

MSPO CERTIFICATION SUMMARY REPORT

APOGEE PLANTATION SDN BHD

STAGE 2 – CERTIFICATION AUDIT

Date: 13/09/2019

TUV NORD (Malaysia) Sdn Bhd
No. 9F-1A, 9th Floor, Tower 2 @ PFCC
Jalan Puteri ½, Bandar Puteri Puchong
47100 Puchong, Selangor.
Phone: +603 8600 4031/4032

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



Table of Contents

| | |
|------|--|
| 1 | |
| 1. | INTRODUCTION 4 |
| 1.1. | Objective 4 |
| 1.2. | Scope 4 |
| 1.3. | Appointment and qualification of team members 4 |
| 2. | METHODOLOGY..... 9 |
| 3. | ORGANISATION INFORMATION 12 |
| 3.1. | Production volume 12 |
| 3.2. | Planting Statement 12 |
| 3.3. | Replanting program for each estate 12 |
| 3.4. | Maps of Company Location and Plantations 13 |
| 4. | CERTIFICATION ASSESSMENT 15 |
| 4.1. | Certificate Audit 15 |
| 4.2. | Stakeholders' Consultation 15 |
| 4.3. | Summary of Assessment 18 |
| 4.4. | Status of Non-Conformities Previously Identified 35 |
| 4.5. | Detail of Audit Findings in last audit 36 |
| 4.6. | Detail of Audit Findings Identified During This Audit 36 |
| 5. | Conclusion 38 |
| 6. | Recommendation 39 |
| 7. | List of Interviewees 40 |
| | Annex / Enclosures 41 |

Abbreviations

| | |
|----------------|---|
| CHRA | Chemical Health Risk Assessment |
| DOB | Date of Birth |
| DOE | Department of Environment |
| DOJ | Date of Join |
| EFB | Empty Fruit Bunch |
| EIA | Environment Impact Assessment |
| FFB | Fresh Fruit Bunch |
| GAP | Good Agricultural Practice |
| GPS | Global Positioning System |
| ISO | International Standard Organisation |
| MSPO | Malaysia Sustainable Palm Oil |
| NC | Non Conformity |
| OSH | Occupational Safety and Health |
| P&C | Principle and Criteria |
| PPE | Personal Protective Equipment |
| RTE | Rare, Threatened and Endangered Species |
| SA8000 | Social Accountability 8000 |
| SIA | Social Impact Assessment |
| SOP | Standard Operating Procedure |
| WHO | World Health Organization |
| MPOB | Malaysian Palm Oil Board |
| MPOCC | Malaysia Palm Oil Certification Council |
| SDS | Safety Data Sheet |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



1. Introduction

Apogee Plantation Sdn Bhd has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct an initial certification audit for its oil palm estate according to MS 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

1.1. Objective

The objective of this certification audit to assess the Apogee Plantation by an independent certification body with the aim for compliance of the standards.

1.2. Scope

The certification is based on the documentation developed by the group office and estates.

The supporting documents are provided to the audit team as well as information received by means of interviews and background investigation.

The documents and information are reviewed against the requirements and criteria based on MSPO 2530-3:2013 Part 3 General principles for Plantation and Organised Smallholders.

TUV NORD Malaysia has employed a risk-based approach in the audit, focusing on the identification of significant risks and reliability of the assessment and reporting.

The following references are used as part of the assessment; the compliance of the requirements out of the guidelines applied was checked.

1. Malaysian Sustainable Palm Oil Part 3: General Principles for Oil Palm Plantations and Organised Smallholders audit guidance;
2. Palm Oil Supply Chain Traceability Requirements

1.3. Appointment and qualification of team members

The audit team appointed consists of one team leader and one team members. Two trainees join the audit as observers. The audit team members contributed to the review of documents, the assessment of the project activity and to the preparation of this report.

Qualification of the Lead Auditor: Cheong, Chun Yuen (Robert)

| Requirement | Qualifications |
|---|-------------------------------------|
| Post-secondary education, college or university diploma / degree in one of the following i) Agriculture; ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences.); iii) Engineering, Process Technology; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; | Graduate in Business Administration |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Requirement | Qualifications |
|--|---|
| vi) Business Management; or vii) Other relevant related fields | |
| At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science) | Senior Auditor for RSPO P&C, SCC, MSPO & ISCC EU / PLUS Lead auditor; Authorised ISCC EU / PLUS GHG & Land use change; Carbon Credits and World Bank Environment, Safety and Health program |
| Successfully completed MS 2530 series of standards training | Successfully completed MS 2530 series of standards conducted by MPOB |
| Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of fifteen (15) man-days under the supervision of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years. | Senior auditor for MS2530 audits since 2015. |
| A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or any other local language. | Able to communicate in Bahasa Malaysia, English, and Chinese languages |
| Field working experience in the palm oil sector, or demonstrable equivalent | Senior auditor for MS2530 audits since 2015 |
| Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use | Senior auditor for MS2530 audits since 2015 |
| Health and safety auditing on the farm and in processing facilities, for example ISO 45001 18001 or Occupational, Health & Safety Assurance System | Successfully completed ISO 45001 lead auditor course |
| Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical accountability codes | Successfully completed Basic SA 8000 & GRI 4 training + qualified as ISCC / MSPO / RSPO P&C sustainability auditor |
| Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS) or High Conservation Value (HCV) | Successfully completed ISO 14001:2015 Lead auditor course Completed HCV Lead Assessor course |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



Qualification of Team Members

| Requirement | Assessor | Qualification | Compliance |
|--|--------------------------|--|------------|
| Post-secondary education, college or university diploma / degree in one of the following i) Agriculture; ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,); iii) Engineering, Process Technology; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields | Khairul Anwar Bin Ismail | Graduate in Agricultural Science | Yes |
| | Mohd Nur Amin (Trainee) | Diploma in Office Management and Technology | Yes |
| | Chan Shi Lie (Trainee) | Graduate in Media Technology with Honours | Yes |
| At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science) | Khairul Anwar Bin Ismail | 5 years working experience in oil palm related field. | Yes |
| | Mohd Nur Amin (Trainee) | 5 years working experience in oil palm related field | Yes |
| | Chan Shi Lie (Trainee) | 5 years working experience in oil palm related field. | Yes |
| Successfully completed MS 2530 series of standards training | Khairul Anwar Bin Ismail | Successfully completed MS2530 standards series training | Yes |
| | Mohd Nur Amin | Successfully completed MS2530 standards series training | Yes |
| | Chan Shi Lie | Successfully completed MS2530 standards series training | Yes |
| Conducted a minimum six (6) 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 | Khairul Anwar Bin Ismail | Qualify as auditor based on more than 20 audit man days achieved | Yes |
| | Mohd Nur Amin | Trainee | NA |
| | Chan Shi Lie | Trainee | NA |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd

Certifying Unit: Apogee Plantation Sdn Bhd

Client Number: 92-091

Audit Type: Stage 2 - Certification Audit



| Requirement | Assessor | Qualification | Compliance |
|---|--------------------------|--|------------|
| Auditor for MSPO or equivalent sustainability certification schemes. | | | |
| Fluency in the main languages relevant to the location where the specific assessment is taking place, including the languages of any potentially affected parties such as local communities | Khairul Anwar Bin Ismail | Bahasa Malaysia and English | Yes |
| | Mohd Nur Amin | Bahasa Malaysia and English | Yes |
| | Chan Shi Lie | Bahasa Malaysia, English, Mandarin and Chinese dialect | Yes |
| Field working experience in the palm oil sector, or demonstrable equivalent | Khairul Anwar Bin Ismail | 5 years working experience in oil palm related field. | Yes |
| | Mohd Nur Amin (Trainee) | 5 years working experience in oil palm related field | Yes |
| | Chan Shi Lie (Trainee) | 5 years working experience in oil palm related field. | Yes |
| Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use | Khairul Anwar Bin Ismail | 5 years working experience in oil palm related field. | Yes |
| | Mohd Nur Amin | 5 years working experience in oil palm related field | Yes |
| | Chan Shi Lie | 5 years working experience in oil palm related field. | Yes |
| Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or Occupational, Health & Safety Assurance System | Khairul Anwar Bin Ismail | Successfully completed IMS ISO 9001, 14001 and 45001 | Yes |
| | Mohd Nur Amin (Trainee) | Successfully completed IMS ISO 9001, 14001 and 45001 | Yes |
| | Chan Shi Lie (Trainee) | Successfully completed IMS ISO 9001, 14001 and 45001 | Yes |
| Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical accountability codes | Khairul Anwar Bin Ismail | Successfully completed SA 8000 Basic and auditor for MSPO schemes. | Yes |
| | Mohd Nur Amin (Trainee) | Waiting to attend SA8000 basic training | NA |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd

Certifying Unit: Apogee Plantation Sdn Bhd

Client Number: 92-091

Audit Type: Stage 2 - Certification Audit



| Requirement | Assessor | Qualification | Compliance |
|--|--------------------------|--|------------|
| | Chan Shi Lie (Trainee) | Waiting to attend SA8000 basic training | NA |
| Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS) or High Conservation Value (HCV) | Khairul Anwar Bin Ismail | Successfully completed IMS ISO 9001, 14001 and 45001 | Yes |
| | Mohd Nur Amin (Trainee) | Successfully completed IMS ISO 9001, 14001 and 45001 | Yes |
| | Chan Shi Lie (Trainee) | Successfully completed IMS ISO 9001, 14001 and 45001 | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



2. Methodology

The audit approach consists of the following steps:

- Contract review;
- Appointment of team members and technical reviewer;
- Contact client for relevant documentation according to the applicable MSPO standards;
- Audit planning;
- Background investigation, desk review of submitted documents;
- On-Site assessment, inspections, interviews with operational personnel, stakeholders and its contractors; review of documentation;
- On-site reporting
- Resolution of non-conformance (NC) (if any)
- Draft audit reporting
- Technical review
- Final audit reporting
- Peer review
- Address Peer Review Comments (if any)
- Final approval and issuance of certificate.

The certification audit is conducted in 2 stages in accordance to the certification procedure.

Stage 1 Audit:

Stage 1 audit is conducted on 22/03/2019 and 23/03/2019 at Apogee Plantation office in Sandakan that covers desk review activities:

- Background investigation
- Review of documentation established but not limited to below
 - Company Policies
 - Estate maps
 - Land titles
 - Standard Operating Procedures including Agricultural Manual
 - Work Flow Charts
 - Operating licenses and approvals
 - Operating records
 - Training records

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



- Applicable Legislation Documents
- Interviews of relevant operation personnel
- Assessment reporting

Stage 2 Certification Audit:

Certification audit is conducted on 05/08/2018 to 06/08/2019 covers the following activities but not limited to below:

- Onsite visit, observations and inspections of estate facilities and field activities;
- Interview operation personnel and field workers for understanding for the work assigned;
- Reviewed revised and updated documentation established and implemented;
- Operating records;
- Training records;
- Reports established;
- Work plans established;
- Stakeholders consultation meeting;
- Review and closed out of non-conformance raised during stage 1 audit;
- Assessment reporting;

For list of all reviewed documents refer to chapter 7, Table 7-1.

On-site Assessment

The audit of the estate is conducted according to the MS 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of stakeholders, communities, staff, workers and their families, review of documentation and data. Checklists and questionnaires are used to guide the collection of information. The comments made by external stakeholders were also taken into account in the assessment.

For the certification audit one estate is audited since Apogee Plantation has only 1 estate. Therefore, no sampling required.

Table 2-1: List of Estate Selected

| Name of Estate | Coordinates |
|---------------------------|----------------------------|
| Apogee Plantation Sdn Bhd | 5°34'17.9"N; 117°23'02.0"E |

Non-conformance:

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



On the basis of the desk review, evidences presented during the audits as well as from the onsite visits non-conformance (NC) Major, Minor and Opportunity for Improvement (OFI) may be raised during the audit.

Major non-conformance shall be addressed and responded with 60 days from closing date of audit. For minor non-conformances raised and action plan to be submitted within 30 days from closing date of audit for review and acceptance. Implementation of Minor NC will be review and verify in the next audit.

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



3. Organisation Information

Apogee Plantation Sdn Bhd is an oil palm plantation company with head office located in Sandakan and the estate located at Telupid, Sabah, Malaysia

The details of the estate as below:

| Name of Estate | Location | Coordinates |
|---------------------------|---|----------------------------|
| Apogee Plantation Sdn Bhd | Mile 69, JalanTelupid, Telupid, Beluru, Sabah, Malaysia | 5°34'17.9"N; 117°23'02.0"E |

3.1. Production volume

| Name of Estate | Area (Ha) | | Projected FFB Production (mt) (Jan 2019 to Dec 2019)*** |
|-------------------|-----------|-----------|--|
| | Total* | Planted** | |
| Apogee Plantation | 274.06 | 244.36 | 5,000.00 |

*includes productive and non-productive area (infrastructures, conservation, HCV, housing & office compound use, set aside area etc.)

**Immature + Mature Area

*** Jan to July actual; Aug to Dec projected

3.2. Planting Statement

| Year | Ha |
|---------------------|---------------|
| 2002 | 109.54 |
| 2003 | 123.89 |
| 2004 | 10.93 |
| Total Mature | 244.36 |

3.3. Replanting program for each estate

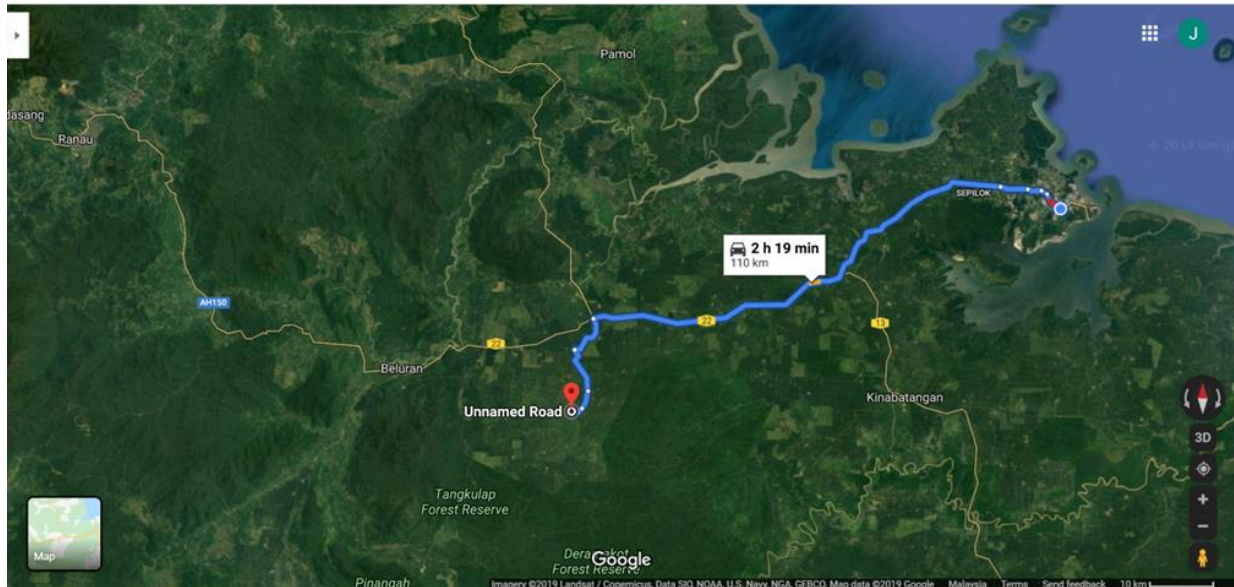
| Year of replanting | Planted area (ha) in each estate | Total area to be replanted (ha) |
|--------------------|----------------------------------|---------------------------------|
| | | |
| NA | NA | NA |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



3.4. Maps of Company Location and Plantations

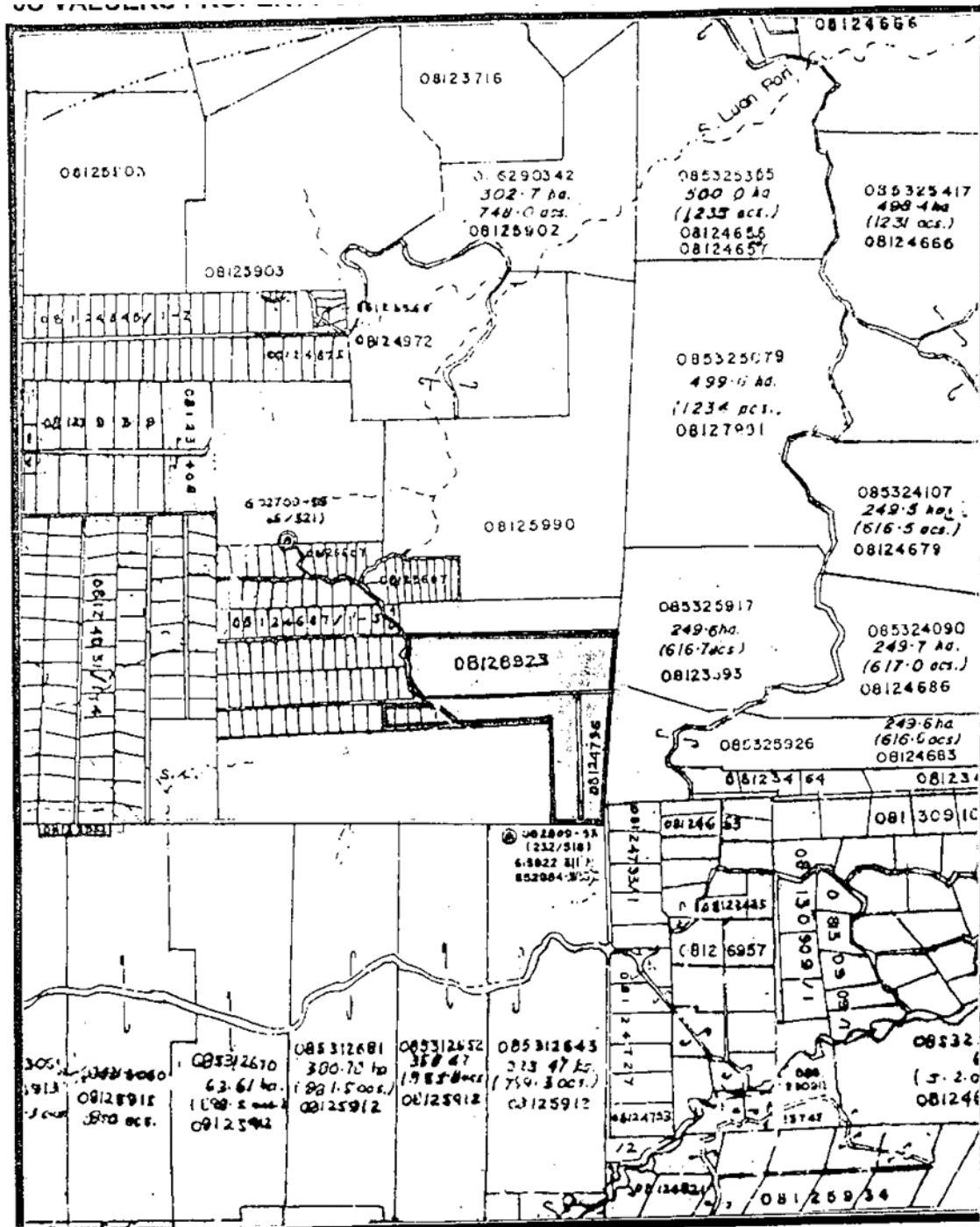


MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



Estate Map



MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



4. Certification Assessment

4.1. Certificate Audit

The objective of the audit is to assess the activities of the estate are in compliance with MS 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

4.1.1. Stage 1 Audit:

The objective of the stage 1 is to assess the readiness of the documentation established and implemented in accordance to MS2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

According to the Certification Scheme, an initial due-diligence audit for operators which are entering into the MSPO system, and which

- do not have any certification or
- those having management system certification e.g. ISO, COP.

These organization shall undergo both Stage I and II audit

Apogee Plantation Sdn Bhd do not has any certification, therefore, has to undergo Stage I audit.

The audit team has apply the Malaysian Sustainable Palm Oil Part 3: General principles for oil palm plantations and organised smallholders audit guidance to assess the established documents against the Principles and Criteria of the standard

The Stage I audit is conducted on 22/03/2019 to 23/08/2019 at the Sandakan office covering the following activities:

- Review of documentation for compliance to relevant P & C requirements for plantation and mill;
- Reporting of findings found;;

4.1.2. Stage II Certification Audit

The Stage II certification audit is conducted on 05/08/2019 to 06/08/2019 covering 1 estate.

During the Stage II certification audit, there is zero Major, 1 Minor, <> Opportunities for Improvement (OFI) are raised. Action plan is submitted for Minor non-conformance with implementation will be review during the next audit.

For details of the assessment, refer summary of assessment for each indicator in section 4.3 of this report.

The audit findings if any, raised in this audit refer to Section 4.5 of this report.

4.2. Stakeholders' Consultation

TUV NORD (Malaysia) Sdn. Bhd., has published the public notification on 01/07/2019 as to accommodate stakeholder's consultation meeting for Apogee Plantation Sdn Bhd to provide comments. As at audit date on 05/08/2019 there are no comments received.

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



Invitation letters are sent on 01/07/2019 to invite relevant stakeholders to attend a local stakeholders' consultation on 05/08/2019 to gather information from the local communities in accordance to §7, 3.2 of the Certification Procedure requirements.

The topics of discussion are as below:

1. Introduction of MSPO certification.
2. Development of oil palm plantations
3. Community service and support provided
4. Wildlife management and wildlife corridor
5. Type of wildlife sighted at the plantations and wildlife corridor.
6. Local communities' development.

The following relevant Principles & Criteria of the applied standard are discussed during the stakeholders' consultation:

1. Principle 2 Criteria 2 Indicator 1: Consultation and Communication with stakeholders:
The stakeholders could confirm they have attended meetings with the company on MSPO certification.
2. Principle 4 Criteria 2 Indicator 3 & 4: A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint
The stakeholders' advice they are informed a logbook and form is available at the office to lodge any complaints or suggestions.
3. Principle 4 Criteria 3 Indicator 1: Contribute to local development in consultation with the local communities.
The local communities could confirm the company has provide assistance and support to communities.
4. Principle 6 Criteria 4 Indicator 1: Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information
The contractors who provides maintenance and service could confirm they are briefing on MSPO requirements.

There are no issues raised during the stakeholder's consultation in terms of tenure and/or use rights, social or environmental aspects of management and operations that need to be addressed by the certified unit. It can be concluded the relevant Principles and Criteria clauses of the applied standard are in compliance.

The list of stakeholders who attended the meeting refer to Table 7-1

| Item | Subject discussed | Audit team findings | Company response and proposed action to be taken |
|------|--|--|--|
| 1 | Any information from Company as regards to the MSPO audit? | Stakeholders attended the meeting have received invitation of Apogee Plantation MSPO audit | No further action required |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd

Certifying Unit: Apogee Plantation Sdn Bhd

Client Number: 92-091

Audit Type: Stage 2 - Certification Audit



| Item | Subject discussed | Audit team findings | Company response and proposed action to be taken |
|------|---|--|--|
| 2 | Social issues | No major social concerns raise | No further action required |
| 3 | Type of land title – Country Leased, Provisional Leased, Native title | Stakeholders unable to comment since there are not local community and there are no local communities attended the meeting. | No further action required |
| 4 | Economy / livelihood Is there any impact on livelihood after the introduction of MSPO? | Participants commented with MSPO certification, Apogee Plantation will contribute to a sustainable economy. | Good comment from stakeholders |
| 5 | Does MSPO largely benefits the local community? | Stakeholders unable to comment since there are no local communities attended the meeting | No further action required. |
| 6 | Environmental understanding | Participants confirmed MSPO certification will bring improvement to have a better environmental understanding for the workers. | Good comment from stakeholders |
| 7 | Awareness towards species, habitats, and high conservation values | Participants informed there are no wildlife around Apogee Plantation. | No further action required |
| 8 | Are there any plantation management practices that affect you? | The participants are not local communities therefore unable to comment. However, they confirmed Apogee Plantation practices will be good for the workers. | Good comment by stakeholders |
| 9 | Do you consider any management is in conflict with the MSPO principles and criteria? | Participants confirmed there is no conflict in MSPO certification by Apogee Plantation management team. | Good comment by stakeholders |
| 10 | Do you have any suggestions for management? | Continue the good work to improve housing and amenities for workers. | Good comment by stakeholders |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



4.3. Summary of Assessment

Principle and Criteria Assessment Summary

The assessment team conduct a thorough assessment of each principle and criteria. Over the 5 years' period of the certificate cycle, there will be 4 annual surveillance audits with all criterions will be assessed. Evidences are sought for conformity with the MSPO 2530-3. The summary of the assessment as below, where the "Findings/Comments" column reflects the findings in accordance with each criteria and indicator or evidences and when non conformity is found. Summary of the non-conformity can be found below

| Principle 1: Management Commitment & responsibility | | |
|---|--|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.1.1.1 | Apogee Plantation established the Sustainability Policy on 01/01/2019 signed by Managing Director. The policy is displayed at estate office notice board. Stakeholders are briefed during the stakeholders meeting on 18/03/2019 and 01/07/2019. | Yes |
| 4.1.1.2 | Apogee Plantation established Sustainability Policy stated committed to adhere to MSPO certification principles and criteria that will ensure sustainability and continuous improvement. | Yes |
| 4.1.2.1 | Apogee Plantation established the flowchart for conducting sustainability internal audit dated 25/03/2019. Latest Internal audit conducted on 15/07/2019. The audit result identifies both positive and weakness points and improvement plan. | Yes |
| 4.1.2.2 | The internal audit findings are documented in the audit checklist as Yes, No or Not applicable category. Those with a "No" are to address accordingly. | Yes |
| 4.1.2.3 | Results of internal audit presented in management review meeting held on 15/07/2019. | Yes |
| 4.1.3.1 | Management review meeting held on 15/07/2019 includes discussion on internal audit. The frequency of management review is once per year after internal audit. | Yes |
| 4.1.4.1 | Apogee Plantation established Continual Improvement Plan (CIP) dated 14/01/2019. The CIP covers topics on pesticides, environment, waste reduction, pollution emissions, social impacts, health and safety, legal compliances, transparency and general. Example: Social Impacts | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 1: Management Commitment & responsibility | | |
|---|---|------------|
| Indicator | Summary of Assessment | Compliance |
| | Improvement Action: Provide housing and other basic necessity for the employee Expected outcomes: Maintain and increase the living quality of the employee Time Frame: Continues program Review and monitor: Schedule inspection of the housing provided to ensure sustainability Location: Estate Responsibility: Estate Manager & Plantation Manager Status Review: Ongoing | |
| 4.1.4.2 | Apogee Plantation established a flowchart for New technology information and technique dated 29/03/2019. A flowchart includes the initial part of communication with new technology information or product implementation and monitoring for further improvement. | Yes |
| 4.1.4.3 | The flowchart states workers will be inform and trained on new information, technique and technology when available for implementation. | Yes |

| Principle 2: Transparency | | |
|---------------------------|--|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.2.1.1 | Apogee Plantation established list of publicly available document and information dated 25/03/2019 and displayed at estate information board. The available documents are in both Bahasa Malaysia and English languages. Documents are made available upon request other than those no confidential. As of audit date, no request of information observed in the record book. | Yes |
| 4.2.1.2 | Apogee Plantation establish list of publicly documents upon request: Example: Company Policies Complaint and Grievances Information procedure Example of confidential documents: Financial Statements | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 2: Transparency | | |
|---------------------------|--|------------|
| Indicator | Summary of Assessment | Compliance |
| | Summary of land titles | |
| 4.2.2.1 | <p>Apogee Plantation established Consultation and communication flow chart dated 25/03/2019.</p> <p>The flowchart has 2 sections.</p> <p>Communication to employees and stakeholders</p> <p>Enquiry / issue from employees and stakeholders.</p> <p>The complaint / grievances is part of consultation and communication flowchart</p> | Yes |
| 4.2.2.2 | The office executive is the appointed person to handle consultation and communication and made known to stakeholders. | Yes |
| 4.2.2.3 | <p>Apogee Plantation established list of stakeholders that include authorities, neighboring estates, contractors, suppliers and mills.</p> <p>There is no record for consultation and communication was raised up to audit days</p> | Yes |
| 4.2.3.1 | <p>Apogee Plantation established standard operating procedure with flowchart on managing traceability system.</p> <p>The Traceability SOP defines the actions and responsibilities of person in charge in managing the delivery and recording of outgoing FFBs.</p> <p>Relevant Records within the traceability system are:</p> <ol style="list-style-type: none"> 1. Harvesting records 2. FFB Delivery Notes 3. Weighbridge Tickets | Yes |
| 4.2.3.2 | <p>Apogee Plantation monitors the traceability system record on daily basis at estate and monthly basis at head office.</p> <p>Last monitoring inspection on checklist dated 31/07/2019 to crosscheck on records available in the estate.</p> | Yes |
| 4.2.3.3 | Apogee Plantation appoints the Estate Manager as person in charge to maintain the traceability system's records in estate as stated in Traceability of SOP. | Yes |
| 4.2.3.4 | <p>Apogee Plantation maintain records of sales and delivery of FFBs.</p> <p>Records dated 31/07/2019 are reviewed:</p> <p>Example:</p> <p>Log sheet of FFB dispatch to mill records are crosscheck with daily harvesting records, total FFB bunches against weighbridge tickets on date received by mill and delivery note.</p> | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



Principle 2: Transparency

| Indicator | Summary of Assessment | Compliance |
|-----------|--|------------|
| | The unique identification number is the delivery note no. stated in the mill weighbridge ticket. | |

Principle 3: Compliance to legal requirements

| Indicator | Summary of Assessment | Compliance |
|-----------|---|------------|
| 4.3.1.1 | Apogee Plantation established summary list of permits and licences for its operations. Example: MPOB License No: 5023160200 valid until 31/07/2020 | Yes |
| 4.3.1.2 | Apogee Plantation established summary list of legal documents that include sub- clauses. Example: Minimum Wage Order (Amendment) 2018 Employees Social Security Act 1969 | Yes |
| 4.3.1.3 | The summary of legal documents last updated on 01/07/2019. Example: Employees Social Security Act 1969 | Yes |
| 4.3.1.4 | The assigned person appointed to update is the office executive from Sandakan office. | Yes |
| 4.3.2.1 | Apogee Plantation land titles are 100% native land. No diminish of land usage since the land titles are issued by Sabah Land Authority Land usage is for agricultural of economic value. Example: NT08390877 Date of Commencement : 01/01/1980 | Yes |
| 4.3.2.2 | Land titles issued by Land Authority of Sabah are maintained on file. Land titles are native titles as freehold with no period of tenure | Yes |
| 4.3.2.3 | Each land title includes a map of the land, area size and boundary markers. Boundary markers are verify during field inspection with coordinates captured and crosschecked with the map for correctness. The boundary markers are maintain using a stone of pole painted red and white. Annual inspection conducted by estate manager or supervisor. Last inspection conducted on 01/07/2019 | Yes |
| 4.3.2.4 | No disputes sighted during document review. All titles transferred are duly approved by the State Land Authority | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 3: Compliance to legal requirements | | |
|---|---|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.3.3.1 | Land titles are native titles that are owned by the company directors. Native titles are freehold with no period of tenure | YEs |
| 4.3.3.2 | Each land title includes a map and acreage. Apogee Plantation has conduct a land survey to establish the estate map with scale of 1:5,000 | Yes |
| 4.3.3.3 | Land titles are transferred from one party to another after a public announcement of 60 days carried out by the State Authority and duly approved when no public comments received Therefore, no FPIC required. | Yes |

| Principle 4: Social Responsibility, health, safety and employment conditions | | |
|--|---|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.4.1.1 | Apogee Plantation conducted SIA from December 2018 to Feb 2019. A table in the SIA report describing the positive impacts, promoting measure, negative impacts and mitigation measures. The identified negative impacts are address. Example: Price of items at nearby estate shops are expansive. Mitigation: Purchase of daily household items and necessities for workers by assign person from HQ. Action Plan: Monthly purchase request from estate workers are arrange by HO. Purchase invoices are provided to worker with no extra change and transport fees. Example: Purchases for month of August verified against payment from workers without addition charged. Briefing on SIA carried out during the stakeholders meeting on 01/07/2019. | Yes |
| 4.4.2.1 | Apogee Plantation established a flow chart for complaint and grievances dated 25/03/2019. The flowchart describe the process of complaint and grievances starting from rising, receiving complaint form to resolution of complaint. Estate Manager and HQ office staff are appointed as person in charge to handle matters related to complaint and grievances. | Yes |
| 4.4.2.2 | According to the flow chart, the timelines to resolve any complaint and grievance is within 30 days. The complaint and grievance record book is reviewed with no complaints and grievances lodged by internal and external stakeholders as of audit date. | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 4: Social Responsibility, health, safety and employment conditions | | |
|--|---|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.4.2.3 | The complaint and grievance form and box is located at estate office and security post gate. | Yes |
| 4.4.2.4 | Briefing on the Complaint and Grievance procedure carried out during the internal and external stakeholders meeting on 01/07/2019 and 18/03/2019. Interviewed with workers confirmed that they are aware and understood on the procedure. | Yes |
| 4.4.2.5 | The complaint and grievance record book is reviewed with no complaints and grievances lodged by internal and external stakeholders since Jan 2019. | Yes |
| 4.4.3.1 | Apogee Plantation contributes to the local people by providing work opportunity to the local people as office and field supervision. | Yes |
| 4.4.4.1 | Apogee Plantation established OSH policy dated 01/01/2019 signed by MD. The policy is displayed at the estate notice board Internal and external stakeholders are briefed on the policy and safety management plan on 18/03/2019 and 01/07/2019. | Yes |
| 4.4.4.2 | a OSH Policy is displayed at the estate notice board. Workers are brief on the policy on 01/07/2019 | Yes |
| | b HIRARC is establish for respective operation activities applicable to the estate base on the risk assessment table. The table with headings: Activity, Hazard, Risk and Effects, Risk Assessment (Consequences, Likelihood, Risk Risking), Existing Control, Risk Control Proposal, PIC, Risk Assessment after Control (Consequences, Likelihood, Risk rating, Description) Date review. Example: Activity: Harvesting Hazard: Thorn Prick Risk and Effect: Scratch or Injury Risk Assessment: Consequence: 3 Likelihood: 4 Risk Rating: 12 Existing Control: Regular training and Briefing Risk Control Proposal: Engineering or Administrative Constant Monitoring SOP manual briefing | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 4: Social Responsibility, health, safety and employment conditions | | |
|--|---|------------|
| Indicator | Summary of Assessment | Compliance |
| | PIC: Estate Manager / Mandore Risk Assessment after control: Consequence: 2 Likelihood: 4 Risk Rating: 8 Description: Moderate Date review: half yearly | |
| c i | Workers are brief on safe work practices SOP on 01/07/2019 Workers interviewed confirmed that they do understand the safe work requirements | Yes |
| c ii | SDS for chemicals and fertilisers are available on file at estate office and the store. All products are in original label. | Yes |
| d | Records for type of PPE provided to workers reviewed. PPE for each activity based on CHRA assessment and SDS requirements as per HIRARC table Example: Chemical Application Googles, Face Mask, Apron, Rubber Boots | Yes |
| e | Apogee Plantation established SOP for safe work procedure chemical mixing date 01/07/2019 with pictorial diagram made available at chemical store and pre-mixing area. CHRA is conducted on 05/03/2019 for agro chemicals applied. | Yes |
| f | The estate manager is the appointed person in-charge of safety and health. | Yes |
| g | Apogee Plantation has a total number of 33 workers. Therefore, below the minimum requirements to have an OSH committee in accordance to DOSH requirement. Therefore, no quarterly meeting required. Apogee Plantation has briefed workers on safety during the internal meeting on 01/07/2019 | Yes |
| h | Apogee Plantation established ERP with emergency contact person and numbers. The emergency contact details are display at the estate office. Sighted training record on emergency drill and fire drill on 01/07/2019 conducted by Estate manager. | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 4: Social Responsibility, health, safety and employment conditions | | | |
|--|---|--|------------|
| Indicator | Summary of Assessment | | Compliance |
| | i | First aid training conducted on 05/03/2019 by external medical practitioner. The estate manager, estate Clerk and estate supervisor are trained as first aiders First aid kits available at work site, estate office and housing manage by estate manager and mandore. | Yes |
| | j | Records of injuries are kept and maintained at estate office. No reporting to JKKP as of audit day. Annual returns to JKKP for year 2019 is not due yet. | Yes |
| 4.4.5.1 | Apogee Plantation established Human Rights Policy dated 01/01/2019 sign by MD and display at estate notice board. Internal and external stakeholders are briefed during meeting on 18/03/2019 and 01/07/2019. | | Yes |
| 4.4.5.2 | Apogee Plantation Recruitment and Selection Policy dated 01/01/2019 include a statement "Commit to the fair treatment of its staff or users of its services, regardless of nationality, age, gender, religion, responsibilities for dependents, age, physical and/or mental disability or offending background". | | Yes |
| 4.4.5.3 | Apogee Plantation adopted the minimum wage order 2018 as wage structure for workers and office staff. Harvesters, manuring and chemical spraying are piece rated with rate duly agree by workers and management. Sighted the establish piece rate duly agreed by the workers Example: Harvester rate RM27 per ton of FFB as from June 2019. The wage slip sighted is above minimum wage of RM1,100/month | | Yes |
| 4.4.5.4 | Apogee Plantation does not engage contractors for field activities in the plantation. Therefore, no documents established for review. | | Yes |
| 4.4.5.5 | The summary list of workers established include name, gender, DOB, DOJ, Passport no. and job task assigned. | | Yes |
| 4.4.5.6 | Work Contract is duly signed by both worker and management. Work Contract details in accordance to Sabah Labour requirements that include annual leave, public holidays, sick leave, maternity leave and working hours. | | Yes |
| 4.4.5.7 | The daily check roll is used to monitor workers reporting to work. Working hours included in workers contract. No overtime observed in the check roll. Therefore, no overtime paid. | | Yes |
| 4.4.5.8 | Apogee Plantation established working hours as follows: | | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 4: Social Responsibility, health, safety and employment conditions | | |
|--|---|------------|
| Indicator | Summary of Assessment | Compliance |
| | 6am to 11am Break time 11 am to 12 noon 12noon to 3pm. The working hour notice is display at estate notice board. | |
| 4.4.5.9 | Wages are documented in the payslip based on input from the check roll. For any overtime, approval from the management should be given before carry out. No overtime sighted in check roll and pay slip | Yes |
| 4.4.5.10 | Apogee Plantation provides performance incentives, free medical, free housing, water and electricity. | Yes |
| 4.4.5.11 | Apogee Plantation adopted the industry best practices for workers housing quarters. The amenities provided are: Vegetable gardening area Location for rearing chicken | Yes |
| 4.4.5.12 | Apogee Plantation establish Prevention and Eradication of Sexual Harassment in work place policy dated 0/01/2019 signed by MD and display at estate notice board. Workers are brief during internal stakeholders meeting on 18/03/2019 and 01/01/2019. | Yes |
| 4.4.5.13 | Apogee Plantation establish Equal Opportunity Employment & Freedom of Association policy dated 01-01-2019 signed by MD that include a statement "The freedom of association shall be initiated according to the Labour Laws and Immigration Act of Malaysia" and display at estate notice board. Workers interview understood the policy | Yes |
| 4.4.5.14 | Apogee Plantation Recruitment and selection policy dated 01/01/2019 include a statement the minimum employment age is 18 years and available at estate notice board. The Recruitment and Selection policy is briefed to the workers during internal stakeholders meeting on 18/03/2019 and 01/07/2019. | Yes |
| 4.4.6.1 | Apogee Plantation established training programme dated 01/07/2019. Type of training conducted: Basic First aid & introduction CPR conducted by Malaysian Red Crescent Sandakan District Centre on 23/06/2019 Fire safety briefing and demonstration session conducted by Belurun Fire Department on 15/07/2019 | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 4: Social Responsibility, health, safety and employment conditions | | |
|--|---|------------|
| Indicator | Summary of Assessment | Compliance |
| | Emergency drill and fire drill conducted on 01/07/2019 Pre-Mix Chemical SOP conducted on 01/07/2019. PPE SOP related to field operations conducted on 01/07/2019. PPE) Harvesting SOP conducted on 01/07/2019 Slashing, Spraying and Manuring SOP conducted on 01/07/2019 | |
| 4.4.6.2 | Apogee Plantation conducted trainings for worker based on the job assigned. Example: i. Pre-Mix Chemical conducted on 01/07/2019. ii. Slashing, Spraying and Manuring SOP conducted on 01/07/2019. | Yes |
| 4.4.6.3 | Continuous Training program is not established. Minor NC: Continuous training program should be established and implement to ensure that all employees are well trained in their job function and responsibility according to the training procedure. | Minor NC |

| Principle 5: Environment, natural resources, biodiversity and ecosystem services | | |
|--|---|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.5.1.1 | Apogee Plantation established environmental quality policy dated 01/01/2019 signed by MD. In the policy a statement “when required by legislation or when significant health, safety and environmental hazards exists, develop and maintain appropriate emergency response programme”. The management plan includes the objective to ensure conformation to all the activities are within the Law / Acts and legislation of State and Nation. Apogee Plantation has briefed the Environmental Quality Policy and Environmental Management Plan to workers on 01/07/2019. Sighted policy is displayed on the estate office notice board. | Yes |
| 4.5.1.2 | a The established environmental policy describes the purpose and objectives. Example: Integrate the consideration of environmental concerns and impacts into all of our decision making and activities. | Yes |
| | b Apogee Plantation environmental management plan dated 01/07/2019 describes Environmental Aspects and Impacts Risk analysis table establish | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 5: Environment, natural resources, biodiversity and ecosystem services | | |
|--|--|------------|
| Indicator | Summary of Assessment | Compliance |
| | <p>Example:</p> <p>Activity: Crop Evacuation</p> <p>Aspects: FFB Bunch and Loose Fruits rotting and subsequent transfer to the environment (waterways) poor crop recovery</p> <p>Impacts: Pollution to water and soil quality</p> <p>Risk: Moderate</p> <p>Mitigation and Improvement Plan: loose fruit contract rates given to field maintenance workers to pick up fruits and daily monitoring by supervisor and estate manager to ensure all FFB bunches are collected properly</p> <p>Monitoring Plan: Ongoing</p> <p>PIC: Estate Manager and Supervisor</p> | |
| 4.5.1.3 | <p>Apogee Plantation established Environmental Management Plan that include the list negative impacts.</p> <p>The negative impacts listed are mitigated and monitored through an internal assessment on a yearly basis. The last inspection is on 15/07/2019.</p> | Yes |
| 4.5.1.4 | <p>There are two positive impacts identified for monitoring and to promote.</p> <p>Example: Proper domestic waste segregation through education and briefing to workers and dependents.</p> | Yes |
| 4.5.1.5 | <p>Environmental Quality policy and Environmental Management Plan is briefed to the workers on 01/07/2019.</p> <p>Interviewed workers confirmed their understanding of the policy and to dispose waste in landfill.</p> | Yes |
| 4.5.1.6 | <p>Apogee Plantation conduct the latest meeting on 01/07/2019 and at least once a year. Attendance record sighted.</p> | Yes |
| 4.5.2.1 | <p>Apogee Plantation established 3 years baseline fossil fuel usage for year 2016 to 2018 for FFB transportation to mill and tractors activities in the estate.</p> <p>To improve and the efficient use of fossil fuel Apogee Plantation has upgrade some vehicles and monitor fuel consumption for each type of vehicle.</p> | Yes |
| 4.5.2.2 | <p>Apogee Plantation monitor monthly usage of diesel by means of comparison of diesel usage per ton of FFB.</p> <p>Apogee Plantation does no engage third parties contractors for any field operations or FFB transportation.</p> | Yes |
| 4.5.2.3 | <p>Apogee Plantation installed solar panels as renewable energy for estate office usage.</p> | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 5: Environment, natural resources, biodiversity and ecosystem services | | |
|--|--|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.5.3.1 | <p>Apogee Plantation established Waste Management Plan dated 01/07/2019 that include the identified type of wastes, sources and disposal method.</p> <p>Example:-</p> <ul style="list-style-type: none"> Type of Waste: Used engine oil Waste source: Workshop Disposal Method: Collect by licensed contractor <p>Monitoring record of waste generated established.</p> <p>Sighted records for empty chemical containers reused for chemical premix purpose or storage of rinsed water.</p> | Yes |
| 4.5.3.2 | <p>a</p> <p>Apogee Plantation waste management plan dated 01/07/2019 include the type of waste, pollution sources, monitoring plan and disposal method</p> <p>For example :</p> <p>Empty Pesticide containers</p> <p>Monitoring plan</p> <ol style="list-style-type: none"> All issued chemicals must be recorded All empty chemical containers must be triple rinsing before disposal or kept in store <p>All empty containers not reused for spraying and chemical premix, should be puncture and kept in store for disposal by licensed party or reused as rubbish bins or flower pots.</p> | Yes |
| | <p>b</p> <p>Apogee Plantation waste management plan include identification of wastes type that could be reduce, reuse & recycle</p> <p>Example :</p> <p>Pruned fronds: Recycle as nutrients for soil conditioning</p> <p>Plan & Monitoring:</p> <p>To implement correct method for fronds stacking to retain soil surface moisture and enhance the soil nutrient structure.</p> | Yes |
| 4.5.3.3 | <p>Apogee Plantation establish SOP for handling of used chemical for proper storage and disposal of used chemicals.</p> <p>Current practise adopted by estate is to dispose scheduled wastes through licensed collectors.</p> <p>Monitoring records established to ensure quantities of the scheduled wastes are not more than 20 mt or 180 days to be kept.</p> | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 5: Environment, natural resources, biodiversity and ecosystem services | | |
|--|---|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.5.3.4 | <p>Apogee Plantation established document for empty chemical container handling dated 01/07/2019.</p> <p>Empty chemical containers will be triple rinsed and marked with red ring for reused for premix, spraying activities or kept in the store. All rinsed water will be reused for premix or spraying activities.</p> <p>Sighted records of empty chemical containers either for reused for chemical spraying activities or punctured and stored for disposal.</p> | Yes |
| 4.5.3.5 | <p>Apogee Plantation established landfill area for domestic wastes disposal.</p> <p>Site visit verify that the landfill is away from waterways and workers housing. The landfill is fenced up and installed signboard with open date, and no burning</p> | Yes |
| 4.5.4.1 | <p>Apogee Plantation establish waste management plan that describe dated 01/07/2019 describe the 3 categories of wastes generated namely gas, solid and liquid.</p> <p>Example: Identification on the gases pollution</p> <ol style="list-style-type: none"> 1. Frond – Methane 2. Landfill – Methane & Carbon dioxide 3. Tractor & vehicle – Carbon Monoxide 4. Fertilizer – Methane 5. Weeds – Methane <p>Example of disposal method for wastes:</p> <p>Liquid waste: Used lubricant oil</p> <p>Disposal method: Collect by licensed third party</p> <p>Solid waste: Domestic waste</p> <p>Disposal method: Landfill</p> | Yes |
| 4.5.4.2 | <p>Apogee Plantation established action plan to reduce identified significant pollutions and emissions and included in Continual Improvement Plan (CIP).</p> <p>Example: Tractor & vehicle</p> <p>Improvement action: Continuously monitoring of efficient used of fossil fuel</p> <p>Expected outcome: Continually monitoring diesel usage for all type of machineries and vehicles in the estate for efficient fuel consumption.</p> <p>Time frame: on going</p> <p>Review and monitor: Diesel use record</p> <p>Location: Estate</p> | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 5: Environment, natural resources, biodiversity and ecosystem services | | |
|--|---|------------|
| Indicator | Summary of Assessment | Compliance |
| | Responsibility: Estate Manager & mandore Status review: Monthly record Sighted diesel consumption records for monitoring of usage. | |
| 4.5.5.1 | a Apogee Plantation establish water management plan includes identification of the sources and usage. The main source of water is rainwater for domestic and field operation usage. Rainfall data is collected to monitor there will be sufficient water for workers consumption. In the event there is shortage, water will be transported to the estate. Example: Estate operation – daily 200litres | Yes |
| | b Apogee Plantation conduct water quality test for inlet and outlet of streams flowing through the estate. Test report dated 19/01/2019 with the results are within the national water quality index. | Yes |
| | c Water for washing and rinsing of chemical container is recycle for pre-mix usage. Rain harvesting is practice with additional tanks installed to improve the collection. Piping system are in good order during inspection at housing and facilities area. | Yes |
| | d Appropriate signage installed at buffer / riparian zones. Workers are brief during meeting on 01/07/2019 Interview with the workers confirmed that they are aware and understood that spraying and fertilizing activities are prohibited to be carry out on the buffer zone area. | Yes |
| | e From field observation, there are no vegetation removed from riparian zones. Riparian zones are well maintained. | Yes |
| | f There ae no bore wells constructed to extract ground water. This could be observed during inspection of housing area. | Yes |
| 4.5.5.2 | There are no bunds or weirs or dams constructed across rivers. This could be confirm during field visit. | Yes |
| 4.5.5.3 | Water harvesting is practice throughout the facilities and housing | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 5: Environment, natural resources, biodiversity and ecosystem services | | | |
|--|---|---|------------|
| Indicator | Summary of Assessment | | Compliance |
| 4.5.6.1 | a | Apogee is not bordering with any forest area and no conservation area within the estate. The estate is surrounding by estates. Therefore, the plantation operation has not impact on wildlife Interview with the workers confirmed that they are aware on the type of wildlife and no any hunting or capturing activity allowed. | Yes |
| | b | There are no wildlife sighted within the estate during field visit. | Yes |
| 4.5.6.2 | a | Apogee establish Sustainability Policy and Environmental Quality Policy include statement "Ensure protection of RTEs species living in HCV areas, if any and ensure that biodiversity is protected and enhanced. Apogee Plantation establish monitoring checklist to monitor any presence of wildlife at the estate blocks and housing area. Stakeholders and workers are briefed on the sustainability policy on 18/03/2019 and 01/07/2019 on protection of Rare, Threatened and Endangered (RTE) species, if any observed | Yes |
| | b | Signage installed to inform public and workers on no hunting and capturing of any wildlife. Workers are briefed on wildlife presence in the estate during internal stakeholders meeting held on 01/07/2019 | Yes |
| 4.5.6.3 | A quarterly monitoring checklist is establish to monitor wildlife within the estate blocks, riparian reserve and buffer zones. Example: Latest monitoring conducted on July 2019 | | Yes |
| 4.5.7.1 | Apogee Plantation established Environment Quality policy includes the statement of zero burning practice as per described in Malaysia Law (A1102 Act / Environmental Quality Act 2001) that state that there shall be no burning of any kind except where deemed necessary with prior approval of the relevant authorities. This include domestic wastes, agricultural wastes and biomass or by products generated by estate. No open burning sighted during site visit. | | Yes |
| 4.5.7.2 | During the site visit, there are no disease observed that required treatment by burning. | | Yes |
| 4.5.7.3 | There are no disease observed that required treatment by burning. There is no replanting observed during the site visit. | | Yes |
| 4.5.7.4 | Apogee Plantation has not start replanting based on site observation and review of planting statement. Therefore, no information available the process of replanting. | | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 6: Best Practices | | |
|-----------------------------|---|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.6.1.1 | <p>Apogee Plantation established relevant SOPs and appropriately documented:</p> <p>Example:</p> <ol style="list-style-type: none"> 1. SOP on manuring reviewed on 01/07/2019 2. SOP on Spraying reviewed on 01/07/2019 3. SOP on Harvesting reviewed on 01/07/2019 4. SOP on Chemical mixing reviewed on 01/07/2019 <p>SOPs training conducted on 01/07/2019 to all workers.</p> <p>All operation activities are monitored by mandore to ensure that workers follow the SOP accordingly.</p> | Yes |
| 4.6.1.2 | <p>Apogee Plantation adopted the Field Handbook: Oil Palm Series for Immature Volume 2 & Mature Volume 3 which include the soil conservation measure.</p> <p>Handbook referred 108.1 Terrace and platform construction page 55 state to prevent erosion, cover plants should be established on slope as soon as possible after land clearing.</p> <p>Land cover crop should be planted along the spoil and face of the slope immediately after terraces construction.</p> <p>During site visit sighted signboard installed that no spraying and fertilizing activities at buffer zone area to prevent contamination of waterways.</p> | Yes |
| 4.6.1.3 | <p>Site visit sighted block makers installed include block number, planting material, total hectare, planting year and month.</p> | Yes |
| 4.6.2.1 | <p>Apogee Plantation established 5 years business management plan dated 25/01/2019 for year 2018 to 2023.</p> <p>The budget include crop projection and facilities improvement on housing, stores, etc.,</p> | Yes |
| 4.6.2.2 | <p>No replanting program within the next 5 years since the first planting is in year 2002 and 2003.</p> | Yes |
| 4.6.2.3 | <p>Apogee Plantation established the business management plan which include following:</p> <ol style="list-style-type: none"> a. Crop projection based on age profile. b. Cost of production per ton of FFB c. Price forecast per ton of FFB <p>Apogee Plantation replanting program will be plan in year 2025</p> | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
Certifying Unit: Apogee Plantation Sdn Bhd
Client Number: 92-091
Audit Type: Stage 2 - Certification Audit



| Principle 6: Best Practices | | |
|-----------------------------|--|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.6.2.4 | Apogee Plantation established monthly monitoring on costs and FFB production. The previous month actual performance is used to monitor the following month performance. Apogee Plantation established WhatsApp group meeting to discuss the achievement of crop production and financial performance. | Yes |
| 4.6.3.1 | Apogee Plantation purchases of products and services using a quotation and purchase order system. Sighted quotation for purchasing of fertilizer that states the proposed price with purchasing order issued based on the agreed price. | Yes |
| 4.6.3.2 | Apogee Plantation purchases of products and services using a quotation and purchase order system. The payment is made based on terms and conditions stated in the quotation provided by the contractor and issuance of purchase order to acknowledge and confirmation of the price. | Yes |
| 4.6.4.1 | Apogee Plantation engaged contractor for workers' house extension. The contractor workers are brief to MSPO requirement prior to start work. | Yes |
| 4.6.4.2 | Apogee Plantation contract for work is based on quotation submitted by the contractor. | Yes |
| 4.6.4.3 | The contractor is aware they are subject to be inspected by MSPO approved auditor to verify assessments through a physical inspection. | Yes |
| 4.6.4.4 | Apogee Plantation established site inspection to monitor the progress of the contractor in completing the task before payment is released. | Yes |

| Principle 7: Development of new planting | | |
|--|---|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.7.1.1 | Apogee Plantation is bordering with estates and no forest reserve area. Land titles are review and no new land acquire. The last planting stated in planting statement is year 2003. Therefore, not applicable. | Yes |
| 4.7.1.2 | The planting statement is review and there are no new planting and no replanting plan for the next 5 years. | Yes |
| 4.7.2.1 | The planting statement and map are review and there are no peat land | Yes |
| 4.7.3.1 | The planting statement is review and there is no new planting. Therefore, no SEIA conducted. | Yes |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Principle 6: Best Practices | | |
|-----------------------------|--|------------|
| Indicator | Summary of Assessment | Compliance |
| 4.7.3.2 | The planting statement is review and there is no new planting. Therefore, no SEIA conducted. | Yes |
| 4.7.3.3 | No new planting established, therefore no SEIA conducted. | Yes |
| 4.7.3.4 | There are no smallholders' scheme in Apogee certification. Therefore, not applicable. | Yes |
| 4.7.4.1 | The planting statement is reviewed and there is no new planting. Therefore, no map established. | Yes |
| 4.7.4.2 | The planting statement is reviewed and there is no new planting. Therefore, no map established. | Yes |
| 4.7.5.1 | The planting statement is reviewed and there is no new planting. Therefore, no map established and permits available. | Yes |
| 4.7.5.2 | The planting statement is reviewed and there is no new planting. Therefore, no plan established. | Yes |
| 4.7.5.3 | The planting statement is reviewed and there is no new planting. Therefore, no soil map established. | Yes |
| 4.7.6.1 | The planting statement is review and there is no new planting. Therefore, no FPIC conducted and no communities affected. | Yes |
| 4.7.6.2 | The planting statement is review and there is no new planting. There are no sacred sites, therefore, management plan establish. | Yes |
| 4.7.6.3 | The planting statement is review and there is no new planting. Therefore, no SOP establish. | Yes |
| 4.7.6.4 | The planting statement is review and there is no new planting. Therefore, no compensation and agreement established. | Yes |
| 4.7.6.5 | The planting statement is review and there is no new planting. Therefore, no assessment established. | Yes |
| 4.7.6.6 | The planting statement is review and there is no new planting. Therefore, no system establish for calculating the compensation for distribution. | Yes |
| 4.7.6.7 | The planting statement is review and there is no new planting. Therefore, no compensation plan established. | Yes |
| 4.7.6.8 | The planting statement is review and there is no new planting. Therefore, no communities affected. | Yes |

4.4. Status of Non-Conformities Previously Identified

| | |
|---|---|
| x | The stage 1 audit findings of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have implemented to address the identified audit findings. |
|---|---|

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| | |
|--|---|
| | The last audit results of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have implemented to address any nonconformity identified. |
| | The last audit results of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have not been implemented effectively. The non-conformity will be re-raised. |
| | Not applicable. No non-conformity raised in previous audit. |
| <i>Note 1: If a minor non-conformity raised in last audit, is not closed out, then this finding will be re-raised to a Major non-conformity.</i> <i>Note 2: All minor NCs raise in last audit are required to capture in this report together with the closing of the non-compliance.</i> | |

4.5. Detail of Audit Findings in last audit

Stage1 audit findings have been addressed accordingly and documents are review for the corrections made.

4.6. Detail of Audit Findings Identified During This Audit

This section gives an overview of the non-conformities raised during this audit.

| AUDIT OUTCOME | | |
|-------------------|---|------------------------|
| During this audit | 0 | MAJOR Non-Conformities |
| | 1 | MINOR Non-Conformities |

| Non Conformity Number < 1 > | | | |
|---|---|---|------------|
| Indicator # and Description: | 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. (MINOR) | | |
| Location: | Estate | | |
| Description of Finding / Objective Evidence: | | | |
| The continuous training program is not established | | | |
| Classification | <input type="checkbox"/> Major | <input checked="" type="checkbox"/> Minor | |
| Raise by: | Khairul Anwar bin Ismail | Date Raise: | 06/08/2019 |
| Deadline for implementation | | Next Surveillance audit | |
| Root Cause Analysis (by company): | | | |
| This indicator and principle has been overlooked by the Company during its MSPO preparation and certification planning stages | | | |
| Correction (by company): | | | |

MSPO Certification Summary Report

Company Name: Apogee Plantation Sdn Bhd
 Certifying Unit: Apogee Plantation Sdn Bhd
 Client Number: 92-091
 Audit Type: Stage 2 - Certification Audit



| Non Conformity Number < 1 > | |
|--|--|
| <p>The Company has since incorporated a continuous training program for all existing Estate Workers and also Orientation and Training program for all new Estate Workers / Staff.</p> <p>With the implementation, it is the Company's objective to ensure that all employees are well trained in their job function and responsibility</p> | |
| Review of Correction & Corrective / Preventive Action | |
| <p>Apogee Plantation has establish a continuous training program listing the type of training and period when it will be conduct. The plan includes induction & orientation and practical refresher & skills training.</p> | |
| Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Site verification : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Name of Lead Auditor: Cheong, Chun Yuen (Robert) | Date of Closure: 24/08/2019 |
| Review of Implementation | |
| | |
| Name of Lead Auditor / Auditor: | Date of Review: |

Opportunity for Improvement

| Nr. | Indicator | Location | Opportunity for Improvement |
|-----|-------------|----------|---|
| 1 | 4.1.2.2 | Office | Internal audit procedure could be improve on the frequency and documentation review |
| 2 | 4.1.2.3 | Office | The results of the internal audit reported in management review could be improved. |
| 3 | 4.1.3.1 | Office | Internal audit date could be capture for improvement purposes. |
| 4 | 4.2.2.1 | Office | The timeframe could be define according to the respective flow chart. |
| 5 | 4.2.2.3 | Office | The stakeholders list could be improve by categorising them |
| 6 | 4.5.2.2 | Office | The management cold improve on the comparison of fuel consumption against FFB output. |
| 7 | 4.5.3.5 | Office | The management could improve on the location of the landfill site. |
| 8 | 4.5.6.1 (b) | Office | The management could improve to capture a picture of sighted birds or any wildlife sighted. |

5. Conclusion

Apogee Plantation Sdn Bhd has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct stage II certification audit for its estate according to MSPO 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

There Is 1 NC raise and action plan submitted and accepted. The implementation of Minor NC will be review and verify during the next audit.

From the review of the standard operating procedures, relevant forms, work flow charts established and implemented; the subsequent background investigation and interviews conducted during this surveillance audit have provided TUV NORD Malaysia with sufficient evidence on the fulfilment of the applied standard Principles & Criteria.

In conclusion the certified unit has been established, implemented and continued to improve in managing the estate is in line with the Principles & Criteria of the applied standard MS 2530-Part 3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders. .

Any audit is based on sampling within an organization's management system and therefore is not a guarantee of 100 % conformity with requirements.

As a result of this audit, the audit team confirms that:

| | | |
|--|--------|--------|
| Total certified number of estates: | 1 | Estate |
| Total certified planted area: | 244.36 | Ha |
| Certified FFBs January to December 2019: | 5,000 | Mt |

6. Recommendation

The audit team conduct a process-based audit focussing on significant aspects/risks and objectives required by the standard(s). The audit methods used are interviews, observations, sampling of activities, review of documentation and records.

The structure of the audit is in accordance with the audit plan included in this summary report as annex.

The audit team concludes that the organisation has established and maintained its management system in line with the requirements of the standard(s) and demonstrated the ability of the system to achieve requirements for products and/or services within the scope and the organisation's policies and objectives.

Therefore the audit team recommends that, based on the results of this audit and the system's demonstrated state of development and maturity that this management system certification be

| | |
|----------|---|
| x | Recommended for Certification |
| | Recommended for Continuity of Certification |
| | Recommended for Suspension of Certification |

Puchong, 13/09/2019



Robert Cheong
TUV NORD (Malaysia) Sdn Bhd
Audit Team Leader

Puchong, 13/09/2019



Nur Amanina Zahir
TUV NORD (Malaysia) Sdn Bhd
Certifier / Approver

7. List of Interviewees

Table 7-1: List of Interviewed Persons and Stakeholders

| No. | Name | Organisation / Function |
|-----|-----------------|-----------------------------------|
| 1 | Widi Saradin | Pejabat Perhutanan Daerah Belurun |
| 2 | Agkijan | Pejabat Perhutanan Daerah Belurun |
| 3 | Zarul Abd Rasmi | Jabatan Tenaga Kerja Sandakan |
| 4 | Arden Rindetun | Jabatan Tenaga Kerja Sandakan |
| 5 | Zahari Rahman | Jabatan Tenaga Kerja Sandakan |
| 6 | Seek King Keat | EMPA Representative |
| 7 | Ang Chuan Hang | EMPA Representative |

Distribution / Confidentiality / Rights of ownership / Limitations / Responsibilities / Audit Objectives

This report is sent to the certification body or bodies, the members of the audit team and the audit representative of the organisation. All documents (such as this report) regarding the certification procedure are treated confidentially by the audit team and the certification body. This audit report remains the property of the certification body.

An audit is a procedure based on the principle of random sampling and cannot cover each detail of the management system. Therefore nonconformities or weaknesses may still exist which were not expressly mentioned by the auditors in the final meeting or in the audit report.

The responsibility for continuous effective operation of the management system always rests solely with the audited and certified organisation.

Salvo clause:

The audit report will be left to the organisation at the end of the audit - subject to approval by the certification body. The independent release process may cause modifications or additions. In these cases a modified revision will be sent to the audited organisation.

The objective (goal) of the audit is to establish compliance of the management system of the aforementioned organization with the requirements of the aforementioned standard in order to achieve or maintain certification through an independent and accredited certification body.

Identification of possibilities to improve the management system can also be a component of the audit and is considered simply to be an enhancement; it does not constitute consultancy or advice with regard to the management system.

Annex / Enclosures

Annex /
corresponding audit documentation

- ☐ P&C Audit Report / Checklists
- ☐ Audit Plan
- ☐ Additional annexes, number