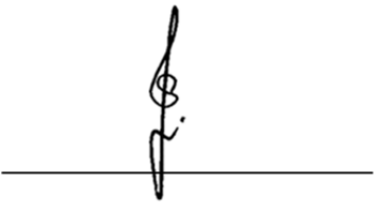
*[Disclaimer: The audit report has been generated to reflect the compliance of the company toward the MSPO standard and every criterion's have been in every effort taken to ensure the accuracy of the assessment and reporting produced. As the assessment is been carried out based on sampling, certain areas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

**MSPO 2530:2013  
Part 4**

NAME OF CERTIFIED ENTITY	UNITED MALACCA BHD- MERIDIAN PALM OIL MILL
MSPO CERTIFICATE NO & VALIDITY	MYMS4183805, VALIDITY 24/04/2018 TO 23/04/2028
MPOB LICENSE NO & VALIDITY	500362104000 01/04/2021 to 31/03/2024
MAIN ADDRESS	Meridian Plantation Sdn Bhd (Meridian Palm Oil Mill) Locked Bag No.43, 9009 Sandakan, Sabah, MALAYSIA
REPORT NO	MS24SM0004
TYPE OF CERTIFICATION	SINGLE
TYPE OF AUDIT	ON-SITE VERIFICATION (FIELD VISIT DOCUMENTATION)
AUDIT STAGE	SURVEILLANCE If surveillance No.1

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 requirements.

To ensure the next assessment will be carry out in compliance to the ISO 17021, 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 CARE Certification	Signed for on behalf of client
Sign		Name: Designation:
Name	Mohd Shyaidal Abd Kadir	Company stamp
Date	22 <sup>nd</sup> January 2024	
Email	admin@cciglobe.com; w.hidney@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.**

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CCI-QP-07-07C (April 2021)  
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## Section A 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 type="checkbox"/> To verify that the system implementation is continuously in accordance to the requirements of the standards adopted. <input checked="" 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 2530-4:2013
Issue of certificate	No

Scope of Certification	
Scope of certification in English	The provision of production Crude Palm Oil (CPO) and Palm Kernel (PK) by palm oil mill
Requirement not being applicable	NIL
Justification	NIL
Other language than above	NA
Changes from Previous registration	No
Extension/changes of scope date	NA

Contact Details	
Management Representative	Mr. Solahadden Bin Jasmi
Alternate contacts	Ms Vergisri Selvamaney
Management Representative contact no.	089 278103
E-mail address	vergis@unitedmalacca.com.my, jamesjoejoseph@gmail.com, pom.mpsb@yahoo.com
Fax Number	NIL
Fixed Line Number	NIL
No of Group Members	1

## Section B 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 C 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 **0** 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 D (For Recertification Only)

1	The company has demonstrated effective implementation and maintenance/improvement on its management system	<input 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 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 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 type="checkbox"/> Yes <input type="checkbox"/> No

## Section E Auditor and Auditees Names

Assessors	Attendance during opening and closing meeting	
Team leader	Name	Designation
Mohd Shyaiddal Abd Kadir (DL)	Mr. Phor Kok Beng	Sr. Manager (UMB Meridian Plantations Sdn Bhd)
Team member		
Stearonthia Riting@Sirin (KI)	Ms. Vergisri Selvamaney	Manager (EHS and Sustainability)
Jane Chin Shui Kwen (JN)	Mr. James Joe Joseph	Sr. Assistant (EHS and Sustainability)
Aliff Abu Hurairah Abas (AA)	Mr. Solahadden bin Jasni	Mill Manager cum MSPO MR
Trainee auditor	Ms. Rani ak Pae	Mill Chief Clark- document control.
NIL	Mr. Mohd Fahmi Asyraf	Assistant Engineer
Observer		
NIL		

## Section F Audit Process Matrix

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

Planned month & year	02/2023	01/2024	02/2025	02/2026	02/2027
Internal Audits	☒	☒	☒	☒	☒
Stakeholder consultation / survey	☒	☒	☒	☒	☒
Use of logo	☒	☒	☒	☒	☒
Follow-up from previous audit finding	☒	☒	☒	☒	☒
<b>4.1 Management Commitment &amp; Responsibility</b>					
4.1.1 MSPO Policy	☒	☒	☒	☒	☒
4.1.2 Internal audit	☒	☒	☒	☒	☒
4.1.3 Management Review	☒	☒	☒	☒	☒
4.1.4 Continual Improvement	☒	☒	☒	☒	☒
<b>4.2 Transparency</b>					
4.2.1 Transparency of information and documents relevant to MSPO requirements	☒	☒	☒	☒	☒
4.2.2 Transparent method of communication and consultation	☒	☒	☒	☒	☒
4.2.3 Traceability	☒	☒	☒	☒	☒
<b>4.3 Compliance to legal requirements</b>					
4.3.1 Regulatory requirements	☒	☒	☒	☒	☒
4.3.2 Land use rights	☒	☒	☒	☒	☒
4.3.3 Customary land rights	☒	☒	☒	☒	☒
<b>4.4 Social responsibility, health, safety and employment condition</b>					
4.4.1 Social impact assessment (SIA)	☒	☒	☒	☒	☒
4.4.2 Complaints and grievances	☒	☒	☒	☒	☒
4.4.3 Commitment to contribute to local sustainable	☒	☒	☒	☒	☒

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development					
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"/>
<b>4.5 Environment, natural resources, biodiversity and ecosystem services</b>					
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 including greenhouse gas	<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"/>
<b>4.6 Best Practices</b>					
4.6.1 Mill 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"/>
<b>Group Member Audit Matrix (SINGLE Certification)</b>	02/2023	01/2024	02/2025	02/2026	02/2027
United Malacca Berhad - Meridian Palm Oil Mill	<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"/>

**Assessment man days for the next assessment: 3 md. Recertification: 01/2028**

**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
DL/KI/JN	22 <sup>nd</sup> January 2024	09.30am
<p>Opening Meeting</p> <ul style="list-style-type: none"> <li>a) introduction of the participants, including an outline of their roles;</li> <li>b) confirmation of the scope of certification;</li> <li>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;</li> <li>d) confirmation of formal communication channels between the audit team and the client;</li> <li>e) confirmation that the resources and facilities needed by the audit team are available;</li> <li>f) confirmation of matters relating to confidentiality;</li> <li>g) confirmation of relevant work safety, emergency and security procedures for the audit team;</li> <li>h) confirmation of the availability, roles and identities of any guides and observers;</li> <li>i) the method of reporting, including any grading of audit findings;</li> <li>j) information about the conditions under which the audit may be premature terminated;</li> <li>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;</li> <li>l) confirmation of the status of findings of the previous review or audit, if applicable;</li> <li>m) methods and procedures to be used to conduct the audit based on sampling;</li> <li>n) confirmation of the language to be used during the audit;</li> <li>o) confirmation that, during the audit, the client will be kept informed of audit progress and any concerns;</li> <li>p) opportunity for the client to ask questions.</li> </ul>		
Auditor	Date	Time
DL/KI/JN	22 <sup>nd</sup> January 2024	05.00pm
<p>Closing Meeting</p> <ul style="list-style-type: none"> <li>a) informing the client that the audit evidence collected was based on a sample of the information; thereby introducing an element of uncertainty</li> <li>b) the method and timeframe of reporting, including any grading of audit findings;</li> <li>c) the certification body's process for handling nonconformities including any consequences relating to the status of the client's certification;</li> <li>d) the timeframe for the client to present a plan for correction and corrective action for any nonconformities identified during the audit;</li> <li>e) the certification body's post audit activities;</li> <li>f) information about the complaint handling and appeal processes.</li> <li>g) Any diverging opinion that are not resolved.</li> <li>h) opportunity for the client to ask questions.</li> </ul>		
Executive Summary		
<p>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.</p> <p>CARE Certification International (M) Sdn Bhd (CCI) has vast experience in conducting audits related to MSPO certification. We have certified more than hundred palm oil estates and palm oil mills 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.</p> <p>This assessment was conducted on 22<sup>nd</sup> January 2024. The audit plan is included as Appendix 2 of this report. The approach to the audit was to treat the United Malacca Berhad (Meridian Palm Oil Mill) 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.</p> <p>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 2530-4:2013 MSPO Part 4: General principles for Palm Oil Mills was</p>		

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.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the MSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings. Structured worker interviews with male and female workers and staff were held in private. Mill workers were interviewed informally in small groups at their workplace. A list of Stakeholders contacted is included in this report. The assessment findings for this **First Surveillance** are detailed in last section of this assessment report.

#### 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 Palm Oil Mill/s was randomly sampled for this round of assessment. This is SINGLE Certification.

(i) Main Assessment Visit (MAV):

= √

(ii) Surveillance Assessment Visit (SAV):

= √ x

**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 4; "General principles for Palm Oil Mills". 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 4; "General principles for Palm



Oil Mills” standards and requirements. The following finding(s) were identified:

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

<b>PRINCIPLE 1</b>	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.
<b>PRINCIPLE 2</b>	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.
<b>PRINCIPLE 3</b>	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.
<b>PRINCIPLE 4</b>	The client has demonstrated its ability in providing substantial amount 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.
<b>PRINCIPLE 5</b>	It is evident that the Client has established a considerably holistic approach and plans in mitigating all potential negative environmental impacts arising from its Palm Oil Mill activities; while simultaneously enhancing the positive impacts.
<b>PRINCIPLE 6</b>	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.

**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	Worker Representative	Position	Weighbridge Clerk Grader
Inputs	1. All stakeholder has complimented the estate management which has given a good rapport with stakeholder. 2. No discrimination practice by the management. 3. Worker was provided with adequate PPE and Training		
Management Response	Management has acknowledged input made by stakeholder and committed to maintained current practice.		
Audit Team Conclusion	Based on the input received, concluded that the management has implemented good communication and relationship with their stakeholder.		

**NOTE:**

*With reference to ABC- OPMC 4 Issue 2 dated 04 September 2020. Whenever deemed applicable,*

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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	<p>Post-secondary education, college or university diploma/degree in one of the following</p> <ul style="list-style-type: none"> <li>i. Agriculture;</li> <li>ii. Science &amp; Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,);</li> <li>iii. Engineering, Process Technology;</li> <li>iv. Energy Management, Quality Management;</li> <li>v. Social Sciences and/or Anthropology;</li> <li>vi. Business Management; or</li> <li>vii. Other relevant related fields</li> </ul>	Mohd Shyaiddal Abd Kadir hold a diploma and degree Forestry Science from Universiti Putra Malaysia (UPM)	<ol style="list-style-type: none"> <li>1. Stearonthia Riting holds a Bachelor's Degree in Agricultural Science (majoring in Crop Production), graduated from Universiti Malaysia Sabah in 2014.</li> <li>2. Jane Chin Shui Kwen holds a professional diploma in Business Management from Universiti Malaysia Pahang.</li> <li>3. Aliff Abu Hurairah Abas holds a Master of Science (Hons) Plantation Industry Management from Mara University of Technology (UiTM) Shah Alam</li> </ol>
Work Experience	<p><b>Lead:</b> At least five (5) years of work experience in the oil palm sector or related fields such as social, health, safety and environment</p> <p><b>Auditor:</b> <b>Post Secondary education:</b> At least ten (10) years of work experience in the oil palm sector or related fields such as social, health, safety and environment</p>	Mohd Shyaiddal Abd Kadir has been in the oil palm sector for more than 8 years where he was the Plantation Assistant Manager and has been involved in the estate operation under various oil palm plantations company	<ol style="list-style-type: none"> <li>1. Stearonthia Riting has 6 years of working experience in the oil palm industry specifically on standards related to Sustainable Palm Oil. She has experience as an internal auditor for several standards including MSPO, ISCC, and RSPO in her previous company.</li> <li>2. Jane Chin Ghui Kwen has more than seven (7) years of working experience in oil palm plantation and palm oil mill companies and skills and is involved in environmental plantation programme. She is competent in scheduled waste</li> </ol>

	<p><b>Tertiary education:</b> At least three (3) years of work experience in the oil palm sector or related fields such as social, health, safety and environment</p>		<p>management (CePSWaM) and also completed TTT and exempted TTT from HDR Corp.</p> <p>3. Aliff Abu Hurairah Abas 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.</p> <p>Currently a freelance MSPO Lead Auditor/Auditor and a consultant.</p>
Training	<p>i) Attended the MS 2530 series of standards training or other auditor competency trainings endorsed by MPOCC or MPOB (pre 2016).</p> <p>ii) shall have undergone 40 hours of accredited <b>OR</b> 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)</p>	<p>Mohd Shyaiddal Abd Kadir obtained MSPO Lead Auditor Training dated 26th - 30th December 2018 from PSV and MSPO Auditor Training dated 27th - 29th November 2018 from OSH ISIS, MSPO SCCS and SA8000.</p>	<p>1. Stearonthia Riting passed the exam of Safety and Health Officer conducted by NIOSH, IRCA Approved QMS Lead Auditor Course and IRCA Approved OHSMS Lead Auditor Course. She is also a competent trainer under the Train the Trainer program and has been an MSPO Lead Auditor since 2015.</p> <p>2. Jane Chin Ghui Kwen successfully attended Lead Auditor course for QMS ISO 9001, IRCA OSHMS ISO 45001, IRCA EMS ISO14001, MSPO MS2530, ABMS ISO37001, SA8000, and MACC.</p> <p>3. Aliff Abu Hurairah Abas 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 &amp; ISO 14001:2015) course.</p> <p>Furthermore, he also is a qualified MPOB Code of Practice (CoP) Lead Auditor.</p>
Auditing Experience	<p>Lead: Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a</p>	<p>Mohd Shyaiddal Abd Kadir successfully met minimum man-days under the direction of CARE Lead Auditor within the last 2 years.</p>	<p>1. Stearonthia Riting and Jane Chin Shui Kwen successfully met minimum man-days under the direction of CARE Lead Auditor.</p> <p>2. Aliff Abu Hurairah Abas had successfully completed more</p>

	<p>minimum of 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>than 100 man-days assessment as MSPO Auditor within the last 2 years.</p> <p>Apart of MSPO audit, he also 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>Mohd Shyaiddal had been involved in MSPO auditing since this early of year 2019 in various companies in Malaysia. Able to communicate in Bahasa Malaysia, Bahasa English and Local Language.</p>	<p>Team members are meeting these criteria.</p>

Details of Certified Entity									
GPS Coordinate	Mill Capacity (Tonnage/ Hour)	Previous Year 2023				Forecast 2024			
		OER (%)	KER (%)	CPO (Tonnage)	PK (Tonnage)	OER (%)	KER (%)	CPO (Tonnage)	PK (Tonnage)
6.454323 117.430978	45Mt/Hr	19.11	4.05	46,792.907	9,931.50	19.50	5.00	37,050	9,500
List of Other Sustainability Certifications Available (e.g RSPO, ISCC, SCCS, CoGAP etc)			MSPO 2530 -4:2013, MSPO-SCCS						

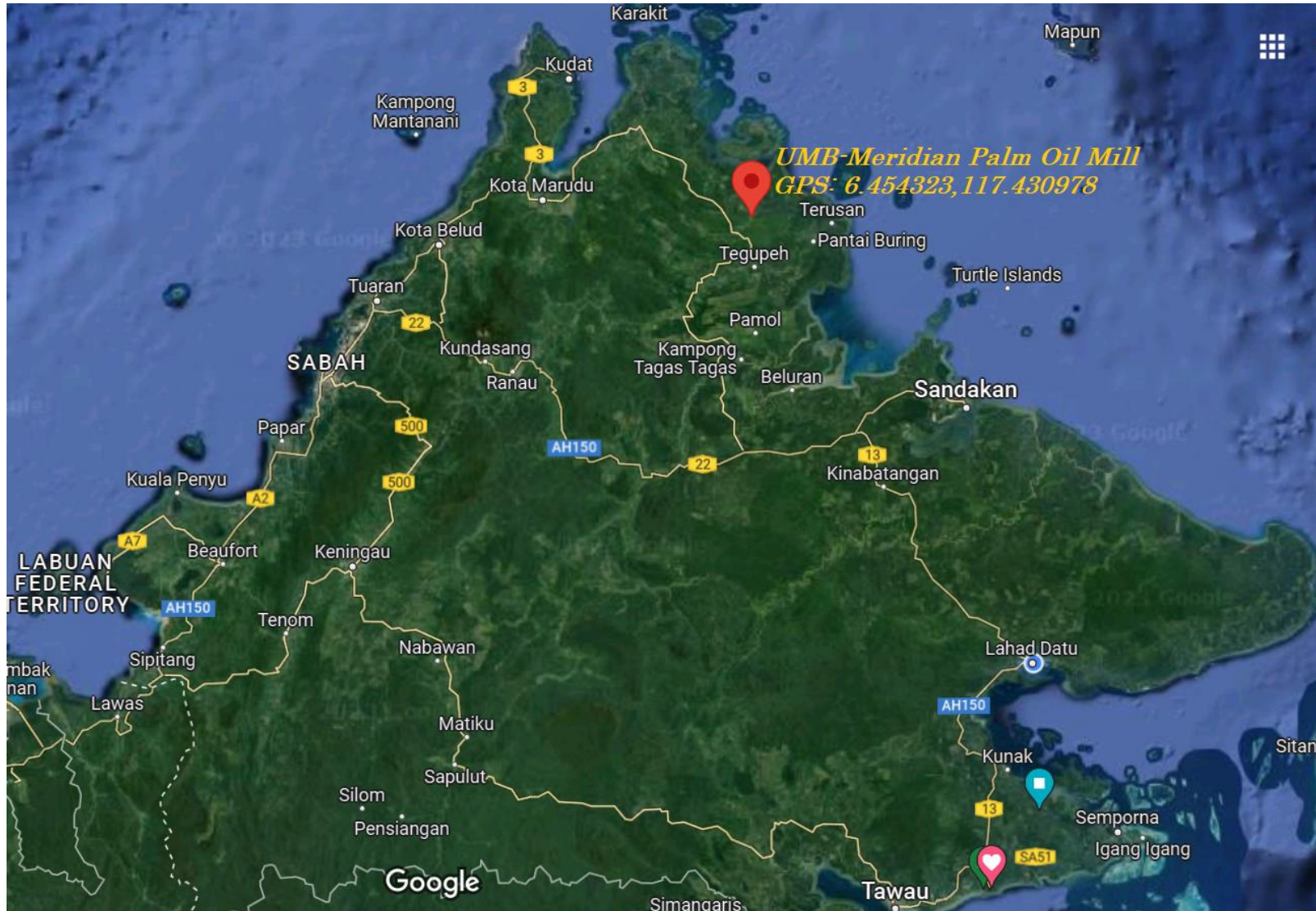
Information of the Supply Base						
No	Name of Estate / Smallholders of Fresh Fruit Bunch (FFB)	Location / Address	GPS Coordinate	Total Land Used Titles (Ha)	Total Planted Area (Ha)	Estimation of FFB Production (Tonnes/Year)
1	Paitan Estate	Beluran	6.44441, 117.41850	2072.37	1952.35	45,279
2	Marmahat Estate	Beluran	6.49995, 117.51605	1400.45	1312.47	14,107
3	Tengkarasan Estate	Beluran	6.50563, 117.39423	2670.40	2619.90	50,716
4	Tanjung Nipis Estate	Beluran	6.44249, 117.31267	928.31	824.15	16,865
5	GP Enterprise (CC)	Kota Marudu	6.477515, 116.810218	NA	NA	36,238
6	Pantai Hasil Sdn Bhd	Beluran	6.4461111, 117.55361	65.61	65.61	1,200
7	Sikap Melati	Beluran	6.4605556, 117.528333	172.10	172.10	3,600

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8	Vicland Sdn Bhd	Beluran	5.850479, 117.609375	71.61	71.61	1,200
9	Low Seow Weng	Lahad Datu	5.683743, 118.050458	38.76	38.76	6,000
10	Pertanian Khoon Siah	Beluran	6.373626, 117.337834	60.68	60.68	3,600
11	Nam Wah Plantation	Beluran	6.443227, 117.215411	481.33	481.33	300
12	Weng Hoe Plantation	Beluran	6.508385, 117.379155	61.86	61.86	960
13	Kumpulan Sawit (CC)	Kudat	6.36822, 116.47346	NA	NA	6,000
14	Smallholders			NA	NA	6,390



## Appendix 1: Location and Mill Map



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## Appendix 2: Audit Plan

Attention to : Ms Vergisri (012-764 7432)  
 Client name : United Malacca Bhd – Meridian Palm Oil Mill  
 Address : Locked Bag No.43, 90009 Sandakan, Sabah



### Audit Plan for: Recertification – SAV1

**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	MS24SM004	Lead auditor	Mr. Shyaiddal Abd Kadir (DL)
Scope of cert.	Part 4 : The provision of production Crude Palm Oil (CPO) and Palm Kernel (PK) by palm oil mill	Team member	Ms. Jane Chin Shu Kwen (JN) Ms. Stearonthia (KI) Mr. Aliff Abu Hurairah bin Abas (AA) – Verification of land title
Management std	MS2530:2013 Part 4	Trainee Auditor	-
Revised No.	01	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
22 January 2024	0930	ALL	Introduction by client Opening meeting		
	1000	ALL	Stakeholder consultation  Document review:	Office	

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		DL	<b>Principle 1: Management commitment &amp; responsibility</b> - 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
		JN	<b>Principle 2: Transparency</b> - 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
		KI	<b>Principle 3: Compliance to legal requirement</b> - 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
	1230		LUNCH		
	1330	DL	<b>Principle 4: Social responsibility, health, safety and employment condition</b> - 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
		JN	<b>Principle 5: Environment, natural resources, biodiversity and ecosystem services</b> - 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 - Criterion 5: Natural water resources	Office	4.5  4.5.1 4.5.2 4.5.3 4.5.4  4.5.5

		KI	<b>Principle 6: Best practices</b> - Criterion 1: Mill 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
	1600	DL	Report Preparation		
	1700	ALL	Closing meeting		
23 February 2024		AA	Verification of land title for all operating units		

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.

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**Risk Assessment (Applicable for Remote Audit ONLY)**

Date of Remote Audit: NA

Name of Auditor/s: NA

<b>A. Management Responsibility</b>		<b>No = 1 Yes = 0</b>			
<b>No</b>	<b>Questionnaire</b>	<b>No</b>	<b>Yes</b>	<b>Rating</b>	<b>Remark</b>
1	Has the company have a management person responsible for the sustainability issues?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	-
2	Has the company conducted the internal audit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	-
3	Has the company organized Management review meeting?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	-
4	Has the company provided transparent information on the company's operations for the public access?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	-
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	-
<b>B. Social Aspect</b>		<b>No = 1 Yes = 0</b>			
<b>No</b>	<b>Questionnaire</b>	<b>No</b>	<b>Yes</b>	<b>Rating</b>	<b>Remark</b>
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	-
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"/>	0	-
3	Has the company resolved any complaints or grievances received from the stakeholder?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	-
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"/>	0	-
		<b>No = 0 Yes = 1</b>			
<b>No</b>	<b>Questionnaire</b>	<b>No</b>	<b>Yes</b>	<b>Rating</b>	<b>Remark</b>
5	Has the company received any complaint from stakeholder?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	-
6	Is there is any COVID 19 cases in the premise area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	-
<b>C. Economic Aspect</b>		<b>No = 1 Yes = 0</b>			
<b>No</b>	<b>Questionnaire</b>	<b>No</b>	<b>Yes</b>	<b>Rating</b>	<b>Remark</b>

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1	Has the company have long term financial management plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	-
2	Is there a system in place to monitor the implementation of the management plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	-
<b>D. Environment Aspect</b>		<b>No = 0 Yes = 1</b>			
<b>No</b>	<b>Questionnaire</b>	<b>No</b>	<b>Yes</b>	<b>Rating</b>	<b>Remark</b>
1	Are the milling activities affecting the surrounding communities e.g with Water Pollution or Air Pollution? Any complaint recorded in the previous review?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	-
2	If yes, has the Mill adequately addressed the complaint/s and resolved the issue/s?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	-

<b>Additional Verification for operational sites:</b>					
<i>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.</i>					
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 checked="" type="checkbox"/>	HIGH	<input 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"/>

<b>Decision/ Justification</b>	Remote Audit based on the justification that the company scored 0 points after addressing all the criteria and properly attended to the findings from last review.	<b>Total Score</b>	0
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Total score between 0-4 : <b>Low Risk</b>	Total score between 5-9: <b>Medium Risk</b>	Total score between 10 and above: <b>High Risk</b>
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To be filled by Auditor: Methods and Techniques of MSPPO Audit Processes being conducted via Document Sharing via virtual platform

**NOTE:**

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

AUDIT CHECKLIST			
<b>Verification of previous audit findings</b>			
<b>Certificate Number</b>	MYMS4183805	<b>Expiry Date</b>	23 April 2028
<b>Stage of Previous Audit</b>	Re-Certification	<b>Date of Audit</b>	7 <sup>th</sup> February 2022
<b>No of Findings</b>	0 Non-Conformance/s	1 Observation/s	
<b>Status/ Remark</b>	All findings has been successfully closed and corrective actions are effectively implemented.		
<b>Verification of MSPO logo</b>			
There is no sign use of MSPO logo by the management.			
<b>P1: Management Commitment &amp; Responsibility</b>			
<b>Criterion 1</b>	Malaysian Sustainable Palm Oil (MSPO) Policy		
<b>Indicator</b>	<b>Requirement</b>	<b>Findings</b>	
4.1.1.1	A policy for the implementation of MSPO shall be established	Conformity	
<p>The MSPO Policy was established and maintained as the "Sustainable Palm Oil Policy," with an effective date 1/6/2023, and has been signed by the Chief Executive Officer. It was stated in the policy that the UMB is committed to ensuring its palm oil is produced sustainably through continual assessment and improvement of its operation. It is also stated that the management is committed to continually improving milling operations to enhance mill performance.</p> <p>The policy was communicated to all workers based on the training evidence dated 1/11/2023, 18/1/2024 and 20-21/12/2023 (Contractor)</p>			
4.1.1.2	The policy shall also emphasize commitment to continual improvement with the objective of improving the milling operation.	Conformity	
Refer to the policy, management has emphasize commitment to continual improvement for environmental and social.			
<b>Criterion 2</b>	Internal Audit		
<b>Indicator</b>	<b>Requirement</b>	<b>Findings</b>	
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.	Conformity	
<p>According to the itinerary for the MSPO Internal Assessment Plan For Group Certification Meridian Plantations Sdn Bhd, an internal audit (IA) of MSPO will be conducted on 13/11/2023 - 17/11/2023, an internal audit was successfully completed for MPOM.</p> <p>It was noted from the audit plan shown during the audit that the audit had been carried out as a cross-check audit, where all the auditors had the qualifications to do the cross-check audit as per the audit plan. The audit covered all of the standards' principles, and the auditor raised TWO (2) opportunity for improvement (OFI).</p> <p>Sighted the evidence:</p> <ol style="list-style-type: none"> <li>1) MSPO Internal Assessment plan for Group Certification Meridian Plantations Sdn Bhd - Dated 29/10/2023.</li> <li>2) Internal Assessment Report - Meridian Palm Oil Mill Dated 15/11/2023.</li> </ol>			
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 internal audit procedure (Internal Assessment Procedure, Revision 2) dated 23 <sup>rd</sup> November 2022 has been established and implemented. The MSPO internal audit which was conducted on 15/11/2023 has raised up TWO (2) OFI. For all findings			

(OFI), observed root cause, correction, and corrective actions are recorded.

Sighted the evidence:

- 1) MSPO Internal Assessment plan for Group Certification Meridian Plantations Sdn Bhd - Dated 29/10/2023.
- 2) Internal Assessment Report - Meridian Palm Oil Mill Dated 15/11/2023.

<b>4.1.2.3</b>	Report shall be made available to the management for their review.	<b>Conformity</b>
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Internal audit which result findings of NIL NCR and TWO (2) OFI dated 15/11/ 2023 was available to be reviewed by the management.

Sighted the evidence:

- 1) MSPO Internal Assessment plan for Group Certification Meridian Plantations Sdn Bhd - Dated 29/10/2023.
- 2) Internal Assessment Report - Meridian Palm Oil Mill Dated 15/11/2023.

<b>Criterion 3</b>	<b>Management Review</b>
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<b>Indicator</b>	<b>Requirement</b>	<b>Findings</b>
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<b>4.1.3.1</b>	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.	<b>Conformity</b>
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Refer to the Management Review Procedure with Document No. UMB/Sustainability/SOP/004, Rev.0, with an effective date of 30/04/2021, which states that "to conduct management review at least once a year." The management review minutes were available during audit. According to the minutes of the management review meeting held on 30/10/2023, topics covered included the audit result (internal), documentation review, continuous improvement, and so on. The director and staff were present at the meeting.

Sighted Document: Minutes of Meeting of:

1. Management Review Meeting - MSPO
2. Environmental Regulatory Compliance Monitoring Committee (ERCMC) Meeting.

<b>Criterion 4</b>	<b>Continual improvement</b>
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<b>Indicator</b>	<b>Requirement</b>	<b>Findings</b>
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<b>4.1.4.1</b>	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities for the company.	<b>Conformity</b>
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As referenced in Budget For Financial Year 2023/2025 (Capital Expenditure) observed the Improvement Plan as the following.

- a) Buildings (Roofing for EFB and Mesocarp) -Aug 2024
- b) Machinery (Replace Fruit Elevator No 1) - June 2024
- c) Water Supply (Replacement 6" piping from WTP) - May 2024

Sighted Document: Meridian Palm Oil Mill - Continual Improvement FY22/23.

<b>4.1.4.2</b>	The company shall establish a system to improve practices in line with new information and techniques, and for disseminating this information throughout the workforce.	<b>Conformity</b>
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Refer to 4.1.4.1 and 4.5.6.1

Training needs for all employees has been identified and further conducted as to ensure all new information and techniques is disseminated throughout the workforce. Verified that Training Needs Analysis records for management personnel and

operating unit have been adequately identified and recorded in EHSS annual training & programme plan as the most recently updated on 10/01/2024.

## P2: Transparency

Criterion 1	Transparency of information and documents relevant to MSPO requirements	
Indicator	Requirement	Findings
4.2.1.1	The management shall communicate adequate information to other stakeholders on environmental, social and legal issues relevant to sustainable practices in the relevant languages and form.	Conformity
<p>UMB management had established, maintained and documented the Consultation &amp; Communication Procedure (Ref No. UMB/Sustainability/SOP/006) effective 30/04/2021. 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>		
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>UMB had established a website, unitedmalacca.com.my where all publicly available documents are displayed for public view. The website also had company's information and channel for interested stakeholders to request for certain documents from the company.</p>		
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 Consultation &amp; Communication Procedure (Ref No. UMB/Sustainability/SOP/006) effective 30/04/2021.</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>Noted that management has appointed an official management representative to responsible for issue related to stakeholder as in appointment letter for Jaikul bin Kalapa on 01st May 2017. Among the responsibilities are:</p> <ol style="list-style-type: none"> <li>1. Identify internal and external stakeholders.</li> <li>2. Responsible in handling consultation and communication of stakeholders</li> <li>3. Document all relevant issue</li> <li>4. Establish procedure for stakeholder consultation and communication.</li> </ol>		
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 with latest update FY2022/2023. The list of stakeholders has been categorized into local communities, neighboring estates, government agencies, supplier/vendor and contractors.</p> <ol style="list-style-type: none"> <li>1. Summary of FFB Suppliers (Small Holder) - 168</li> <li>2. Mill Wxwcutive, Staff &amp; Labour - 96</li> <li>3. Contractor - 3</li> <li>4. Vendors/Suppliers - 22</li> <li>5. Local Communities - 3</li> <li>6. Government Agencies - 7</li> </ol>		

- 7. Own Estate - 4
- 8. Outsider Estate - 16
- 9. Transporter - 5
- 10. Buyer - 2

The management had organized a briefing session with stakeholders as seen in evidence below:  
 Document: Minit Mesyuarat (Mesyuarat Antara Ladang Dan Kilang & Pihak Berkepentingan Tahun 2023.  
 Date: 13/10/2023.  
 Time: 2.00pm  
 Attendees: 73  
 Venue: Pejabat Wilayah Meridian Plantations Sdn Bhd.

Criterion 3	Traceability	
Indicator	Requirement	Findings
4.2.3.1	The management shall commit itself to implement and maintain the requirements for traceability and shall establish a standard operating procedure for traceability.	Conformity

The management has committed to implemented and maintained the requirements for traceability as stated in the standard operation procedure (Traceability).  
  
 Sighted the evidence; Supply Chain Traceability for Meridian Palm Oil Mill, #UMB/Sustainability/SOP/008-01, Revision 2, Issue Date 19/12/2023.

4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system	Conformity
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The amount of FFB processed was cross-checked against the amount received. Example, weighbridge tickets include Supplier. CPO delivery order weighbridge tickets. The management also has conduct traceability inspection in monthly basis. Seen record of inspection for month of December 2023 conducted by PIC as evidenced in Traceability Checklist (Quarterly) dated 22/12/2023.



4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system	Conformity
<p>The management has appointed Rani Ak Pae effective from 2<sup>nd</sup> January 2021 as the traceability Officer for MSPO. Appointment letter and job scope for traceability officer was sighted during the audit.</p> <p>Based on the interview with the appointed officer, it was noted that she is aware of his job scope and responsibilities.</p>		
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil shall be maintained.	Conformity
<p>All data recorded as per SOP such as Date, Name of Estate, Vehicle Number, Time In, Block, FFB Quality and Signature of Driver. The quality of product periodically monitored and recorded by lab personnel.</p> <p>Sampled the evidence</p> <p>a) Palm Kernel</p> <ol style="list-style-type: none"> <li>1. Receiving Note #1354818, Net weight: 34,870Kg (Sandakan Edible Oil Sdn Bhd).</li> <li>2. Palm Kernel Delivery Order# 4576, Date 14/12/2023.</li> <li>3. Despatch Slip #PK23000275W, date 14/12/2023, Net Weight: 34.75Mt</li> </ol> <p>b) Crude Palm Oil</p> <ol style="list-style-type: none"> <li>1. CPO Delivery Order# 0473, Date 28/11/2023.</li> <li>2. Despatch Slip #CPO 0473, date 29/11/2023, Net Weig1351.576Mt.</li> </ol> <p>CPO &amp; PK Despatch month of December 2023.</p> <ul style="list-style-type: none"> <li>- Sandakan Edible Oils Sdn Bhd, 1600.27Mt.</li> <li>- IOI Edible Oils Sdn Bhd, 179.32Mt.</li> </ul>		
<b>P3: Compliance to Legal Requirements</b>		
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	Conformity
<p>Verified all the available license and permit required for the Meridian Palm Oil Mill operation as below:</p> <ol style="list-style-type: none"> <li>1) Akta Lembaga Minyak Sawit Malaysia 1998, No. Lesen 500362104000 (216000Mt) valid until 31/03/2024,</li> <li>2) Akta Bekalan Elektirk 1990, Lesen Bagi Pemasangan Persendirian, No. Siri : 61183 valid until 15/05/2024</li> <li>3) Jabatan Alam Sekitar Lesen. No: 004519 valid until 30/06/2024</li> <li>4) Ordinan Perlesenan Perdagangan, 1948. BLN/2023/1471, Registered Activity for "Kilang Sawit" valid until 31/12/2023. <ul style="list-style-type: none"> <li>- In progress of renewal as sighted in evidence (eLESEN Submission - Public).</li> </ul> </li> <li>5) Refer to 'File Kompeten' for Meridian Palm Oil Mill sighted there is the following competent person are available for mill operation such as Steam Engineer, Boilerman, Engine Driver, and etc. <ol style="list-style-type: none"> <li>a. AESP - Mohd Fahmi, valid until 16/11/2025</li> <li>b. Penguji Gas Bertauliah dan Penyelia Kemasukan Bagi Ruang Terkurung.- Jamil Bin Jalil, valid until 08/12/2024.</li> <li>c. Working Safely at Height - Jamil, Exprey date 08/04/2026.</li> <li>d. CePPOME - Solahadden Jasmi</li> <li>e. CePSWaM - Solahadden Jasmi &amp; James Joe</li> <li>f. FFB Grader - Kamil Bin Jalil &amp; Amir Kikim</li> <li>h. Engine Driver - Muhammad Sha Bin Daris</li> <li>i. Boilerman - Amirsah Juhaini &amp; Muhajukir Cicu</li> <li>j. First Aider - James Joe Joseph, Ali Hassan Jailani</li> </ol> </li> <li>6) Akta Perkhidmatan BOMBA 1988, Fire Act Service Act 1988 #319865 valid until 09/03/2024.</li> <li>7) Jabatan Tenaga Kerja Sabah, Lesen Until Menggaji Pekerja Bukan Pemastautin (Seksyan 118, Ordinan Buruh (Sabah Bab 67), #JTK.H.SDK.600-4/1/1/10401/003898, valid until 11/11/2024.</li> <li>8) Permit Sekatan Kerja Lebih Masa (Seksyen 104 (7), Ordinan Buruh (Sabah Bab 67), #JTKSBH/PMT/104/2022/0006, valid until 27/01/2024.</li> </ol>		

- 8) Akta Kilang dan Jentera, 1967 certificate of fitness, valid until 05/06/2024.
- 9) Akta Timbang dan Sukat 1972 (Peraturan-Peraturan Timbang dan Sukat 1981) Peraturan 16, 28A dan 45, PERAKUAN PENENTUAN TIMBANG DAN SUKAT, #B1844900, Valid until 12/04/2023.
- 10) Peraturan-Peraturan kualiti Alam Sekeliling (Udara Bersih), 1978 (Sijil kelulusan Alat Pembakaran Bahanapi), Registered No.: APU 2 (J101/140/2005), Model 3208 ATAAC, 160Kw@1500rpm and APU 2 (J24/33/03) & (J25/34/03).
- 10) Akta Bekalan Elektrik 1990, Lesen Bagi Pemasangan Persendirian, License No.:2023/01285 valid until 15/05/2024.
- 11) Peraturan 18, Peraturan-Peraturan Kawalan Bekalan (Pindaan) 2021, Ref: PPDNKK.SDK.04/2012 (SK) valid until 24/10/2024. for Diesel Euro 2M (30000 lit) and Petrol Ron 97 (6000 Liter).
- 12) Environmental Compliance Audit as required Environmental Quality Act, conducted on 22/06/2023.
- 13) Jabatan Pelabuhan dan Dermaga Sabah (Permohonan Pembaharuan "HARBOUR" Di Latitud 06 27.305" N 117 26.014" E Bagi Tujuan Jeti Yang Mengendalikan Kargo Bernilai Import/Eksport Oleh Meridian Plantations Sdn Bhd. (Jeti Donsoi) valid until 31/12/2023 and Kebenaran Untuk Menggunakan Jeti Persendirian Di NT083133279 Tebing Sungai Paitan, Beluran, Sandakan (Jeti Donsoi) bagi Tahun 2023, valid until 31/12/2023. Renewal and Payment has been made on 23/11/2023. Latest approval was pending during audit. Will be further verified during next assessment.

<b>4.3.1.2</b>	The management shall list all laws applicable to their operations in a legal requirements register	<b>Conformity</b>
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The Legal Requirement Register was sighted and reviewed during the audit, covering the applicable local and international laws and regulations to Meridian POM operation. The relevant legislations identified and listed were among others regarding occupational safety & health, factories & machinery, fire services, electrical, environmental, workers minimum standards, social, control & supplies and water services. Sample of register list legal applicable as below:

- 1) Environmental Quality Act 1974
- 2) Factories and Machinery Act 1967 (Revised 2006)
- 3) Occupational Safety and health Act 1994 (ACT 514)
- 4) Malaysian Palm Oil Board (Licensing) Regulations 2005
- 5) Malaysian Palm Oil Board (Quality) Regulation 2005
- 6) Minimum Wage Order 2022
- 7) Akta Timbang dan Sukat 1972
- 8) Occupational Safety and Health (Safety and Health Committee) Regulation 1996
- 9) Land Ordinance (Sabah) Cap. 67
- 10) Labour Ordinance (Sabah) Cap. 68
- 11) Electricity Supply Act 1990
- 12) Occupational Safety and Health (Noise Exposure) Regulations 2019.

<b>4.3.1.3</b>	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.	<b>Conformity</b>
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Verified Legal Requirement Register with fully compliance status to all applicable law and regulation. The legal register was reviewed and updated whenever any new amendment or any new regulation coming into force.

Sighted the evidence

- 1. Listed Legal MSPO Meridiam Plantations Sdn Bhd, Verified on 10/4/2023.
- 2. Procedure on Tracking Changes in New Law, Version 2, Issued date 1/04/2019.

<b>4.3.1.4</b>	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.	<b>Conformity</b>
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Ms. Rani Ak Pae has been appointed as personnel in charge for legal requirement register (PIC - LRR) from 1<sup>st</sup> April 2021 onwards. The function has been describe in the Appointment Letter, "Re: Appointment As Person In-Charge For Legal Requirement Register (LRR) Meridian Palm Oil Mill" as follow;

- 1. Ensuring g LRR up to date and amend any new regulation coming into force
- 2. Documenting and issuing of document and report
- 3. Monitoring compliance and track update and changes in regulatory requirements.

Criterion 2		
Indicator	Requirement	Findings
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users	Conformity
<p>It was noted that mill was established in the native land where agreement had been made with the native land owner . Sighted the land had been lease with several native land owners as shown below:  Land owner: Malanah lahan, area: 5.58ha, Land no: NT083133251  Land owner: Hamidah abd rahim, area: 5.97ha, Land no: NT083133260  Land owner: Yunus abd rahim, area: 6.06ha, Land no: NT083133279  Land owner: Akas Suara, area: 5.37ha, Land no: NT083133331</p>		
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.	Observation
<p>OBS01/4.3.2.2/AA  It was found that the stated land title was not for industry where palm oil mill is built. However, seen the email from HQ dated on 16 January 2023 indicates change of land use for 118 land titles. Seen also the latest email from appointed lawyers, Tan Pang Tsen &amp; Co dated 7 February 2023 on the progress. Will be verified during next assessment.</p>		
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.	Conformity
<p>The mill was located with clear boundary markers and fencing erected at the surrounding mill.</p>		
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
<p>Not applicable as this is titled land which is not encumbered by customary right.</p>		
Criterion 3		
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
<p>Verified on the agreement made with the landowner found it was fair and does not diminish the right of the landowner. The mill was established under native land.</p>		
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available	Conformity
<p>The maps for the land title were available with appropriate scale which identify on the native land title.</p>		
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.	Conformity
<p>As refer to clause 4.3.3.1.</p>		

<b>P4: Social Responsibility, Health, Safety and Employment Condition</b>		
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	Conformity
<p>Reports for Meridian Palm Oil Mill were included in the SIA generic report within Meridian Plantation Sdn Bhd. The reports have covered on stakeholder mapping, employment conditions, living conditions, health &amp; safety in the workplace, public health &amp; safety, respect for human rights, communication with management, and community relations.</p> <p>Sighted Continuous improvement plan, to ensure the effectiveness of the implementation, the management has appointed specific person in charge to monitor the progress within the allocation time frame. Among action plan implementation verified;</p> <ul style="list-style-type: none"> <li>• Medical surveillance as recommended by CHRA assessor – Result refers indicator 4.4.4.2 (b)</li> <li>• Conduct housing inspection – Result refers to indicator 4.4.5.11</li> </ul>		
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
<p>The management had established and maintained the Complaint Grievance, UMB/Sustainability/SOP/005 dated on 30 April 2021 approved by CEO, Mr. Young Lee Chern. The procedure specifies the process and mechanism to be followed in the event of a complaint, along with a timeline. The "Complaints and Grievances Form / Borang Aduan" has been established by management for use by both internal and external stakeholders. The flow chart process of addressing complaint and grievances received by mill management outlined in the procedure.</p>		
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
<p>The procedure and flowchart outlined the mechanism whereby all complaints or grievances will be received and be acted upon by the appointed person. All complaints will be recorded using complaint form and Estate Manager will review the case and come up with appropriate resolution actions. Complaint or grievance received will be resolved based on its severity, approximately within 1 month. If the resolution taken more than one (1) month, the complainant will be informed about the delay. All complaint has been resolved within the time frame. Sampled of complaint record verified as describe in the indicator 4.4.2.5.</p>		
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.	Conformity
<p>"Borang Aduan" are made available at several locations including office, supervisor office room and weighbridge counter together with Complaint Box for employees to lodge any complaint by the management. Workers and stakeholders are made aware on the complaint mechanism. Interview with sample worker, they are aware about the availability of the complaint form.</p>		
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time	Conformity
<p>Complaint and grievances procedure was communicated to the worker through training (refer to indicator 4.4.6.1) and to the external stakeholder during stakeholder meeting (refer to indicator 4.2.2.3).</p> <p>Site visit observed the procedure was posted in the board at site office. Interview with the sample worker there are aware about the procedure and able to explain on how to make the complaints and grievances. Level of understanding is adequate.</p>		

4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.	Conformity
<p>The record of complaints and resolutions for the last 24 months have been documented and made available to affected stakeholders upon request. 5 complaints have been lodge and has been resolve within stipulated timeframe. Sample complaint as follows:</p> <ul style="list-style-type: none"> <li>Complaint date: 17.04.2023, Complaint issue: tandas utama sumbat, atap depan rumah bocor, parit di belakang bertakung, tandas lampu tidak menyala, Complaint has been resolved on 28.04.2023.</li> <li>Complaint date: 05.08.2023, Complaint issue: pintu rumah rosak, singki tempat cuci piring paip tercabut, Complaint has been resolved on 05.08.2023.</li> </ul>		
Criterion 3	Commitment to contribute to local sustainable development	
Indicator	Requirement	Findings
4.4.3.1	Palm oil mill should contribute to local development in consultation with the local communities. Where the mills in an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.	Conformity
<p>Sighted contribution log sheet made by the management FY2023. Seen some sample contribution been made for:</p> <ol style="list-style-type: none"> <li>Pembaikan jalan di lot kampung Tanjung Nipis – 26.09.2023</li> <li>Penggunaan van untuk program lawatan sambil belajar kanak-kanak Tabika Emas – 09.10.2023</li> <li>Sumbangan hamper untuk SK Tanjung Lipis – 27.10.2023</li> </ol>		
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
<p>UMB has established and maintained the Environment, Health and Safety Policy, dated 20.04.2022, endorsed by CEO, Mr. Young Lee Chern. Through the policies, the management committed to:</p> <ol style="list-style-type: none"> <li>Comply with all applicable legislation, licenses, industry code of practice and industry standards on Environment, Health and Safety (EHS)</li> <li>Establish EHS management system to ensure continual and sustainable improvement of its EHS performance</li> <li>Inform employees, contractors and visitors of the hazards/aspects that associated with our business activities</li> <li>Provide adequate knowledge, training, information, instructions and supervisions for all employees, contractors and visitors.</li> </ol> <p>The policy has been briefed to the employees; record of training as describe in the indicator 4.4.6.1</p> <p>Observed during site visit, the policy has been displayed at office notice board. Interview with sample worker found, level of understanding the policy is adequate.</p>		
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 describe in the indicator 4.4.4.1		
b) The risks of all operations shall be assessed and documented	Observation	
<p>Sighted document:</p> <ol style="list-style-type: none"> <li>HIRARC – Ref no: UMB/EHS/RA/E/001-043, last review on 22.12.2020 covered all operation activities as sampled: <ul style="list-style-type: none"> <li>Compost/EFB application, ramp &amp; weighbridge, water treatment plant, workshop, diesel receiving &amp; filling, scheduled waste store.</li> </ul> </li> <li>Chemical Health Risk Assessment – Ref no: HQ/11/ASS/00/298-2020/328, Assessor name: Dr. Mohd Azizan Bin</li> </ol>		

<p>Abdul Aziz</p> <p>3. Medical surveillance report – Mabello Group of Clinics, dated 13.12.2023. Total of 26 workers (Process, workshop, water treatment operator, fireman, laboratory) been tested with all workers fit for work.</p> <p>4. Initial noise risk assessment – Ref no: CC/0220/002, Assessor name: Dr Mohd Azizan Bin Abdul Aziz, dated 10.02.2020</p> <p>5. Audiometric test report – Mabello Group of Clinics, dated 13.12.2023. Total of 41 workers (genset operator, storekeeper, process &amp; workshop) been tested with 36 workers fit for work and 5 abnormal audiograms.</p> <p>OBS02/4.4.4.2(b)/JN</p> <p>The management could further review</p> <ol style="list-style-type: none"> <li>1. HIRARC wherever there are changes in process, activities, hazard associate with accident investigation results, and any potential risk of safety, health and environment as associate with indicator 4.5.1.2 (b).</li> <li>2. Outcome result from the assessment conducted (Audiometric test report).</li> </ol>	
<p>c) An awareness and training programme which includes the following requirements for employees exposed to chemical used at palm oil mill:</p> <ol style="list-style-type: none"> <li>i) all employees involved shall be adequately trained on safe working practices; and</li> <li>ii) all precautions attached to products shall be properly observed and applied.</li> </ol>	<p>Conformity</p>
<ol style="list-style-type: none"> <li>1. Training on safe work practices for employees who are exposed to chemicals as describe in the indicator 4.4.6.1</li> <li>2. Verified during site visit at chemical store, all chemical attached with precautions label.</li> </ol> <p>Sample SDS verified during site visit:</p> <ul style="list-style-type: none"> <li>• Advantage plus 1400 Deposit Inhibitor, Isooctane for spectroscopy, Adjunct HDM.</li> </ul>	
<p>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).</p>	<p>Conformity</p>
<p>The management had provided and monitored PPE usage by workers working in the mill recorded on PPE Issuance record. Sample as shown below:</p> <ul style="list-style-type: none"> <li>• Faizal Rospin (EFB Press – Shift B) – Dust mask dated 04.11.2023</li> <li>• Jakil (Press station) – Leather hand glove dated 04.11.2023</li> <li>• Ridwan (Kernel plant station) – Ear plug dated 06.11.2023</li> </ul>	
<p>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.</p>	<p>Conformity</p>
<p>The Management has established and maintained the documented Chemical Management, ref no: UMB/EHS/SOP/008 dated on 28 August 2020. The procedure include process from purchasing chemical, storage, labelling, usage of pesticides, chemical handling and etc.</p> <p>Based on site inspection to the chemical store and boiler mixing area, concluded that management has managed their chemical as per established procedure.</p>	
<p>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.</p>	<p>Conformity</p>
<p>Appointment letter for the person responsible for safety and health was sighted and available. Sighted document:</p> <ul style="list-style-type: none"> <li>• Appointment letter: Safety and Health in-charge – Mr James Joe Joseph dated 12.05.2017.</li> </ul>	
<p>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</p>	<p>Conformity</p>



remedial actions taken are recorded.		
<p>The management has conducted two (2) ways communication with their employees. Sighted the OSH Meeting Scheduled year 2023 as below:</p> <ul style="list-style-type: none"> <li>31.03.2023 (1/4), 23.06.2023 (2/4), 29.09.2023 (3/4), 15.12.2023 (4/4)</li> </ul> <p>Matters discussed:</p> <ol style="list-style-type: none"> <li>workplace inspection</li> <li>status of accident record</li> <li>PPE Compliance</li> <li>First aid monitoring record</li> </ol> <p>Seen also the workplace inspection record conducted by OSH committee once in every 3 months (Latest updated on 02.11.2023). Based on the record, the inspection areas covered include line-site, workshop, storage room, genset, diesel tank).</p>		
h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.		Conformity
<p>With reference to Emergency and Accident Procedure with reference no. UMB/EHS/SOP/009 rev 0, with effective date 28.08.2020 which cover for potential as below:</p> <ul style="list-style-type: none"> <li>Fire, Major spillage (palm oil mill effluent, CPO and others), Flood, Earthquake, Electrical shock.</li> </ul> <p>Sighted the flowchart for each potential accident. Briefing record for ERP to be referred to in indicator 4.6.1.1</p> <p>During site visit to mill operation site, it was observed that the safety signages, PPE compliance, hazardous areas and noise mapping are clearly displayed for safety purpose. Fire extinguisher has been placed at designated areas and verified all fire extinguisher still valid. Based on interview session with the sample employees, it was noted that they have awareness on the accident and emergency procedure.</p>		
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
<p>Observed during site visit, it was found 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.</p> <p>Sighted document:</p> <ol style="list-style-type: none"> <li>First Aid training: Briefing record to be referred to in indicator 4.6.1.1</li> <li>First aider <ul style="list-style-type: none"> <li>Ali Hassan Jailani (Process supervisor), ref no: FA3726/21/15279, valid until 26.10.2024</li> <li>Erdra Bin Rospin (Process mandorre shift B), ref no: FA3725/21/15278, valid until 26.10.2024</li> <li>Nurtasma Bin Asmat (General), ref no: FA3727/21/15280, valid until 26.10.2024</li> <li>Sahran Bin Tarang (Mandore), ref no: FA3728/21/15281, valid until 26.10.2024</li> </ul> </li> <li>Checklist inspection for first aid boxes – latest inspection dated: 13.12.2023</li> </ol>		
j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.		Conformity
<p>It was noted that the accident report for the year of 2023 have been submitted through registered MyKKP by online. Sighted the evidence as below:</p> <ul style="list-style-type: none"> <li>Ref no: JKPP8/168993/2023 dated 22.01.2024. Sighted 1 accidents that were recorded, all of which resulted in a working day loss of less than four days.</li> </ul>		
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
<p>UMB has established the latest Sustainable Palm Oil Policy endorsed by Mr. Young Lee Chern, CEO on 01st June 2023. The management committed on:</p> <ol style="list-style-type: none"> <li>1. Fair and equal employment opportunities for employees, regardless of race, nationality, religion, gender, physical ability, age, union membership or political affiliation</li> <li>2. Upholding rights to freedom of association and rights to collective bargaining</li> <li>3. Prohibit all forms of illegal, forced, bonded or child labour and upholding the rights to freedom of movement</li> <li>4. Wages and all pertaining statutory payment are made per national legislation of the country.</li> <li>5. Provide a safe and healthy working environment, free of violence and sexual harassment.</li> </ol> <p>The policy has been displayed at office notice. Interview with sampled worker, they are aware on the policy. MSPO Awareness Training record was verified, refer to indicator 4.4.6.1</p>		
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
<p>UMB committed to 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 as spell in the sustainable palm oil policy as indicated in 4.4.5.1. Verified during interview for sampled of workers, there was no any discriminatory was sighted especially to the foreign workers.</p>		
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.	Conformity
<p>Based on sample records of payslip and employment contract, concluded that management has ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed collective agreements. Total earning was above the minimum wage. Document verified:</p> <ol style="list-style-type: none"> <li>1. Payslip for the month of September, October and December 2023 – Includes wages, rest day work, normal work overtime, rest day work overtime, holiday benefit pays. <ul style="list-style-type: none"> <li>• MPOM0026, MPOM0090, MPOM0004, MPOM0028, MPOM0023</li> </ul> </li> <li>2. List of public holidays for the year 2023</li> <li>3. Contract agreement, kad pekerja, surat perubahan kadar gaji 2022, punch card (09, 10 &amp; 12/23)</li> </ol>		
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
<p>UMB management had appointed contractors, to carry out several mill operations. Based on the payslip of its workers, it was noted that they were paid according to industry minimum standards. Evidence as below:</p> <ul style="list-style-type: none"> <li>• Contractor name: Palawaly Grace Sdn Bhd (Palm Kernel transporter)</li> <li>• Payslip for the month of December 2023 – Rusdy Bin Mokri.</li> </ul>		
4.4.5.5	The management shall establish records that provide an accurate overview of the 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.	Conformity
<p>UMB has established a record of worker, consist the detail of Name, Gender, DOB, Age, DOJ, year services, Origin, Designation, PPT no/IC no and Nationality. Record sighted;</p> <ul style="list-style-type: none"> <li>• Employee register listing 2024 updated on 01.01.2024.</li> <li>• Contract agreement.</li> </ul>		



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
<p>UMB has provided his employees with employment contracts in accordance with the Sabah Labour Ordinance. Among term and condition mentioned in the agreement were;</p> <ul style="list-style-type: none"> <li>• Tempoh kontrak</li> <li>• Bayaran Gaji</li> <li>• Kerja lebih masa</li> <li>• Hari rehat</li> <li>• Hari pelepasan am bergaji</li> <li>• Cuti sakit bergaji</li> <li>• Cuti tahunan</li> <li>• Rawatan perubatan</li> <li>• Insuran</li> <li>• Notis penamatan kontrak</li> </ul> <p>Based on interview with sample workers, a set of contract agreement was distributed to them and they are able to explain term and condition entitle to them. Contract agreement has been signed by the management representative and worker in the present of one witness from both sides. Detail sampled of contract agreement verified as describe in the indicator 4.4.5.3.</p>		
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
<p>UMB has established a time recording system that makes working hours and overtime transparent for both employees and employer. Time records of employee is based on the record into the Attendance Worker Record via workers punch card system. Based on sample of attendance record provided, seen the workers time in and time out.</p> <p>Verified with employees and employer, the working hour established by employer as below:</p> <ul style="list-style-type: none"> <li>• Shift A (08.00am – 04.00pm)</li> <li>• Shift B (04.00pm – 12.00am)</li> </ul>		
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 describe in the indicator 4.4.5.7		
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 describe in the indicator 4.4.5.3 & 4.4.5.7		

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
<p>UMB has provided insurance medical care, free housing and amenities, and professional development through in-house training. The benefits to the workers have been clearly stated in their contract agreement. Based on interview session with sample employees and observed during site visit to provided facilities, it was found that these benefits are given to them.</p>		
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.	Conformity
<p>Observed during site visit to labour quarters, the housing conditions are habitable and provided with basic amenities. The inspection was conducted by internally and externally by VMO (Dr Chia Sia Cheng – Mabello Group of Clinic) Verified the housing inspection record as shown below:</p> <ul style="list-style-type: none"> <li>• Internal inspection – Latest inspection dated 15.12.2023 by QA Executive (Miss Biltiah Binti Ubil)</li> <li>• VMO inspection – Latest inspection dated 18.01.2024.</li> </ul>		
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
<p>UMB has committed to prevent all forms of sexual harassment and violence at the workplace as spell in the Sustainable Palm Oil Policy (Refer to indicator 4.4.5.1). The policy is adequately communicated to all stakeholders via displayed at office's notice board.</p> <p>Verified with management representative and workers, there was no sexual harassment and violence cases reported as to date.</p>		
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
<p>Refer to Sustainable Palm Oil Policy (refer indicator 4.4.5.1) signed by CEO, Mr. Young Lee Chern dated 01st June 2023, management has committed to respect the right of employees and not prohibiting them to establish or join any union trade. Verified with management and employees, no union was formed or joined for period of review.</p>		
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
<p>UMB has committed to prevent all forms of child labour at the workplace as spell in the Sustainable Palm Oil Policy (Refer to indicator 4.4.5.1). The policy is adequately communicated to all stakeholders via displayed at office's notice board. Refer to the employee register list and site visit and sighted no underage workers been hired by mill. Furthermore, during site and field visit, there was no any exploitation of children and young person at the place of work.</p>		
Criterion 6	Training and competency	
Indicator	Requirement	Findings
4.5.6.1	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
<p>Verified the annual training programme for the year 2023 as shown below:</p> <ol style="list-style-type: none"> <li>1. MSPO briefing, safety programme and noise awareness – 01.11.2023</li> <li>2. AESP Refresher training – 17.11.2023</li> </ol>		

3. First aid training – 04.07.2023
4. Emergency response training – 03.12.2023
5. SOP Boiler – 02.10.2023
6. SOP & tatakkerja workshop & electrical – 30.09.2023
7. SOP & tatakkerja store – 24.10.2023
8. Chemical handling – 29.08.2023
9. Taklimat polisi alam sekitar & 3R – 05.11.2023
10. Taklimat alam sekitar (HCV) gotong royong – 17.12.2023
11. Scheduled waste training – 12.11.2023
12. Contractor training – 20-21.12.2023.

4.5.6.2

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.

Observation

Training needs analysis for all employees had been identified and recorded in EHSS annual training & programme plan for the year 2024 reviewed on 10.01.2024 which has covered all operation as mentioned below:

- Managerial & staff
- Store attendant and scheduled waste handler
- FFB Graders
- Process
- Lab attendant
- Weighbridge staff
- General workers

Verified the draft Training & Development procedure with ref no: UMB/HRD/SOP/007, rev 2.0 dated 17.12.2023. The procedure has included the target employees which include staff and workers employed in the mill level which been indicate in clause Scope which mentioned:” The procedure applies to all levels of permanent and full-time employees of the company. Employees with temporary or short-term contracts may attend training at their manager’s discretion based on the needs of the job.” Therefore, the previous raised OBS03/4.4.6.2 & 4.4.6.3/AA has been implemented accordingly.

OBS03/4.4.6.2/JN

The management could further enhance monitoring and implementation of the revised training procedure, ensuring the effectiveness of each training plan aligns with the outcomes of the training needs analysis.

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

Continuous training programme has been planned and implemented with purpose to ensure employees are well trained in their job function and responsibility. Training record as describe in the indicator 4.4.6.1

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 management has established, documented and maintained the Environment, Health and Safety Policy endorsed by Chief Executive Officer, Young Lee Chern on 20/04/2022, available in English and Bahasa.</p> <p>Communication of the policy sighted done by display at the notice board, briefing during tool box meeting and explain the policy to the stakeholder during the stakeholder meeting. Interview session with sampled workers noted, they are understood about the importance of protecting environment and has been explain during the training.</p> <p>Environmental management plan according to work station. Environmental management plan for sample site visit (FFB ramp, Workshop, Genset, Boiler, Chemical Store, Schedule waste Store, Water treatment, Effluent Pond, Dumpsite area, Water (Downstream) sampling intake point) is available during the audit. The implementation of the plan as detailed in the indicator 4.5.1.2, 4.5.1.3, 4.5.1.4, 4.5.1.5, 4.5.1.6.</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) Policy and objectives available as refer to 4.5.1.1</p> <p>b) The management had conducted the Environmental Aspect Impact Analysis with evaluation of significance all operations for the development of the environmental aspect impact mitigation methods to mitigate negative impacts and promote positive impacts. Noted the Environmental Management Plan, updated 02/01/24 cover the impact and aspect identified. Appointed person incharge will responsible to ensure the management plan execution will be implemented accordingly. Among the preventive measures have been implemented verified during the audit;</p> <ol style="list-style-type: none"> <li>1. Gotong royong program implemented during monthly maintenance to ensure housekeeping at workplace station is in good condition.</li> <li>2. Oil trap is in good condition and well maintained, as observed through site visit at workshop area</li> <li>3. Trenches for land irrigation were in good condition and well maintained (Block 4 of Paitan Estate)</li> <li>4. Markers for freeboard height is in good condition as observed through site visit at Facultative Pond No.2</li> <li>5. Notification for desludging (Pemakluman untuk membuat kerja penyingkiran enap cemar) for aerobic Pond 3 has been sent and acknowledge by DOE on 08/08/2022 (ASSH/SDK(B)31/152/000/062 Jld.6(12). Observed through site visit at the said pond, the pond is in watery condition, desludging program was completed on 15/08/23.</li> <li>6. Final Discharge lab analysis was conducted every month. Result of analysis was maintained accordingly by the management, kept in the file "POME Lab Test Results"</li> <li>7. Document review shown the schedule waste was disposed accordingly (refer to indicator 4.5.3.3)</li> <li>8. Observed, spill kit and tray are available at the water chemical treatment as a preventive measure for chemical spillage.</li> <li>9. Observed, 3R bin is station at the labor line to support the 3R program.</li> </ol>		
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>The environmental plan to mitigate the negative impacts and to promote the positive ones has been tabulated in the Environmental Impact Assessment, Environmental Management Plan, Continuous Improvement Programme 2024 and Training programme Year 2024. Among implementation verified;</p> <ol style="list-style-type: none"> <li>1. Program to promote positive impact, as described in the indicator 4.5.1.4, 4.5.1.5</li> <li>2. Management Plan to mitigate the negative impact as describe in the indicator 4.5.1.2</li> </ol>		
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan	Conformity
<p>The management has established the programme to promote the positive impact was tabulated in the Awareness Program on Environmental (refer to indicator 4.5.1.5) and Continuous Improvement Programme 2024 (refer to indicator 4.1.4.1). Among the program planned to be implemented in year 2024 were;</p>		

<ol style="list-style-type: none"> <li>1. Provision of rubbish bin for every quarters.</li> <li>2. Program 3R awareness.</li> <li>3. Spill kit available at SW Store, Chemical Store, Workshop.</li> </ol>		
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>The management has established an awareness and training programme and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans, as described in the indicator 4.4.6.1.</p>		
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed	Conformity
<p>There was showed the regular meeting of workers related to environmental quality. The documentation was observed, for example is meeting of Minit Mesyuarat Jawatankuasa Keselamatan dan Kesihatan - Suku Tahun Keempat Tahun 2023 at Meridian Palm Oil Mill office dated on 15/12/2023. Observed from the attendance list, the meeting was attended by the management and worker representative. Based on the latest meeting several environmental issues have been discussed such as:</p> <ol style="list-style-type: none"> <li>1. Drainage system at the personnel's Housing</li> <li>2. SOP's training and briefing</li> <li>3. Mill fencing to be repaired and maintained</li> <li>4. Empty Chemical Container (HDPE) Handling &amp; Storage management</li> <li>5. Personal Protective Equipment (PPE)</li> <li>6. Medical Surveillance - Workers</li> <li>7. Domestic waste at the housing area.</li> </ol>		
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
<p>Actual usage of fuel was monitored monthly and maintained accordingly. Record on the fuel usage is available for review (ref: Monthly Consumption Data). The said record submitted to HQ for GHG calculation. Todate usage as at Dec 23,</p> <ol style="list-style-type: none"> <li>1. 1.51 L (diesel)/Mt (FFB – processes)</li> <li>2. 0.01 L (petrol)/Mt (FFB – processes)</li> </ol> <p>The management established baseline value based on the average of actual fuel efficiency (L/mt) for 3 years,</p> <ol style="list-style-type: none"> <li>1. 1.64 L (diesel)/Mt (FFB – processes)</li> <li>2. 0.05 L (petrol)/Mt (FFB – processes)</li> </ol>		
4.5.2.2	Palm oil millers shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.	Conformity
Refer to indicator 4.5.2.1		
4.5.2.3	The use of renewable energy should be applied where possible	Conformity
The management has used solar energy for electric supply for street light at quarters. Latest cost, refer to invoice; INV00324		

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
<p>In accordance with Standard Operating Procedure for "Scheduled Waste Management" (Reference No. UMB/EHS/SOP/005 Dated 09/03/2020. Seen the type of location/activity been identified to generate the waste. Among the waste generated listed such as Scheduled Waste, Scrap Iron, chemical container and etc. Noted that management has clearly identified and documented their waste product and source of pollution for schedule waste. With reference to Identification of Waste. Seen the management has identified waste product and source of pollution as follow:</p> <ol style="list-style-type: none"> <li>1. Domestic Waste - Food Waste &amp; Used household items</li> <li>2. Industrial Waste - <ol style="list-style-type: none"> <li>a) Palm Fiber (PF)</li> <li>b) Palm Kernel Shell (PKS)</li> <li>c) Empty Fruit Bunch (EFB)</li> <li>d) Palm Oil Mill Effluent (POME)</li> <li>e) ETP Solid</li> <li>f) Used Calcium Carbonate</li> </ol> </li> <li>3. Scheduled Waste - <ol style="list-style-type: none"> <li>a) Used lubricant</li> <li>b) Used contaminated Item</li> <li>c) Used battery</li> <li>d) Used filters</li> <li>e) Used containers</li> </ol> </li> </ol>		
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: <ol style="list-style-type: none"> <li>a) Identifying and monitoring sources of waste and pollution.</li> <li>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.</li> </ol>	Conformity
<p>The management has identified source of pollution was captured in Risk Identification (Environmental Aspect &amp; Impact) with its mitigation measures and monitoring programme. The mitigation measures developed also included the consideration of recycling of potential wastes as nutrients such as domestic waste, organic waste (Mill), and reduce the waste generation through recycle activity by sending recycle items to recycle collector. Among the implementation verified were;</p> <ol style="list-style-type: none"> <li>1. Recycle item disposed through City Express Recycle. Payment voucher dated 03/11/23 (resit no: 12815) was sighted.</li> <li>2. Schedule waste disposal as per indicator 4.5.3.3</li> <li>3. Domestic waste disposal as per indicator 4.5.3.4</li> <li>4. 3R bin was available at the mill compound.</li> <li>5. Spill kit available at the workplace where there is risk of spillage as observed during facilities visit.</li> <li>6. Interview with store keeper, confirm he understood the concept of waste segregation where normal waste can't be kept or contaminated with Schedule Waste item.</li> </ol>		
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.	Conformity
<p>In accordance with Standard Operating Procedure for "Scheduled Waste Management" (Reference No. UMB/EHS/SOP/005 Dated 09/03/2020. Schedule Waste Records The management has adequately established the procedure which provides guidelines for proper and safe handling, storage, and disposal of used chemicals that are classified under Environment Quality Regulation (Schedule Waste) 2005 and the Environmental Quality Act, 1974. Latest disposal of scheduled waste was through certified vendor (E Concern (Borneo) Sdn Bhd). Sampled of consignment note verified;</p> <ol style="list-style-type: none"> <li>1. Consignment Note No: 2023061211VKQ6RZ - SW305 (0.6 MT)</li> <li>2. Consignment Note No: 2023061211ZFY4TA - SW306 (0.4 MT)</li> <li>3. Consignment Note No: 20230612121267ACBM - SW410 (0.1430 MT)</li> </ol>		



Other document review;  
 Document 1: Monthly Inventory Record Sheet - Jan 2024  
 Document 2: Summary Report of Consignment Note  
 Document 3: Consignment Note for SW305, SW306 and SW410

Evidence of training for Schedule waste management is sighted. Given by the Mr Mohd Fahmi Asyraf and Jamil bin Jalil to the scheduled waste handlers. Evidence of training as described in the indicator 4.4.6.1. Interview with the handler found that the PIC knowledge related to schedule waste is adequate. Observed during site visit, Schedule Waste store and item is maintained in good condition. The management stop using empty lubricant dump as their rubbish bin. Thus, no application for special management of scheduled wastes is required. Site visit at labour quarters, domestic waste was collected using rubbish bin. Sighted the purchase order for rubbish bin station in the mill (ref: Po no. MPML012346, dated 11/01/24). Thus OBS04/4.5.3.3/FD has been addressed accordingly.

4.5.3.4	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.	Conformity
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All domestic waste was disposed into dump site. Verified the dump site has been properly constructed with proper distance to minimize risk of contamination to the environment and watercourse. Landfill Location: Block 24, Paitan Estate.

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

A polluting assessment has been conducted by the management and documented as per the EIA report. In January 2024, Kg CO2 emissions for diesel and gasoline usage were observed. The management has monitored their GHG emissions on a monthly basis. The management has also monitored the pollution from the effluent pond on a monthly basis as per the Monthly POME & River Water (Paitan River) Report by Nation Chem Sdn Bhd. Management has also conducted stack analysis to monitor air pollution generated from boiler operation, as evidenced in the Analysis of Stack Sampling.

4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented	Conformity
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Sampling and analysis were arranged to permit comparison of the boiler stacks performance, primarily on dust particulate emission against the emission control standards assigned by the statutory document Environment Quality (Clean Air) Regulation, 2014. Meridian Palm Oil Mill - Stack Emission Monitoring Report for Boiler No.1 (S1) – 2nd Half – October 2023. Result show, the average value was 100.0 mg/m3 which was within the permissible limit of 150.0mg/m3 corrected at 12% CO2

4.5.4.3	Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.	Conformity
<p>With reference to Syarat - Syarat Lesen (License No. 004519 Ref. No. JAS.SHQ.600-3/1/131) with discharge into the watercourse as the effluent disposal methods, it was noted that the maximum capacity for processing of fresh fruit bunch is 45 metric tons. All effluent discharge for composting purposes should be from Anaerobic Pond No. 1, which is channeled to the inoculum pond as shown in the plan entitled "Mill Layout, Meridian Palm Oil Mill," Reference No. GE/MDOM/DOE/4, dated June 3, 2019.</p> <p>1) Meridian Palm Oil Mill - Effluent Monitoring Plant (ETP) Logbook, latest updated on 19/01/24</p> <p>2) All effluent discharges must be released to irrigation system through the discharge point determined from the last operating unit or process unit of the effluent treatment system plant, which is the facultative pond F3 outlet is entering the sump pit as shown in the plan titled: Mill layout, Meridian Palm Oil Mill, numbered: GE/MDOM/DOE/4 dated 3 June 2019, as stated in Section 19 of the Environmental Quality Act 1974.</p> <p>3) Certificate of analysis for POME, done by Dynakey Laboratory Sdn Bhd (ref: E240104/01C), result shown all the parameter tested is within the allowable permitted as stated in the Surat Pematuhan (JAS.SHQ.600-3/1/131).</p> <p>4) Record of influent flowmeter and final discharge will be done in daily basis, latest updated was on 21/01/24. Record has been maintained in the Kadar Aliran Effluent (land irrigation) log book.</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:	Conformity
<p>Meridian Palm Oil Mill creates a comprehensive assessment report of water usage in accordance with the Water Management Plan, review on 01/10/23. Water sources identified include a river and a pond, which will be treated before consumption. Among the action plan that has been identified and the implementation reviewed are as below:</p> <ol style="list-style-type: none"> <li>1. Upstream and Downstream Water Analysis, as per 4.5.5.1 (b)</li> <li>2. Drinking Water analysis to monitor drinking water quality, as per 4.5.5.1 (a)</li> <li>3. Effluent analysis as required by DOE, as per 4.5.4.3</li> </ol>		
a)	Assessment of water usage and sources of supply.	Conformity
<p>Water consumption for the boiler and process year 2022 has been recorded and monitored on a monthly basis with an established baseline value (1.5% from actual FFB process). Flowmeter at water treatment record was sighted. Latest updated was on 31/12/23. Record shown water outlet to boiler, labour quarters, and processes consumption</p>		
b)	Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities	Conformity
<p>The management has monitor outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities. Water sampling analysis will be conducted in monthly basis. Latest result (E240104/01A - 01B) shown result for BOD is below the allowable permit as mentioned in the Jadual Pematuhan (JAS.SHQ.600-3/1/131).</p>		
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
<p>Discharge from effluent treatment plant is being used to water the land, which will improve the soil's fertility and moisture. It is also noted that management has implemented regular piping checks to ensure no leakage, which leads to wastage. Site visit at Block 20 of Paitan Estate, the system run in good condition. There is no overflow was observed.</p>		



4.5.5.2	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.	Conformity
Refer to "Jadual Pematuhan" for Meridian Palm Oil Mill. Verified management has a working land irrigation system where no watercourse discharge occurs.		

P6: Best Practices		
Criterion 1	Mill management	
Indicator	Requirement	Findings
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	Conformity
<p>Sighted that Meridian Palm Oil Mill had established Good Milling Practices (GMP) and Standard Operating Procedure with subject Work Instructions (Arahan Kerja) dated 06/01/2020 for every work station, to ensure the milling process is systematically implemented.</p> <p>Sample sighted for activity such as</p> <ol style="list-style-type: none"> <li>1. Reception Station</li> <li>2. Sterilization</li> <li>3. Fruit Handling</li> <li>4. Boiler</li> <li>5. Kernel Recovery</li> <li>6. Engine Room</li> <li>7. Effluent Treatment Plant</li> </ol> <p>Monitoring done and reported in the Logsheet for each station. Sighted and verified the evidence.</p>		
4.6.1.2	All palm oil mills shall implement best practices.	Conformity
<p>The monitoring of the mill process is made through the supervision which headed by Mill Manager. All process parameters are documented and summarized in a daily report. In addition, there are audits performed by management representative to ensure compliance to policies, procedures in relation mill operations, financial, OSH, welfare among others.</p> <p>Sighted the evidence:</p> <ul style="list-style-type: none"> <li>- FFB Quality Management (Grading Report) - Ripe bunch 65%.</li> <li>- Effluent Monitoring Plant (ETP) Logbook, latest updated on 19/01/24.</li> <li>- Certificate of analysis for POME, done by Dynakey Laboratory Sdn Bhd (ref: E240104/01C), result shown all the parameter tested is within the allowable permitted as stated in the Surat Pematuhan (JAS.SHQ.600-3/1/131).</li> <li>- Record of influent flowmeter and final discharge will be done in daily basis, latest updated was on 21/01/24. Record has been maintained in the Kadar Aliran Effluent (land irrigation) log book.</li> </ul>		
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
<p>The management has prepared budget plan for the financial year 2023/2024 and 2024/2025. Refer the budget plan it was mentioned the allocation of BTS Process (Own estates &amp; 3rd Party), OER, KER (Own estates &amp; 3rd Party), CPO &amp; PK Pengeluaran, Kos Pengeluaran, Continuous Desludging &amp; Kos Harga Tetap.</p> <p>CPO and PK Production:</p> <ol style="list-style-type: none"> <li>i. OER: 19.50, CPO: 43680Mt (FY23/24)</li> <li>ii. OER: 19.70, CPO: 42,552Mt (FY 24/25)</li> </ol> <p>PK Production:</p> <ol style="list-style-type: none"> <li>i. KER: 5.00%, PK: 11,200Mt (FY23/24)</li> <li>ii. KER: 4.80%, PK: 10,368mt (FY24/25)</li> </ol> <p>Product Revenue.</p> <ol style="list-style-type: none"> <li>i. CPO Price: 3500.00</li> <li>ii. PK Price: 1810.00</li> <li>iii. Sales: RM168,281280.00</li> </ol>		

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
<p>Pricing mechanisms for the products and other services have been documented and effectively implemented by the management.</p> <p>Sighted the evidences as below:</p> <ol style="list-style-type: none"> <li>1. Contract agreement between Meridian Palm Oil Mill and Palawly Ali dated 27/1/2022 as per Transport Rate For Palm Kernel From Meridian Palm Oil Mill to Refineries in Sandakan #PKW/kt/jl/M039/2022.</li> <li>2. Appendix 1: Schedule of Rate</li> <li>3. Invoice #IV-202312-0005 dated 15/12/2023</li> <li>4. Purchase Invoice Journal #PI23120030</li> </ol> <p>Justification: Sighted the payments are accordance with the agreed pricing rates stated in the contract agreement.</p>		
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in a timely manner	Conformity
As discribed in indicator 4.6.3.1		
Criterion 4	Contractor	
Indicator 1	Requirement	Findings
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO	Conformity
<p>The management has briefed the contractors for their understanding in the MSPO requirements during the signed of contract agreement.</p> <p>Sighted the evidences as below:</p> <p>Transport agreement between Meridian Palm Oil Mill and Palawly Ali dated 27/1/2022 as refered in Transport Rate For Palm Kernel From Meridian Palm Oil Mill to Refineries in Sandakan #PKW/KT/JL/M039/2022.</p>		
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor.	Conformity
The management has provided evidence of agreed contract agreement between Meridian Palm Oil Mill and Palawly Ali dated 27/1/2022 as refered in Transport Rate For Palm Kernel From Meridian Palm Oil Mill to Refineries in Sandakan #PKW/KT/JL/M039/2022.		
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required	Conformity
<p>The contractor of Hai Heng Enterprise Sdn Bhd has accepted MSPO approved auditors to verify the assessments through a physical inspection, if required as sighted on the MSPO briefing by management of Meridian Palm Oil Mill, dated 13/02/2022.</p> <p>The contactor also was agreed to comply with MSPO requirements and cooperate during audit program by signed the contract agreement with estate management. Sighted the evidences as referred to indicator 4.6.4.1.</p>		

### Audit Findings

OBS01/4.3.2.2/AA

It was found that the stated land title was not for industry where palm oil mill is built. However, seen the email from HQ dated on 16 January 2023 indicates change of land use for 118 land titles. Seen also the latest email from appointed lawyers, Tan Pang Tsen & Co dated 7 February 2023 on the progress. Will be verified during next assessment.

OBS02/4.4.4.2(b)/JN

The management could further review

1. HIRARC wherever there are changes in process, activities, hazard associate with accident investigation results, and any potential risk of safety, health and environment as associate with indicator 4.5.1.2 (b).
2. Outcome result from the assessment conducted (Audiometric test report).

OBS03/4.4.6.2/JN

The management could further enhance monitoring and implementation of the revised training procedure, ensuring the effectiveness of each training plan aligns with the outcomes of the training needs analysis.

During the assessment 0 nonconformities were identified.

**All Non-conformance will be further detailed in CAR Form # CCI-QP-07-3B**

**Note:**

*The assessment has been assessed and summary of the findings by Principle and Criteria – MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mills.*