



MSPO CERTIFICATION SUMMARY REPORT

KEUNGGULAN LADANG SDN. BHD.

SURVEILLANCE 02

Remote Audit Date: 13/12/2021 – 14/12/2021

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MSPO Certification Summary Report

Company Name: Keunggulan Ladang Sdn. Bhd.

Certifying Unit: Kunggulan Ladang Sdn. Bhd.

Client Number: 92-142

Audit Type: ASA 02

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
KLSB	Keunggulan Ladang Sdn Bhd

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1. INTRODUCTION

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

1.1. Objective

The objective of this surveillance audit is to assess the estate 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 Keunggulan Ladang Sdn. Bhd.

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 one team member. 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: Sheron Pui Ling Wui

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;	Bachelor in Medical Science

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Requirement	Qualifications
v) Social Sciences and/or Anthropology; 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)	3 years working experience in QA, QMS and internal audit, and 3.8 years working experience in MSPO audit.
Successfully completed MPOCC endorsed lead auditor trainings	Successfully completed MS2530 series of 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 and appointed as auditor for MSPO scheme.
Field working experience in the palm oil sector or demonstrable equivalent	Qualified and appointed as auditor for MSPO scheme.
Good Agricultural Practices (GAP) and Integrated Pest Management (IPM), pesticide and fertilizer use	Qualified and appointed as auditor for MSPO scheme.
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Successfully completed ISO 9001:2015 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 ISO 45001:2018 Lead Auditor course.
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Successfully completed Basic SA 8000 training
Environmental and ecological auditing or experience with organic agriculture. or Successfully completed Environmental Management Systems ISO 14001 standard	Successfully completed IMS ISO 14001:2015 Lead auditor course and auditor for MSPO scheme.

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Requirement	Qualifications
Attended High Conversation Value Assessment training	Attended and completed the HCV-HCS for producers online course.
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Able to communicate in Bahasa Malaysia, Mandarin and English.

Qualification of Team Member

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	Chan Shi Lie	Graduate in Bachelor of Media Technology (Major in Broadcasting)	Yes
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	Chan Shi Lie	6 years working experience in oil palm plantations.	Yes
Successfully completed MPOCC endorsed lead auditor trainings	Chan Shi Lie	Successfully completed MS2530 series of standards for Lead Auditors	Yes
Conducted a minimum six (6) on-site audits for a total of at least 20 man-days of audit experience as an auditor-in-training under the direction and guidance of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes.	Chan Shi Lie	Qualified and appointed as auditor for MSPO scheme.	Yes

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Requirement	Name of Assessor	Qualification	Compliance
Field working experience in the palm oil sector or demonstrable equivalent	Chan Shi Lie	6 years working experience in oil palm plantations.	Yes
Good Agricultural Practices (GAP) and Integrated Pest Management (IPM), pesticide and fertilizer use	Chan Shi Lie	6 years working experience in oil palm plantations. 2 years auditing experience.	Yes
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Chan Shi Lie	Successfully completed IMS ISO 9001, 14001 and 45001 LA course.	Yes
Health and safety auditing of the estate processes and activities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Chan Shi Lie	Successfully completed IMS ISO 9001, 14001 and 45001 LA course.	Yes
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Chan Shi Lie	Successfully completed SA 8000 Basic training	Yes
Environmental and ecological auditing or experience with organic agriculture. or Successfully completed Environmental Management Systems ISO 14001 standard	Chan Shi Lie	Successfully completed IMS ISO 9001, 14001 and 45001 LA course.	Yes
Completed High Conversation Value assessment	Chan Shi Lie	Attended and completed the HCV-HCS for producers online course.	Yes
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Chan Shi Lie	Able to communicate in Bahasa Malaysia, Mandarin and English.	Yes

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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 02 was conducted remotely on 13/12/2021 – 14/12/2021 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
 - Estate map
 - Land title
 - Standard Operating Procedures
 - Work Flow Charts
 - Management Plans
 - Operating licenses and approvals
 - Operating records
 - Training records
 - Applicable Legislation Documents
- Virtual inspection of estate 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 estate is conducted according to the MS 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

The methodology for collection of objective evidence 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.

In accordance to MPOCC Guidance on Remote Audits due to Covid-19 Pandemic Restrictions Version 4.0 dated 26/10/2021 with reference to the latest announcement by the Government on the interstate travel approval for fully vaccinated individual “Pergerakan rentas negeri – dibenarkan bagi yang lengkap vaksin” on the 11th October 2021, the Accredited Certification Bodies (ACBs) and Certification Bodies (CBs) shall in their best position strive to ensure that an on-site audit by the Audit Team be conducted.

All ACBs and CBs are to adhere to the National Security Council (NSC) announcement of the National Recovery Plan (NRP) and the Enhanced Movement Control Order (EMCO) by referring to their official website at: <https://www.mkn.gov.my/web/ms/covid-19/> (EMCO) by referring to their official website at : <https://www.mkn.gov.my/web/ms/covid-19/>.

NRP

All MSPO 2530 Series & Supply Chain on-site MSPO audits are allowed on all the NRP Phases, with the following conditions: -

- a. 50% capacity meeting room space and following strict SOPs.
- b. For Peninsular - Crossing-state borders and districts must adhere to the conditions and SOPs set by the NSC.
- c. For the States of Sabah & Sarawak, the Crossing-state borders are only allowed from 1st November 2021 onwards and must adhere to the conditions and SOPs set by the respective state NSC guidelines.

EMCO

- a. All MSPO 2530 Series & Supply Chain on-site audits are not allowed. The ACBs & CBs must conduct audit remotely.

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

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The communication tool applied for remote audit is Google meet / WhatsApp / Telephone.

For the surveillance audit, Keunggulan Ladang Sdn. Bhd. has 1 estate. Therefore, no selection required.

Table 2-1: Estate(s) Selected

Name of Estate or Division	Coordinates
Keunggulan Ladang Sdn. Bhd.	5.871111 N , 17.87806 E

Non-conformance:

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

Keunggulan Ladang Sdn. Bhd. is an oil palm plantation company located at Lot 6, 1st floor, Block C, Hong Tong Centre, Mile 4, Jalan Penampang, 88300, Kota Kinabalu, Sabah.

The details of the estate(s) or divisions as below:

Name of Estate	Location	Coordinates
Keunggulan Ladang Sdn. Bhd.	Mile 19, Labuk Road, Sandakan, Sabah.	5.871111 N , 117.87806 E

3.1. Production volume

Name of Estate	Area (Ha)		Projected FFB Production (mt) (Dec 2021)
	Total*	Production**	
Keunggulan Ladang	124.35	110.98	100.00
Total	124.35	110.98	100.00

*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 Estate

Year / Estate	Keunggulan Ladang Sdn. Bhd.
2000	31.12
2010	45.16
Total Mature	76.28
2021	34.70
Total Immature	34.70
Total	110.98

3.3 Replanting program for estate

Year of replanting	Planted area (ha)	Total area to be replanted (ha)
	Keunggulan Ladang Sdn. Bhd.	
2028	31.12	31.12
2038	45.16	45.16

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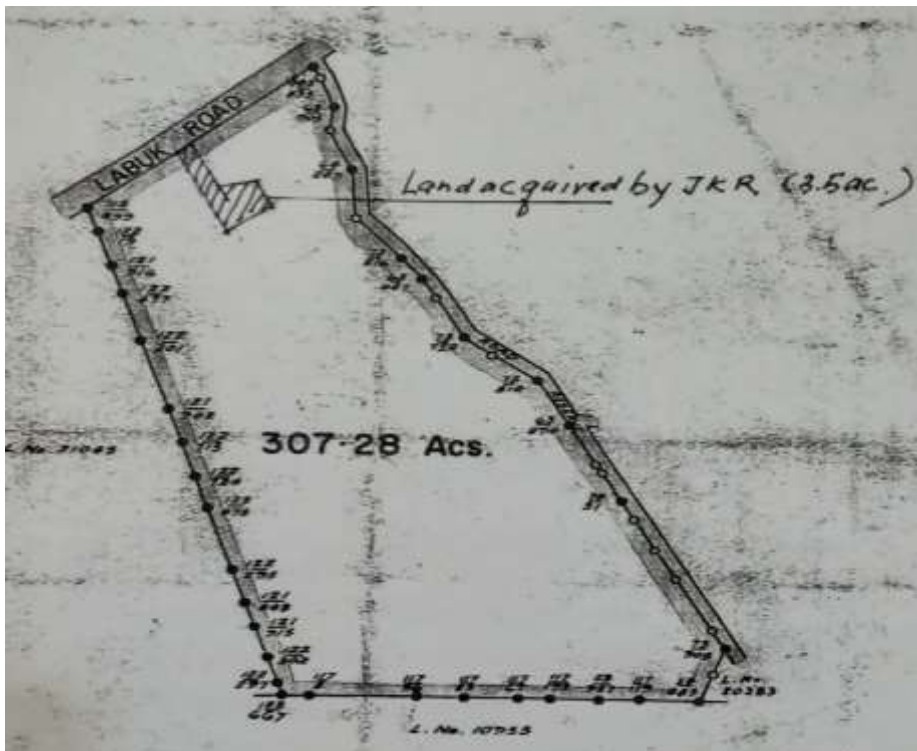
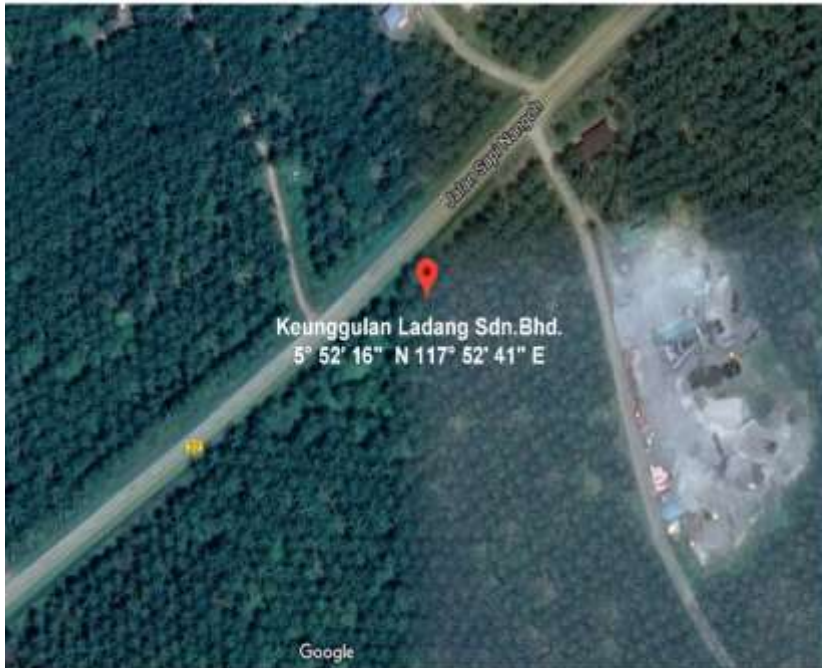
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3.3 Maps of Estate Location



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4. CERTIFICATION ASSESSMENT

4.1. ASA 02

The objective of the audit is to assess the activities of the estate is 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 13/12/2021 to 14/12/2021 covering one estate – Keunggulan Ladang Sdn Bhd.

During the last surveillance audit, there are 0 Major, 1 Minor, 2 Opportunities for Improvement (OFI) are raised.

During this audit, the minor non-compliance raised in the last audit, the audit team has review by means of inspection of estate, conduct interviews, review and verify documents that are established, corrected and implemented appropriately by the estate management. The corrective measures implemented could be verified as appropriate.

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 15/11/2021 to announce the audit of the certified unit. As at audit date on 14/12/2021 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

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
4.1.1.1	<p>Keunggulan Ladang Sdn Bhd (KLSB) established MSPO Policy dated 15/05/2019 signed by Director.</p> <p>Review on the submit photos, MSPO Policy is displayed at the estate notice board and available in Bahasa Malaysia and English.</p> <p>KLSB conduct briefing on the MSPO Policy to estate workers on 20/10/2021.</p> <p>Phone call interview with workers informed they have been briefed on MSPO Policy.</p>	Yes
4.1.1.2	<p>KLSB established MSPO Policy dated 15/05/2019 signed by Director states that KLSB 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
4.1.1.1	<p>KLSB conduct the internal audit once a year as stated in the Internal Audit SOP.</p> <p>Latest internal audit conducted on 15/09/2021 with 3 non-conformities raised and all non-conformities have been addressed accordingly.</p> <p>Example:</p> <p>Finding: Pending training matrix for chemical sprayers</p> <p>Root cause: Training matrix for chemical sprayers not available.</p> <p>Action plan: To established the training matrix</p> <p>Time-frame: 1 week</p> <p>Status: Completed</p> <p>During document review, training records include for chemical sprayers dated 20/10/2021.</p>	Yes
4.1.2.2	<p>KLSB conduct the internal audit once a year as stated in the Internal Audit SOP.</p> <p>Latest internal audit conducted on 15/09/2021 with 3 non-conformities raised and all non-conformities have been addressed accordingly.</p> <p>Summary of the internal audit is established with root cause and corrective action plan of the non-conformities.</p> <p>Example:</p> <p>Finding: Signboard for SOPs displayed in a poor conditions.</p> <p>Root cause: Due to the raining season</p> <p>Action plan: To change and replace with the new signboard and SOP document</p> <p>Time-frame: 1 week</p> <p>Status: Completed</p>	Yes

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	Review on the submitted photos on the SOPs displayed at signboard have been replaced with a new copy of SOPs.	
4.1.2.3	KLSB conduct management review meeting dated 20/09/2021 include internal audit result.	Yes
4.1.3.1	<p>KLSB conduct the management review meeting once a year after the internal audit.</p> <p>Latest management meeting conducted on 20/09/2021.</p> <p>Agenda:</p> <ul style="list-style-type: none"> • Company Policy and SOP • Training Matrix • Internal Audit Result • AOB 	Yes
4.1.4.1	<p>KLSB established Continuous Improvement Plan (CIP) on Map 2021 includes social, environmental and safety & health.</p> <p>Example: Safety & Health</p> <p>Improvement action: Monitoring and provide sufficient PPE</p> <p>Expected outcome: To minimize the working risk</p> <p>Time-frame: On going</p> <p>Review and monitor: PPE issuance records</p> <p>PIC: Estate Manager.</p> <p>Review on the PPE issuance record, was available and maintained dated 20/09/2021.</p> <p>Phone call interview with workers informed they understand on the Chemical Spraying SOP.</p>	Yes
4.1.4.2	KLSB established flowchart New Information, Techniques and Equipment dated 15/05/2021 as a system to improve practices in line with new information and techniques or new industry standards and technology.	Yes
4.1.4.3	<p>KLSB established flowchart New Information, Techniques and Equipment dated 15/05/2021 as a system to improve practices in line with new information and techniques or new industry standards and technology.</p> <p>The flowchart indicates necessary resources including budget and training will be provided if applicable and feasible for adoption.</p> <p>Phone call interview with the management informed there is no new technology or technique implemented at the moment.</p>	Yes

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.1.1	<p>KLSB established list of stakeholders updated 05/11/2021.</p> <p>The list of stakeholders include:</p> <ul style="list-style-type: none"> • Government agencies • Non-governmental organization • Suppliers • Neighboring estates <p>The stakeholders meeting conducted via tele-conference-email dated 05/11/2021 due to COVID-19.</p> <p>Stakeholders meeting includes feedback form, company policies and others.</p>	Yes
4.2.1.2	<p>KLSB established list of publicly available documents updated on 25/03/2021.</p> <p>Example of documents:</p> <p>Non-confidential:</p> <ul style="list-style-type: none"> • Company policies • Complaint and Grievance procedure • MPOB license <p>Confidential:</p> <ul style="list-style-type: none"> • Workers contract agreement • Financial Report • Pay slips 	Yes
4.2.2.1	<p>KLSB established SOP for Consultation and Communication date 15/05/2021.</p> <p>The flow chart describes:</p> <ul style="list-style-type: none"> • Communication to employee and other stakeholders. • Enquiry or issue from employee and other stakeholders. <p>The external stakeholders meeting conducted via tele-conference-email and invitation letter dated 05/11/2021 due to COVID-19.</p> <p>The external stakeholders meeting include agenda on social feedback form, company policies and others.</p>	Yes
4.2.2.2	<p>KLSB appointed estate manager as person in charge for handling communication and consultation with stakeholders.</p>	Yes
4.2.2.3	<p>KLSB established list of stakeholders dated 12/11/2020 and latest updated on 05/11/2021.</p>	Yes

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Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	<p>The SOP Consultation and Communication describes the timeframe to attend any request received within 14 working days.</p> <p>The stakeholders meeting conducted via tele-conference-email and invitation letter dated 05/11/2021 due to COVID 19.</p> <p>Review the stakeholders feedback form, there is no information request.</p>	
4.2.3.1	<p>KLSB established the SOP Traceability dated 15/03/2021.</p> <p>The SOP describes information from Field Record Book and Delivery Note (DN) required for FFB delivery.</p> <p>KLSB use FFB Delivery note while transporting FFBs from estate to mills.</p> <p>Review in the delivery note includes DN number, mill name, date and time delivery, vehicles number, driver name and acknowledgement.</p> <p>Phone call interview with admin officer informed DN issued for FFB delivery and all information recorded in FFB production record.</p>	Yes
4.2.3.2	<p>KLSB conducts regular inspections of traceability system during internal audit and monthly check by the estate manager and admin officer.</p> <p>The internal audit conducted on 15/09/2021 with no findings raised on traceability.</p>	Yes
4.2.3.3	<p>KLSB appointed admin officer as person in charge for traceability system.</p>	Yes
4.2.3.4	<p>KLSB documented and maintained records of sales and FFB delivery to the mill.</p> <p>Review records of sales and delivery of FFBs documented from January to November 2021.</p> <p>Review in the delivery note includes DN number, mill name, date and time delivery, vehicles number, driver name and acknowledgement.</p> <p>Weighbridge ticket includes ticket number, date, crop supplier, vehicle number, transporter, product, time, weight, DN number and acknowledgement.</p> <p>Review on the records such as delivery chit to mill weighbridge are available. Unique number of estate DN captured in mill weighbridge ticket.</p> <p>SOP Communication and Consultation describes records keeping for 3 years retention period.</p>	Yes

Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.1.1	<p>KLSB established list of related law and regulations updated 07/12/2021.</p> <p>Example:</p> <ul style="list-style-type: none"> • Malaysia Palm Oil Board Act 1998 • Sabah Labour Ordinance Cap 67 	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
	<p>List of permits and licenses updated 15/10/2021.</p> <p>Permits and licenses are reviewed.</p> <p>Example:</p> <ul style="list-style-type: none"> Trading license validity period 05/01/2021 – 31/12/2021. MPOB License remain valid 01/07/2021 – 30/06/2022. 	
4.3.1.2	<p>KLSB established list of related law and regulations updated 07/12/2021. The register includes the related act and regulation applicable to estate.</p> <p>Example:</p> <ul style="list-style-type: none"> Land ordinance (Sabah cap 68) Malaysia Palm Oil Board Act 1998 Prevention and Control of Infectious Disease Act 1988 (Declaration of infection Local Areas Order 2020). 	Yes
4.3.1.3	<p>KLSB established list of related law and regulations latest updated on 07/12/2021.</p> <p>Example:</p> <ul style="list-style-type: none"> Employee Minimum Standards of Housing, Accommodation and Amenities Act 1996 (Amendment 2021). 	Yes
4.3.1.4	<p>KLSB appointed admin officer as person in charge to update legal documents, regulations and licenses.</p>	Yes
4.3.2.1	<p>KLSB land title are Country Lease issued by Sabah States Land & Survey Office.</p> <p>There is no diminish the land use rights of other users.</p>	Yes
4.3.2.2	<p>KLSB land title are Country Lease issued by Sabah States Land & Survey Office with 99 years tenure and for cultivation of rubber or such other crops.</p>	Yes
4.3.2.3	<p>KLSB land title are review include map consist of title number, size in acre and boundary stone numbers.</p> <p>Photo review the boundary markers is marked with boundary stone and wooden stick of red colour.</p>	Yes
4.3.2.4	<p>KLSB land title are Country Lease issued by Sabah States Land & Survey Office.</p> <p>There is no objection or dispute found during document verification.</p>	Yes
4.3.3.1	<p>KLSB land title are Country Lease issued by Sabah States Land & Survey Office.</p> <p>The land titles is leased for 99 years leased period. There is no customary sub-lease land.</p>	Yes
4.3.3.2	<p>KLSB land title are Country Lease issued by Sabah States Land & Survey Office.</p>	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
	There is no customary right land lease or owned by KLSB. Therefore, no maps established.	
4.3.3.3	There is no customary land leased or owned by KLSB. 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>KLSB established Social Impact Assessment dated 15/10/2021.</p> <p>The SIA report includes feedbacks from internal and external stakeholders, impacts, action plan, person in charge and time frame or status.</p> <p>A summary of positive and negative impacts, mitigation plan promotes with timeline are included.</p> <p>Example of positive impact:</p> <p>Impact: Estate workers have taken COVID-19 vaccination.</p> <p>Mitigation Measures: Management ensure all workers have taken COVID-19 vaccination.</p> <p>PIC: Estate manager</p> <p>Status: Done.</p> <p>Review workers vaccination certificate confirmed workers have taken 2 dose COVID 19 vaccination.</p> <p>SIA review the social impact of less manpower for estate operation activities is categorized under positive impacts instead of negative impacts.</p> <p>Minor Non-conformity No.1:</p> <p>KLSB established SIA dated 15/10/2021.</p> <p>Review the SIA found:</p> <ul style="list-style-type: none"> The social assessment does not include the social impact for replanting. The social impacts does not categorize correctly into negative and positive impacts. The social survey form is use only for external stakeholders, no evidence of survey form for internal stakeholders recorded. 	No
4.4.2.1	<p>KLSB established SOP Complaint and Grievances dated 15/03/2021.</p> <p>The SOP describes as following:</p> <ul style="list-style-type: none"> The general complaints and grievances submitted will be handle by estate manager or officer and resolved within 1 week. 	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> The complaints related to staff and workers will be handle by estate manager to be resolved within 2 weeks. The complaint not able to be handle by estate manager will be elevated and sent to director to be resolved within 1 month. <p>Photo review complaint and grievances flowchart displayed at estate notice board.</p> <p>Phone interview with workers informed they understand the complaint and grievances procedure.</p>	
4.4.2.2	<p>KLSB established SOP Complaint and Grievances dated 15/03/2021.</p> <p>The SOP describes as following:</p> <ul style="list-style-type: none"> The general complaints and grievances submitted will be handle by estate manager or officer and resolved within 1 week. The complaints related to staff and workers will be handle by estate manager to be resolved within 2 weeks. The complaint not able to be handle by estate manager will be elevated and sent to director to be resolved within 1 month. <p>Review the complaint records no complaint lodged from year 2019 till the audit date.</p>	Yes
4.4.2.3	<p>Photo review the KLSB complaint form and box displayed at estate notice board.</p> <p>Phone interview with workers informed they understand on complaint and grievances process.</p> <p>No complaint lodged to KLSB from year 2019 till the audit date.</p>	Yes
4.4.2.4	<p>KLSB photo review complaint form and box displayed at estate notice board.</p> <p>Interviewed with workers informed they understand and have been briefed on complaint and grievances procedure.</p> <p>Briefing for complaint and grievances conducted to workers dated 20/10/2021.</p>	Yes
4.4.2.5	<p>KLSB complaint record is review and maintained since year 2019. No complaint lodged until audit date.</p>	Yes
4.4.3.1	<p>KLSB provide work opportunities on hiring local communities for estate office admin and field supervisor.</p>	Yes
4.4.4.1	<p>KLSB established Safety and Health Policy dated 15/05/2019 signed by Director.</p> <p>Review on the submitted photos observed the policy is available in Bahasa Malaysia and English and is displayed at office notice board.</p> <p>Briefing on the company policy to estate workers conducted on 20/10/2021 including Safety and Health Policy.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>KLSB communicate with external stakeholders on the Safety and Health Policy via stakeholders feedback form and attachment of Safety and Health Policy dated 05/11/2021.</p> <p>KLSB adopts COVID-19 procedure established by national security council and displayed at office notice board.</p>	
4.4.4.2	<p>a</p> <p>KLSB established Safety and Health Policy dated 15/05/2019 signed by Director.</p> <p>The policy is available in Bahasa Malaysia and displayed at office notice board.</p> <p>Briefing on the company policy to estate workers conducted on 20/10/2021 including Safety and Health Policy.</p> <p>KLSB communicate with external stakeholders on the Safety and Health Policy via stakeholders feedback form and attachment of Safety and Health Policy dated 05/11/2021.</p> <p>Phone call interview with workers informed they are understand the policy established.</p>	Yes
	<p>b</p> <p>KLSB established HIRARC dated 28/04/2021 for all field activities.</p> <p>The HIRARC table includes activity, hazard, risk, existing and additional control and risk rating.</p> <p>Example:</p> <p>Activity: FFB Loading</p> <p>Hazard: Loaded FFB</p> <p>Risk: Loaded FFB will hit the workers</p> <p>Existing control: Ensure workers wear appropriate PPE</p> <p>Additional control: Regular monitoring by mandor to ensure workers wear PPE</p> <p>Review on the PPE issuance record, workers are provided with helmet, safety boot and hand glove.</p> <p>Phone call interview with workers informed they have received the PPEs provided by the company.</p>	Yes
	<p>c i</p> <p>KLSB established training program dated 20/03/2021.</p> <p>Example of training and briefing conducted:</p> <ul style="list-style-type: none"> • Emergency briefing dated 12/05/2021 • Chemical spraying dated 27/07/2021 • Chemical mixing dated 26/10/2021 <p>Attendance records and pictures of the training are available and reviewed.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
c ii	<p>KLSB SDS's for chemicals and fertilizers are available at estate office and store.</p> <p>Example: Chemical: Kallium, Muriat Kalium, Sylvite</p> <p>Review on the photos of chemical store, it is built with adequate ventilation and in good condition. Stores are locked and only authorized person allowed to enter. Appropriate safety signage is in place.</p> <p>Medical surveillance for KLSB have been carried out by 3rd party assessor and the report is yet to be received by KLSB due to the COVID-19 pandemic.</p> <p>Memo on notification of report delay dated 26/11/2021 is review.</p>	Yes
d	<p>KLSB provide appropriate PPE to the workers according to CHRA and HIRARC recommendation.</p> <p>Records of PPEs issuance dated 20/09/2021 is reviewed with workers signature.</p> <p>During photo review, sprayers are provided with proper PPEs according to HIRARC and CHRA recommendations.</p> <p>Example: Apron, rubber hand glove, safety boot, mask, safety glass and helmet</p> <p>CHRA report reference No: HQ/11/ASS/00/298-2019/192 dated 02/10/2019.</p> <p>As for Covid-19 prevention procedure, workers undergo body temperature screening and hand sanitizing during morning muster before going to the field.</p> <p>Interview with workers through phone call informed, PPE are provided and they will undergo body temperature screening and hand sanitizing before going to the field.</p>	Yes
e	<p>KLSB established SOP, KLSOP-OP11 'Prosedur Pengurusan Bahan Kimia, Racun dan Baja' dated 02/01/2019 for chemical handling.</p> <p>The SOP describes all chemicals must be arrange properly based on the type of chemicals and only authorized personnel allowed to enter the chemical store.</p> <p>Review on the chemical store photos observed trays are provided for storage of chemical product.</p>	Yes
f	<p>KLSB assigned Admin Officer as persons in charge for safety and health.</p> <p>Appointment letter dated 15/03/2020 is review.</p> <p>PIC has attended First Aid and Introduction CPR dated 23/06/2019</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
g	<p>KLSEB has 8 workers. Therefore, below the minimum requirement to have OSH Committee in accordance to DOSH requirement. Therefore, no quarterly meeting required</p> <p>KLSEB discussed safety and health issue during OSH meeting dated 15/10/2021 attended by estate workers.</p> <p>Agenda of meeting includes:</p> <ul style="list-style-type: none"> • Estate policies • Safe working procedure • S&H, PPE • Workers briefing on MSPO Policy • Fire extinguisher • First aid • Complaint form • Assembly point • Environmental aspect • No hunting • Zero burning • No spraying and manuring at buffer zone • Domestic Waste collection and quarters hygiene • COVID-19 <p>Minutes of the discussion and the attendance record are reviewed.</p>	Yes
h	<p>KLSEB established Emergency Respond Plan June 2020 includes accident, burning, emergency and fire.</p> <p>ERP briefed to the estate workers during estate meeting conducted on 23/06/2021.</p> <p>Emergency precautions are available at genset room, general store.</p> <p>During photos review, COVID-19 procedure and emergency contact numbers are displayed at office notice board.</p> <p>Photo review on the placement of fire extinguisher are available at genset room, workers quarters and chemical store.</p>	Yes
i	<p>KLSEB appoint Admin Officer as estate first aider and appointment letter dated 15/03/2020</p> <p>During photo review, emergency contact number list is displayed at estate notice board.</p> <p>During photo review, first aid kit is available at the estate office.</p>	

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
j	<p>KLSB establish Incident Investigation Report dated 02/01/2020 to record any case accident and injury happen.</p> <p>Review on the report indicate no accident from January 2021 until the audit date.</p> <p>Phone call interview with estate management and workers informed there is no accident in the estate.</p> <p>JKKP 8 form for 2020 submitted to DOSH on 21/01/2021.</p>	Yes
4.4.5.1	<p>KLSB established Human Rights Policy dated 15/05/2019 signed by Director.</p> <p>The policy states company commitment to respect and support the universal declaration of human rights by the united nations for all workers, contractors, indigenous, local community and anyone affected by our operation.</p> <p>Photo review the policy is displayed at estate notice board.</p> <p>KLSB conducted Human Rights Policy briefing to workers on 20/10/2021.</p> <p>Phone interview with workers informed they understand the Human Rights policy.</p>	Yes
4.4.5.2	<p>KLSB established Equal Opportunity Policy dated 15/05/2019 signed by Director.</p> <p>The policy described 'employer ensure equal opportunities in the work place hiring, access to training, promotion, termination or retirement will be implemented based on business needs, job requirement and individual qualification regardless to race, religion, or gender, political opinion and nationality.</p> <p>Photo review the policy is displayed at estate notice board.</p> <p>Phone interview with workers informed they understand the Equal Opportunity Policy.</p>	Yes
4.4.5.3	<p>KLSB established contract agreement for workers in accordance to Sabah Labour Ordinance.</p> <p>The contract agreement states the pay rate of RM 46.20 per day in accordance to the Minimum Wage Order 2018 (Amended 2020). The working contracts are signed by workers and management.</p> <p>KLSB established list of piece rate.</p> <p>Example: Harvesting RM 35/ MT</p> <p>Reviewed workers' pay slips and against check roll for the month of October 2021 for harvester, the wages paid as per agreeable piece rates of harvesting.</p> <p>Major Non-conformity No.1:</p> <p>Review the employment contracts states as follows:</p>	No

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Principle 4: Social Responsibility, health, safety and employment conditions		
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	<ul style="list-style-type: none"> The workers are entitle for 14 paid holidays include the Sabah Governor's Birthday and Prophet Muhammad's Birthday. If the workers agrees work at paid public holiday the workers is entitled for 3 times wages rate than the normal wage rate. <p>Review the October 2021 payslips and payroll for workers no.3, no.4, no.5 and no.6. These workers work on the 2 public holidays for Sabah Governor's Birthday on 02/10/2021 and Prophet Muhammad's Birthday on 19/10/2021. However, the wages are paid at the normal wage rate.</p>	
4.4.5.4	KLSB did not engage any contractors for operation activities. Therefore, no contractor worker wages monitoring required.	Yes
4.4.5.5	KLSB established list of workers that contain name, gender, date of birth, date joined, job description and wages.	Yes
4.4.5.6	<p>KLSB established worker contract for every worker recruited and signed by both parties.</p> <p>Work Contract details in accordance to Sabah Labour Ordinance requirements that include overtime pay rate, annual leave, public holidays, sick leave and working hours.</p> <p>Workers are briefed on the terms and conditions, wage, position of the work contract and copy is provided.</p> <p>Phone call interviewed with workers informed they briefed on the contract terms and conditions and received a signed copy.</p>	Yes
4.4.5.7	<p>KLSB use the attendance record book to monitor workers reporting work and working hours for each day.</p> <p>Photo review the working hours is display at the notice board.</p> <p>Overtime rate according to Sabah Labour Ordinance requirement of 1.5 times hourly rate for normal overtime and 2.0 times hourly rate for rest day.</p> <p>Phone interview with workers informed they understand working hours and overtime rates.</p> <p>Workers informed they are briefed on the working hours when they sign the contract agreement.</p>	Yes
4.4.5.8	<p>KLSB established working hours and breaks time.</p> <p>Based on photo evidence, working hours is displayed at notice board:</p> <p>Attendance 6:15 – 6:30 am</p> <p>Working 6:30 am – 10:00 am</p> <p>Rest 10:00 am -11:00 am</p> <p>Continue 11:00 am – 2.30 pm.</p> <p>Phone interview with workers and cross check payslip confirmed no overtime offered to workers. They understand the working hours, rest time and overtime time rate.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.5.9	<p>KLSB provide payment voucher to all workers documenting wage for the month and any overtime performed.</p> <p>Workers are paid either piece rate or daily rate.</p> <p>Phone call interviewed with workers informed they understand the working hours and overtime rates, however no OT required in the estate.</p>	Yes
4.4.5.10	<p>KLSB provides benefits for both local and foreign workers such as medical cost, annual leave, sick leave, SOCSO and public holidays as listed in the employment contract.</p>	Yes
4.4.5.11	<p>KLSB adopt industry best practices on workers housing.</p> <p>Photos of workers housing compound confirmed they are provided with basic amenities such as water, electricity, kitchen and toilet.</p>	Yes
4.4.5.12	<p>KLSB established Sexual Harassment, Violence policy dated 15/05/2019 signed by Director.</p> <p>Photo review the policy is displayed at estate notice board.</p> <p>The policy described company is committed to provide safe, supporting and respectful working environment free from sexual harassment, violence and abuse where all employees shall be treated with dignity, courtesy and respect.</p> <p>Complaint record review no related complaint lodged for sexual harassment and violence.</p>	Yes
4.4.5.13	<p>KLSB established Policy Freedom of Association and right to collective bargaining policy dated 15/05/2019 signed by Director.</p> <p>The policy states the employment respect the rights of employment to join of their choice subject to the provisions of relevant national legislation.</p> <p>The worker meeting conducted on 12/08/2021 attended by workers and management.</p> <p>Phone interview with workers informed there is no union form in KLSB. However, worker informed the worker meeting conducted annually as communication tools between workers and management team.</p>	Yes
4.4.5.14	<p>KLSB established Child Labour Policy dated 15/05/2019 signed by Director.</p> <p>The policy states that employer and contractor shall not employ or promote the use of child labour and shall take appropriate measure to prevent the use of such labour in connection with their activities. Remedial action with appropriate follow up action shall be employed if any child labour case is discovered to protect the welfare of the child.</p> <p>Reviewed the summary list of workers and phone call interview with workers confirmed there is no employment of children or young persons in the estate. All workers are above 18 years prior joining the audited estates.</p>	Yes
4.4.6.1	<p>KLSB established training program for year 2021 dated 20/03/2021.</p>	No

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>The training program includes:</p> <ul style="list-style-type: none"> • Company policies • Safe working practices SOPs • First aid • complaint and grievance SOP • COVID-19 <p>Example of training conducted:</p> <ul style="list-style-type: none"> • Company policies, first aid training and SOPs dated 20/10/2021 <p>Major Non-conformity No. 2:</p> <p>KLSB conducted the external stakeholders on 05/11/2021 via email however the communication does not includes the SOP Consultation and Communication, all company policies and SOP Complaint and Grievances.</p>	
4.4.6.2	<p>KLSB establish individual training evaluation for workers according to the job description.</p> <p>Example:</p> <p>Harvester need to attend briefing for company policies, SOP Harvesting, COVID-19, safety, employment, environmental awareness, waste management.</p> <p>Phone call interviewed with workers informed training have been provided to them according to their job task.</p>	Yes
4.4.6.3	<p>KLSB established continuous training program for year 2021.</p> <p>The training is planned for whole year according to the established activity SOP, which include social, environmental and safety aspects.</p> <p>Example of training programme:</p> <ul style="list-style-type: none"> • Harvesting on Oct 2021 • Complaint and grievance SOP on Jun 2021 	Yes

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	<p>KLSB established Environmental Policy dated 15/05/2019 signed by Director.</p> <p>Review on the submitted photos, the environmental policy is displayed at office notice board.</p> <p>KLSB briefed awareness on Environmental Policy to all workers on 20/10/2020.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	Phone call interview with workers informed they are understand and understand the company environmental policy.	
4.5.1.2	<p>a KLSB established Environmental Policy dated 04/05/2019 signed by Director.</p> <p>The objective describes:-</p> <ul style="list-style-type: none"> • Adhere and confirm on to all environmental legislation in the country. • To educate employee and business partner on environmental awareness • Adopt and implement best management practice for environment. 	Yes
	<p>b KLSB established Environmental Impact and Aspect Assessment and action plan, dated 15/09/2021.</p> <p>Example of aspect and impact:</p> <p>Aspect: Empty fertilizer bags</p> <p>Positive impacts: Collecting loses fruits and increase productivity.</p> <p>Negative Impacts: Causing haze, air pollution.</p> <p>Phone call interview with workers informed they will reused the empty fertilizer bags for loose fruit collections.</p> <p>Major Non-Conformity No. 3</p> <p>KLSB established Environmental impacts, mitigations plans and continuous improvement plans include the aspects and impacts analysis of estate operations dated 15/09/2021.</p> <p>There are replanting activities carried out in January and February 2021, however aspect and impacts analysis was not conducted.</p>	No
4.5.1.3	<p>KLSB established Environmental Impact and Aspect Assessment and action plan, dated 15/09/2021.</p> <p>Example of aspect and impacts:</p> <p>Example of details in EAIA:</p> <p>Activity: Chemical spraying.</p> <p>Environmental aspect: Chemical spraying above recommended dosage.</p> <p>Environmental impact: Pollution on land and water</p> <p>Likelihood: 2</p> <p>Consequence: 2</p> <p>Risk score: 4</p> <p>Control measure: Supervising and monitoring by mandore and supervisor</p> <p>Risk descriptor: Low</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.4	<p>KLSB establish Continuous Improvement Plan (CIP) dated 25/05/2021 include the improvement plan for environment.</p> <p>Example:</p> <p>Continuous training for chemical sprayers</p> <p>Timeline: Every 6 months</p> <p>Timeline: Based on company training plan</p> <p>Monitoring: Based on TNA and training records</p> <p>Person in charge: Estate Manager</p> <p>Training record for chemical sprayers conducted on 20/09/2021 is review.</p>	Yes
4.5.1.5	<p>KLSB conducted company policy training for the workers which include Environmental Policy dated 20/10/2021.</p> <p>Interviewed workers by phone calls informed they attended the training.</p>	Yes
4.5.1.6	<p>Environmental meeting for KLSB conducted on 15/10/2021. The meeting agenda includes:</p> <ul style="list-style-type: none"> Awareness on impact of estate operation towards environment. Discussion and feedback on any issue relate to environment. <p>The meeting is conducted once a year involving estate management and workers.</p>	Yes
4.5.2.1	<p>KLSB establish 5 years baseline record from year 2017 to 2020 dated 11/12/2021.</p> <p>The diesel consumption records from year 2017 to 2020 are used as baseline for monitoring diesel usage in year 2021.</p> <p>Review on the diesel usage for year 2021 are slightly lower than year 2020 due to the lower FFB production.</p>	Yes
4.5.2.2	<p>KLSB established annual budget for usage of diesel for farm operation and delivery of FFB.</p> <p>The actual diesel usage is monitored monthly and compared against the budget.</p> <p>The actual diesel records and projection for year 2021 updated until November 2021 is reviewed. The diesel usage are slightly lower as compared to the projection due to lower FFB production.</p>	Yes
4.5.2.3	<p>Based on field photos and interview with estate management confirmed KLSB currently did not used any renewable energy system.</p>	Yes
4.5.3.1	<p>KLSB established list of source and type of wastes dated 05/06/2020.</p> <p>There are 3 categories of wastes which are gaseous, solid and liquid.</p> <p>Example:</p> <p>Liquid wastes</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>Sources: Household (domestic)</p> <p>Type of solid waste: Sewage</p> <p>Gaseous wastes</p> <p>Sources: Frond</p> <p>Type of gaseous waste: Methane gas.</p> <p>Solid wastes</p> <p>Sources: Household</p> <p>Type of solid waste: Plastic, waste food, paper, glass, cardboard, canes and can.</p>	
4.5.3.2	<p>a KLSB established Waste Identification, Environmental Impacts, Mitigation Plans and Continuous Improvement Plans dated 05/06/2020.</p> <p>The assessment includes type of wastes and monitoring plan as below:-</p> <p>Example:</p> <p>Waste product: Spilled liquid chemical during transport</p> <p>Environmental impact: Contaminated soil and water.</p> <p>Plan and monitoring: Staff in-charge to ensure chemical containers are properly managed.</p> <p>Phone call interview with the workers informed they have been briefed on Handling Chemical Spraying SOP.</p>	Yes
	<p>b KLSB include type of waste generated that could be re-cycle or reused in list of source and waste type dated 05/06/2020.</p> <p>Example:</p> <p>Solid waste: Chemical spraying – empty chemical containers</p> <p>Reused: Empty chemical container for premixing</p>	Yes
4.5.3.3	<p>KLSB established SOPs on managing chemicals and fertilizer.</p> <ul style="list-style-type: none"> List of the SOPs established as follow: SOP Chemical and Fertilizer, doc. no. KLSOP-OP11 Rev. 00 dated 02/01/2019. <p>The SOP describes on storage, handling, issuance, usage, safety precaution, before operation, during operation and after operation</p> <ul style="list-style-type: none"> SOP for Disposal of Empty Chemical Containers, doc.no. KLSOP-OP16, rev no.00 dated 02/01/2019. <p>The SOP described empty chemical container shall be tripled rinse prior disposed or reused. Disposal of empty chemical container shall be collected by authorized licensed scheduled waste collector.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	Phone call interview with workers informed empty chemical containers will be reused for chemical spraying and premix activities.	
4.5.3.4	<p>KLSB established SOP for Disposal of Empty Chemical Containers, doc.no. KLSOP-OP16, rev no.00 dated 02/01/2019.</p> <p>The SOP described empty chemical container shall be tripled rinse prior disposed or reused. Disposal of empty chemical container shall be collected by authorized licensed contractor.</p> <p>Photo evidences confirmed empty chemical containers are marked and stored properly.</p> <p>Verification on photos and records of empty chemical containers generated are recorded for storage and disposal purposes.</p>	Yes
4.5.3.5	KLSB manage domestic wastes by disposed to public waste center at Mile 16 outside the estate on regular basis of once or twice a week.	Yes
4.5.4.1	<p>KLSB establish list for sources and type of gaseous from wastes, dated 05/06/2020.</p> <p>Example source and wastes:</p> <ul style="list-style-type: none"> • Fronds - Methane • Farm Tractors – Carbon dioxide. • Fertilizer Bags - Nitrogen oxide. 	Yes
4.5.4.2	<p>KLSB establish list for sources and type of gaseous from wastes, dated 05/06/2020.</p> <p>Example of action plan and monitoring:</p> <p>Source: Farm tractors, FFB trucks</p> <p>Type of pollution: Smoke, Carbon monoxide.</p> <p>Action plan: Periodically service of estate vehicles.</p> <p>Estate vehicle inspection records are maintain and review. Latest inspection carried out on 29/10/2021.</p>	Yes
4.5.5.1	<p>a</p> <p>There are two types of water source and usages for KLSB:</p> <ul style="list-style-type: none"> • Rain water – domestic use and estate operations. • Treated water from Jabatan Air Negeri Sabah – domestic use. 	Yes
	<p>b</p> <p>KLSB established mechanism to monitor outgoing water by conducting the water quality test.</p> <p>Water quality test result cert – no.: W19105-01-0 carried out by Dynakey Laboratories Sdn Bhd dated 05/11/2019.</p> <p>Photo evidences of river condition and interviews with workers by phone call informed there are no sign of any activities that causing pollution to the river.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>c KLSB managed their water by monitoring and procedure established. Example: Record book for water consumption with latest updated on 30/11/2021 is review.</p>	Yes
	<p>d KLSB establish buffer zone along the river passing through the estate. Photo evidences review KLSB marked palms trunks to indicate as buffer zone and prohibit any spraying and fertilizing activity. Phone call interview with workers informed they understand no chemical spraying and fertilizing activities allowed to be carried out at buffer zone area.</p>	Yes
	<p>e Review on the submitted photos of KLSB buffer zone along the stream is well maintained. Buffer zone area marked with red paint with signboards and used painted tyres. Manuring and chemical spraying activities are not allowed at buffer zone area. Phone call interview with workers informed they understand on protection of buffer zone.</p>	Yes
	<p>f Review on the submitted photos of KLSB, phone call interview with workers and KLSB estate management informed there is no bore well constructed in KLSB.</p>	Yes
4.5.5.2	<p>Review on the KLSB field photos there are no bunds or weirs constructed across the river in the KLSB. Phone call interview with workers and KLSB estate management informed there is no construction of bunds and dams.</p>	Yes
4.5.5.3	<p>Review on the submitted photos of KLSB worker housings observed rain gutter are installed to collect the rain water. Phone call interview with workers and KLSB estate management informed they practise rain harvesting for housing and office use.</p>	Yes
4.5.6.1	<p>a KLSB is not located next to any forest area. The estate is located along the main road and surrounded by estates. KLSB has identified type of wildlife in the estate as follow:</p> <ul style="list-style-type: none"> • Monitor lizard • Jungle fowl • Snake • Rat • Squirrel 	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>Phone call interview with the workers informed any sighted wildlife they will report to the management.</p> <p>Photos review signage of no hunting and type of wildlife are displayed at estate notice board.</p>	
	<p>b KLSB established Rare, Threatened and Endangered Species Policy dated 15/05/2019 sign by Director.</p> <p>The policy states on company commitment to comply with laws and regulation related to protection and conservation of RTE species.</p> <p>There are hornbills and monitor lizard sighted at KLSB by workers and record in the monitoring record book. Workers are brief on RTE dated 20/10/2021.</p>	Yes
4.5.6.2	<p>a KLSB established SOP on Wildlife document no. KLSOP –OP22 dated 02/01/2019 describes prohibition on hunting or capturing of wildlife.</p> <p>Field photos of signage ‘no haunting’ are display in field to warn people of any poaching activities.</p>	Yes
	<p>b KLSB established Rare, Threatened and Endangered Species Policy dated 15/05/2019 sign by Director.</p> <p>The policy states on company effort to prevent the poaching activity.</p> <p>Interview with workers by phone calls feedback they understand on protection on wildlife and penalty for hunting and capturing any wildlife.</p>	Yes
4.5.6.3	<p>KLSB had established monitoring record of animal. Latest updated on October 2021. The records stated workers sighted monitor lizard and squirrels.</p>	Yes
4.5.7.1	<p>KLSB establishes Zero Burning Policy dated 04/05/2019 signed by Director.</p> <p>Based on photos evidences, there are no sign of open burning observed at living quarter’s area or replanting area at block 2.</p>	Yes
4.5.7.2	<p>Interviewed with KLSB estate manager and reviewed on photos provided confirmed, there are no disease observed at field operations that required treatment by burning method</p>	Yes
4.5.7.3	<p>KLSB established Zero Burning Policy dated 04/05/2019 signed by Director.</p> <p>Interviewed with estate management and reviewed on photos provided confirmed, there are no infected oil palms observed at field operations that required treatment by burning method. There is no application for approval of controlled burning.</p>	Yes
4.5.7.4	<p>Photos evidences for KLSB replanting Block-2 observed palm are felled, chopped and stacked on rows.</p> <p>Based on field photos verify, there are no sign of open burning observed.</p>	Yes

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Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	<p>KLSB establish list of SOPs for its field operations dated 02/01/2019 as follows:</p> <ul style="list-style-type: none"> • Safe Work for General Work document number KLSOP-OP5, revision 0 • Safe Work at Electric Cable Location document number KLSOP-OP6 revision 0 • Safe Work for Harvesting Operation document number KLSOP-OP1, revision 1 • Safe Work at Estate Office document number KLSOP-OP8, revision 0. <p>Training for harvesting SOP and manuring SOP conducted on 20/09/2021.</p> <p>Interview workers by phone call informed they understanding on SOP training and safety precautions.</p>	Yes
4.6.1.2	<p>KLSB adopted Field Handbook for Immature Oil Palm, volume 2 series number: ISBN 981-04-1433-1 as a SOP guideline for planting within permitted levels on sloping land.</p> <p>Field observation via photo review observed the topography for KLSB is undulating terrains.</p> <p>Phone call interview with the estate management informed the topography at KLSB is undulating areas.</p>	Yes
4.6.1.3	<p>KLSB established permanent block marker for each block includes details such as block number, field size and year of planting.</p>	Yes
4.6.2.1	<p>KLSB established documented financial plan for 3 years from 2022 to 2024.</p> <p>The content of financial plan includes:</p> <ul style="list-style-type: none"> • Financial Projection • Long Term Management Plans • Oil Palm Mature – Budget & Projection Operation Cost • Replanting programme 	Yes
4.6.2.2	<p>KLSB establish replanting program latest updated 20/10/2021 with 1st program on 2021 and next will be in 2049.</p>	Yes
4.6.2.3	<p>KLSB established documented financial plan for 3 years from 2022 to 2024.</p> <ul style="list-style-type: none"> • Planting material • Cost per ton • Expected FFB output • Yield per ha 	Yes

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Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none">Price forecast	
4.6.2.4	<p>KLSB established the monthly monitoring for the FFB production. Documents reviewed on the monthly FFB production year 2021.</p> <p>The business plan is monitored through profit and loss statement on monthly and yearly basis. Latest report for the month of November 2021 is update, maintain and review.</p>	Yes
4.6.3.1	<p>KLSB manage purchasing of products by receiving quotation from seller.</p> <p>Documents reviewed and verified the quotation for purchasing of fertilizer and other works that states the proposed price with purchasing order issued based on the agreed price.</p>	Yes
4.6.3.2	<p>KLSB purchases of products and services such as purchasing of tools, chemicals and fertilizers using a quotation and purchase order system.</p> <p>The payment is made based on terms and conditions stated in the quotation provided by the supplier and issuance of purchase order to acknowledge and confirmation of the price</p>	Yes
4.6.4.1	<p>KLSB does not engaged contractors for field operations, transportation and others services.</p> <p>Therefore, no records of briefing established.</p>	Yes
4.6.4.2	<p>KLSB does not engage any contractors.</p> <p>Therefore, no contract agreement established.</p>	Yes
4.6.4.3	<p>KLSB does not engage any contractors.</p> <p>Therefore, no contract agreement established.</p>	Yes
4.6.4.4	<p>KLSB does not engage any contractors.</p> <p>Therefore, no contract agreement established.</p>	Yes

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Principle 7: Development of new planting		
Indicator	Summary of Assessment	Compliance
4.7.1.1	KLSB planting statements is review. There is no new planting conducted. Review on the submitted photos observed there is no new planting conducted within the estate. The 1 st planting is conducted on year 2000, the latest replanting conducted on February 2021 for 34.70 ha. Therefore, no biodiversity assessment required.	Yes
4.7.1.2	KLSB planting statements is review. There is no new planting conducted. Review on the submitted photos observed there is no new planting conducted within the estate. The replanting in February 2021 is 34.70 ha less than 100 ha. Therefore, no PMM required.	Yes
4.7.2.1	KLSB planting statement and maps are review, there is no peat land observed. Review on the submitted field photos observed there is no peat land occur within the estate.	Yes
4.7.3.1	KLSB planting statement is review and there is no new planting conducted. Therefore, no SEIA conducted.	Yes
4.7.3.2	KLSB planting statement is review and there is no new planting conducted. Therefore, no SEIA conducted.	Yes
4.7.3.3	KLSB planting statement is review and there is no new planting conducted. Therefore, no SEIA conducted.	Yes
4.7.3.4	There are no smallholder's scheme in KLSB certification. Therefore, not applicable.	Yes
4.7.4.1	KLSB planting statement is review and there is no new planting conducted. Therefore, no soil map established.	Yes
4.7.4.2	KLSB planting statement is review and there is no new planting conducted. Therefore, no topography map established.	Yes
4.7.5.1	KLSB planting statement is review and there is no new planting conducted. Therefore, no map established and no permit available.	Yes
4.7.5.2	KLSB planting statement is review and there is no new planting conducted. Therefore, no plan established.	Yes
4.7.5.3	KLSB planting statement is review and there is no new planting conducted. Therefore, no soil map established.	Yes
4.7.6.1	KLSB planting statement is review and there is no new planting conducted. Therefore, no FPIC conducted and no communities affected.	Yes
4.7.6.2	KLSB planting statement is review and there is no new planting conducted. There is no sacred sites, therefore no management plan established.	Yes
4.7.6.3	KLSB planting statement is review and there is no new planting conducted. Therefore, no SOP established.	Yes

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4.7.6.4	KLSB planting statement is review and there is no new planting conducted. Therefore, no compensation and agreement established.	Yes
4.7.6.5	KLSB planting statement is review and there is no new planting conducted. Therefore, no assessment established.	Yes
4.7.6.6	KLSB planting statement is review and there is no new planting conducted. Therefore, no system establish for calculating the compensation for distribution.	Yes
4.7.6.7	KLSB planting statement is review and there is no new planting conducted. Therefore, no compensation plan established.	Yes
4.7.6.8	KLSB planting statement is review and there is no new planting conducted. 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.
X	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.
	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
	1	MINOR Non-Conformities

Non Conformity Number < 01 >	
Indicator # and Description	4.4.1.1 Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. (MINOR)
Location:	Remote Document review
Description of Finding / Objective Evidence:	
KLSB established Social Impact Assessment, dated October 2020. The SIA established does not included input for internal and external stakeholders.	
Classification	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor

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Non Conformity Number < 01 >	
Raise by:	Mohamad Norhisham Bin Mohd Salleh
Date Raise:	24/11/2020
Deadline for implementation	24/12/2020
Root Cause Analysis (by company):	
Estate management do not examine the problem properly.	
Correction (by company):	
Action plan for SIA 2021 established.	
Corrective / Preventive Action (by company)	
SIA to include input from internal and external stakeholders is reviewed. The action plan stated on conducting SIA on March 2021 which will include feedback from internal and external stakeholders. The action plan is accepted and verification on implementation will be conducted on next surveillance audit.	
Review of Correction & Corrective / Preventive Action	
KLSB action plan for minor non-conformity received on 12/12/2020. SIA scheduled to be conducted on March 2021, which included input and feedback from internal and external stakeholders. Action plan provided is accepted. Implementation of action plan will be verify on next surveillance audit.	
Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site verification : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Name of Lead auditor:	Date of Closure:
Mohamad Norhisham Bin Mohd Salleh	12/12/2020
Review of Implementation	
Review the SIA established dated 15/10/2021 include the feedback from internal and external stakeholders. The implementation is considered appropriated.	
Name of Lead Auditor:	Date of Review:
Sheron Pui Ling Wui	14/12/2021

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,	3	MAJOR Non-Conformities
	1	MINOR Non-Conformities

Non Conformity Number 1	
Indicator # and Description	4.4.1.1 Social impacts should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.

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Non Conformity Number 1			
Location:	KLSB		
Description of Finding / Objective Evidence:			
KLSB established SIA dated 15/10/2021. Review the SIA found: <ul style="list-style-type: none"> The social assessment does not include the social impact for replanting. The social impacts does not categorize correctly into negative and positive impacts. The social survey form is use only for external stakeholders, no evidence of survey form for internal stakeholders recorded. 			
Classification	<input type="checkbox"/> Major	<input checked="" type="checkbox"/> Minor	
Raise by:	Sheron Pui Ling Wui	Date Raise:	14/12/2021
Deadline for implementation		Action plan to be submit latest by 13/01/2022	
Root Cause Analysis (by company):			
SIA forget to include social impact for replanting, categorize negative and positive impact and social survey form for internal stakeholders.			
Correction (by company):			
To use the social survey form for internal stakeholders and include the social impact replanting into SIA. To ensure all the negative and positive impacts are correctly categorized.			
Corrective / Preventive Action (by company)			
PIC to update SIA will take note to include replanting and used social survey form for internal stakeholders.			
Review of Correction & Corrective / Preventive Action			
Review the action plan dated 11/01/2022. The action plan describes the SIA will update in October 2022 includes the followings: <ul style="list-style-type: none"> The use of social survey form when conduct survey for internal stakeholders. Social impact for replanting Social impact will categorize correctly into negative and positive impacts. Action plan is accepted, the implementation will review in next surveillance audit.			
Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Site verification : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Name of Lead Auditor: Sheron Pui Ling Wui		Date of Closure: 11/01/2022	
Review of Implementation			
Name of Lead Auditor / Auditor:		Date of Review:	

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Non Conformity Number 2			
Indicator # and Description	4.4.5.3 Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.		
Location:	KLSB		
Description of Finding / Objective Evidence:			
<p>Review the employment contracts states as follows:</p> <ul style="list-style-type: none"> The workers are entitle for 14 paid holidays include the Sabah Governor's Birthday and Prophet Muhammad's Birthday. If the workers agrees work at paid public holiday the workers is entitled for 3 times wages rate than the normal wage rate. <p>Review the October 2021 payslips and payroll for workers no.3, no.4, no.5 and no.6. These workers work on the 2 public holidays for Sabah Governor's Birthday on 02/10/2021 and Prophet Muhammad's Birthday on 19/10/2021. However, the wages are paid at the normal wage rate.</p>			
Classification	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor		
Raise by:	Sheron Pui Ling Wui <table style="float: right; border: none;"> <tr> <td>Date Raise:</td> <td>14/12/2021</td> </tr> </table>	Date Raise:	14/12/2021
Date Raise:	14/12/2021		
Deadline for implementation	13/02/2022		
Root Cause Analysis (by company):			
KLSB staff forget to record and pay the paid holiday.			
Correction (by company):			
KLSB staff to double check all the payment for October 2021.			
Corrective / Preventive Action (by company)			
The paid holiday for October 2021 has been paid to workers in December 2021 salary payment.			
Review of Correction & Corrective / Preventive Action			
<p>Review the worker's payslips dated 08/01/2021 includes the payment for October 2021 two public holidays for Sabah Governor's Birthday on 02/10/2021 and Prophet Muhammad's Birthday on 19/10/2021 with total amount of RM92.40.</p> <p>The action taken is appropriate to close the non-conformity.</p>			
Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Name of Lead Auditor: Sheron Pui Ling Wui	Date of Closure: 11/01/2022		
Review of Implementation			
Name of Lead Auditor / Auditor:	Date of Review:		

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Non Conformity Number 3			
Indicator # and Description	4.4.6.1 All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.		
Location:	KLSB		
Description of Finding / Objective Evidence:			
KLSB conducted the external stakeholders on 05/11/2021 via email however the communication does not includes the SOP Consultation and Communication, all company policies and SOP Complaint and Grievances.			
Classification	<input checked="" type="checkbox"/> Major	<input type="checkbox"/> Minor	
Raise by:	Sheron Pui Ling Wui	Date Raise:	14/12/2021
Deadline for implementation	13/02/2022		
Root Cause Analysis (by company):			
KLSB communication with stakeholders forget to include SOP consultation and communication, all company policies and SOP complaint and grievances.			
Correction (by company):			
Re-email all the documents to all the stakeholders.			
Corrective / Preventive Action (by company)			
KLSB PIC for stakeholders will take note on communication with stakeholders should include company policies, SOP consultation and communication and SOP complaint and grievances.			
Review of Correction & Corrective / Preventive Action			
Review the email sent to external stakeholders dated 08/01/2022 includes the company policies, SOP consultation and communication and SOP complaint and grievances.			
The evidence submitted is appropriate to close the non-conformity.			
Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Name of Lead Auditor: Sheron Pui Ling Wui	Date of Closure: 11/01/2022		
Review of Implementation			
Name of Lead Auditor / Auditor:	Date of Review:		

Non Conformity Number 4	
Indicator # and Description	4.5.1.2 The environmental management plan shall cover the following: b) The aspects and impacts analysis of all operations.
Location:	KLSB
Description of Finding / Objective Evidence:	

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Non Conformity Number 4	
KLSB established Environmental impacts, mitigations plans and continuous improvement plans include the aspects and impacts analysis of estate operations dated 15/09/2021.	
There are replanting activities carried out in January and February 2021, however aspect and impacts analysis was not conducted.	
Classification	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor
Raise by:	Chan Shi Lie Date Raise: 14/12/2021
Deadline for implementation	13/02/2022
Root Cause Analysis (by company):	
Replanting activities forget to include in the assessment.	
Correction (by company):	
KLSB conduct and include the aspect and impacts analysis for replanting activities in the document.	
Corrective / Preventive Action (by company)	
PIC update for the Environmental impacts, mitigations plans and continuous improvement plans will ensure the assessment include replanting activities.	
Review of Correction & Corrective / Preventive Action	
Review the Environmental impacts, mitigations plans and continuous improvement plans updated 11/01/2021, replanting is included in the assessment.	
The evidence submitted is appropriate to close the non-conformity.	
Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Name of Auditor: Chan Shi Lie	Date of Closure: 13/01/2022
Review of Implementation	
Name of Lead Auditor / Auditor:	Date of Review:

Nr.	Indicator	Description	Location	Opportunity for Improvement
1	4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification	KLSB	KLSB may consider improve the agenda discussion in management review meeting.
2	4.4.4.2 (j)	Records shall be kept of all accidents and be reviewed	KLSB	KLSB may consider improve monitoring of the accident and injuries report.

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Nr.	Indicator	Description	Location	Opportunity for Improvement
		periodically at quarterly intervals		
3	4.5.5.1	<p>4.5.5.1 The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities</p>	KLSB	KLSB may consider improve monitoring of outgoing water flowing through the estate.

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5. CONCLUSION

Keunggulan Ladang Sdn. Bhd. has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct surveillance audit consisting of one estate according to MSPO 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

There are 3 Major NCs raise and closed out successfully. 1 Minor non-conformance action plan is submitted and accepted. The implementation of Minor NC will be review and verify during the next audit.

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

In conclusion the certified unit has been established, implemented and continued to improve in managing the 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 estate:	1
Total certified production area:	110.98 Ha
Certified FFBS January to November 2021:	938.48 Mt
Project FFBS December 2021:	100 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, 22/12/2021

Sheron Pui Ling Wui
TUV NORD (Malaysia) Sdn Bhd
Audit Team Leader

Puchong, 13/01/2022

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

MSPO Certification Summary Report

Company Name: Keunggulan Ladang Sdn. Bhd.

Certifying Unit: Kunggulan Ladang Sdn. Bhd.

Client Number: 92-142

Audit Type: ASA 02

Mode of Audit: Remote



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