



MSPO CERTIFICATION SUMMARY REPORT

Hap Seng Plantations Holdings Bhd –
Plantations Central Office Group
Estates (PCO Group)

SURVEILLANCE 04

Remote Audit Date: 25/10/2021 – 30/10/2021

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MSPO Certification Summary Report

Company Name: Hap Seng Plantations Holdings Bhd.
Certifying Unit: Plantation Central Office Group Estate (PCO Group)
Client Number: 92-022
Audit Type: ASA 04
Mode of Audit: Remote



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Abbreviations

CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
DOE	Department of Environment
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
FFB	Fresh Fruit Bunch
GAP	Good Agricultural Practice
GPS	Global Positioning System
ISCC	International Sustainability & Carbon Certification
ISO	International Standard Organisation
MSPO	Malaysia Sustainable Palm Oil
NC	Non Conformity
OSH	Occupational Safety and Health
P&C	Principle and Criteria
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable Sustainable Palm Oil
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

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1. INTRODUCTION

Hap Seng Plantations Holdings Bhd has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct an surveillance audit for its oil palm estates according to MS 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

1.1. Objective

The objective of this surveillance audit is to assess the estates by an independent certification body with the aim for compliance of the standard.

1.2. Scope

The assessment is based on the documentation established by the group office and estate.

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 MS 2530-3:2013 Part 3 General principles for Oil Palm Plantations 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 5 team members. The audit team members contributed to the review of documents, the assessment of the project activity and preparation of the report.

Qualification of the Lead Auditor: Khairul Anwar Bin Ismail

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 Agricultural Science

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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)	5 years working experience in oil palm plantations
Successfully completed MPOCC endorsed lead auditor trainings	Successfully completed MS 2530 series standards for Lead Auditors.
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.	Qualified as Lead auditor for MSPO scheme.
Field working experience in the palm oil sector or demonstrable equivalent	5 years working experience in oil palm plantation.
Good Agricultural Practices (GAP) and Integrated Pest Management (IPM), pesticide and fertilizer use	5 years working experience in oil palm plantation.
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Successfully completed IMS ISO 9001 Lead Auditor course.
Health and safety auditing on the estate processes and activities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Successfully completed IMS ISO 45001 Lead Auditor course.
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Successfully completed SA 8000 Basic training.
Environmental and ecological auditing or experience with organic agriculture. or Successfully completed Environmental Management Systems ISO 14001 standard	Successfully completed IMS ISO 14001 Lead Auditor course.
Attended High Conversation Value Assessment training	Attended and completed the HCV-HCS for producers online course.

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Requirement	Qualifications
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Able to communicate in Bahasa Malaysia and English.

Qualification of Team Member(s)

Requirement	Name of 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	Mohd Nur Amin bin Mohd Halim	Graduate in Office Management & Technology.	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	Graduate in Plantation Industry and Management	
	Chan Shi Lie	Graduate in Bachelor of Media Technology (Major in Broadcasting)	
	Joseph Sim Siaw Seng	Graduate in Diploma in Occupational Safety and Health	
	Mohamad Norhisham Bin Mohd Salleh	Graduate in Applied Science (Major In Agrobiolology).	
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)	Mohd Nur Amin bin Mohd Halim	6 years 10 months of working experience in both upstream & downstream division on managing sustainability of oil palm industry.	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	7 years working experience in oil palm plantation	
	Chan Shi Lie	6 years working experience in oil palm plantations.	
	Joseph Sim Siaw Seng	4 years of working experiences in Health and Safety and 3 years of working experiences in plantations.	
	Mohamad Norhisham Bin Mohd Salleh	5 years working experience in oil palm plantations.	

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Requirement	Name of Assessor	Qualification	Compliance
Successfully completed MPOCC endorsed lead auditor trainings	Mohd Nur Amin bin Mohd Halim	Successfully completed MS2530 series of standard for Lead Auditors	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	Successfully completed MS2530 series of standards for Lead Auditors	
	Chan Shi Lie	Successfully completed MS 2530:2013 series of standards for Lead Auditors	
	Joseph Sim Siaw Seng	Successfully completed MS2530 series of standards for Lead Auditors.	
	Mohamad Norhisham Bin Mohd Salleh	Successfully completed MS2530 series of standards for Lead Auditors.	
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 Auditor for MSPO or equivalent sustainability certification schemes.	Mohd Nur Amin bin Mohd Halim	Qualified and appointed as lead auditor for MSPO scheme.	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	Qualified as Lead Auditor for MSPO scheme.	
	Chan Shi Lie	Qualified and appointed as auditor for MSPO scheme.	
	Joseph Sim Siaw Seng	Qualified as Lead Auditor for MSPO scheme.	
	Mohamad Norhisham Bin Mohd Salleh	Qualified and appointed as auditor for MSPO scheme.	
Field working experience in the palm oil sector or demonstrable equivalent	Mohd Nur Amin bin Mohd Halim	6 years 10 months of working experience in both upstream & downstream division on managing sustainability of oil palm industry.	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	7 years working experience in oil palm plantations.	
	Chan Shi Lie	6 years working experience in oil palm plantations.	

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Requirement	Name of Assessor	Qualification	Compliance
	Joseph Sim Siaw Seng	4 years of working experiences in Health and Safety and 3 years of working experiences in plantations.	
	Mohamad Norhisham Bin Mohd Salleh	5 years working experience in oil palm plantations	
Good Agricultural Practices (GAP) and Integrated Pest Management (IPM), pesticide and fertilizer use	Mohd Nur Amin bin Mohd Halim	6 years 10 months of working experience in both upstream & downstream division on managing sustainability of oil palm industry.	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	7 years working experience in oil palm plantations.	
	Chan Shi Lie	6 years working experience in oil palm plantations.	
	Joseph Sim Siaw Seng	4 years working experience in oil palm plantations.	
	Mohamad Norhisham Bin Mohd Salleh	5 years working experience in oil palm plantations	
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Mohd Nur Amin bin Mohd Halim	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	
	Chan Shi Lie	Successfully completed IMS ISO 9001, 14001 and 45001 LA course.	
	Joseph Sim Siaw Seng	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	
	Mohamad Norhisham Bin Mohd Salleh	Successfully completed ISO 9001:2015 Lead Auditor course.	

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Requirement	Name of Assessor	Qualification	Compliance
Health and safety auditing of the estate processes and activities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Mohd Nur Amin bin Mohd Halim	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	
	Chan Shi Lie	Successfully completed IMS ISO 9001, 14001 and 45001 LA course.	
	Joseph Sim Siaw Seng	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	
	Mohamad Norhisham Bin Mohd Salleh	Successfully completed ISO 45001:2018 Lead Auditor course.	
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Mohd Nur Amin bin Mohd Halim	Successfully completed Basic SA 8000 training.	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	Successfully completed SA 8000 Basic training and Auditor for MSPO and RSPO scheme.	
	Chan Shi Lie	Successfully completed SA 8000 Basic training	
	Joseph Sim Siaw Seng	Successfully completed SA 8000 Basic training	
	Mohamad Norhisham Bin Mohd Salleh	Successfully completed Basic SA 8000 training	
Environmental and ecological auditing or experience with organic agriculture. or Successfully completed Environmental Management Systems ISO 14001 standard	Mohd Nur Amin bin Mohd Halim	Successfully completed IMS ISO 9001, 14001, 45001 LA course training attended.	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	
	Chan Shi Lie	Successfully completed IMS ISO 9001, 14001 and 45001 LA course.	
	Joseph Sim Siaw Seng	Successfully completed IMS ISO 9001, ISO 14001 and ISO 45001 LA course.	
	Mohamad Norhisham Bin Mohd Salleh	Successfully completed IMS ISO 14001:2015	

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Requirement	Name of Assessor	Qualification	Compliance
		Lead auditor course and auditor for MSPO scheme.	
Completed High Conversation Value assessment	Mohd Nur Amin bin Mohd Halim	Attended and completed the HCV-HCS for producers online course.	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	Attended and completed the HCV-HCS for producers online course.	
	Chan Shi Lie	Attended and completed the HCV-HCS for producers online course.	
	Joseph Sim Siaw Seng	Attended and completed the HCV-HCS for producers online course	
	Mohamad Norhisham Bin Mohd Salleh	Attended and completed the HCV-HCS for producer online course.	
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Mohd Nur Amin bin Mohd Halim	Able to communicate in Bahasa Malaysia and English.	Yes
	Muhammad Khairul Anuar bin Azizul Hasan	Able to communicate in Bahasa Malaysia and English.	
	Chan Shi Lie	Able to communicate in Bahasa Malaysia, Mandarin and English.	
	Joseph Sim Siaw Seng	Able to communicate in Bahasa Malaysia, Mandarin and English.	
	Mohamad Norhisham Bin Mohd Salleh	Able to communicate in Bahasa Malaysia and English.	

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2. METHODOLOGY

The audit approach consists of the following steps:

- Appointment of team members;
- Contact client for relevant documentation according to the applicable MSPO standards;
- Audit planning;
- Background investigation, desk review of submitted documents;
- Assessment, inspections, interviews operational personnel, workers, contractors; review of documentation;
- Reporting
- Resolution of non-conformance (NC)
- Draft audit reporting
- Technical review
- Final audit reporting
- Final approval, certification decision and issuance of certificate.

Surveillance Audit:

The Surveillance audit conducted remotely on 25/10/2021 – 30/10/2021 covering the following activities but not limited to below:

Remote

- Confirmation of the appropriate interactive communication tools as describe in IAF MD4
- Virtual review of documentation established but not limited to below
 - Policies
 - Estates maps
 - Land titles
 - Standard Operating Procedures
 - Work Flow Charts
 - Management Plans
 - Operating licenses and approvals
 - Operating records
 - Training records
 - Applicable Legislation Documents
- Virtual inspection of estates facilities and field activities;

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- Virtual interview operation personnel and field workers for understanding of work assigned;
- Virtual stakeholders communication; If required
- Reviewed revised and updated documentation established and implemented;
- Reports established;
- Work plans established;
- Review and closed out of non-conformance raised during in last audit

Remote Assessment

The audit of the estates are 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 by means of virtual site inspections, observation of tasks and processes, interview workers and operation personnel, review of documentation and data. Checklists and questionnaires were used to guide the collection of information.

This remote audit is conducted in accordance to MPOCC Updated Circular Guidance on Remote Audits due to Covid-19 Pandemic Restrictions Version 3.2 extension of Updated Circular (30 August 2021).

The remote audit shall be guided by ICT Tools as per IAF MD4:2018 and ISO 9001 Auditing Practices Group on Remote Audits 2020.

The communication tool applied for remote audit is WhatsApp, Microsoft Teams and Telephone.

For the remote, surveillance audit, the selected estates based on the formula $S = 1\sqrt{n}$ where S = sample size and n = number of estates with a risk factor of 1 for regular risk which is in accordance to MSPO certification procedure.

Based on the formula, the sample size for the estates $S = 1\sqrt{13} = 3.6$, therefore round up to the next integral of 4 estates. Thus, a total of 4 estates selected for the onsite assessment and inspection as listed in Table 2-1 below:

Table 2-1: Estates Selected

Name of Estate or Division	Coordinates
Northbank Estate	5.435168°N, 118.654639°E
Kapis Estate	5.442862°N, 118.414167°E
Lungmanis Estate	5.479529°N, 118.403139°E
Bukit Mas Estate	5.317339°N, 118.463148°E

Non-conformance:

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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.

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3. ORGANISATION INFORMATION

Hap Seng Plantations Holdings Bhd – PCO Group Estates with Head Office located at 40km off Jalan Jeroco, Lahad Datu, Sabah.

The certified estates are listed at the below table.

The details of the estates as below:

Name of Estate	Location	Coordinates
Tomanggong Estate	80km off Jalan Jeroco, Lahad Datu Sabah	5.400528°N, 118.664362°E
Litang Estate	80km off Jalan Jeroco, Lahad Datu Sabah	5.325446°N, 118.574529°E
Tagas Estate	80km off Jalan Jeroco, Lahad Datu Sabah	5.363139°N, 118.637278°E
Northbank Estate	80km off Jalan Jeroco, Lahad Datu Sabah	5.435168°N, 118.654639°E
Tabin Estate	80km off Jalan Jeroco, Lahad Datu Sabah	5.379779°N, 118.711723°E
Batangan Estate	50km off Jalan Jeroco, Lahad Datu Sabah	5.412140°N, 118.449945°E
Lokan Estate	50km off Jalan Jeroco, Lahad Datu Sabah	5.431056°N, 118.382723°E
Kapis Estate	50km off Jalan Jeroco, Lahad Datu Sabah	5.442862°N, 118.414167°E
Lungmanis Estate	50km off Jalan Jeroco, Lahad Datu Sabah	5.479529°N, 118.403139°E
Lutong Estate	50km off Jalan Jeroco, Lahad Datu Sabah	5.365445°N, 118.440611°E
Bukit Mas Estate	40km off Jalan Jeroco, Lahad Datu Sabah	5.317339°N, 118.463148°E
Sungai Segama Estate	40km off Jalan Jeroco, Lahad Datu Sabah	5.317339°N, 118.463148°E
Kawa Estate	Apas Claremont Estate, Jalan Apas, Tawau Sabah	4.384506°N, 118.038522°E

3.1. Production volume

Name of Estate	Area (Ha)		Projected FFB Production (mt) (October to Dec 2021)
	Total*	Production**	
Tomanggong Estate	2,654.80	2,407.00	10,099.61
Litang Estate	2,648.62	2,474.70	12,600.16

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Tagas Estate	2,212.33	2,019.00	12,100.13
Northbank Estate	2,235.30	2,028.00	12,900.35
Tabin Estate	3,054.77	2,875.21	19,900.19
Batangan Estate	3,632.88	3,394.00	27,099.58
Lokan Estate	3,155.39	2,837.00	14,600.34
Kapis Estate	2,681.00	2,342.00	11,650.06
Lungmanis Estate	2,200.00	1,955.00	5,262.80
Lutong Estate	2,448.40	2,194.00	15,499.68
Bukit Mas Estate	4,733.00	4,258.00	22,331.51
Sungai Segama Estate	5174.00	4,484.50	18,699.62
Kawa Estate	1,276.19	1,200.50	3,891.40
Total:	38,106.68	34,468.91	186,635.43

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

**Immature + Mature Area

3.2. Planting Program for Each Estate

Year / estate	Tomanggong	Litang	Tagas	Northbank	Tabin	Batangan	Lokan	Kapis	Lungmanis	Lutong	Bukit Mas	Sungai Segama	Kawa Estate
1992	-	-	-	-	-	-	-	-	-	-	-	-	0
1993	-	-	-	-	-	-	-	-	-	-	21	594.50	0
1994	-	397.90	189	-	-	-	-	-	-	-	1,127.50	884.5	0
1995	-	-	-	-	-	-	-	-	358	-	1,378.00	-	0
1996	90	-	-	-	-	-	-	796	923	-	1,600.00	112.7	0
1997	101	321.5	185	-	-	-	-	373	-	-	-	-	123.51
1998	401.50	-	-	350	-	-	439	521	-	-	109.50	-	399.43
1999	-	-	-	205	-	-	1,309.00	-	-	157	16	177.04	603.76
2000	-	-	668	255	-	-	-	-	-	-	-	198.4	55.16
2001	-	-	414	-	-	-	-	-	-	-	6	25.5	0
2002	-	-	-	-	294.07	-	-	-	-	-	-	10.5	0
2003	-	-	-	-	235.32	-	-	-	-	-	-	-	18.64
2004	-	-	234.50	-	267	450	-	-	-	42	-	29.80	0
2005	-	-	-	-	-	-	-	-	-	-	-	3	0
2006	-	-	328.50	-	-	388	-	-	-	456	-	-	0
2007	-	-	-	99	-	-	-	-	-	159	-	-	0
2008	-	-	-	185	605.80	151	-	-	-	-	-	3	0
2009	-	-	-	357	251	148	-	-	-	-	-	-	0

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2010	-	-	-	-	647.10	280	-	-	-	-	-	-	0
2011	-	236	-	324	375	682	-	-	-	157	-	-	0
2012	-	719.50	-	253	124.14	458	-	-	-	146	-	-	0
2013	-	-	-	-	-	406	-	-	-	306	-	-	0
2014	393.20	-	-	-	-	151	244	-	-	318	-	-	0
2015	143	146.3	-	-	75.78	280	149	-	-	303	-	-	
2016	352	-	-	-	-	-	296	392				385	
2017	343.3	39	-	-	-	-	161	260	-	150	0	458.50	
2018	-		-				239		267			476	
Total Mature	1,824.00	1,860.20	2,019.00	2,028.00	2,875.21	3,394.00	2,387.00	1,690.00	1,548.00	2,044.00	4,258.00	3,358.44	1,200.50
2019	-	614.50	-									491	
2020	180		-									527.56	
2021	403								407			107.50	
Total Immature	583	614.50	-	-	-	-	696	652	407	150	-	1,26.06	
Total Palm Oil	2,407.00	2,474.70	2,019.00	2,028.00	2,875.21	3,394.00	2,837.00	2,342.00	1,955.00	2,194.00	4,258.00	4,484.50	1,200.50

3.3. Replanting program for each estates

Year of replanting/ Name of estate	Planted area (ha) in each estate			Total area to be replanted (ha)
	2021	2022	2023	
Tomanggong	403.00		-	403.00
Litang	-	321.50	397.90	719.400
Tagas	-	-	189.00	189.00
Northbank	-	-	-	-
Tabin	-	-	-	-
Batangan	-	-	-	-
Lokan	-	-	-	-
Kapis	-	-	-	-
Lungmanis	407.00	412.00	367.00	1,186.00
Lutong	-	-	-	-
Bukit Mas	-	-	290.50	290.50
Sungai Segama	-	478.00	224.00	702.00
Kawa Estate	No planned replanting for the next few years. The palms are below 25 years.			
TOTAL	810.00	1,211.50	1,468.40	3,489.90

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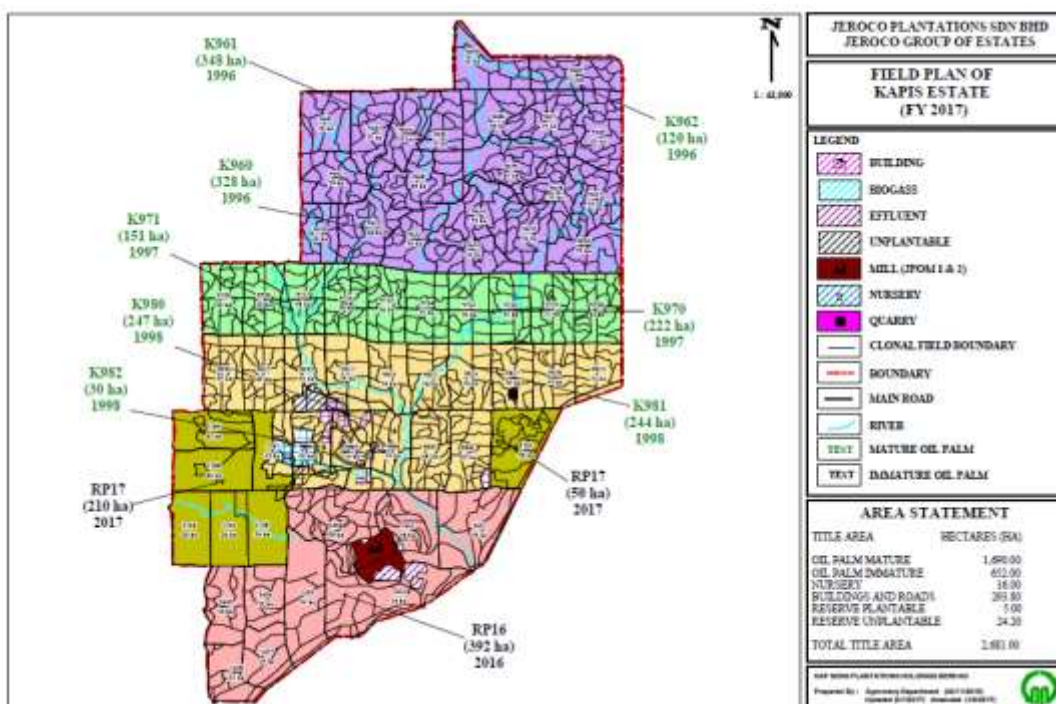
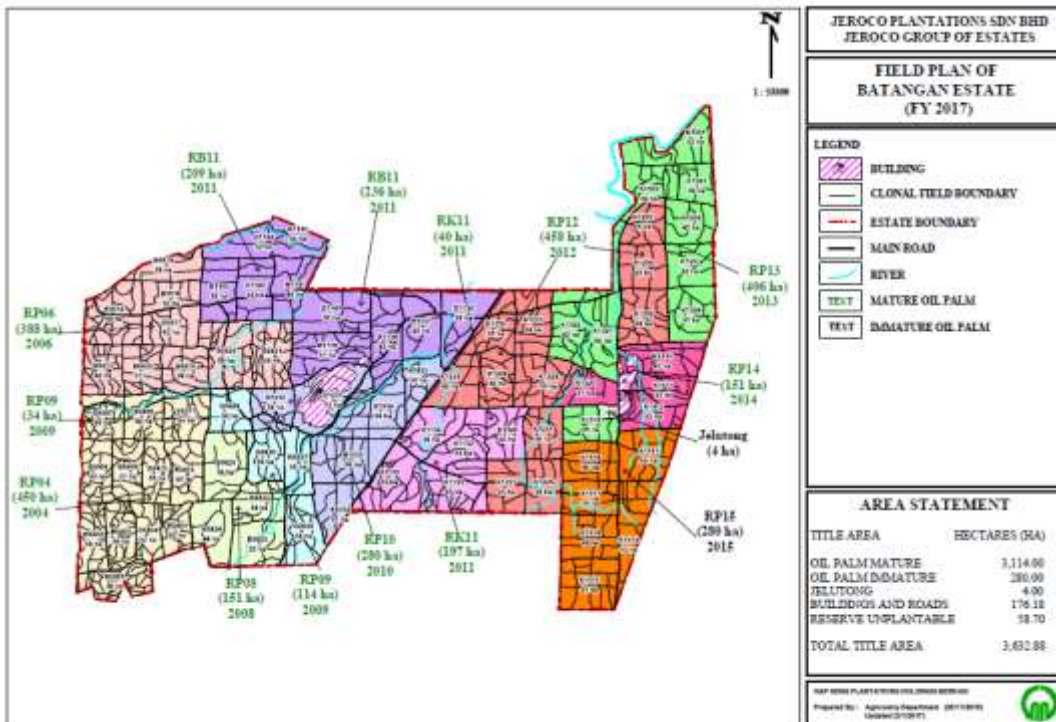
Client Number: 92-022

Audit Type: ASA 04

Mode of Audit: Remote



3.4. Maps of Estates Location



MSPO Certification Summary Report

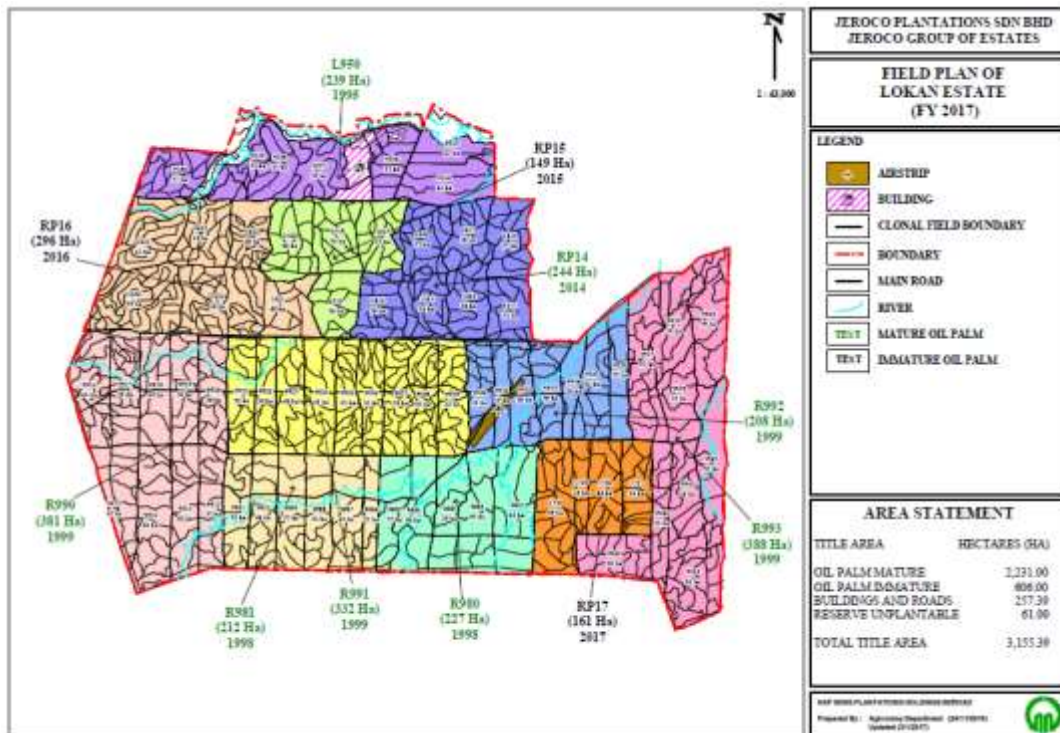
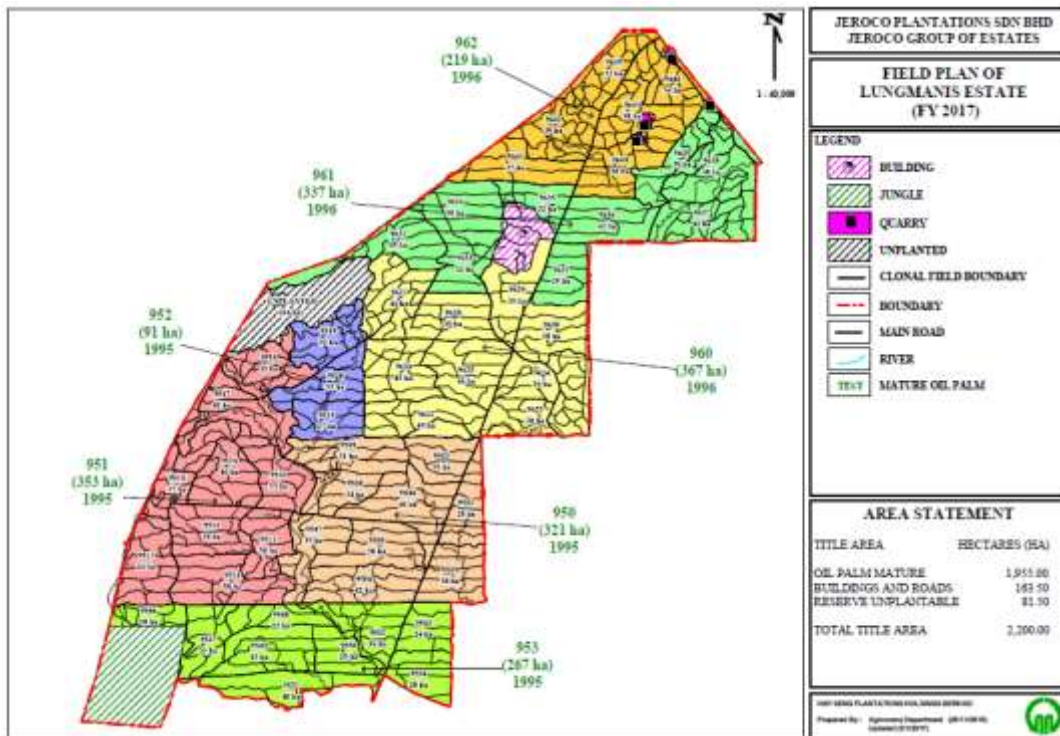
Company Name: Hap Seng Plantations Holdings Bhd.

Certifying Unit: Plantation Central Office Group Estate (PCO Group)

Client Number: 92-022

Audit Type: ASA 04

Mode of Audit: Remote



MSPO Certification Summary Report

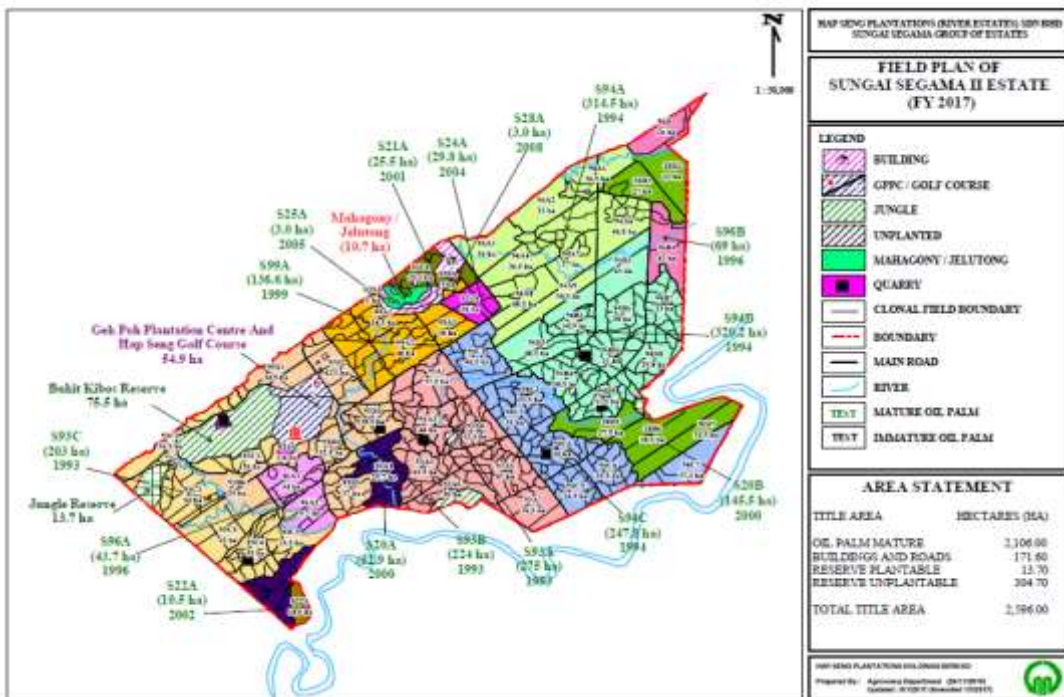
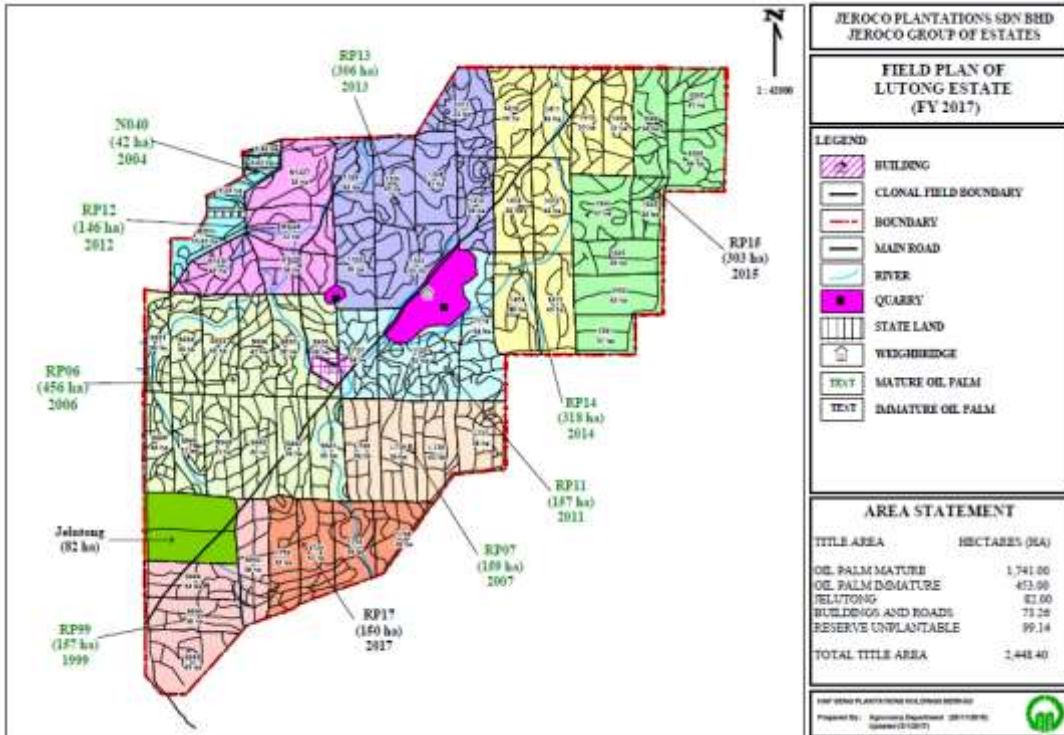
Company Name: Hap Seng Plantations Holdings Bhd.

Certifying Unit: Plantation Central Office Group Estate (PCO Group)

Client Number: 92-022

Audit Type: ASA 04

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MSPO Certification Summary Report

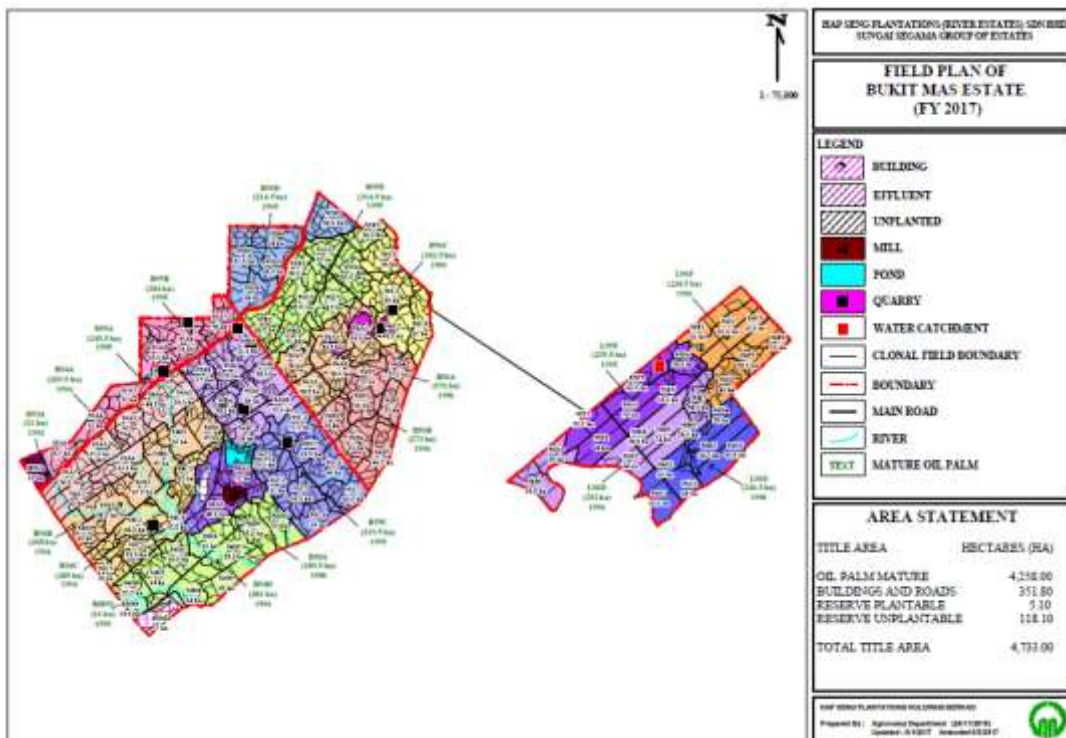
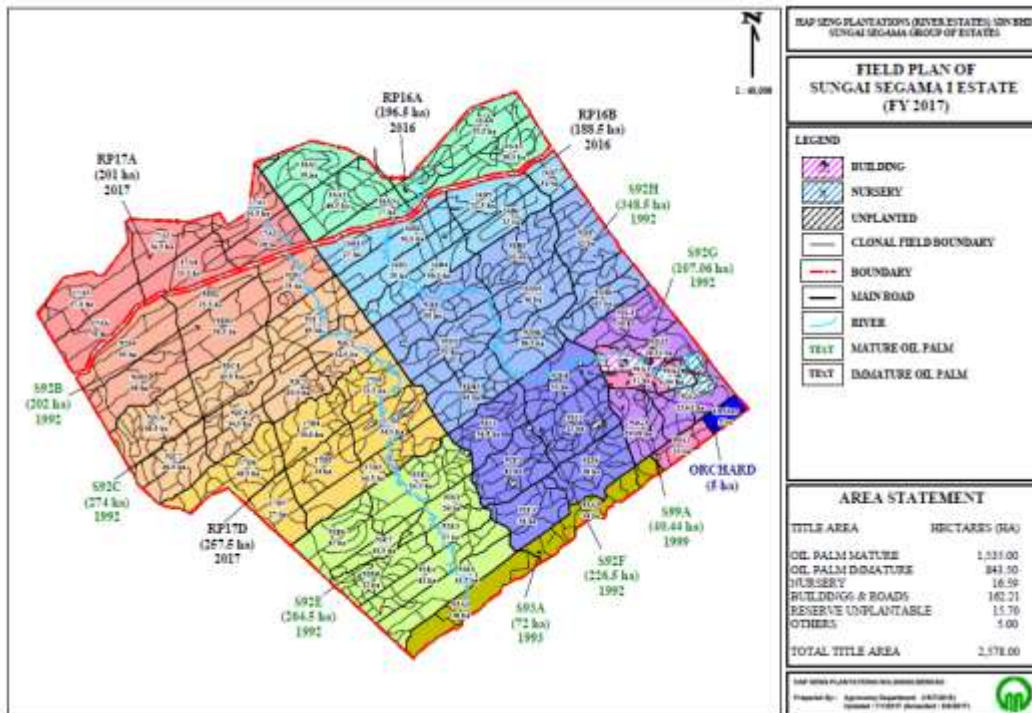
Company Name: Hap Seng Plantations Holdings Bhd.

Certifying Unit: Plantation Central Office Group Estate (PCO Group)

Client Number: 92-022

Audit Type: ASA 04

Mode of Audit: Remote



MSPO Certification Summary Report

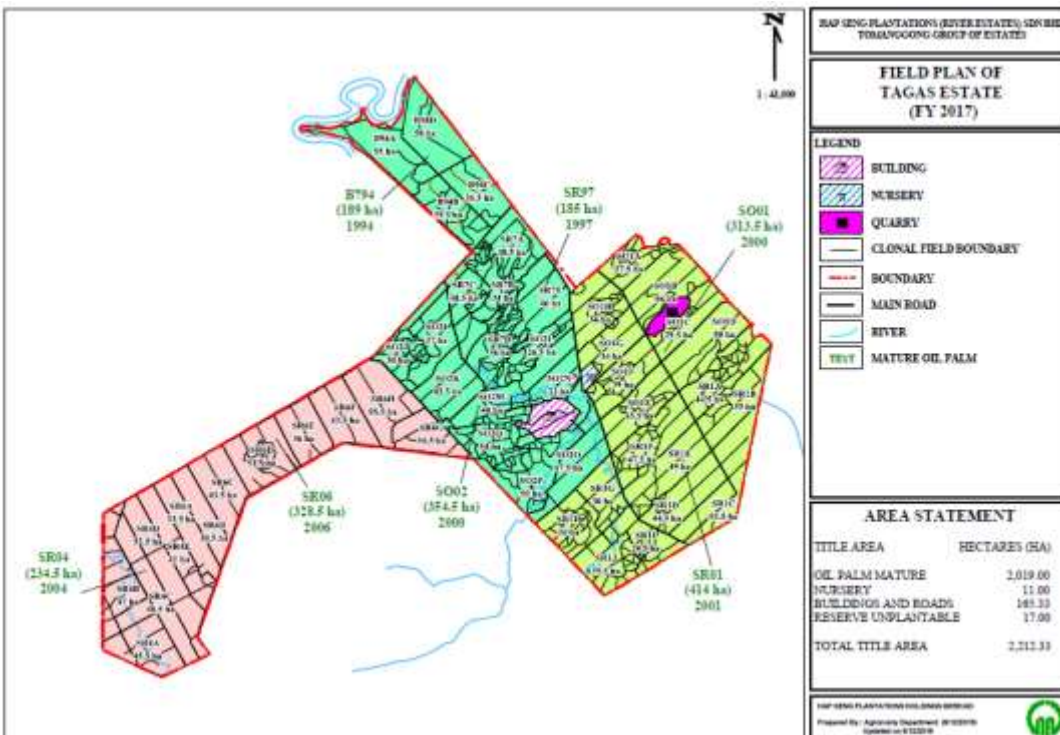
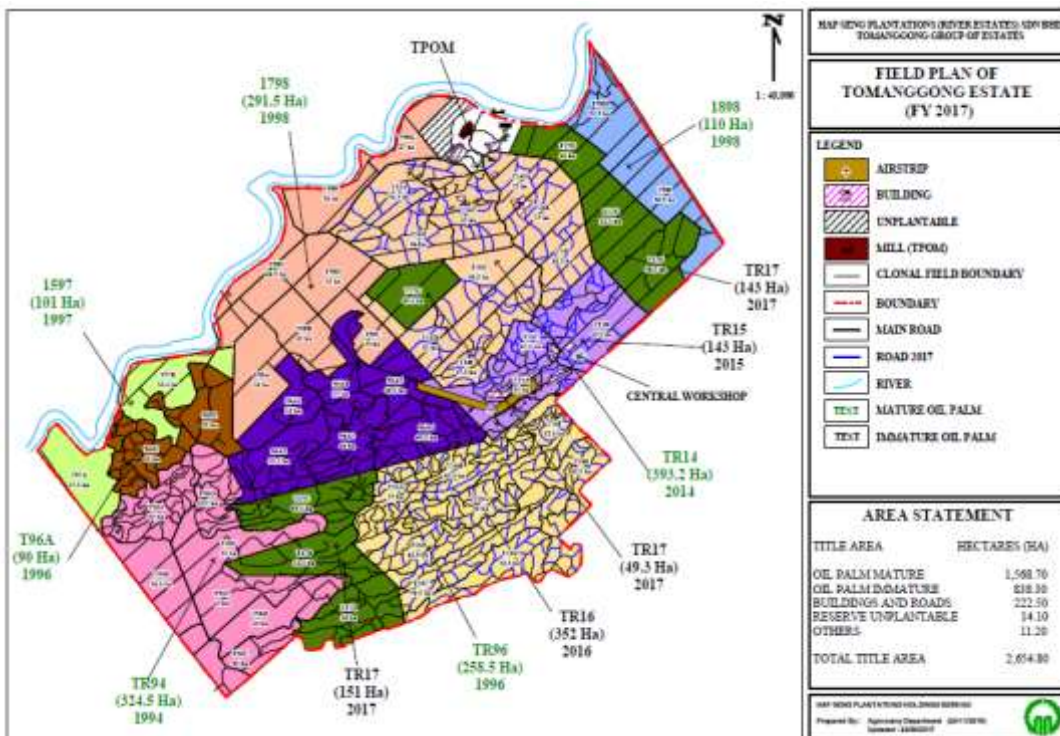
Company Name: Hap Seng Plantations Holdings Bhd.

Certifying Unit: Plantation Central Office Group Estate (PCO Group)

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MSPO Certification Summary Report

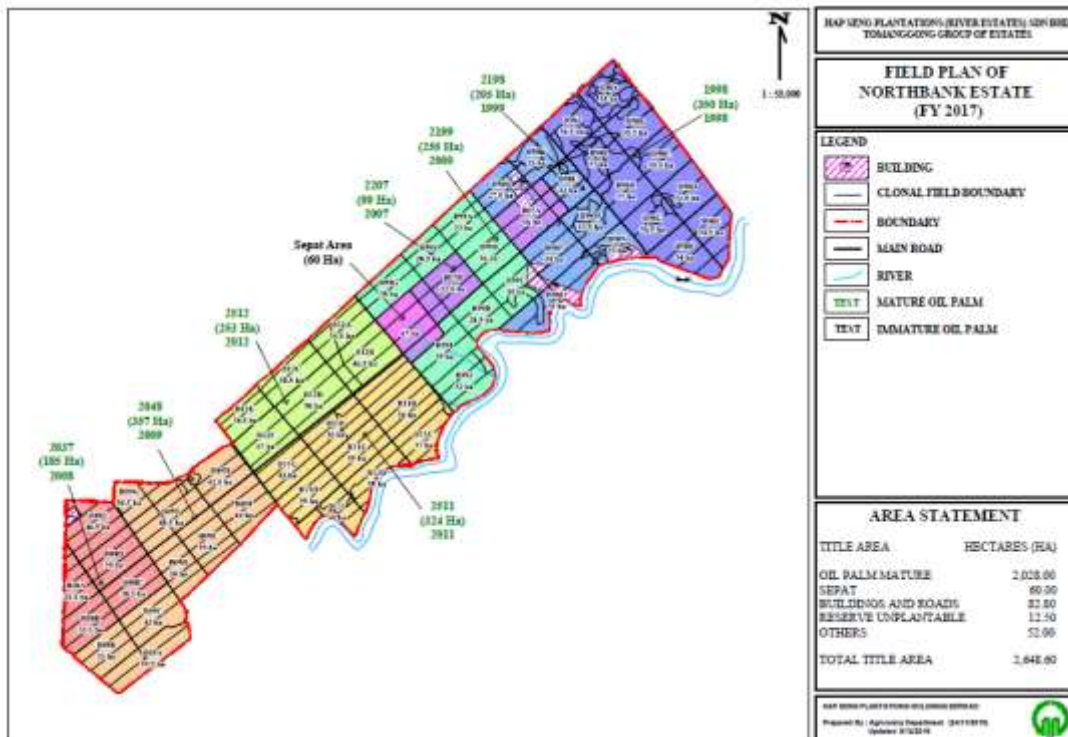
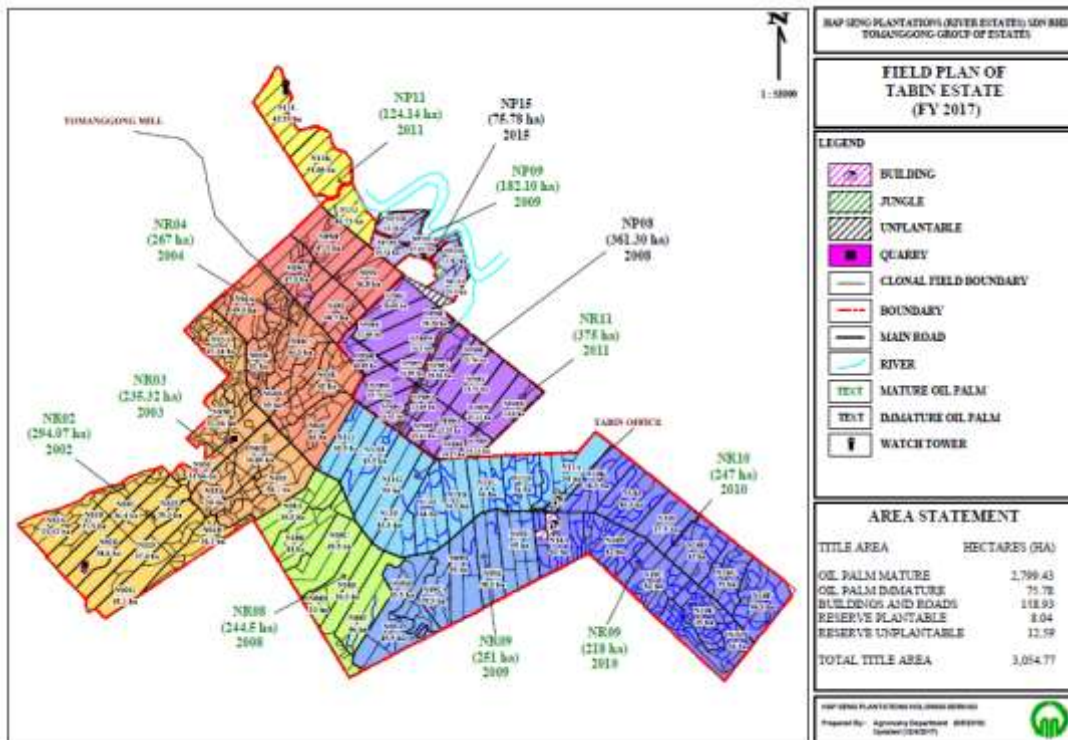
Company Name: Hap Seng Plantations Holdings Bhd.

Certifying Unit: Plantation Central Office Group Estate (PCO Group)

Client Number: 92-022

Audit Type: ASA 04

Mode of Audit: Remote



MSPO Certification Summary Report

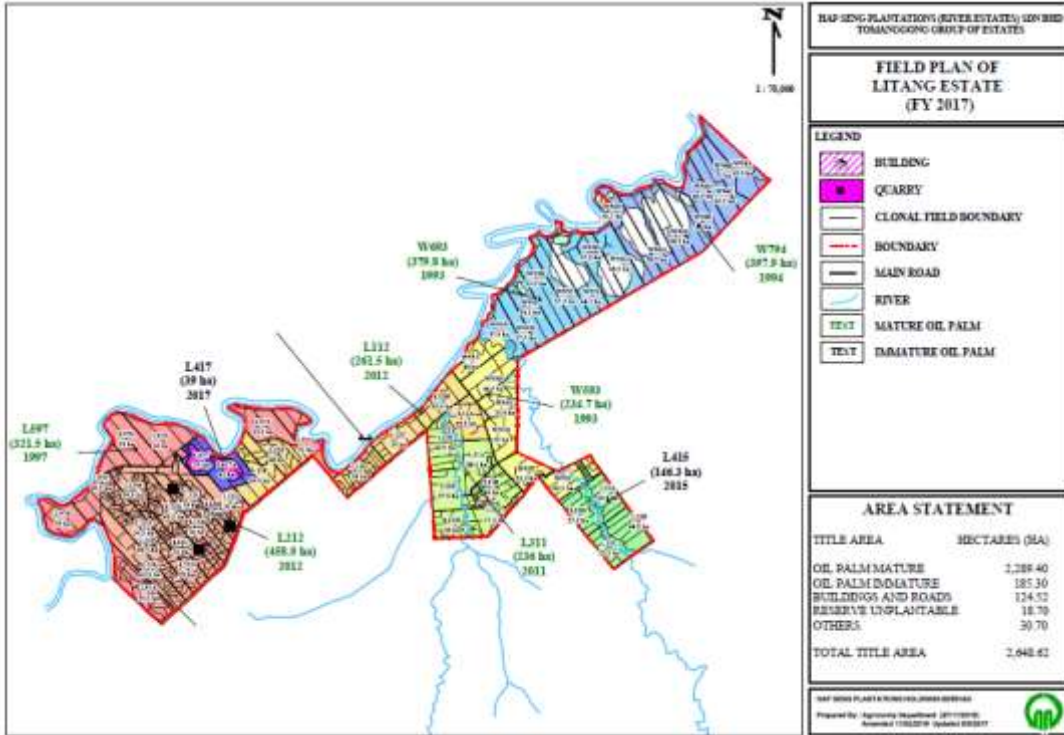
Company Name: Hap Seng Plantations Holdings Bhd.

Certifying Unit: Plantation Central Office Group Estate (PCO Group)

Client Number: 92-022

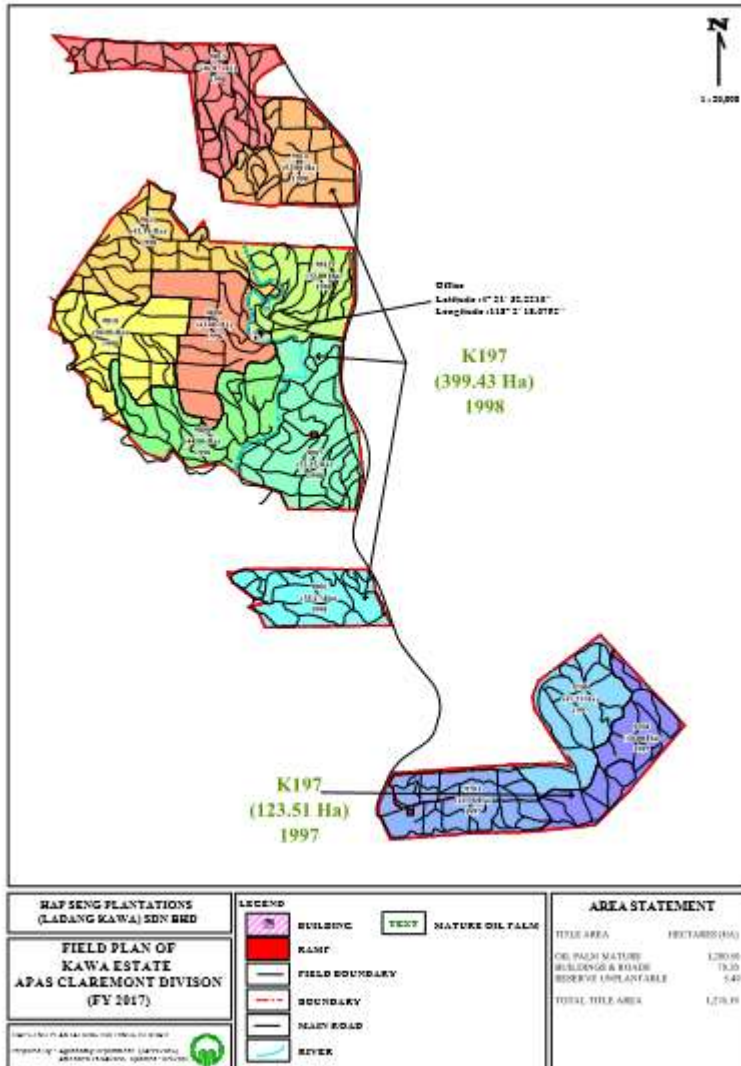
Audit Type: ASA 04

Mode of Audit: Remote



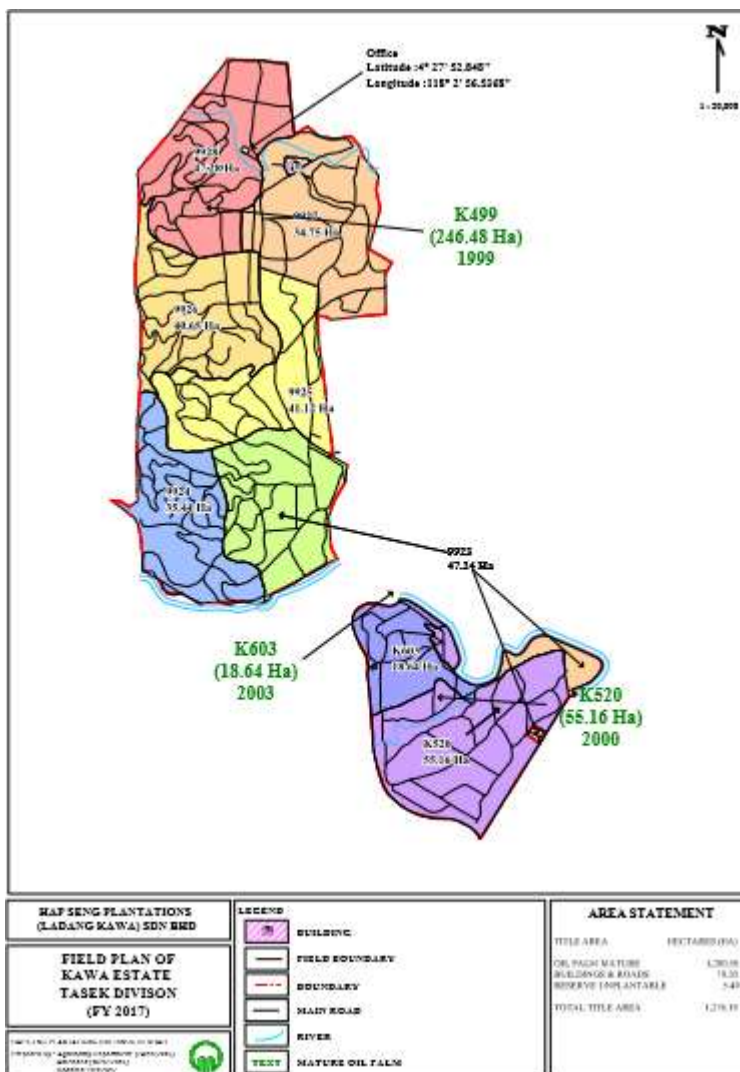
MSPO Certification Summary Report

Company Name: Hap Seng Plantations Holdings Bhd.
 Certifying Unit: Plantation Central Office Group Estate (PCO Group)
 Client Number: 92-022
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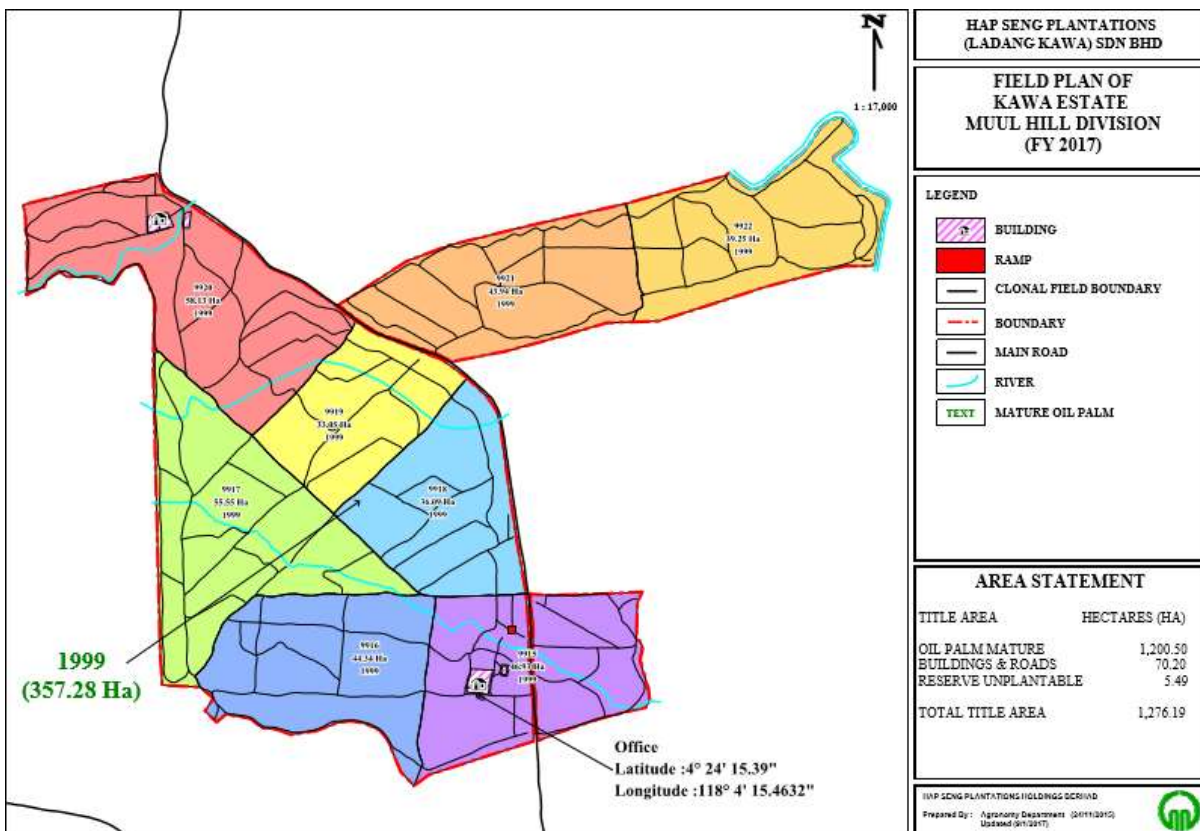
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MSPO Certification Summary Report

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MSPO Certification Summary Report

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4. CERTIFICATION ASSESSMENT

4.1. ASA 04

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

4.1.1. Surveillance:

The remote surveillance audit is conducted on 25/10/2021 to 30/10/2021 covering 4 selected estates - Northbank, Kapis, Lungmanis and Bukit Mas estate.

During the last remote surveillance audit, there is 0 Major, 0 Minor, 2 Opportunities for Improvement (OFI) are raised.

During this remote surveillance audit, there are 0 Major, 0 Minor, 1 Opportunity for Improvement (OFI) is raised.

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 4.6 of this report.

4.2. Stakeholders' Consultation

According to ACB – OPMC 4 Issue 2 dated 04/09/2020, Stakeholder Consultation Requirements Section 6: Consultation during audit, §6.1: During the stage 2 and recertification audit of the management unit, the CB shall carry out stakeholder consultation to ensure continued compliance with the requirements of the certification standards. However, stakeholders' consultation during surveillance audit may be limited to those stakeholders who have raised concerns, complaints or disputes prior to the audit.

Therefore, there is no physical stakeholders consultation conducted for this surveillance audit.

TUV NORD (Malaysia) Sdn. Bhd., has published the audit notification on 27/09/2021 to announce the audit of the certified unit. As at audit date on 25/10/2021 there are no comments received.

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 indicator or evidences and when non conformity is found. Summary of the non-conformity can be found below in section 4.6

Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
4.1.1.1	Hap Seng Plantation Holdings Berhad (HSPHB) established MSPO Policy dated 01/10/2019 signed by the Chief Executive – Group Plantations.	Yes

MSPO Certification Summary Report

Company Name: Hap Seng Plantations Holdings Bhd.

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Client Number: 92-022

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	<p>The policy established available in Bahasa Malaysia and English.</p> <p>Established MSPO policy adhere to the following key principles of Malaysia Sustainable Palm Oil (MSPO):</p> <ul style="list-style-type: none"> • Management Commitment and Responsibility • Transparency • Compliance To Legal Requirement • Social Responsibility, Health Safety and Employment Conditions • Environmental, Natural Resources, Biodiversity and Ecosystem Services • Best Practice • Development of New Planting <p>The MSPO Policy is displayed in the company website and at estates notice board.</p> <p>Briefing on the policy conducted as below:</p> <p>Northbank estate dated 30/07/2021</p> <p>Kapis estate dated 23/08/2021</p> <p>Lungmanis estate dated 19/05/2021</p> <p>Bukit Mas estate dated 18/05/2021</p> <p>Phone call interview with workers informed, they had been briefed on MSPO Policy.</p>	
4.1.1.2	<p>HSPHB established MSPO Policy state, HSPHB is committed for continual improvement practice by harnessing its resources of people processes and technology in order to ensure the continuous production of oil palm products in a sustainable manner.</p>	Yes
4.1.2.1	<p>HSPHB conduct the internal audit once a year as stated in the internal audit SOP 'Flowchart for Internal Audit System & Management Review Report' updated on 10/07/2019.</p> <p>Internal audit has identified the strong and weak point and the results are reviewed.</p> <p>Example:</p> <p>Northbank estate conduct the internal audit on 16/06/2021 to 17/06/2021 with 6 findings raised.</p> <p>Strong point: Estate management has improved on the understanding of MSPO principles</p> <p>Weak point: Estate shall improves on the safety aspect especially for training programme.</p>	Yes

MSPO Certification Summary Report

Company Name: Hap Seng Plantations Holdings Bhd.

Certifying Unit: Plantation Central Office Group Estate (PCO Group)

Client Number: 92-022

Audit Type: ASA 04

Mode of Audit: Remote



Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
4.1.2.2	<p>HSPHB established SOP for internal audit 'Flowchart for Internal Audit System & Management Review Report' updated on 10/07/2019 with a flow chart describes the process of internal audit.</p> <p>SOP established states the frequency of the internal audit is once a year.</p> <p>Example:</p> <p>Lungmanis estate conduct the internal audit on 18/05/2021. The finding raised addressed with correction and corrective action plan.</p> <p>Finding: Salary Deduction Permit expired 21/03/2021.</p> <p>Correction: To update and obtain supporting document showing that the permit is in progress to gets its renewal permit.</p> <p>Corrective action plan: Estate management will follow up the status of renewal from JTK and during the expired period, no deduction should be made.</p> <p>Remotely review the renewed JTK Salary Deduction Permit dated 27/08/2021.</p>	Yes
4.1.2.3	<p>Result of the estates internal audit are presented during the management review meeting.</p> <p>Example:</p> <p>Internal audit result for Northbank estate presented during the management review meeting held on 09/07/2021.</p> <p>Finding: Training new information and industry and technology not conducted for year 2021</p> <p>Root cause: This is due to misunderstand regarding the training from new information and industry and technology</p> <p>Correction: Estate management immediately to conduct the training for new information and industry and technology</p> <p>Status: Completed on 25/06/2021</p> <p>Remotely review the training conducted for new information and technology dated 25/06/2021</p>	Yes
4.1.3.1	<p>HSPHB conduct the management review meeting once a year after the internal audit.</p> <p>Example:</p> <p>Internal audit for Lungmanis estate conducted on 18/05/2021 and the management review meeting conducted on 01/06/2021.</p> <p>Agenda of the meeting includes:</p> <ol style="list-style-type: none"> 1. Internal and External Audit Results 2. Follow Up Actions from Earlier Management Review Meeting 3. Sustainability and Adequacy of All SOPs 	Yes

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 Certifying Unit: Plantation Central Office Group Estate (PCO Group)
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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	4. Sustainable Agriculture Policy 5. Change in Legal Requirement of Any Compliance 6. Complaint's Internal & External 7. Accident & Injury (LTA) 8. Environmental Quality 9. Waste Management 10. Energy Usage Performance 11. Status of Corrective Actions 12. Recommendation for Improvement	
4.1.4.1	HSPHB established Continual Improvement Plan (CIP) which includes pesticides, safety and health, environmental, pollution and emission, waste reduction and social and welfare. Example: CIP for Lungmanis estate established and updated on 14/07/2021. <ul style="list-style-type: none"> • Activity: Environmental • Improvement action: Protection and preservation of buffer zones in replanting areas. • Expected outcomes: All watercourses through the plantation areas have buffer zones and to be maintain or preserves the current or future replanting areas. • Timeframe: On going • Review and monitor: Evidence of established buffer zones • Person In-Charge: Estate Manager Remote photos reviewed, the buffer zone at Lungmanis estate had been mark with red paint on the palm. Remotely reviewed the quarterly monitoring record of buffer zone dated September 2021.	Yes
4.1.4.2	HSPHB established flowchart 'Action Plan for New Technology Implementation' dated October 2019 as a system to improve practices in line with new information and techniques or new industry standards and technology.	Yes
4.1.4.3	HSPHB established flowchart 'Action Plan for New Technology Implementation' dated October 2019. The flowchart indicates necessary resources including budget and training will be provided if applicable, available and feasible for adoption. Example:	Yes

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	Phone call interview with Bukit Mas Estate Manager informed there is no new technology currently implemented at the estate.	

Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.1.1	<p>HSPHB established list of stakeholders for respective estates as follows:</p> <ol style="list-style-type: none"> Northbank Estate established list of stakeholders dated 20/08/2021. Kapis Estate established list of stakeholders dated 01/01/2021. Lungmanis Estate established list of stakeholders dated 08/08/2021. Bukit Mas Estate established list of stakeholders dated 06/09/2021. <p>From document review, list of stakeholders of Northbank Estate, Kapis Estate, Lungmanis Estate and Bukit Mas Estate includes government agencies, neighboring estates, NGOs, suppliers, local villages, internal stakeholders, contractors and consultants.</p> <p>HSPHB conducted stakeholders consultation meeting for respective estates as follows:</p> <ol style="list-style-type: none"> Northbank Estate dated 27/04/2021 Kapis Estate dated 08/06/2020 Lungmanis Estate dated 11/06/2021. Bukit Mas Estate dated 15/09/2021. <p>From document review, meeting minutes include topics on prevention of COVID-19, social, environment, MSPO principle and legal matters.</p>	Yes
4.2.1.2	<p>HSPHB established list of publicly available documents ref: HSPSB P1 1120(C) last updated on 01/01/2020 which applied to all estates.</p> <p>Example of documents publicly available:</p> <ol style="list-style-type: none"> Sustainable Agriculture Policy Environmental compliance report Land titles HSPHB Annual Report Social Impact Assessment Water Management Plan <p>Example of confidential documents are:</p> <ol style="list-style-type: none"> Annual Budget Business Plan 	Yes
4.2.2.1	<p>HSPHB established SOP Stakeholder Consultation Procedure ref: HSPHB/AGRO/001 dated 30/11/2018 which applied to all estates.</p>	Yes

MSPO Certification Summary Report

Company Name: Hap Seng Plantations Holdings Bhd.

Certifying Unit: Plantation Central Office Group Estate (PCO Group)

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	<p>The procedure includes the flowcharts of stakeholder consultation process in two categories of joint consultative committee meeting which are group level and estate / mill level.</p> <p>HSPHB established Procedure 'Memohon Maklumat Syarikat' ref: HSPSB P1 1120 (C), updated on 01/01/2020 which applied to all estates.</p> <p>The procedure states that all the documents requested by stakeholders have to be recorded in 'Borang Permohonan Maklumat' and to be resolved within a week.</p> <p>From document review, the minutes of the stakeholders consultation meeting agenda include SOP Stakeholders Consultation Procedure and Procedure 'Memohon Maklumat Syarikat' have been communicated to internal and external stakeholders during the stakeholders consultation meeting in respective estates.</p>	
4.2.2.2	<p>HSPHB appointed persons in-charge for consultation and communication for respective estates as follows:</p> <ol style="list-style-type: none"> 1. Northbank Estate appointed Manager as person in-charge for consultation and communication dated 04/01/2021. 2. Kapis Estate appointed Manager as person in-charge for consultation and communication dated 15/01/2020. 3. Lungmanis Estate appointed Manager as person in-charge for consultation and communication dated 10/02/2021. 4. Bukit Mas Estate appointed Senior Manager as person in-charge for consultation and communication dated 15/06/2021. 	Yes
4.2.2.3	<p>HSPHB established Stakeholders Consultation Procedure ref: HSPHB/AGRO/001 dated 30/11/2018.</p> <p>There are two categories of Joint Consultative Committee (JCC) meeting in HSPHB stated in the SOP:</p> <ol style="list-style-type: none"> 1. Stakeholders consultation at group level: Comprises of estate management, contractors, suppliers, government agencies, NGOs, local villagers and all affected parties. 2. Stakeholders consultation at estate / mill level: Comprises of neighboring local villagers, neighboring smallholders, local contractors, gender committee, workers representative and all affected parties. <p>HSPHB have the group stakeholder meeting conducted 2 years once and estate / mill level conducted once per year according to the records reviewed and interviewed with sustainability team.</p> <p>From document review, the minutes of stakeholders consultation meeting agenda include the estate level stakeholders consultation meeting have been conducted for Northbank Estate, Kapis Estate, Lungmanis Estate and Bukit Mas Estate.</p>	Yes
4.2.3.1	<p>HSPHB established SOP Traceability System as follows:</p>	Yes

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	<p>1. Chapter 1 'CSFFB, CSPO and CSPK Traceability System - Chain of Custody' doc no: SOP/COC/001, issued 04 updated 28/02/2021.</p> <p>2. Chapter 2 'Harvesting and Loading of Fresh Fruit Bunches' doc no: SOP/COC/002, issued 03 updated 31/05/2018.</p> <p>The flowchart of FFB delivery process describes:</p> <ol style="list-style-type: none"> 1. Harvesting of FFB 2. FFB in field checking by bunch checker. 3. Counter check bunch grading in the field 4. Loader will load the FFB from the platform to the tractor/truck. 5. Submission of bunch checking form to office. 6. Field conductor will check the bunch checking form. <p>Northbank estate, Kapis estate, Lungmanis estate and Bukit Mas estate use FFB delivery notes as documents from estate for transporting FFBS to mills. Northbank estate, Kapis estate, Lungmanis estate and Bukit Mas estate received mill weighbridge ticket as a proof of FFB delivery.</p>	
4.2.3.2	<p>HSPHB established SOP Traceability System doc no: SOP/COC/001, rev. 04 updated 28/02/2021.</p> <p>Internal audit conducted as a mechanism to inspect the traceability system.</p> <p>From document review, internal audit include the result for traceability with no findings raised for Northbank Estate, Kapis Estate, Lungmanis Estate and Bukit Mas Estate.</p> <p>The FFB delivery is monitored daily and monthly basis by estate office clerk.</p>	Yes
4.2.3.3	<p>HSPHB appointed persons in-charge for traceability for respective estates as follows:</p> <ol style="list-style-type: none"> 1. Northbank Estate appointed Manager as person in-charge for traceability dated 03/05/2021. 2. Kapis Estate appointed Assistant Manager as person in-charge for traceability dated 14/01/2020. 3. Lungmanis Estate appointed Estate Manager as person in-charge for traceability dated 10/02/2021. 4. Bukit Mas Estate appointed Senior Manager as person in-charge for traceability dated 15/06/2021. 	Yes
4.2.3.4	<p>HSPHB established records of FFB delivery and kept at estate office on daily basis.</p> <p>Document review on FFB delivery for Northbank Estate, Kapis Estate, Lungmanis Estate and Bukit Mas Estate are documented, sample of</p>	Yes

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	<p>documents collected such as estate delivery chits and mill weighbridge tickets are crosschecked. . Unique number is delivery note.</p> <p>Example:</p> <p>Northbank Estate FFB delivery note information as follow:</p> <ol style="list-style-type: none"> 1. FFB delivery note No.: 24887, date: 22/10/2021 2. Field No.: B 98 H 3. Lorry Registration no.: T 70 <p>Stated on Tomanggong POM weighbridge ticket:</p> <ol style="list-style-type: none"> 1. WB ticket No.: 463634, date: 22/10/2021 2. Estate name: Northbank Estate 3. Vehicle number: T 70 4. DO. Number: 24887 5. FFB weight 5.55 mt. <p>All the stated information can be trace to Northbank Estate FFB delivery note.</p>	

Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.1.1	<p>HSPHB established list of applicable permits and licenses for all estates.</p> <p>Example:</p> <p>Estate : Northbank Estate</p> <p>MPOB License number: 50153940200</p> <p>Validity: 01/04/2020 – 31/03/2021.</p> <p>Trading Register number: R29484/2015.</p> <p>License end at: 31/12/2020</p> <p>Permit barang kawalan berjadual.</p> <p>No rujukan: KPDNKK.LDT. 900.3/1(11/2007)</p> <p>Diesel quantity: 90,000 liter, petrol quantity 500 liter.</p> <p>Validity: 05/02/2020 to 04/02/2021</p>	Yes
4.3.1.2	<p>HSPHB established legal register for group of estates and mills with latest review on 13/05/2020.</p> <p>Workers Minimum Standard of Housing & Amenities ACT 1990 (01/01/2020)</p> <p>Prevention and control Infectious Disease ACT 1988 (13/05/2020)</p> <p>- Declaration Of Infected Local Area Order 2020</p>	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
	<p>Occupational Safety and Health Act 1994 (act 514)</p> <ul style="list-style-type: none"> - Occupational safety and health (prohibition use of substance) order 1999 <p>Pesticides Act 1974 (Act 149) and Regulation</p> <ul style="list-style-type: none"> - Pesticides Act highly toxic pesticide Regulation 1996 <p>Sabah Environment Protection Enactment 2002</p> <ul style="list-style-type: none"> - Sabah Environment Protection Enactment (Prescribe Activity) (Environmental Impact Assessment) Order 2005. <p>Environment Quality Act 1974 (act 127)</p> <ul style="list-style-type: none"> - Environmental Quality (control of emission from diesel engines) Regulation 1996 	
4.3.1.3	<p>HSPHB established legal register 2020 with latest update on 13/06/2020.</p> <p>Example:</p> <ol style="list-style-type: none"> 1. Workers Minimum Standard of Housing & Amenities ACT 1990 2. Prevention and control Infectious Disease ACT 1988 <ul style="list-style-type: none"> - Declaration Of Infected Local Area Order 2020 	Yes
4.3.1.4	<p>HSPHB appointed person in charge of compliance legal requirement for each of estates.</p> <p>Example:</p> <p>Estate: Nothbank estate</p> <p>PIC: Deputy manager</p> <p>To monitor compliance and to track and update the changes in regulatory requirements.</p>	Yes
4.3.2.1	<p>HSPHB land titles are country lease issued by Director of Lands and Surveys, Sabah</p> <p>Land use Cultivation of agricultural crops of economic value.</p>	Yes
4.3.2.2	<p>HSPHB land titles are country lease issued by Director of Lands and Surveys, Sabah.</p> <p>Land use for cultivation of agricultural crops of economic value. The period of land title is 99 years and issued to River Estate Sdn. Bhd, Jeroco Plantations Sdn Bhd, Tampilit Sdn Bhd and The East Asiatic Co (M) Bhd</p>	Yes
4.3.2.3	<p>Each land title has a map with the title number and size in acre.</p> <p>The boundary stone numbers are stated in the land titles.</p> <p>Remote photo site verification on boundary stone is well maintained.</p>	Yes
4.3.2.4	<p>HSPHB land titles are issued by Director of Lands and Surveys Sabah. Therefore, no disputes or FPIC required.</p>	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.3.1	HSPHB land titles are country lease issue by Sabah Land Authority. No customary land titles listed in the summary of land titles. Therefore, no customary right encumbered.	Yes
4.3.3.2	HSPHB land titles are country lease. No customary land titles listed in the summary of land titles. Therefore, no maps established. .	Yes
4.3.3.3	HSPHB land titles are country lease. No customary land titles listed in the summary of land titles. Therefore, no FPIC or negotiated documents established.	Yes

Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.1.1	<p>HSPHB established Social Impact Assessment includes information from the survey and meeting feedback from the internal and external stakeholders.</p> <p>The SIA established in group category as below:</p> <ol style="list-style-type: none"> 1. SIA Tomanggong group of estate and Tomanggong Palm Oil Mill, date of report 18/08/2021. 2. SIA Jeroco group of estates and Jeroco Palm Oil Mill 1 & 2, date of review 19/07/2021. 3. SIA Sg. Segama group of estates and Bukit Mas Palm Oil Mill, date of review 01/03/2021. <p>SIA conducted includes external and internal stakeholders feedback.</p> <p>The SIA includes a summary of positive and negative impacts. The action and implementation is the responsibility of the estate manager</p> <p>The positive impacts are continuously promoted while negative impacts are mitigated and include in CIP for monitoring.</p> <p>The SIA will be reviewed once a year with feedback from the stakeholders.</p> <p>Example:</p> <p>Positives impact: Tremendous support given for smallholders RSPO and MSPO certification.</p> <p>Action taken: HSPHB are committed to continuously support independent smallholders for RSPO/MSPO certification.</p> <p>Negative impact: Security on border area.</p> <p>Action taken: To continue to support neighbouring estates whenever necessary.</p> <p>Interview with estate management and workers confirmed no issue regarding boundary security.</p>	Yes
4.4.2.1	HSPHB established complaints and grievance procedure which is applicable to all estates and mills.	Yes

MSPO Certification Summary Report

Company Name: Hap Seng Plantations Holdings Bhd.

Certifying Unit: Plantation Central Office Group Estate (PCO Group)

Client Number: 92-022

Audit Type: ASA 04

Mode of Audit: Remote



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>Verify SOP 'Melapor Aduan dan Permasalahan (Pihak Berkepentingan Luaran). Latest reviewed date: 31/03/2018, ref: HSPSB P1 1120.</p> <p>'Procedure Melapor Aduan and Permasalahan (Pihak Berkepentingan Luaran)'. The timeline had stated clearly on the procedure 5. Which is complaint will be solve within 30 days from the date received.</p> <p>For procedure 'Melapor aduan dan permasalahan bagi pihak berkepentingan dalaman di peringkat lading /kilang', the procedure statement 5. Had stated that the assistant manager should solve the complaint received within 2 days after the complaint received. While assistant manager is not authorized solve the complaint, the complaint will bring to manager to solve in 3 days.</p> <p>Complaint form is available in the office.</p> <p>Photo reviewed, verify visually the complaint procedure is displayed at the notice board.</p>	
4.4.2.2	<p>Reviewed on complaint log book of sample estates, no complaint lodged as at audit date.</p> <p>Example:</p> <p>Bukit Mas estate</p> <p>Review on the complaint log book verify no complaints lodged by workers and external parties.</p> <p>Phone call interview, no complaint lodged by workers.</p>	Yes
4.4.2.3	<p>HSPHB establish complaint form and logbook. Document review indicates it was available at sample estates offices</p>	Yes
4.4.2.4	<p>HSPHB conducted stakeholders meeting for Jeroco Group of Estates, Sg Segama Group of Estates and Tomanggong Group of Estates dated 27/04/2021.</p> <p>The stakeholders meeting include the company policies, social issues raised, complaint and grievance.</p> <p>Complaint and grievance procedure training is conducted by estates.</p> <p>Example:</p> <p>Kapis estate</p> <p>Latest briefing on complaint procedure is conducted on 15/06/2021.</p> <p>Phone call Interview with workers verify they are briefed on the complaint procedure and understand complaint can be made any time when is needed.</p>	Yes
4.4.2.5	<p>HSPHB established complaint log book for internal and external stakeholders.</p> <p>Document review, HSPHB maintain the records for 2018, 2019 and 2020. Verify, no complaint lodged as at audit date.</p>	Yes

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Indicator	Summary of Assessment	Compliance
	Complaint record kept in the estates offices.	
4.4.3.1	HSPHB has provide job opportunity to local communities by hiring workers, security guards, office staffs and drivers. Estate grocery shop operate by local communities.	Yes
4.4.4.1	HSPHB established the Group Safety and Health Policy dated 01/04/2015 and signed by Chief Executive - Group Plantation for all the estates. The policy states that HSPHB is committed to ensure and promote a harmonious, safe and healthy work environment for all its employees. The policy is display at estate office and workers quarters and operational areas notice boards of Northbank Estate, Kapis Estate, Bukit Mas Estate and Lungmanis Estate. Review on stakeholder's consultation minutes of meeting, the Safety and Health Policy briefing conducted to internal and external stakeholders.	Yes
4.4.4.2	a Safety and Health Policy is displayed on notice boards located at main office, workshops and stores of Northbank Estate, Kapis Estate, Bukit Mas Estate and Lungmanis Estate. The policy is displayed at the notice board in dual languages, Bahasa Malaysia and English. Safety & Health Policy been briefed to estates workers during Safety & Health Committee (SHC) meeting at Northbank Estate, Kapis Estate, Bukit Mas Estate and Lungmanis Estate. Phone call interview with estates workers informed they are briefed on company Health and Safety Policy.	Yes
	b HSPHB estates conduct HIRARC includes all relevant estate activities. Example HIRARC for Lungmanis Estate dated 20/06/2021 and Northbank Estate dated 03/02/2021. The table with headings: Activity, Hazard, Risk and Effects, Initial Risk Assessment (Consequences, Likelihood, Risk Risking), Risk Control (Existing Control, PIC), Risk Assessment after Control (Consequences, Likelihood, Risk rating, Description) and Date Review. Example: Harvesting Activity: Cutting fronds Hazard: Falling of sharpen object Causes and Effect: Injuries. Existing Risk Control: Safety helmet, cotton hand glove, high rubber boot, first aid kit, harvesting SOP training, safet goggle. Likelihood, Severity & Risk Rating: L-3, S-2, R-6 medium risk. PIC, Due Date, Status: All assistant manager, In progress	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>Remarks: Nil</p> <p>Date Review: Yearly 20/06/2021</p> <p>Phone call interview with estate workers informed they understand the risk of specific task.</p> <p>SOP harvesting training conducted on 13/03/2021 at Lungmanis Estate.</p>	
c i	<p>HSPHB established Annual Training Programme for Northbank Estate, Kapis Estate, Bukit Mas and Lungmanis Estate updated until October 2021 which includes the safe work practices of estate operation activities.</p> <p>SOP trainings for estate operation activities conducted:</p> <ol style="list-style-type: none"> 1. Chemical Spraying SOP training conducted to chemical handler's team dated 02/04/2021 for Northbank Estate. 2. Chemical Store SOP training conducted to chemical handler's team dated 02/06/2021 for Kapis Estate. 3. Chemical Handling and Storage SOP training conducted to chemical handler's team dated 12/03/2021 for Lungmanis Estate. <p>Phone call interview with estate workers informed they are briefed on safe work practices.</p>	Yes
c ii	<p>Remote photo verification on SDSs for chemicals, fertilizers and lubricants are available at estate office and storage facilities of chemicals, fertilizers, lubricants and workshop.</p> <p>Example:</p> <ol style="list-style-type: none"> 1. Weedicide-Terminator revision dated 04/03/2019. 2. Matikus revision date 22/10/2020. 3. Rhizagold revision dated 04/03/2019. <p>SDS available in dual language, English and Bahasa Malaysia.</p> <p>Remote photo verification on chemical and fertilizers are in original label packaging and stored in proper storage facilities with sufficient ventilations.</p>	Yes
d	<p>HSPHB established records of PPEs issuance for Northbank Estate, Kapis Estate, Bukit Mas Estate and Lungmanis Estate, all the PPE issuance records are maintained and updated.</p> <p>Type of PPE for activity in accordance to HIRARC and CHRA assessment is identified.</p> <p>Example: Chemical Spraying</p> <p>PPE: Nitrile hand glove, goggles, nitrile apron, mask respirator and rubber boots.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	Phone call interview with estate workers informed they are provided with PPE according to individual task.	
e	<p>HSPHB established Safe and Standard Operating Procedure (SSOP) for Chemical Handling Management with revision on 31/01/2020 which applied to all estates.</p> <p>The list of SSOP as follows:</p> <ol style="list-style-type: none"> 1. Menabur Baja, Chapter 2 2. Masuk Semula Ladang yang Terdedah kepada Racun, Chapter 4 3. Penyemburan Racun Rumpai, Chapter 5 4. Pemindahan Racun Siap Bancuh ke Ladang, Chapter 7 5. Kerja mencampur Racun Rumpai, Chapter 9 6. Penghantaran dan Pengendalian FFB/Racun/Baja, Chapter 14 7. Stor Baja dan Karung Baja, Chapter 19 8. Trunk injection, Chapter 21 9. Stor Bahan Kimia, Chapter 25 <p>Remote photo verification on chemical store is in good condition and locked. Safe and Standard Operating Procedures (SSOP) of 'Stor Bahan Kimia' is displayed at notice board.</p> <p>All chemical products are store in original label and packaging. Liquid chemical placed in tray below and powder chemical placed on top.</p>	Yes
f	HSPHB appointed estate managers as person in-charge for safety and health for respective estates.	Yes
g	<p>HSPHB estates conducted Safety and Health Committee (SHC) meeting on a quarterly basis in compliance to Occupational Safety & Health Act 1994.</p> <p>Safety and Health Committee is established for each estate represented by both management representative and workers representative.</p> <p>Example:</p> <p>Latest SHC meeting held at Bukit Mas Estate dated 10/09/2021.</p> <p>The meeting agenda includes:</p> <p>Work safety, PPE, harvesting, handling chemicals and accidents / injuries record.</p>	Yes
h	HSPHB established accident and emergency procedure with list of emergency contact persons, and emergency contact numbers and emergency evacuation plan for all estates.	Yes

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Indicator	Summary of Assessment	Compliance
	<p>The Emergency Response Procedure and emergency contact details are displayed on the notice board at estate office.</p> <p>Training conducted such as:</p> <ol style="list-style-type: none"> 1. ERP conducted for estate workers dated 22/07/2021 at Lungmanis Estate. 2. ERP conducted for estate workers dated 12/02/2021 at Kapis Estate. <p>Phone call interview with estate workers informed they are briefed on estate's Emergency Response Procedure.</p>	
i	<p>HSPHB assigned estate workers to attend the First Aid Training conducted by Malaysian Red Crescent Sandakan on 07-08/03/2020 at Bukit Mas Estate.</p> <p>For example:</p> <ul style="list-style-type: none"> • 8 employees attended the first aid training and appointed as competent first aider by Bukit Mas Estate. <p>List of first aiders displayed at all estate office notice boards.</p> <p>Photo review confirmed first aid kits available at workshop, stores and estate office managed by trained first aider.</p>	Yes
j	<p>HSPHB established monthly Accident KPI to monitor the accidents and injuries record of all the estates.</p> <p>Reviewed on the accident and injury record of Northbank Estate, Kapis Estate, Bukit Mas Estate and Lungmanis Estate, no incident more than 4 days medical leave reported from January 2021 until the audit date.</p> <p>For example, JKKP 8 form for Northbank Estate is submitted to JKKP on 07/01/2021.</p>	Yes
4.4.5.1	<p>HSPHB established 'Human Rights Policy' dated 01/10/2016, signed by Chief Executive – Group Plantations.</p> <p>The policy states 'respect and support the universal declaration of human right by the united nations for all workers, contractors, indigenous people, local communities and anyone affected by our operations.'</p> <p>Photo reviewed, verify all the estates and central clinic for Tomanggong Group and Jeroco Group notice boards display the related policy.</p> <p>Complaint and grievance record found no related complaint lodged by stakeholders.</p> <p>Stakeholders meeting conducted on 27/04/2021 on group level.</p> <p>The stakeholders meeting agenda include the company policies, social issues raised, complaint and grievance.</p> <p>Document review on stakeholder meeting verify no issue is raised related to human right.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>Phone call interview workers informed they are briefed on company policies which brief during muster morning.</p> <p>Document review on training record confirmed company policies are briefed to workers.</p> <p>Example: Kapis estate</p> <p>Briefing on company policies to worker conducted on 23/08/2021.</p>	
4.4.5.2	<p>HSPHB established 'Equal Opportunity Policy' signed by Chief Executive – Group Plantations dated 01/03/2019.</p> <p>The policy states HSPHB shall ensure the hiring, remuneration, access to training, promotion, termination or retirement will be implemented based on business needs, job requirements and individual qualifications regardless to race, religion, gender, ethnic origin, social class, caste, national origin, affiliation or any other distinguishing characteristic.</p> <p>All the estates displayed the policy at the notice board at office.</p> <p>Interview workers by phone call informed they are briefed on the non-discrimination and equal opportunity policy and practices in estates.</p> <p>All the estates will conducted the induction of company policy to new worker based on 'Senarai am induksi pekerja', which is included topic such as company policy, PPE, Safety & health and Emergency response</p> <p>Phone call interview workers informed they are briefed on company policies.</p> <p>Review on complaint logbooks from all estates, no discrimination complaint lodged by workers.</p>	Yes
4.4.5.3	<p>HSPHB established contract agreement for workers in accordance to Sabah Labour Ordinance. Workers are paid either daily rate or agreeable piece rates.</p> <p>The employment agreement verify rate of RM42.31 per day. Field workers are either piece rated or daily rated. Payslip review and verify workers are paid based on agreeable piece rates. .</p> <p>Overtime rate (during normal overtime, rest day overtime and public holiday overtime), working hours, rest day and etc are included in the employment agreement.</p> <p>The employment agreement is in Bahasa Malaysia understandable by Indonesia workers.</p> <p>Phone call interview with workers they are briefed on the employment contract signed.</p> <p>Phone call interview, workers mutually agreed with the list of piece rated established by HSPHB.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	Review on payslip, verify deduction on electricity and passport renewal in accordance with Deduction Permit from Jabatan Tenaga Kerja.	
4.4.5.4	HSPHB engage outsource replanting contractor for Lungmanis replanting programme. HSPHB monitor contractor's worker wage through payslip provided.	Yes
4.4.5.5	HSPHB established workers list contain worker containing name, gender, date of birth, date joined, type of work, wages and period of employment.	Yes
4.4.5.6	HSPHB established employment agreement for workers and signed by workers and estates management. The employment agreement is in Bahasa Malaysia and understandable by worker. The copy of employment agreement are sign by the workers and estates management. Phone call interview workers informed they are briefed on contract agreement.	Yes
4.4.5.7	HSPHB established checkroll book to record attendance of the workers on daily basis. Photo review verify working hour and overtime transparently displayed at the muster ground notice board and well maintained. Phone call interview workers informed they understand the working hours and overtime. Briefing on working hour to workers conducted on 12/04/2021.	Yes
4.4.5.8	HSPHB established working hour and breaks time for workers. The working hours for estates starts from 5:30 am to 1:30 pm with rest time from 10:30 am to 11:00 am. Phone call interview workers feedback they understand the working hours and overtime time.	Yes
4.4.5.9	HSPHB established payslip as record to document the wages and overtime of the workers. Review on payslip for September 2021, workers are paid base on agreeable piece rates by both parties. Piece rated paid to workers on harvesting, manuring and spraying as follow list of piece rated established and agreed by estates managements and workers. The phone call interviewed verify, workers informed the salary paid is in line with legal requirement and list of piece rated.	Yes
4.4.5.10	HSPHB provide benefits to workers such as medical care and SOCSO. Phone call interview workers informed they are provided with the benefits by their employer.	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.5.11	<p>HSPHB adopt the industry best practices for housing.</p> <p>Water tank, electricity chapel, surau, clinic and grocery store is provide at housing area.</p> <p>Phone call interview workers informed they are provided with housing, electricity and water supply</p>	Yes
4.4.5.12	<p>HSPHB established Sexual Harassment, Violence and Abuse Policy has been established and documented dated 20/11/2017 signed by Chief Executive – Group Plantations.</p> <p>HSPHB established Gender committee join by among the female staffs and workers.</p> <p>Photo review, verify the policy display at all estate notice board.</p> <p>Review on gender meeting minutes and phone call interview with female workers verify no related cases on sexual harassment lodged.</p> <p>Example:</p> <p>Northbank estate</p> <p>Verify the 'Mesyuarat dan Taklimat Mencegah Gangguan Seksual & Keganasan di Tempat kerja Perwaklian Jantina (Wanita)' dated 10/05/2021.</p> <p>The meeting includes workers and staffs. The gender meeting discuss on sexual harassment and violence policy, the rights between male & women workers at workplace, reporting method and others matter.</p> <p>Phone call interview with workers informed they are briefed on Sexual harassment and violence policy.</p>	Yes
4.4.5.13	<p>HSPHB established Policy on Freedom of Association and Right to Collective Bargaining dated 01/03/2019 signed by Chief Executive – Group Plantations.</p> <p>The policy states HSPHB shall recognize and respects the rights of employees to join trade unions of their choice and bargain collectively subject to the provisions of relevant national legislation.</p> <p>Policy on Freedom of Association and Right to Collective Bargaining states as below:</p> <ol style="list-style-type: none"> 1. Non-discrimination practices on no discrimination, no forms of forced labour or trafficked labour. 2. Employee contract 3. Decent living condition (given freedom express discontent through JCC, equality opportunity). <p>Example:</p> <p>Northbank estate</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>JCC meeting conducted on 19/05/2021 involved management and workers representative.</p> <p>Document review, JCC minutes of meeting agenda includes company policies, complaint procedures, safety and good agricultural practices implemented in Northbank Estate.</p>	
4.4.5.14	<p>HSPHB established Child Labour Policy dated 02/01/2017 signed by Chief Executive – Group Plantations.</p> <p>Review on the workers list updated 30/09/2021 confirmed workers are above the minimum age of employment.</p> <p>Phone call interview workers informed they are briefed on company policies during morning muster.</p> <p>Document review on briefing record verify the briefing on Child Labour Policy to workers.</p> <p>Example: Kapis estate Briefing on Child Labour Policy to worker conducted on 23/08/2021.</p>	Yes
4.4.6.1	<p>HSPHB established training and briefing program for the year 2021.</p> <p>Example of training conducted at Kapis estate:</p> <ol style="list-style-type: none"> 1. Air compressor conducted on 02/07/2021 2. First Aid conducted on 20/01/2021 3. Scheduled wastes conducted on 04/04/2021. <p>Review on the training record includes summary of the training, material, photo and attendance list.</p> <p>Phone call interview with workers informed they are briefed on work procedures</p>	Yes
4.4.6.2	<p>HSPHB established training program for year 2021 based on the job description of the employees.</p> <p>Example training for Lungmanis estate:</p> <ul style="list-style-type: none"> • Title: First Aid • Target: Store operator • Date: 07/07/2021 <p>Record of the first aid training includes summary report, photos, material and attendance list is verified.</p>	Yes
4.4.6.3	<p>HSPHB established continuous training program for year 2021 by monthly basis which includes company policies and SOPs, safety and health as well as environmental aspects.</p> <p>Example: Northbank estate</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	1. Chemical storage in December 2021. 2. Beneficial plants in December 2021.	

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	<p>HSPHB established Environmental Policy dated 15/11/2018 signed by the Chief Executive – Group Plantations.</p> <p>The policy states committed to protect environmentally and conserve biodiversity for future generations and complying with all relevant environmental legislations of the country.</p> <p>HSPHB establish Environmental Impact Assessment, Management Action Plan and Continuous Improvement Plan by group as follows:-</p> <p>Jeroco Group of Estates dated 10/07/2021 Tomanggong Group of Estates dated 19/08/2021 and SSGOEs dated 01/03/2021.</p> <p>The plan includes the activities, environmental aspects, environmental impacts, actions plan, CIP, timeframe, responsibility, and remarks.</p> <p>During remote photo review, Environmental Policy is displayed at estates notice boards and workers housing.</p> <p>During phone call interviewed with workers informed they have been briefed on environmental impact and environmental policy.</p> <p>Example:</p> <p>Northbank estate: Environment policy training conducted on 07/08/2021.</p> <p>Kapis estate: Environment policy training conducted on 23/08/2021.</p> <p>Lungmanis estate: Environment policy training conducted on 17/02/2021.</p> <p>Bukit Mas estate: Environment policy training conducted on 18/05/2021.</p>	Yes
4.5.1.2	<p>a HSPHB established Environmental Policy dated 15/11/2018 signed by Chief Executive – Group Plantations.</p> <p>HSPHB are committed to protect environment and conserve biodiversity for future generations. Shall strive to maintain good balance between environmental conservation and business objectives through:</p> <ul style="list-style-type: none"> - Establish appropriate infrastructures and responsibility for environmental affairs within the organization and carry out 	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services								
Indicator	Summary of Assessment	Compliance						
	<p>appropriate and routine assessment and reporting procedures on such issues.</p> <ul style="list-style-type: none"> - Undertake to carry out EIA studies on new land developments in compliance with Environmental Protection Department and Department of Environment requirements. - Complying with all relevant environment legislation of the country. 							
b	<p>HSPHB establish Environmental Impact Assessment Management Action Plan and Continuous Improvement Plan.</p> <p>Jeroco Group of Estates dated 10/07/2021 Tomanggong Group of Estates dated 19/08/2021 and Sg Segama Group of Estates dated 01/03/2021.</p> <p>Example of activities:</p> <p>Harvesting, manuring, spraying, manuring, pest infestation, transportation EFB / FFB / workers, office work, workshop and scheduled waste store, chemical and fertilizer store, diesel tank, generator house, housing area, landfill, scrap metal, HCV, nursery, replanting and chemical mixing.</p> <p>Appendix 4: EIA, Management actions plans and CIP for Jeroco Group of Estates.</p> <p>The EIA includes a table:</p> <p>Example:</p> <table border="1"> <thead> <tr> <th>Activities</th> <th>Environmental aspects</th> <th>Environmental impacts</th> </tr> </thead> <tbody> <tr> <td>Landfill</td> <td>Disposal of domestic wastes</td> <td>Negative impacts contamination of surface and groundwater source.</td> </tr> </tbody> </table> <p>During remote document review on maps and photos, the landfill is located at specific area and managed appropriately.</p>	Activities	Environmental aspects	Environmental impacts	Landfill	Disposal of domestic wastes	Negative impacts contamination of surface and groundwater source.	Yes
Activities	Environmental aspects	Environmental impacts						
Landfill	Disposal of domestic wastes	Negative impacts contamination of surface and groundwater source.						
4.5.1.3	<p>HSPHB establish Environmental Impact Assessment Management Action Plan and Continuous Improvement Plan.</p> <p>The plan includes mitigation of negative impacts identified.</p> <p>Example:</p> <p>Activity: Manuring</p> <p>Source: Fertilizer</p> <p>Category: Solid</p> <p>Environmental impacts: Negative impacts of pollution through run-off and leaching</p> <p>Mitigate to avoid fertilizer run-off, estates must avoid application of fertilizer along the stream or riparian reserve and not to apply fertilizer during raining or at flooded area.</p>	Yes						

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Principle 5: Environment, natural resources, biodiversity and ecosystem services								
Indicator	Summary of Assessment	Compliance						
	<p>Positive impacts: Improvement of the oil palm yield and soil fertility due to effective fertilizer application.</p> <p>During remote photo review, there are no manuring activity conducted as the area is marking with red colour and install with appropriate signage and well maintained.</p> <p>During phone call interviewed with manuring and spraying workers informed, no chemical spraying and manuring conducted within the stream or riparian area.</p>							
4.5.1.4	<p>The EIA includes the table to promote the positive impacts.</p> <p>Example:</p> <p>Activity: Harvesting</p> <p>Environmental aspects: Pruned oil palm frond</p> <p>Positive impacts: Minimize soil erosion by stacking frond</p> <p>Actions plan: Harvesting carried out as per HSPHB OPAP 13.</p> <p>CIP: Continue for progressive pruning. The pruning standard is closely monitor by agronomist department.</p> <p>Timeframe: On going implementation</p> <p>Remarks: Oil Palm Agriculture Policy (OPAP)</p> <p>During remote photos review of estates field, the pruned oil palm frond is properly arrange within the palm rows.</p>	Yes						
4.5.1.5	<p>HSPHB established training programme year 2021. The training programme has include environmental policy training.</p> <p>Example:</p> <p>Kapis estate established training program for year 2021.</p> <p>Environment policy training conducted on 23/08/2021. The attendance list and photos is documented and maintained.</p> <p>During phone call interview, the workers informed they have been briefed on environmental aspect, safety and health and impact on environments.</p>	Yes						
4.5.1.6	<p>HSPHB conduct quarterly environmental meetings with staff and workers.</p> <p>The meeting agenda includes the agenda of workshop operation, scheduled wastes, recycling program, manuring, spraying, harvesting, riparian zone and landfill.</p> <p>The latest meeting conducted at each estates as follow:</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Northbank</td> <td>20/09/2021</td> </tr> <tr> <td>Kapis</td> <td>06/09/2021</td> </tr> </tbody> </table>	Estate	Date	Northbank	20/09/2021	Kapis	06/09/2021	Yes
Estate	Date							
Northbank	20/09/2021							
Kapis	06/09/2021							

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Principle 5: Environment, natural resources, biodiversity and ecosystem services															
Indicator	Summary of Assessment		Compliance												
	Lungmanis	20/08/2021													
	Bukit Mas	28/09/2021													
4.5.2.1	<p>HSPHB established fossil fuels management plan records include 5 years baseline for diesel consumption from 2016 to 2020 for all estates.</p> <p>Example:</p> <p>Northbank estate established baseline for diesel consumption for 5 years from 2016 to 2020.</p> <p>The baseline from 2016 to 2020 are used for monitoring diesel consumption in year 2021. Fuel consumption records for month of January until Sept 2021 compared with baseline established.</p> <p>There are fluctuation due to volume of crop production. Diesel consumption per mt of FFB monitored as part of control measure.</p> <p>Estates established graph pattern and summary of diesel consumption on monthly and yearly basis for effective monitoring.</p>		Yes												
4.5.2.2	<p>HSPHB established budget for fuel consumption year 2021 of all estates.</p> <p>Example:</p> <p>Northbank estate established budget for fuel consumption for year 2021. The actual diesel consumption for the month of January until September 2021 is recorded and maintained.</p> <p>The fuel consumption records indicate the actual fuel consumption is higher against the budgeted due to high volume of crop productions.</p>		Yes												
4.5.2.3	<p>HSPHB use renewable energy from biogas plant to generate electricity for housing at Sg Segama complex including Bukit Mas estate and Kapis estate.</p> <p>During remote photos review, solar panels for electric fencing available at estates boundary.</p>		Yes												
4.5.3.1	<p>HSPHB established Waste Management Plan for each estates group consists of list of wastes generated for JGOEs dated 10/07/2021, TGOEs dated 19/08/2021 and SSGOEs dated 01/03/2021.</p> <p>There are 3 types of waste identified in the WMP includes solid, liquid and gaseous.</p> <p>Example type of wastes and sources:</p> <table border="1"> <thead> <tr> <th>Type</th> <th>Waste</th> <th>Source</th> </tr> </thead> <tbody> <tr> <td>Solid</td> <td>Chemical container</td> <td>Agricultural</td> </tr> <tr> <td>Liquid</td> <td>Mixing chemical and rinsing containers</td> <td>Farm</td> </tr> <tr> <td>Gaseous</td> <td>Carbon Monoxide</td> <td>Farm tractor</td> </tr> </tbody> </table> <p>Example:</p>		Type	Waste	Source	Solid	Chemical container	Agricultural	Liquid	Mixing chemical and rinsing containers	Farm	Gaseous	Carbon Monoxide	Farm tractor	Yes
Type	Waste	Source													
Solid	Chemical container	Agricultural													
Liquid	Mixing chemical and rinsing containers	Farm													
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MSPO Certification Summary Report

Company Name: Hap Seng Plantations Holdings Bhd.

Certifying Unit: Plantation Central Office Group Estate (PCO Group)

Client Number: 92-022

Audit Type: ASA 04

Mode of Audit: Remote



Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>Bukit Mas estate</p> <p>During remote document review on waste inventory records, collection by authorized contractor dated 17/09/2021, the transaction are documented and maintained.</p> <p>During remote photo review, the wastes and sources of wastes are identified and monitored accordingly.</p>	
4.5.3.2	<p>a HSPHB established waste management plan dated 19/08/2021 for TGOEs.</p> <p>Example:</p> <p>Type of waste: Spill liquid chemical during transporting and mixing</p> <p>Source: Agricultural</p> <p>Category: Liquid</p> <p>Reduce: Procedure established to avoid and react to incident of spillage.</p> <p>Treatment: Containment, cleaning using spill kit</p> <p>During remote photos review in chemical store, there is no spillage sighted. During phone call interview with chemical spraying workers informed they have been briefed on use of spill kit when spillage occur.</p>	Yes
	<p>b HSPHB established list of wastes and continuous improvement management plan includes re-cycle, reuse and reduced of wastes.</p> <p>Example:</p> <p>Activity: Pruning</p> <p>Pruned oil palm fronds: Reused to enhance soil nutrient, retain soil moisture and reduce soil moisture.</p> <p>During remote photo review, the pruned oil palm fronds is use to minimize soil erosion and as nutrient to the soil.</p> <p>Activity: Chemical spraying</p> <p>Empty chemical container: Reused after conducted triple rinsed.</p> <p>During remote photo review at chemical spraying field, the empty chemical containers reused for chemical spraying activities.</p>	Yes
4.5.3.3	<p>HSPHB established SOP Triple Rinse Used Chemical Container date 2016 doc no HSPSB/SSOP/6-17 new update 02/03/2017.</p> <p>HSPHB established SOP scheduled waste date 2016 doc no: HSPSB/SSOP/15-17 updated review on 02/03/2017.</p> <p>SOP describe empty chemical containers to be punctured, stored and collect by authorize contractor.</p> <p>Example:</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services																		
Indicator	Summary of Assessment	Compliance																
	<p>Lungmanis estate</p> <p>During remote document review on scheduled wastes inventory record, all scheduled waste are properly recorded as at September 2021.</p> <p>During remote photo review, the scheduled wastes is properly labelled and arrange appropriately in the scheduled wastes store.</p>																	
4.5.3.4	<p>HSPHB established list of wastes and continuous improvement management plan dated 19/08/2021 for Tomanggong Group of Estates.</p> <p>The plan includes managing of empty chemical containers.</p> <p>Empty chemical containers are wash and rinsed 3 times, punctured, stored and disposed by DOE authorised collector.</p> <p>Collection by authorized contractor within 180 days or 6 month as per DOE requirements.</p> <p>During remote documents review, records of collecting scheduled wastes for Bukit Mas estate dated 17/09/2021 by authorised contractor is archived and maintained.</p>	Yes																
4.5.3.5	<p>HSPHB domestics wastes generated from estates are disposed at landfill sites with distance far from housing and water source as indicate in the estates map.</p> <p>During remote photos review, landfill signage is install to indicate opening and closing date, with a proper fencing and only domestic wastes is disposed in the landfill.</p>	Yes																
4.5.4.1	<p>HSPHB established Environmental Impact Assessment, Management Action Plans and Contiguous Action Plan includes table describing the list of wastes and sources generated with category solid, liquid and gaseous.</p> <p>Example:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Source</th> <th>Waste</th> <th>Disposal / treatment method</th> </tr> </thead> <tbody> <tr> <td>Solid</td> <td>Workshop</td> <td>Used battery</td> <td>3rd party authorised scheduled wastes collector</td> </tr> <tr> <td>Liquid</td> <td>Workshop</td> <td>Maintenance oil</td> <td>3rd party authorised scheduled wastes collector</td> </tr> <tr> <td>Gaseous</td> <td>Farm tractor / Generator set</td> <td>Smoke emission</td> <td>Regular maintenance of machines.</td> </tr> </tbody> </table> <p>During remote document review on scheduled waste inventory records, wastes are identified on their categories. The records indicates the incoming wastes and disposal of wastes.</p>	Category	Source	Waste	Disposal / treatment method	Solid	Workshop	Used battery	3 rd party authorised scheduled wastes collector	Liquid	Workshop	Maintenance oil	3 rd party authorised scheduled wastes collector	Gaseous	Farm tractor / Generator set	Smoke emission	Regular maintenance of machines.	Yes
Category	Source	Waste	Disposal / treatment method															
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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>Further verification with consignment records from authorised contractor, the scheduled wastes has been collected within 6 month and quantity are not more than 20mt.</p> <p>Example: Kapis estate</p> <p>The latest scheduled wastes collection by authorised contractor dated 13/09/2021 and the previous scheduled wastes collection by authorised contractor dated 17/03/2021.</p>	
4.5.4.2	<p>HSPHB established Environmental Impact Assessment, Management Action Plans and Continuous Action Plan include a table fossil management plan describing source, environmental impact and mitigation measure / action taken.</p> <p>Example: Source: Generator set Fuel: Diesel</p> <p>Environmental Impact: Release of gaseous NOx, Sox and CO to the atmosphere may effect to human health such as lung cancer.</p> <p>Mitigation measure: Regular servicing of the generator set for smooth running of engines and prevent excessive emission of greenhouse gas.</p> <p>Remarks: Continuous monitoring</p> <p>Example: Bukit Mas estate</p> <p>During document review on generator set service records dated 30/09/2021, the mitigation measure to reduce significant pollutions is documented and maintained.</p>	Yes
4.5.5.1	<p>a</p> <p>Water Management Plan established by Tomanggong Group of Estates updated on 20/08/2021, Jeroco Group of Estates dated on 16/07/2021 and Sg. Segama Group of Estates dated on 01/03/2021 has identified water source and usage.</p> <p>Example: NorthBank, Kapis, Lungmanis and Bukit Mas estates: Water source: Rain water and water catchment pond Water usage: Domestic usage and field operations.</p>	Yes
	<p>b</p> <p>HSPHB monitor upstream and downstream water quality for all estates by conducting water quality test on quarterly basis.</p> <p>Example: North Bank estate, Kapis estate, Lungmanis estate and Bukit Mas estate.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	During remote document review, latest water analysis test conducted on 20/10/2021, the result is within the limits of Class IIB and Class III under National Water Quality Standard for Malaysia (NWQSM)	
c	<p>HSPHB group established rainfall records to manage water usage for domestics and field operations.</p> <p>Empty chemical containers rinsing water recycle for chemical premix.</p> <p>HSPHB estates established the residential & utility building inspection records weekly buildings checking to monitor any leakage of water.</p> <p>Example:</p> <p>Kapis estate: Latest inspection conducted on 07/06/2021.</p> <p>Bukit Mas estate: Latest inspection conducted on 08/09/2021.</p>	Yes
d	<p>HSPHB established SOP Riparian zone, doc HSPSB/SOP/15-17 dated 2016 and updated 2017.</p> <p>The SOP describes no fertilizer and chemical spraying activities at buffer zone areas.</p> <p>Water Management Plan established by Tomanggong Group of Estates updated on 20/08/2021, Jeroco Group of Estates dated on 16/07/2021 and Sg. Segama Group of Estates dated on 01/03/2021 include water conservation and protection of waterways.</p> <p>Example:</p> <p>During remote photos review on riparian area at Kapis, Lungmanis and Northbank estates observed riparian area maintained with palms trees marked with red colour.</p> <p>During phone call interview with spraying and manuring workers informed they have been briefed and understood that spraying and fertilizing activities are prohibited at buffer zone area.</p>	Yes
e	<p>Water Management Plan established by Tomanggong Group of Estates updated on 20/08/2021, Jeroco Group of Estates dated on 16/07/2021 and Sg. Segama Group of Estates dated on 01/03/2021</p> <p>The water management plan describes under point 5.2; buffer zone/riparian reserve of the streams and rivers natural vegetation is allowed to grow naturally and the streams to be rehabilitated with riparian reserve.</p> <p>Example:</p> <p>During remote photo review at Sungai Segama located within Northbank estate, there are no vegetation removed identified.</p>	Yes
f	<p>Water Management Plan established by Tomanggong Group of Estates updated on 20/08/2021, Jeroco Group of Estates dated on 16/07/2021 and Sg. Segama Group of Estates dated on 01/03/2021</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>describes that source of water supply are from rain water and water ponds.</p> <p>During phone call interview with the Lungmanis Estate Manager and workers informed water source are supply from rain water and water pond, bore well is not applicable in HSPSB.</p>	
4.5.5.2	During remote photo review on Sungai Segama within the Northbank estate observed no construction of bunds or weirs.	Yes
4.5.5.3	<p>Water Management Plan established by Tomanggong Group of Estates updated on 20/08/2021, Jeroco Group of Estates dated on 16/07/2021 and Sg. Segama Group of Estates dated on 01/03/2021 describes that rain harvesting is practices by estates.</p> <p>Example:</p> <p>During remote photos review of worker housing at Kapis and Lungmanis estates observed rain gutter is installed to collect rain water.</p>	Yes
4.5.6.1	<p>a HSPHB established Potential High Conservation Value (HCV) Area Assessment Report include identification type of biodiversity habitat and wildlife that might effected by plantation activities. List of identified wildlife:</p> <ol style="list-style-type: none"> 1. Bearded pig 2. Pig tailed Macaque 3. Marron leaf monkey 4. Oriental Small-clawed otter <p>HSPHB established monthly monitoring checklist for RTE species and potential HCV area.</p> <p>Example:</p> <p>Bukit Mas estate conducted monthly monitoring checklist dated 27/09/21, inspected by field conductor at block 95 / 01. Wildlife sighted is Jungle Fowl.</p>	Yes
	<p>b During remote photos review at Lungmanis estate notice boards, the policy and type of protected animal species according to Sabah wildlife schedule 1, 2 & 3 and location of potential HCV of the respective estates is properly displayed.</p> <p>During phone call interview with workers informed, they have been briefed on protected wildlife such as Snake, Wild Boar, Jungle Fowl and no illegal hunting within the plantations areas.</p>	Yes
4.5.6.2	<p>a HSPHB established Rare, Threatened & Endangered species policy dated 20/11/2017 approved by Chief Executive - Group Plantation states that:-</p> <ul style="list-style-type: none"> • HSPHB committed to work together with Sabah Wildlife Department and Sabah Forestry Department and continue to 	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>support the local, national and international efforts in the RTE species conservation strategies.</p> <ul style="list-style-type: none"> Educating our employees and stakeholders on hunting legislation and penalties of Sabah Wildlife Conservation Enactment 1997 and Malaysia Wildlife Conservation Act 2010 to prohibit hunting activities throughout our plantation operations. <p>During remote photo review, signboard on prohibition of illegal hunting and type of RTE species is installed and displayed at estate main entrance gate and HCV areas.</p>	
b	<p>HSPHB established 2 policies and a SOP that addressed on illegal or inappropriate hunting, fishing or collecting activities and developing responsible measures to resolve human-wildlife conflicts.</p> <ol style="list-style-type: none"> Sustainable Agriculture Policy dated 15/08/2019, policy stated that prohibit hunting, capturing, poaching, injury, possession and killing animals especially Rare, Threatened and Endangered (RTE) species. It also stated that HSPHB is committed to promote the conservation and development of biodiversity within HSPHB group of plantations. Rare, Threatened & Endangered Species Policy dated 20/11/2017, stated the management will take appropriate action to call the authorities of Department of Wildlife or the police if found any activity on hunting, capturing, poaching, injury, possession and killing the RTE species. SOP Riparian Zone (HSPSB/SOP/16-17) reviewed on 31/01/2017. SOP stated that fishing is prohibited on riparian zone. <p>During phone call interview with workers informed, they have been briefed on protection of wildlife and penalty in hunting or capturing any wildlife.</p> <p>During remote photos review on signage established at estates, there is penalty for hunting information stated.</p> <p>Example:</p> <p>Briefing on RTE species and protection of wildlife are as follows:</p> <p>Northbank estate carried out on 25/01/2021.</p> <p>Kapis estate carried out on 29/03/2021.</p> <p>Lungmanis estate carried out on 14/06/2021</p> <p>Bukit Mas estate carried out on 13/09/2021</p>	Yes
4.5.6.3	<p>HSPHB established monitoring programme of wildlife on monthly basis.</p> <p>Example:</p> <p>During remote documents review:</p> <p>Northbank estate: Monthly monitoring record dated 18/09/21 inspected by field conductor at block B / 11F. Wildlife sighted is Lizard.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>Kapis estate: Monthly monitoring record dated 29/03/21 inspected by field conductor at block 98 / 04. Wildlife sighted is Crane Bird. During the latest inspection on 25/09/2021, there is no wildlife sighted.</p> <p>Lungmanis estate: Monthly monitoring record dated 28/08/21 inspected by field conductor at block RP/ 18 / 06. Wildlife sighted Wild Boar.</p> <p>Bukit Mas estate: Monthly monitoring record dated 27/09/21 inspected by field conductor at block 95 / 01. Wildlife sighted is Jungle Fowl.</p>	
4.5.7.1	<p>HSPHB established Sustainable Agriculture Policy dated 15/08/2019, policy describe on implementation of strict zero burning policy practised for all their operations.</p> <p>HSPHB – Oil Palm Agricultural policy (OPAP) reference: OPAP No.2 dated October 2014 Point no.2 states that HSPHB adopts zero burn policy for replanting.</p> <p>During remote photos review at estates field, housing and landfill area observed no sign of burning sighted.</p> <p>During remote photo review at replanting area in Lungmanis estate observed no sign of burning.</p>	Yes
4.5.7.2	<p>During remote photos review at Lungmanis estate, no disease observed at field operations that required burning method to be treated. Therefore, no special approval for open burning from relevant authorities.</p> <p>During phone call interview with Lungmanis Estate Manager informed, there is no outbreak disease occur within the replanting area.</p>	Yes
4.5.7.3	<p>During remote photos review at replanting area Lungmanis estate, there are no disease observed at field operations that required burning method to be treated. There are no application documents required for approval of controlled burning.</p>	Yes
4.5.7.4	<p>During remote photos review at replanting area in Lungmanis estate observed no sign of burning.</p>	Yes

Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	<p>HSPHB established Standard operating procedure (SOP) updated on 06/10/2020. The SOPs covers all estates operations.</p> <p>Example of SOPs:</p> <ol style="list-style-type: none"> 1. Harvesting updated on 2018. 2. Manuring updated on 2017. 3. Chemical spraying updated on 2017 4. Infectious disease, pandemic, covid-19 & natural disaster updated on 2020 	Yes

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Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
	<p>All estates has conducted SOP training.</p> <p>Example:</p> <p>Northbank Estate</p> <ol style="list-style-type: none"> 1. Training SOP for 3R recycle dated 27/01/2021. 2. Training SOP for diesel tank operation dated 17/02/2021. 3. Training SOP for scheduled wastes dated 20/06/2021 <p>Phone call interviewed with workers informed the briefing and implementation of Covid-19 precaution has been carried out.</p> <p>Review on documents provided, photos and recorded videos, estates has implements best practices;</p> <ol style="list-style-type: none"> 1. Proper fronds stacked 2. Planting of beneficial plant at replanting area 3. Good palm circle maintenance 	
4.6.1.2	<p>HSPHB established procedure for soil conservation and terracing - HSPHB OPAP No. 3 amended May 2016.</p> <p>The SOP describe planting on slope, degree and management plan to prevent soil erosion.</p> <p>HSPHB establish procedure Ref no HSPHB OPAP No 9 date: 01/04/1994 and revised: Jan 2016 describe 3 methods for soil organic matter preservation for the upkeep of mature oil palms.</p> <ol style="list-style-type: none"> 1. Vegetation maintain in inter-row to minimise soil erosion, improve soil physical properties and organic status using legume cover crop (LCC), and other soft grasses. 2. Platforms for soil erosion, fertilizer wash-off and facilitate harvesting and fruit collection. 3. EFB application to maintain the soil moisture and erosion. <p>Example:</p> <p>Bukit Mas Estate / Kapis Estate / Northbank Estate</p> <p>Site photo verification with maps and photos sighted there are no planting on slopes above 25° and cover crops planted to maintain soil moisture and prevent soil erosion.</p> <p>Lungmanis Estate</p> <p>Remotely reviewed the altitude of terrace using tool 'GPS Coordinate Malaysia' at block RP21 is 45 m from sea level and below 25°.</p> <p>From photo review and phone call interview with manager informed replanting block at Lungmanis estate not planted at slope areas.</p>	Yes
4.6.1.3	<p>HSPHB established block marker to identifying block number, field size, planting material, estate and year of planting.</p>	Yes

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Principle 6: Best Practices																																																		
Indicator	Summary of Assessment	Compliance																																																
	<p>Example:</p> <p>Estate: Lungmanis Estate</p> <p>Block: RP21</p> <p>Planting year: 2021</p> <p>Ha: 38</p> <p>Planting material: AAR</p>																																																	
4.6.2.1	<p>HSPHB established 5 years budget from 2021 to 2025 dated 31/03/2021. The budget include the following:</p> <ol style="list-style-type: none"> 1. FFB projections 2. Yields/ha 3. Cost/ha 4. Cost/ton. 5. Building budget 	Yes																																																
4.6.2.2	<p>HSPHB established Replanting Programme from 2021 until 2031 dated 25/08/2021 for all group of estates.</p> <p>Example:</p> <p>Bukit Mas Estate:</p> <table border="1"> <thead> <tr> <th>Program</th> <th colspan="3">Re-Planting area Ha in each estate</th> </tr> </thead> <tbody> <tr> <td>Year</td> <td>2023</td> <td>2024</td> <td>2028</td> </tr> <tr> <td>Ha</td> <td>269.50</td> <td>269.00</td> <td>230.00</td> </tr> </tbody> </table> <p>Kapis Estate:</p> <table border="1"> <thead> <tr> <th>Program</th> <th colspan="3">Re-Planting area Ha in each estate</th> </tr> </thead> <tbody> <tr> <td>Year</td> <td>2024</td> <td>2025</td> <td>2027</td> </tr> <tr> <td>Ha</td> <td>448</td> <td>348</td> <td>373</td> </tr> </tbody> </table> <p>Lungmanis Estate:</p> <table border="1"> <thead> <tr> <th>Program</th> <th colspan="3">Re-Planting area Ha in each estate</th> </tr> </thead> <tbody> <tr> <td>Year</td> <td>2021</td> <td>2022</td> <td>2025</td> </tr> <tr> <td>Ha</td> <td>321</td> <td>458</td> <td>337</td> </tr> </tbody> </table> <p>Northbank Estate:</p> <table border="1"> <thead> <tr> <th>Program</th> <th colspan="3">Re-Planting area Ha in each estate</th> </tr> </thead> <tbody> <tr> <td>Year</td> <td>2026</td> <td>2027</td> <td>2028</td> </tr> <tr> <td>Ha</td> <td>350</td> <td>205</td> <td>255</td> </tr> </tbody> </table>	Program	Re-Planting area Ha in each estate			Year	2023	2024	2028	Ha	269.50	269.00	230.00	Program	Re-Planting area Ha in each estate			Year	2024	2025	2027	Ha	448	348	373	Program	Re-Planting area Ha in each estate			Year	2021	2022	2025	Ha	321	458	337	Program	Re-Planting area Ha in each estate			Year	2026	2027	2028	Ha	350	205	255	Yes
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Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.2.3	HSPHB established business management plan dated 25/08/2021 includes: <ol style="list-style-type: none"> 1. FFB projection (Mt) 2. Yield/Ha (Mt/Ha) 3. Estate operating cost/mt 4. Planting material 5. Capex 6. Revenue, profit & loss 	Yes
4.6.2.4	HSPHB established monthly progress report include FFB production, yield production expenses, capex expenses to compare against the projection.	Yes
4.6.3.1	HSPHB purchase fertilizers from supplier by issuing purchase order describing the product, price terms of payment and quantity required.	Yes
4.6.3.2	HSPHB purchase chemicals from supplier basing on the chemical quotation received from supplier. HSPHB issue purchase order for purchase of chemical based on the quotation from supplier with agreed price and terms of payment. Payment made timely according to the agreed terms and conditions.	Yes
4.6.4.1	HSPHB engage outsourced replanting contractor for Lungmanis Estate. Review on contract agreements under point (e) describes contractor shall understand the requirements of MSPO and participate in trainings related to sustainability certification standard requirements carry out by HSPHB.	Yes
4.6.4.2	HSPHB engage outsourced replanting contractor for Lungmanis Estate. Contract agreements are review has been duly signed by both parties prior commence of work.	Yes
4.6.4.3	HSPHB engage outsourced replanting contractor for Lungmanis Estate. Contract agreements are review in point (e) describes that relevant sustainability certification body have the access to contractor or operation when required.	Yes
4.6.4.4	HSPHB engage outsourced replanting contractor for Lungmanis Estate. HSPHB monitor the completion of the contractor work via progress payment claim and contractor completion certificate.	Yes

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Principle 7: Development of new planting		
Indicator	Summary of Assessment	Compliance
4.7.1.1	The planting statements are review. There is no new planting at HSPHB. Example: The 1 st replanting in Kapis estate in year 2016 while 1 st planting in year 1996. Replanting statements of each estates is review. There is replanting conducted in Lungmanis estate. Environmental Compliance Report for replanting project of for 10 years (2021 – 2030) at Hap Seng Group of Estates is in progress for completion.	Yes
4.7.1.2	The planting statements are review. There is no new planting in HSPHB group estates. Replanting statements for the group review has a total of 13,906 Ha and therefore, EIA is required. In this aspect, Environmental Compliance Report for replanting project of 13,906 Ha of oil palm for 10 years (2021 – 2030) at Hap Seng Group of Estates is in progress for completion.	Yes
4.7.2.1	The planting statements and maps for HSPHB are review and there are no peat land sighted.	Yes
4.7.3.1	The planting statements is review and there are no new plantings at HSPHB. Therefore, no SEIA conducted.	Yes
4.7.3.2	The planting statements are review and there are no new planting at HSPHB. Therefore, no SEIA conducted.	Yes
4.7.3.3	The planting statements are review and there are no new planting at HSPHB. Therefore, no SEIA conducted.	Yes
4.7.3.4	There are no smallholder's scheme in HSPHB certification. Therefore, not applicable.	Yes
4.7.4.1	The planting statements are review and there are no new planting at HSPHB. Therefore, no soil maps established.	Yes
4.7.4.2	The planting statements are review and there are no new planting at HSPHB. Therefore, no topography maps established.	Yes
4.7.5.1	The planting statements are review and there are no new planting at HSPHB. Therefore, no topography maps and permits established.	Yes
4.7.5.2	The planting statements are review and there are no new planting at HSPHB. Therefore, no monitoring management plans for fragile and marginal soil established.	Yes
4.7.5.3	The planting statements are review and there are no new planting at HSPHB. Therefore, no soil map established.	Yes
4.7.6.1	The planting statements are review and there are no new planting at HSPHB. Therefore, no FPIC conducted and no communities affected.	Yes
4.7.6.2	The planting statements are review and there are no new planting at HSPHB. There are no sacred sites, therefore, no management plan establish.	Yes

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4.7.6.3	The planting statements are review and there are no new at HSPHB. Therefore, no soil SOP established.	Yes
4.7.6.4	The planting statements are review and there are no new planting at HSPHB. Therefore, no compensation and agreement established.	Yes
4.7.6.5	The planting statements are review and there are no new planting at HSPHB. Therefore, no assessment of legal and recognized customary right established.	Yes
4.7.6.6	The planting statements are review and there are no new planting at HSPHB. Therefore, no system establish for calculating the compensation for distribution.	Yes
4.7.6.7	The planting statements are review and there are no new planting at HSPHB. Therefore, no compensation plan established.	Yes
4.7.6.8	The planting statements are review and there are no new planting at HSPHB. Therefore, no communities affected.	Yes

4.4. Status of Non-Conformities Previously Identified

	The stage 1 audit findings have been reviewed, in particular to assure appropriate corrective actions implemented to address the identified audit findings.
	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.
x	No non-conformity raised in previous audit.
<p><i>Note 1: If a minor non-conformity raised in last audit, is not closed out or repeated, the finding will be raised to a Major non-conformity.</i></p> <p><i>Note 2: All major and minor NCs raise in last audit are required to capture in this report together with the review of the non-compliance implementation.</i></p>	

4.5. Detail of Audit Findings in last audit

AUDIT OUTCOME		
During last Audit	0	MAJOR Non-Conformities
	0	MINOR Non-Conformities

4.6. Detail of Remote Audit Findings Identified during this audit

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

REMOTE AUDIT OUTCOME		
During this remote audit,	0	MAJOR Non-Conformities
	0	MINOR Non-Conformities

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Nr.	Indicator	Description	Location	Opportunity for Improvement
1.	4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.	Office	HSPHB may consider improve the monitoring of Legal Register.

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5. CONCLUSION

Hap Seng Plantations Holdings Berhad – Plantations Central Office Group Estates has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct surveillance audit consisting of 13 estates according to MSPO 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

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 estates are in line with the Principles & Criteria of the applied standards of MS 2530-Part 3:2013 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:	13
Total certified production area:	34,468.91 Ha
Certified FFBs January to September 2021:	415,409.57 Mt
Project FFBs October to December 2021:	186,635.43 Mt

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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

	Recommended for Certification
x	Recommended for Continuity of Certification
	Recommended for Suspension of Certification

Puchong, 25/11/2021

Khairul Anwar Bin Ismail
TUV NORD (Malaysia) Sdn Bhd
Audit Team Leader

Puchong, 21/12/2021

Cheong, Chun Yuen (Robert)
TUV NORD (Malaysia) Sdn Bhd
Certifier / Approver

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7. LIST OF STAKEHOLDERS

No stakeholders' consultation conducted in accordance to ACB – OPMC 4 Issue 2 dated 04/09/2020, Stakeholder Consultation Requirements Section 6: Consultation during audit, §6.1: During the stage 2 and recertification audit. Therefore, no stakeholders listed.

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

This report is sent by the certification body to 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 of 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